Contents

INTRODUCTION ......................................................................................................................................... 2

SECTION A – ADMISSION ............................................................................................................................ 3

A1: Eligibility for admission ...................................................................................................................... 3
A2: Procedure for admission .................................................................................................................... 4

SECTION B – CONTINUING OBLIGATIONS .............................................................................................. 5
B1: Continuing eligibility requirements .................................................................................................... 5
B2: Advice of Key Advisers ..................................................................................................................... 5
B3: Notifiable transactions ....................................................................................................................... 6
B4: Related party transactions ................................................................................................................. 7
B5: Reverse takeovers ............................................................................................................................. 8
B6: Requirement for notifications to a RIS ............................................................................................. 9
B7: Continuing website disclosures ....................................................................................................... 9
B8: Corporate governance ....................................................................................................................... 10
B9: Cancellation of admission ................................................................................................................. 10
B10: Discipline of Issuers ...................................................................................................................... 12

SECTION C: KEY ADVISERS ................................................................................................................... 12

ANNEX 1 - CLASS TESTS ........................................................................................................................... 13

ANNEX 2 - NOTIFIABLE TRANSACTIONS ............................................................................................... 17

ANNEX 3 - KEY ADVISERS ..................................................................................................................... 18

RESPONSIBILITIES OF A KEY ADVISER ............................................................................................... 18
PRINCIPLES FOR KEY ADVISERS ........................................................................................................ 18
ROLE OF A KEY ADVISER .................................................................................................................. 19
CRITERIA FOR APPROVAL AS A KEY ADVISER ................................................................................... 20
SUPERVISION OF KEY ADVISERS ......................................................................................................... 21
CANCELLATION OF KEY ADVISER STATUS ........................................................................................... 23
DISCIPLINE OF KEY ADVISERS ............................................................................................................ 24

GLOSSARY .................................................................................................................................................. 25
INTRODUCTION

A. These rules apply to Issuers (and their Key Advisers) applying to admit securities, or with securities admitted, to trading on the High Growth Segment of the Main Market, part of the regulated market operated by the Exchange.

B. The High Growth Segment opened on 27 March 2013. It offers admission to trading to the Main Market principally for high growth, trading businesses that intend in due course to seek admission to the Official List but that may not yet meet the applicable eligibility criteria, in particular due to having a lower proportion of securities in public hands.

C. As a segment of an EU regulated market, Issuers with securities admitted to, or applying for admission to, the High Growth Segment must comply with certain EU directive standards, such as applicable parts of the FCA Disclosure Rules and Transparency Rules and the Prospectus Rules.

D. Other rules that will apply to Issuers include the Admission & Disclosure Standards issued by the Exchange, which should be read in conjunction with these rules. An Issuer will also need to comply with the national law and regulation of its country of incorporation.

E. Securities admitted to the High Growth Segment are not admitted to the Official List maintained by the FCA and therefore the Listing Rules do not apply.

F. Admission to the High Growth Segment is determined by the Exchange on the basis of information and submissions relating to eligibility given by the Issuer and its Key Adviser and on the basis that a prospectus has been approved by the FCA or other EEA State competent authority.

G. Prospective Issuers considering applying for admission to the High Growth Segment should consult with the Exchange (via the Primary Market Regulation Team) at the earliest possible opportunity in order to discuss their eligibility.

H. Questions or concerns in relation to the interpretation of these rules should be addressed at the earliest possible opportunity to the Primary Market Regulation Team. The Exchange may modify or dispense with these rules in individual cases as it considers appropriate.

I. Terms in bold are defined in the Glossary at the end of these rules.

J. The prospectus required under rule 3, any documents sent to shareholders and any information required by these rules (including the website at section B7) must be in English.

K. The rules relating to the trading of securities are set out in the Rules of the London Stock Exchange.
SECTION A – ADMISSION

1. This section applies to Issuers that do not already have securities admitted, unless (i) admission is sought for a new class of securities, or (ii) admission is the result of a reverse takeover involving an Issuer that previously had securities admitted, in which case this section shall apply unless the Exchange otherwise determines.

A1: Eligibility for admission

2. In order to be eligible for admission, and in addition to the requirements of the Admission & Disclosure Standards, the following criteria must be satisfied, at admission, unless the Exchange otherwise agrees:

2.1. the Issuer together with its subsidiary undertakings must be a trading business

2.2. the Issuer must control the majority of its assets

2.3. the Issuer must be able to demonstrate growth in audited consolidated revenue, prepared in a form consistent with that which will be adopted in the Issuer’s next published financial statements, of at least 20% on a CAGR basis over the prior three financial years

2.4. at least 10% of the number of securities to be admitted must be in public hands

2.5. the value of the securities in public hands must be at least £30 million. The majority of the £30 million must be raised at admission by the issue of new securities or sale of existing securities from the same class as that to be admitted

2.6. there will be a sufficient number of registered holders of the securities to be admitted to provide an orderly market in the securities following admission

2.7. the securities to be admitted must form part of the Issuer’s equity share capital, must conform with the laws and regulations of the Issuer’s place of incorporation and be duly authorised according to the requirements of the Issuer’s constitution as well as having any other necessary consents, and

2.8. the Issuer must:

2.8.1. be duly incorporated or otherwise validly established in an EEA State and must operate in conformity with its constitution, and

2.8.2. be a public limited company or similar EEA corporate structure.

3. In addition, to be eligible for admission, the Issuer must have published prior to admission a prospectus in relation to the securities to be admitted that must have been approved by the FCA or another EEA State competent authority as applicable. To the extent permitted by the relevant competent authority, that prospectus (as well any notification to a RIS at admission) should include the following:

3.1. a statement, ideally on the front page, prominently and boldly, stating the following:

"Admission to the High Growth Segment of the Main Market of the London Stock Exchange is primarily intended for high growth companies, which are likely to have a lower proportion

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1 GUIDANCE – Issuers should note that certain of the eligibility requirements set out here are continuing obligations pursuant to section B1
2 GUIDANCE - an Issuer should not, for example, be a mineral resource company at exploration stage, or an investment entity
of securities in public hands at admission than companies admitted to the Official List. High Growth Segment securities are not admitted to the Official List of the Financial Conduct Authority. Therefore the company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not required to comply with the Financial Conduct Authority’s Listing Rules. The London Stock Exchange has not examined or approved the contents of this document. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.”

3.2. a non-binding indication in the section of the prospectus dealing with information on the Issuer (and in any notification to a RIS at admission) setting out that the Issuer intends to apply for admission to the Official List in the future and how it intends to satisfy the eligibility criteria for admission to the Official List.

4. In addition, to be eligible for admission, an Issuer must have appointed a Key Adviser in relation to an admission. The Key Adviser must comply with the requirements of Annex 3 of these rules.

5. In addition to the powers set out in the Admission & Disclosure Standards, even if an application for admission by an Issuer satisfies all of the criteria set out in this section A1, the Exchange may refuse admission or may impose any conditions to admission if it considers that admission would or may be detrimental to investors’ interests, the reputation of the High Growth Segment or the Exchange.

A2: Procedure for admission

6. In addition to the requirements for admission set out in the Admission & Disclosure Standards, to apply for admission:

6.1. a Key Adviser must submit to the Exchange a draft copy of the eligibility letter by email to the Primary Market Regulation Team no later than the date on which a draft prospectus is first submitted for review to the FCA or other EEA State competent authority

6.2. an Issuer (or Key Adviser on its behalf) must submit to the Exchange at least two business days before the Exchange is to consider the application for admission, the following by email to the Primary Market Regulation Team:

6.2.1. a completed Issuer Declaration

6.2.2. where the prospectus is approved by an EEA State competent authority other than the FCA, a certificate of approval, and

6.2.3. any other documentation required by the Exchange in connection with assessing the Issuer’s eligibility, and

6.3. a Key Adviser must submit to the Exchange at least two business days before the Exchange is to consider the application for admission by email to the Primary Market Regulation Team:

6.3.1. a completed Key Adviser Declaration

6.3.2. the final form eligibility letter, and

6.3.3. any other documentation required by the Exchange in connection with assessing the Issuer’s eligibility.

7. An Issuer in the case of rule 6.2 and information required by the Admission & Disclosure Standards or Key Adviser in the case of the whole of rule 6, in each case must inform the
Exchange (via the Primary Market Regulation Team) without delay of any change in the information provided under those provisions that occurs prior to admission. Where, in the opinion of the Exchange, such change(s) result in the information being significantly different to that initially provided or otherwise being material in the context of the admission, the Exchange may delay admission.

8. The Exchange may publish the information contained in the documents it receives pursuant to rule 6.1 or the Admission & Disclosure Standards, in particular by noting details of the proposed admission on its website.

9. Admission becomes effective at the time set out in the Admission & Disclosure Standards.

SECTION B – CONTINUING OBLIGATIONS

10. This section applies to Issuers that have securities admitted.

B1: Continuing eligibility requirements

11. While it has securities admitted, the Issuer must comply with the criteria set out in rule 2 (other than those at rules 2.3, 2.5 and 2.6) as if they applied on a continuing basis.

12. In addition to the requirements in the Admission & Disclosure Standards, an Issuer must:

   12.1. deal with the Exchange in an open and co-operative way and deal with all enquiries raised by the Exchange promptly

   12.2. promptly notify the Exchange if it becomes aware that it is likely to fail or has failed to comply with its obligations under these rules or the Admission & Disclosure Standards, and

   12.3. provide to the Exchange any information or explanation the Exchange might reasonably require for the purpose of verifying whether these rules are being or have been complied with.

13. In relation to any further issue of securities of the same class, the provisions of the Admission & Disclosure Standards apply and a Form 1 must be submitted to the Exchange for admission of such securities.

B2: Advice of Key Advisers

14. An Issuer must obtain the guidance of a Key Adviser to assist it with the application of these rules and the Admission & Disclosure Standards where it (or any of its subsidiary undertakings) is proposing to enter into or undertake any significant transaction or a significant event occurs, including any of the following:

   14.1. a transaction which due to its size or nature could amount to a notifiable transaction, related party transaction or reverse takeover

   14.2. cancellation of its admission

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GUIDANCE - For the avoidance of doubt, the role of the Key Adviser after admission is to advise the Issuer only and the Key Adviser will not owe duties to the Exchange in relation to such advice.
14.3. a further issue of securities or a purchase of own securities of the same class to that which is admitted, or

14.4. severe financial difficulty, including in relation to any associated restructuring, reconstruction or disposal.

B3: Notifiable transactions

15. In this section B3, (except where specifically provided to the contrary) a reference to a transaction by an Issuer:

15.1. subject to paragraphs 15.3, 15.4 and 15.5, includes all agreements (including amendments to agreements) entered into by the Issuer (or its subsidiary undertakings)

15.2. includes the grant or acquisition of an option as if the option had been exercised except that, if exercise is solely at the Issuer’s (or its subsidiary undertaking’s) discretion, the transaction will be classified on exercise and only the consideration (if any) for the option will be classified on the grant or acquisition

15.3. excludes a transaction in the ordinary course of business

15.4. excludes an issue of securities, or a transaction to raise finance, which does not involve the acquisition or disposal of any fixed asset of the Issuer (or of its subsidiary undertakings), and

15.5. excludes any transaction between the Issuer and its wholly-owned subsidiary undertaking or between its wholly-owned subsidiary undertakings.

16. In assessing whether a transaction is in the ordinary course of an Issuer’s business, regard should be had to the size and incidence of similar transactions which the Issuer (or its subsidiary undertakings) has entered into.

17. A transaction is classified by assessing its size relative to that of the company proposing to make it. The comparison of size is made by using the percentage ratios that result from applying the class test calculations to a transaction. The class tests are set out in Annex 1.

18. A “notifiable transaction” is a transaction where any percentage ratio is 25% or more.

19. Transactions completed during the 12 months before the date of the latest transaction must be aggregated with that transaction for the purposes of classification if:

19.1. they are entered into by the Issuer (or its subsidiary undertaking) with the same person or with persons connected with one another

19.2. they involve the acquisition or disposal of securities or an interest in one particular company, or

19.3. together they lead to substantial involvement in a business activity which did not previously form a significant part of the Issuer’s group’s principal activities.

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4 GUIDANCE - Where relevant when considering whether a transaction is a notifiable transaction, the following Listing Rules should be regarded as guidance: Listing Rules 10.2.4 to 10.2.9 R inclusive in relation to indemnities and similar arrangements, break fee arrangements and Issues by major subsidiary undertakings. The Exchange may require an Issuer to provide its calculations of the percentage ratios in connection with a transaction and the Issuer’s reasons for concluding whether or not a transaction is a notifiable transaction.
20. An **Issuer** must notify a **RIS** as soon as possible after the terms of a **notifiable transaction** are agreed in the terms set out in Annex 2, noting also the requirements for a supplementary notification set out in that Annex.

**B4: Related party transactions**

21. A "**related party transaction**" is a transaction where any **percentage ratio** is 5% or more, and it is:

21.1. a transaction (other than a transaction in the ordinary course of business) between an **Issuer** and a **related party**

21.2. an arrangement (other than an arrangement in the ordinary course of business) pursuant to which an **Issuer** and a **related party** each invests in, or provides finance to, another undertaking or asset, or

21.3. any other similar transaction or arrangement (other than a transaction in the ordinary course of business) between an **Issuer** and any other **person** the purpose and effect of which is to benefit a **related party**.

22. In this section B4, a reference to a transaction or arrangement:

22.1. by an **Issuer** includes a transaction or arrangement by its **subsidiary undertaking**, and

22.2. is, unless the contrary intention appears, a reference to the entering into of the agreement for the transaction or the entering into of the arrangement.

23. In assessing whether a transaction is in the ordinary course of business, regard should be had to the size and incidence of the transaction and also whether the terms and conditions of the transaction are unusual. Rule 25 will apply to the variation or novation of an existing agreement between an **Issuer** and a **related party** whether or not, at the time the original agreement was entered into, that party was a **related party**.

24. If an **Issuer** enters into transactions or arrangements with the same **related party** in any 12 month period, the transactions or arrangements must be aggregated. If any **percentage ratio** is 5% or more for the aggregated transactions or arrangements, the **Issuer** must comply with rule 25 in respect of the latest transaction or arrangement.°

25. If an **Issuer** enters into a **related party transaction**, the **Issuer** must make a notification in accordance with rule 20 as if it were a **notifiable transaction**, including also the following:

25.1. the name of the **related party**, and

25.2. details of the nature and extent of the **related party's** interest in the transaction or arrangement.

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° GUIDANCE - or with any ‘associate’ of a **related party** as such term is defined in the **Listing Rules**

° GUIDANCE - The **Exchange** may require an **Issuer** to provide its calculations of the **percentage ratios** in connection with the transaction and the **Issuer's** reasons for concluding whether or not a transaction is a **related party transaction**. The following should be taken into consideration as guidance when considering whether a transaction or arrangement is a **related party transaction**:  

- paragraph 1 or 1A of **Listing Rule 11 Annex 1 R** (a small transaction or a transaction the terms of which were agreed before a **person** became a related party); or  

- paragraphs 2 to 9 of **Listing Rule 11 Annex 1 R** and does not have any unusual features.
B5: Reverse takeovers

26. Where an Issuer wishes to undertake a reverse takeover, it must:

26.1. comply with the requirements of section B3 as if it were a notifiable transaction

26.2. send an explanatory circular to its shareholders and obtain their prior approval in a general meeting for the transaction which constitutes the reverse takeover, and

26.3. ensure that any agreement that effects such transaction is conditional on that shareholder approval being obtained.

27. Matters relating to the circular and material change:

27.1. The circular required by rule 26.2 should include all relevant information to enable shareholders to make an informed decision about the proposed reverse takeover.

27.2. If after publication of the circular but before the general meeting a material change or new matter occurs which the Issuer should have included in the circular if it had been in existence at the time of its publication, the Issuer should send a supplementary circular to its shareholders providing an explanation of such change or matter.

27.3. If, after obtaining shareholder approval but before the completion of the reverse takeover, there is a material change to the terms of the transaction, the Issuer must comply again with rule 26.

28. Where shareholder approval is given for the reverse takeover, admission of the securities will be cancelled. The Issuer, as enlarged by the reverse takeover, must re-apply for admission of its securities should it wish to be admitted and it must satisfy the relevant requirements set out in section A of these rules and the Admission & Disclosure Standards in relation to the admission, together with any other applicable rules such as the Prospectus Rules.

29. Suspension in relation to a reverse takeover:

29.1. An Issuer must contact the Exchange via the Primary Market Regulation Team as early as possible:

29.1.1. before announcing a reverse takeover which has been agreed or is in contemplation, to discuss whether a suspension of trading of the securities under the Admission & Disclosure Standards is appropriate, or

29.1.2. where details of the reverse takeover have leaked, to request such a suspension of trading.

29.2. Examples of where a reverse takeover will be considered as in contemplation include situations where:

29.2.1. the Issuer (or its subsidiary undertaking) has approached the target company's board

GUIDANCE - The Exchange may require an Issuer to provide its calculations of the percentage ratios in connection with a transaction, the Issuer's reasons for concluding whether or not a transaction is a reverse takeover and a confirmation from the Issuer in relation to the publicly available information about the target.

GUIDANCE - Listing Rules 13.3 – 5 inclusive should be used as guidance in relation to the contents of the circular. For the avoidance of doubt, the Exchange does not approve the contents of the circular to be sent to shareholders. If a prospectus for the Issuer as enlarged by the reverse takeover is published and sent to shareholders with the notice of the meeting required by rule 26.2, the Issuer will be deemed to have satisfied the requirements of that rule in relation to the publication of a circular.
29.2.2. the **Issuer** (or its **subsidiary undertaking**) has entered into an exclusivity period with a **target** company, or

29.2.3. the **Issuer** (or its **subsidiary undertaking**) has been given access to begin due diligence work (whether or not on a limited basis).

29.3. Generally, when a **reverse takeover** is announced or leaked, there will be insufficient publicly available information about the proposed transaction and the **Issuer** will be unable to assess accurately its financial position and inform the market accordingly. In this case, the **Exchange** will often consider that **suspension of trading** will be appropriate. However, if the **Exchange** is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the **Issuer** that a **suspension of trading** is not required.⁹

**B6: Requirement for notifications to a RIS**

30. An **Issuer** must notify an **RIS** without delay of:

30.1. the resignation, dismissal or appointment of any **director** giving the date of such occurrence and, in relation to an appointment, including usual biographical information about such **director** as might be found in a **prospectus** including details of any holding of **securities** in the **Issuer**

30.2. any change in its accounting reference date, registered office address or legal name

30.3. any decision to make any payment in respect of the **securities** specifying the net amount payable per security, the payment date and the record date

30.4. the admission or cancellation of any of the **Issuer’s securities**, including the reason(s), and details of any **securities** taken in and out of **treasury shares**

30.5. any proposed or actual change in the **Issuer’s** capital structure and the results of any new issue of **securities**, and

30.6. details of all resolutions passed at a general meeting of the **Issuer** other than resolutions concerning ordinary business passed at an annual general meeting.

**B7: Continuing website disclosures**

31. An **Issuer** must from **admission** maintain a website on which the following information in relation to it should be easily available, free of charge:

31.1. a description of its or its **group’s** business

31.2. the names of the **Issuer’s directors** and brief biographical details of each, as would normally be included in a **prospectus**

31.3. a description of the responsibilities of the members of the board of **directors** and details of any committees of the board of **directors** and their responsibilities

31.4. the **Issuer’s** country of incorporation and main country of operation

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⁹ **GUIDANCE** - In considering whether **suspension of trading** is required, the **Exchange** may, if it considers relevant, refer for guidance to **Listing Rules** 5.6.10 G to 5.6.18 R inclusive, as well as considering its duties as a **Recognised Investment Exchange**.
31.5. its current constitutional documents (e.g. its articles of association)
31.6. details of any other exchanges or trading platforms on which the Issuer has applied or agreed to have any of its securities admitted or traded
31.7. the number of securities in issue (noting any held as treasury shares)
31.8. details of any restrictions on the transfer of its securities
31.9. its most recent annual financial report and any subsequent half-yearly, quarterly or similar reports
31.10. the information in relation to corporate governance required to be included in an Issuer’s annual financial report in accordance with section B8
31.11. all notifications to a RIS the Issuer has made in the past 12 months
31.12. taking into account any restrictions in relation to applicable securities laws, its most recent prospectus together with any circulars or documents sent to shareholders within the past 12 months, and
31.13. details of its key professional advisers (as might normally be found in a prospectus).

B8: Corporate governance

32. An Issuer must ensure that the following additional items are included in its annual financial report on an ongoing basis:

32.1. details of the corporate governance code to which the Issuer is subject and/or details of the corporate governance code or practices which the Issuer may have voluntarily decided to apply, and where such code or practices are publicly available
32.2. a statement as to how the Issuer has applied the main principles set out in such code or practices, in a manner that would enable shareholders to evaluate how the principles have been applied, and
32.3. a statement as to:
   32.3.1. which relevant provisions set out in code or practices the Issuer has complied with throughout the accounting period, or
   32.3.2. where it has not complied with the relevant provisions, set out those provisions and explain the reasons for non-compliance, and
   32.3.3. in the case of provisions whose requirements are of a continuing nature, the period within which, if any, it did not comply with some or all of those provisions.

B9: Cancellation of admission

33. Except as set out in rule 34, an Issuer that wishes to cancel its admission of securities must:

33.1. Shareholder consent:
   33.1.1. obtain, at a general meeting, the prior approval of a resolution for the cancellation from a majority of not less than 75% of shareholders as (being entitled to do so) vote in person or, where proxies are allowed, by proxy. The relevant meeting should be convened by way of the requisite notice required under the Issuer’s constitution or applicable law, and should set out:
33.1.1.1. the reasons for the intended cancellation

33.1.1.2. the anticipated date of cancellation (which must not be less than 20 business days following the passing of the resolution required by this rule), and

33.1.1.3. all relevant information to enable the shareholders to make an informed decision.

33.2. notify a RIS, at the same time as the notice convening the meeting required by rule 33.1 above is despatched, of the intended cancellation and of the notice period and meeting, and

33.3. also subsequently notify a RIS of the outcome of the above meeting.

34. Rule 33 does not apply:

34.1. where there is a concurrent application for admission of the securities to the Premium listing segment of the Official List, or

34.2. in the case of a takeover where:

34.2.1. the offeror has by virtue of its shareholdings and acceptances of the offer, acquired or agreed to acquire issued share capital carrying 75% of the voting rights of the Issuer, and

34.2.2. the offeror has stated in the offer document or any subsequent circular sent to the shareholders that a notice period of not less than 20 business days prior to cancellation will commence either on the offeror attaining the required 75% described above or on the first date of issue of compulsory acquisition notices under section 979 of the Companies Act 2006 (Right of offeror to buy out minority shareholders), or equivalent provisions in the relevant legislation or regulation of the Issuer's country of incorporation.

34.2.3. In the circumstances of 34.2.1 and 34.2.2, the Issuer must notify shareholders that the required 75% has been attained and that the notice period has commenced and of the anticipated date of cancellation or the explanatory letter or other material accompanying the section 979 notice (or equivalent) must state that the notice period has commenced and the anticipated date of cancellation.

34.3. in the case of a cancellation of admission as a result of a scheme of arrangement or equivalent court approved or insolvency event, where the Exchange has in advance confirmed that rule 33 will not apply.

35. The provisions of this section B9 supersede where relevant the requirements of the Admission & Disclosure Standards in relation to cancellation of admission.

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10 GUIDANCE - Listing Rule 13.3.1 R should be used as guidance in relation to the contents of the circular. For the avoidance of doubt, the Exchange does not approve the contents of the circular to be sent to shareholders.

11 Shareholder consent as set out in rule 33 is required for a transfer to the Standard listing segment of the Official List. Rule 27.2 in relation to a material change or new matter occurring shall be deemed to apply to the circular required by this section B9 also.

12 GUIDANCE - as such term is defined in the FCA Handbook.

13 GUIDANCE - Listing Rule S.2.12 R should be used as guidance.
B10: Discipline of Issuers

36. Where the Exchange considers that an Issuer is in breach of its responsibilities and obligations under these rules, the Exchange may take disciplinary action against such Issuer and the Compliance Procedures set out in the Admission & Disclosure Standards shall apply to breaches of these rules as well as to breaches of the Admission & Disclosure Standards.

SECTION C: KEY ADVISERS

37. Rule 4 and rule 14 require, respectively, the appointment of a Key Adviser for admission and that the guidance of a Key Adviser is sought for certain events occurring after admission.

38. Annex 3 applies to persons intending to act or acting as Key Advisers in relation to these rules.

39. An Issuer must ensure that prior to engaging a person to act as Key Adviser, that person is on the list of Key Advisers, which is available from the Exchange on request to the Primary Market Regulation Team.

40. An Issuer must ensure that the Exchange is informed promptly of the name and contact details of any Key Adviser appointed in accordance with these rules.

41. An Issuer must notify the Exchange in writing at the earliest possible opportunity of the resignation or dismissal of any Key Adviser that it had appointed. In the case of a dismissal, the reasons for the dismissal must be included in the notification. The notification must be copied to the Key Adviser.

42. An Issuer must cooperate with its Key Adviser in relation to its performance of the Key Adviser role by providing the Key Adviser with all information reasonably requested by the Key Adviser for the purpose of performing the Key Adviser role.
### ANNEX 1 - CLASS TESTS

**Class tests**

1. This Annex sets out the following class tests:

   1. the gross assets test;
   2. the profits test;
   3. the consideration test; and
   4. the gross capital test.

**The gross assets test**

2. (1) The assets test is calculated by dividing the gross assets the subject of the transaction by the gross assets of the Issuer.

   (2) The gross assets of the Issuer means the total non-current assets, plus the total current assets, of the Issuer.

   (3) For:

      (a) an acquisition of an interest in an undertaking which will result in consolidation of the assets of that undertaking in the accounts of the Issuer; or

      (b) a disposal of an interest in an undertaking which will result in the assets of that undertaking no longer being consolidated in the accounts of the Issuer;

   the gross assets the subject of the transaction means the value of 100% of that undertaking’s assets irrespective of what interest is acquired or disposed of.

   (4) For an acquisition or disposal of an interest in an undertaking which does not fall within paragraph (3), the gross assets the subject of the transaction means:

      (a) for an acquisition, the consideration together with liabilities assumed (if any); and

      (b) for a disposal, the assets attributed to that interest in the Issuer’s accounts.

   (5) If there is an acquisition of assets other than an interest in an undertaking, the assets the subject of the transaction means the consideration or, if greater, the book value of those assets as they will be included in the Issuer’s balance sheet.

   (6) If there is a disposal of assets other than an interest in an undertaking, the assets the subject of the transaction means the book value of the assets in the Issuer’s balance sheet.

3. The Exchange may modify paragraph 2 to require, when calculating the assets the subject of the transaction, the inclusion of further amounts if contingent assets or arrangements are involved.

**The profits test**

4. (1) The profits test is calculated by dividing the profits attributable to the assets the subject of the transaction by the profits of the Issuer.
(2) For the purposes of paragraph (1), profits means:
(a) profits after deducting all charges except taxation; and
(b) for an acquisition or disposal of an interest in an undertaking referred to in paragraph 2 (3)(a) or (b) of this Annex, 100% of the profits of the undertaking (irrespective of what interest is acquired or disposed of).

(3) If the acquisition or disposal of the interest will not result in consolidation or deconsolidation of the target then the profits test is not applicable.

4A The amount of loss is relevant in calculating the impact of a proposed transaction under the profits test. An Issuer should include the amount of the losses of the Issuer or target i.e. disregard the negative when calculating the test.

The consideration test

5 (1) The consideration test is calculated by taking the consideration for the transaction as a percentage of the aggregate market value of all the ordinary shares (excluding treasury shares) of the Issuer.

(2) For the purposes of paragraph (1):
(a) the consideration is the amount paid to the contracting party;
(b) if all or part of the consideration is in the form of securities to be traded on a market, the consideration attributable to those securities is the aggregate market value of those securities; and
(c) if deferred consideration is or may be payable or receivable by the Issuer in the future, the consideration is the maximum total consideration payable or receivable under the agreement.

(3) If the total consideration is not subject to any maximum, the transaction is to be treated as a notifiable transaction. 14

(4) For the purposes of sub-paragraph (2)(b), the figures used to determine consideration consisting of:
(a) securities of a class already admitted, must be the aggregate market value of all those securities on the last business day before the announcement; and
(b) a new class of securities for which an application for admission to trading will be made, must be the expected aggregate market value of all those securities.

(5) For the purposes of paragraph (1), the figure used to determine market capitalisation is the aggregate market value of all the ordinary shares (excluding treasury shares) of the Issuer at the close of business on the last business day before the announcement.

6 The Exchange may modify paragraph 5 to require the inclusion of further amounts in the calculation of the consideration. For example, if the purchaser agrees to discharge any liabilities, including the repayment of inter-company or third party debt, whether actual or contingent, as part of the terms of the transaction.

The gross capital test

14 GUIDANCE – the rules relating to reverse takeovers should also be considered
The gross capital test is calculated by dividing the gross capital of the company or business being acquired by the gross capital of the Issuer.

The test in paragraph (1) is only to be applied for an acquisition of a company or business.

For the purposes of paragraph (1), the gross capital of the company or business being acquired means the aggregate of:

- the consideration (as calculated under paragraph 5 of this Annex);
- if a company, any of its shares and debt securities which are not being acquired;
- all other liabilities (other than current liabilities) including for this purpose minority interests and deferred taxation; and
- any excess of current liabilities over current assets.

For the purposes of paragraph (1), the gross capital of the Issuer means the aggregate of:

- the market value of its shares (excluding treasury shares) and the issue amount of the debt security;
- all other liabilities (other than current liabilities) including for this purpose minority interests and deferred taxation; and
- any excess of current liabilities over current assets.

For the purposes of paragraph (1):

- figures used must be, for shares and debt security aggregated for the purposes of the gross capital percentage ratio, the aggregate market value of all those shares (or if not available before the announcement, their nominal value) and the issue amount of the debt security; and
- for shares and debt security aggregated for the purposes of paragraph (3)(b), any treasury shares held by the company are not to be taken into account.

Figures used to classify assets and profits

For the purposes of calculating the tests in this Annex, except as otherwise stated in paragraphs (2) to (6), figures used to classify assets and profits, must be the figures shown in the latest published audited consolidated accounts or, if an Issuer has, or will have, published a preliminary statement of later annual results at the time the terms of a transaction are agreed, the figures shown in that preliminary statement.

If a balance sheet has been published in a subsequently published interim statement then gross assets and gross capital should be taken from the balance sheet published in the interim statement.

The figures of the Issuer must be adjusted to take account of subsequent completed transactions which have been notified to a RIS pursuant to rule 20.

The figures of the target company or business must be adjusted to take account of subsequent completed transactions which would have been a notifiable transaction or greater when classified against the target as a whole.

Figures on which the auditors are unable to report without modification must be disregarded.
When applying the **percentage ratios** to an acquisition by a company whose assets consist wholly or predominantly of cash or short-dated **securities**, the cash and short-dated **securities** must be excluded in calculating its assets and market capitalisation.

The principles in this paragraph also apply (to the extent relevant) to calculating the assets and profits of the **target** company or business.

The **Exchange** may modify paragraph 8(4) in appropriate cases to permit figures to be taken into account.

If a calculation under any of the **class tests** produces an anomalous result or if a calculation is inappropriate to the activities of the **Issuer**, the **Exchange** may modify the relevant rule to substitute other relevant indicators of size, including industry specific tests.

Where an **Issuer** wishes to make adjustments to the figures used in calculating the **class tests** they should discuss this with the **Exchange** before the **class tests** crystallise.
ANNEX 2 - NOTIFIABLE TRANSACTIONS

1. The notification required by section B3 must include:
   1.1. details of the transaction, including the name of the other party to the transaction
   1.2. a description of the business carried on by, or using, the net assets the subject of the transaction
   1.3. the consideration, and how it is being satisfied (including the terms of any arrangements for deferred consideration)
   1.4. the value of the gross assets the subject of the transaction
   1.5. the profits attributable to the assets the subject of the transaction
   1.6. the effect of the transaction on the Issuer including any benefits which are expected to accrue to the Issuer as a result of the transaction
   1.7. details of any service contracts of proposed directors of the Issuer;
   1.8. for a disposal, the application of the sale proceeds
   1.9. for a disposal, if securities are to form part of the consideration received, a statement whether the securities are to be sold or retained,
   1.10. details of key individuals important to the business or company the subject of the transaction, and
   1.11. where the transaction is a reverse takeover:
       1.11.1. details of the general meeting to be held by the Issuer in connection with the reverse takeover, and
       1.11.2. where and when an explanatory circular as required by rule 26.2 will be available.

2. Supplementary notification\(^{15}\):
   2.1. An Issuer must notify a RIS as soon as possible if, after the notification under 1 above it becomes aware that prior to completion of the transaction:
       2.1.1. there has been a significant change affecting any matter contained in that earlier notification, or
       2.1.2. a significant new matter has arisen which would have been required to be mentioned in that earlier notification if it had arisen at the time of the preparation of that notification.

   2.2. The supplementary notification must give details of the change or new matter and also contain a statement that, except as disclosed, there has been no significant change affecting any matter contained in the earlier notification and no other significant new matter has arisen which would have been required to be mentioned in that earlier notification if it had arisen at the time of the preparation of that notification.

   2.3. In paragraphs 2.1 and 2.2, significant means significant for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the rights attaching to any securities forming part of the consideration.

\(^{15}\) GUIDANCE – Issuers should also consider their obligations in relation to a reverse takeover under rule 27
ANNEX 3 - KEY ADVISERS

RESPONSIBILITIES OF A KEY ADVISER

1. A Key Adviser must in relation to a Key Adviser service:
   1.1. provide assurance to the Exchange when required that the responsibilities of the Issuer have been met
   1.2. provide to the Exchange any explanation or confirmation in such form and within such time limit as the Exchange reasonably requires in relation to an admission for the purposes of ensuring that these rules and the Admission & Disclosure Standards are being complied with by an Issuer, and
   1.3. guide the Issuer in understanding and meeting its responsibilities in relation to an admission under these rules and the Admission & Disclosure Standards.

2. A Key Adviser must, for so long as it provides a Key Adviser service:
   2.1. take such reasonable steps as are sufficient to ensure that any communication or information it provides to the Exchange in carrying out the Key Adviser service is, to the best of its knowledge and belief, accurate and complete in all material respects, and
   2.2. as soon as possible provide to the Exchange any information of which it becomes aware that materially affects the accuracy or completeness of information it has previously provided.

3. Where a Key Adviser provides information to the Exchange which is or is based on information it has received from a third party, in assessing whether a Key Adviser has complied with its obligations, the Exchange will have regard, amongst other things, to whether a Key Adviser has appropriately used its own knowledge, judgment and expertise to review and challenge the information provided by the third party.

4. The Key Adviser will be the main point of contact with the Exchange in relation to a Key Adviser service and for any subsequent matter that the Issuer requests be dealt with on its behalf by the Key Adviser.

PRINCIPLES FOR KEY ADVISERS

5. A Key Adviser must in relation to a Key Adviser service act with due care and skill.

6. Where, in relation to a Key Adviser service, a Key Adviser gives any guidance or advice to an Issuer on the application or interpretation of these rules or the Admission & Disclosure Standards, the Key Adviser must take reasonable steps to satisfy itself that the directors of the Issuer understand their responsibilities and obligations under those rules.

7. A Key Adviser must at all times (whether in relation to a Key Adviser service or otherwise):
   7.1. deal with the Exchange in an open and co-operative way, and
   7.2. deal with all enquiries raised by the Exchange promptly.

8. If, in connection with the provision of a Key Adviser service, a Key Adviser becomes aware that it, or an Issuer is failing or has failed to comply with its obligations under these rules or the Admission & Disclosure Standards, the Key Adviser must promptly notify the Exchange.

9. A Key Adviser must, in relation to a Key Adviser service, act with honesty and integrity.
10. A **Key Adviser** must take all reasonable steps to identify conflicts of interest that could adversely affect its ability to perform its functions properly under **these rules**.

11. In identifying conflicts of interest, **Key Advisers** should also take into account circumstances that could:

   11.1. create a perception in the market that a **Key Adviser** may not be able to perform its functions properly, or

   11.2. compromise the ability of a **Key Adviser** to fulfil its obligations to the **Exchange** in relation to the provision of a **Key Adviser service**.

12. Only one **Key Adviser** may be appointed by an **Issuer** in relation to **these rules** at any one time. A **Key Adviser** must not delegate any of its functions or permit another **person** to perform those functions. Where a **Key Adviser** wishes another member of its **group** to carry out any part of its **Key Adviser role**, it should seek the prior written permission of the **Exchange** via the **Primary Market Regulation Team**.

**ROLE OF A KEY ADVISER**

13. In relation to an **admission**, a **Key Adviser** must not submit to the **Exchange** a **Key Adviser Declaration** on behalf of an **Issuer**, in accordance with rule 6.3, unless it has come to a reasonable opinion, after having made due and careful enquiry, that:

   13.1. the **Issuer** has satisfied all requirements of **these rules** and the **Admission & Disclosure Standards**

   13.2. the **directors** have established procedures which enable the **Issuer** to comply with **these rules**, the **Admission & Disclosure Standards** and applicable **Disclosure Rules and Transparency Rules** on an ongoing basis

   13.3. the **directors** have established procedures which provide a reasonable basis for them to make proper judgments on an ongoing basis as to the financial position and prospects of the **Issuer** and its **subsidiary undertakings**, and

   13.4. the **directors** have a reasonable basis on which to make the working capital statement in the **prospectus**.

14. A **Key Adviser** must:

   14.1. submit a letter to the **Exchange** in the form prescribed on the **Exchange’s** website setting out how the **Issuer** satisfies the criteria in section A of **these rules** (i) in draft in accordance with rule 6.1 and (ii) in final form in accordance with rule 6.3 ("eligibility letter")

   14.2. submit a completed **Key Adviser’s Declaration** on an application for **admission** to the **Exchange** in accordance with rule 6.3, and

   14.3. ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the **Exchange** in considering:

       14.3.1. the application for **admission**

       14.3.2. whether the **admission** would be detrimental to investors' interests

            have been disclosed with sufficient prominence in the **prospectus** or otherwise in writing to the **Exchange**.
CRITERIA FOR APPROVAL AS A KEY ADVISER

List of Key Advisers

15. A list of Key Advisers is available from the Exchange on request to the Primary Market Regulation Team.

Application for approval as a Key Adviser

16. A person wanting to act as a Key Adviser must apply to the Exchange for approval as a Key Adviser by submitting the following to the Primary Market Regulation Team:

   16.1. a completed Key Adviser Application
   16.2. any applicable fee due to the Exchange on application for approval as a Key Adviser
   16.3. all additional documents, explanations and information as required by the Exchange, and
   16.4. verification of any information in such a manner as the Exchange may specify.

17. When considering an application for approval as a Key Adviser the Exchange may:

   17.1. carry out any enquiries and request any further information which it considers appropriate, including consulting other regulators
   17.2. request that the applicant or its specified representative answer questions and explain any matter the Exchange considers relevant to the application, and
   17.3. take into account any information which it considers appropriate in relation to the application.

Criteria for approval as a Key Adviser

18. The Exchange will approve a person as a Key Adviser only if it is satisfied that the person:

   18.1. is an authorised person (as such term is defined in the FCA Handbook) that is included on the list of sponsors that is maintained by the FCA pursuant to Listing Rule 8 when acting as competent authority under Part VI of the Financial Services & Markets Act 2000,
   18.2. is competent to perform Key Adviser services and the further advisory role set out in rule 14, and
   18.3. has appropriate systems and controls\(^{16}\) in place to ensure that it can carry out its role as a Key Adviser in accordance with this Annex 3.

19. A Key Adviser must comply, at all times, with the criteria set out in section 18 of this Annex 3. If a Key Adviser fails to continue to comply with such criteria, the Exchange may cancel the Key Adviser’s approval.

Competence of a Key Adviser

20. A person will be considered competent to act as a Key Adviser if it has a broad range of relevant experience and expertise in providing relevant advice to companies admitted to public markets and on the applicable market rules, in particular in relation to companies admitted to the Official List.

\(^{16}\) GUIDANCE – the Exchange will consider Listing Rule 8.6.12 G – 8.6.13B G when assessing this criterion
21. In assessing whether a **person** is competent to act as a **Key Adviser**, the **Exchange** will generally have regard amongst other things to the **person’s**:  
21.1. prior relevant experience, and  
21.2. skills, knowledge and expertise.

**Record management**

22. A **Key Adviser** must have in place effective arrangements to create and retain for six years accessible records which are sufficient to be capable of demonstrating that it has provided **Key Adviser services** and otherwise complied with its obligations under this Annex 3, including the basis of any declaration, opinion, confirmation, guidance required by these rules.

23. Records should:

23.1. be capable of timely retrieval, and  
23.2. include material communications which relate to the provision of **Key Adviser services**, including any advice or guidance given to an **Issuer** in relation to their responsibilities whilst providing a **Key Adviser service** under these rules.

**Contact persons**

24. For each transaction for which it provides **Key Adviser services**, a **Key Adviser** must:

24.1. notify the **Exchange** as soon as practicable of the name and contact details of the main contact person or persons in the **Key Adviser** for that transaction, and  
24.2. ensure that the contact person or persons:

24.2.1. have sufficient knowledge about the **Issuer** and the proposed transaction to be able to answer queries from the **Exchange** about it, and  
24.2.2. are available to answer queries from the **Exchange** on any **business day** between 7am and 6pm.

**SUPERVISION OF KEY ADVISERS**

25. The **Exchange** expects to have an open, co-operative and constructive relationship with a **Key Adviser** to enable it to have a broad picture of the **Key Adviser**’s activities and its ability to satisfy the criteria for approval as a **Key Adviser** as set out in section 18 of this Annex 3.

26. **Requirement to provide information:**

26.1. The **Exchange** may by notice in writing given to a **Key Adviser**, or a **person** applying for approval as a **Key Adviser**, require it to provide specified documents or specified information to the **Exchange**.

26.2. The **Key Adviser**, or the **person** applying for approval as a **Key Adviser**, must as soon as practicable provide to the **Exchange** any documents or information that it has been required to provide under paragraph 26.1 above.

26.3. This rule applies only to documents or information reasonably required by the **Exchange** in connection with the performance of its functions in relation to a **Key Adviser**, a **person** applying for approval as a **Key Adviser** or an **Issuer** that has appointed a **Key Adviser**.
27. The Exchange uses a variety of tools to monitor whether a Key Adviser:

27.1. continues to satisfy the criteria for approval as a Key Adviser as set out in section 18 of this Annex 3, and

27.2. remains in compliance with all applicable parts of these rules.

28. Exchange staff, after notifying the Key Adviser, may make supervisory visits to a Key Adviser on a periodic and an ad hoc basis.

29. The Exchange will give reasonable notice to a Key Adviser of requests for meetings or requests for access to a Key Adviser's documents and records.

30. The Exchange, on behalf of other regulators, may request information from a Key Adviser or pass information on to other regulators to enable such regulators to discharge their functions.

31. A Key Adviser must pay any annual fee due to the Exchange in order to remain a Key Adviser.

General notifications

32. A Key Adviser must notify the Exchange (unless prohibited by law or regulation) by telephone and in writing to the Primary Market Regulation Team as soon as possible if:

32.1. the Key Adviser ceases to satisfy the criteria for approval as a Key Adviser set out in section 18 of this Annex 3 or it becomes aware of any matter which, in its reasonable opinion, would be relevant to the Exchange in considering whether the Key Adviser continues to comply with section 18 (including but not limited to any communications with the FCA that indicate that its FCA sponsor status may be affected in any way or that it may or has become the subject of disciplinary action), or

32.2. the Key Adviser becomes aware of any fact or circumstance relating to the Key Adviser or any of its employees performing the Key Adviser role which, in its reasonable opinion, would be likely to adversely affect market confidence in the Key Adviser regime, or

32.3. the Key Adviser, or any of its employees or staff engaged in performing the Key Adviser role, are:

32.3.1. convicted of any offence involving fraud, theft or other dishonesty, or

32.3.2. the subject of a bankruptcy proceeding, a receiving order or an administration order, or

32.4. any of its employees or staff performing the Key Adviser role are disqualified by a court from acting as a director (or similar) of a company or from acting in a management capacity or conducting the affairs of any company, or

32.5. the Key Adviser, or any of its employees or staff performing the Key Adviser role, are subject to any public criticism, regulatory intervention or disciplinary action:

32.5.1. by the Exchange, or

32.5.2. any regulatory body, or

32.5.3. under any comparable legislation in any jurisdiction outside the United Kingdom, or

32.6. the Key Adviser resigns or is dismissed by an Issuer, giving details of any relevant facts or circumstances, or

32.7. the Key Adviser changes its name, or
32.8. an **Issuer** denies the **Key Adviser** access to documents or information that have been the subject of a reasonable request by the **Key Adviser**, or

32.9. it identifies or otherwise becomes aware of any material deficiency in the **Key Adviser’s** systems and controls, or

32.10. there is intended to be a change of control of the **Key Adviser**, any restructuring of the **Key Adviser’s group**, or a re-organisation of or a substantial change to its **directors**, partners or employees or staff performing the **Key Adviser** role, or

32.11. there is expected to be a change in the financial position of the **Key Adviser** or any of its **group** companies that would be likely to adversely affect the **Key Adviser’s** ability to perform the **Key Adviser** role or otherwise comply with these rules.

**CANCELLATION OF KEY ADVISER STATUS**

33. **Cancellation of a Key Adviser’s approval at the Key Adviser’s request:**

33.1. A **Key Adviser** that intends to request the **Exchange** to cancel its approval as a **Key Adviser** should comply with paragraph 33.3 below.

33.2. Examples of when a **Key Adviser** should submit a cancellation request include, but are not limited to:

33.2.1. situations where the **Key Adviser** ceases to satisfy the ongoing criteria for approval as a **Key Adviser** in accordance with section 18 of this Annex 3, or

33.2.2. where there is a change of control of the **Key Adviser** or any restructuring of the **Key Adviser’s group** that will result in the **Key Adviser** role being provided by a different **person**, in which case the **person** that is intended to provide the **Key Adviser** role should apply for approval as a **Key Adviser** before it performs any of the **Key Adviser** role.

33.3. A request by a **Key Adviser** for its approval as a **Key Adviser** to be cancelled must be in writing and must include:

33.3.1. the **Key Adviser’s** name

33.3.2. a clear explanation of the background and reasons for the request

33.3.3. the date on which the **Key Adviser** requests the cancellation to take effect

33.3.4. a signed confirmation that the **Key Adviser** will not perform the **Key Adviser** role as of the date the request is submitted to the **Exchange**, and

33.3.5. the name and contact details of the **person** at the **Key Adviser** with whom the **Exchange** should liaise in relation to the request.

33.4. A **Key Adviser** may withdraw its request at any time before the cancellation takes effect. The withdrawal request should initially be made by telephone and then confirmed in writing as soon as possible, with an explanation of the reasons for the withdrawal.

**Publication of the cancellation of Key Adviser status**

34. Where the **Exchange** cancels a **Key Adviser’s** approval, the **Exchange** will notify such cancellation of approval by way of a notice published on **RNS** and/or mark the list of **Key Advisers** accordingly.

27 March 2013
DISCIPLINE OF KEY ADVISERS

35. If the Exchange considers that a Key Adviser is in breach of its responsibilities under these rules or that the integrity and reputation of High Growth Segment or the Exchange has been or may be impaired as a result of its conduct or judgment or that market confidence in the Key Adviser regime has been or may be adversely affected as a result of its conduct or judgment, the Exchange may take disciplinary action against such Key Adviser.

Disciplinary process

36. Where the Exchange proposes to take action under paragraph 35 above, it shall do so in accordance with the Compliance Procedures set out in the Admission & Disclosure Standards, the provisions of which shall apply to Key Advisers subject to paragraph 37 below.

Sanctions

37. Any sanctions applicable to Issuers under the Compliance Procedures set out in the Admission & Disclosure Standards shall apply in relation to Key Advisers, save that the sanctions available to the Disciplinary Committee (under section C305 (Disciplinary powers)) shall be replaced with the following:

37.1. a written warning (censure) which may be public or private
37.2. an unlimited fine for each breach, and/or
37.3. cancellation of the Key Adviser's approval.

Moratorium on acting for further Issuers

38. Where, in the opinion of the Exchange, a Key Adviser (i) no longer meets the requirements of section 18 of Annex 3; (ii) is not meeting its responsibilities under these rules; or (iii) is the subject of disciplinary action, or action to remove its Key Adviser approval by the Exchange or in either case by the FCA in relation to is sponsor status, the Exchange may prevent that Key Adviser from acting as a Key Adviser to any additional Issuers until that situation is resolved to the Exchange's satisfaction.

39. The Exchange may make the imposition of any moratorium public by way of a notice published on RNS and/or marking the list of Key Advisers accordingly.

Appeals by Key Advisers

40. Where the Exchange takes any steps against a Key Adviser pursuant to these rules, the Key Adviser may appeal against the Exchange's decision in accordance with the Compliance Procedures set out in the Admission & Disclosure Standards.
## GLOSSARY

<table>
<thead>
<tr>
<th>TERM</th>
<th>MEANING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admission &amp; Disclosure Standards</td>
<td>the Admission and Disclosure Standards issued by the Exchange, as amended from time to time</td>
</tr>
<tr>
<td>admission, admitted</td>
<td>admission of securities to trading on the High Growth Segment of the Main Market</td>
</tr>
<tr>
<td>business days</td>
<td>as such term is defined in the Admission &amp; Disclosure Standards</td>
</tr>
</tbody>
</table>
| CAGR                                      | Compound Annual Growth Rate calculated in accordance with the following formula where Revenue means audited consolidated revenue prepared in a form consistent with that which will be adopted in the Issuer’s next published financial statements; financial year 3 is the Issuer’s most recent completed financial year, and; financial year 0 is the Issuer’s financial year ended three years prior to financial year 3: \[
\left(\frac{\text{Revenue for financial year 3}}{\text{Revenue for financial year 0}}\right)^{1/3} - 1
\]

For example, to evaluate the three year Revenue CAGR at the end of 2012, Revenue for financial year 0 would be revenue earned in 2009.                                                                                                                                                                                                                                                                                       |
<p>| class                                      | securities, the rights attaching to which are, or will be, identical and which form a single issue (or series of issues)                                                                                                                                                                                                                       |
| class test(s)                              | the tests set out in Annex 1 which are used to determine how a transaction is to be classified for the purposes of these rules                                                                                                                                                                                                            |
| director(s)                                | a person occupying the position of a director (by whatever name called) of a company or other body corporate with corresponding powers and duties                                                                                                                                                                                                 |
| Disclosure Rules and Transparency Rules   | as such term is defined in the Admission &amp; Disclosure Standards                                                                                                                                                                                                                                                                          |
| EEA                                       | as such term is defined in the FCA Handbook                                                                                                                                                                                                                                                                                             |
| EEA State                                 | as such term is defined in the FCA Handbook                                                                                                                                                                                                                                                                                             |
| eligibility letter                        | as defined in section 14.1 of Annex 3 and in such form as is found on the Exchange’s website at: <a href="http://www.londonstockexchange.com/hgs">www.londonstockexchange.com/hgs</a>                                                                                                                                                                        |
| equity share capital                      | in relation to a company or similar body corporate, issued share capital excluding any part of that capital which, neither |
| EU | as such term is defined in the <strong>FCA Handbook</strong> |
| Exchange | as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong> |
| FCA | the United Kingdom Financial Conduct Authority, previously the Financial Services Authority |
| FCA Handbook | the Handbook published by the <strong>FCA</strong>, as amended from time to time |
| Form 1 | as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong> |
| group | a person’s group of companies being its <strong>subsidiary undertakings</strong>, its <strong>parent undertakings</strong> and any other <strong>subsidiary undertakings</strong> of its <strong>parent undertakings</strong> |
| in public hands | distributed to the public in one or more <strong>EEA States. Securities</strong> are not considered to be in public hands if they are held, directly or indirectly, by: |
|  | (a) a <strong>director</strong> of the <strong>Issuer</strong> or of any of its <strong>subsidiary undertakings</strong>; or |
|  | (b) a <strong>person</strong> connected with a <strong>director</strong> of the <strong>Issuer</strong> or of any of its <strong>subsidiary undertakings</strong>; or |
|  | (c) the trustees of any employees' share scheme or pension fund established for the benefit of any directors and employees of the <strong>Issuer</strong> and its <strong>subsidiary undertakings</strong>; or |
|  | (d) any <strong>person</strong> who under any agreement has a right to nominate a <strong>person</strong> to the board of directors of the <strong>Issuer</strong>; or |
|  | (e) any <strong>person</strong> or <strong>persons</strong> in the same <strong>group</strong> or <strong>persons</strong> acting in concert who have an interest in 5% or more of the shares of the relevant <strong>class</strong>. |
| <strong>Treasury shares</strong> | are not to be taken into consideration when calculating the number of shares of the <strong>class</strong>. |
| Issuer Declaration | as such form is found on the <strong>Exchange’s website</strong> at: <a href="http://www.londonstockexchange.com/hgs">www.londonstockexchange.com/hgs</a> |
| Issuer(s) | any company or other legal person or undertaking, any <strong>class</strong> of whose <strong>securities</strong> has been <strong>admitted</strong>, or is proposed to be, the subject of an application for <strong>admission</strong> to trading to the <strong>High Growth Segment</strong> |
| Key Adviser Application | as such form is found on the <strong>Exchange’s website</strong> at: <a href="http://www.londonstockexchange.com/hgs">www.londonstockexchange.com/hgs</a> |</p>
<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Key Adviser service(s)</td>
<td>a service relating to a matter referred to in rule 4 that a <strong>Key Adviser</strong> provides or is requested or appointed to provide, including preparatory work that a <strong>Key Adviser</strong> may undertake before a decision is taken as to whether or not it will act as a <strong>Key Adviser</strong> for an <strong>Issuer</strong>, and including all the <strong>Key Adviser</strong> communications with the <strong>Exchange</strong> in connection with the service. But nothing in this definition is to be taken as requiring a <strong>Key Adviser</strong> when requested to agree to act as a <strong>Key Adviser</strong> for an <strong>Issuer</strong></td>
</tr>
<tr>
<td>Key Adviser(s)</td>
<td>a <strong>Key Adviser</strong> whose name appears on the list maintained by the <strong>Exchange</strong> pursuant to section 15 of Annex 3</td>
</tr>
<tr>
<td>Listing Rules</td>
<td>as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong></td>
</tr>
<tr>
<td>Main Market</td>
<td>as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong></td>
</tr>
<tr>
<td>notifiable transaction</td>
<td>as set out in section B3</td>
</tr>
<tr>
<td>Official List</td>
<td>as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong></td>
</tr>
<tr>
<td>High Growth Segment</td>
<td>The High Growth segment of the <strong>Main Market</strong> which is subject to these rules</td>
</tr>
<tr>
<td>parent undertaking(s)</td>
<td>as such term is defined in section 1162 of the Companies Act 2006</td>
</tr>
<tr>
<td>percentage ratio(s)</td>
<td>(in relation to a transaction) the figure, expressed as a percentage, that results from applying a calculation under a <strong>class test</strong> to the transaction</td>
</tr>
<tr>
<td>person(s)</td>
<td>(in accordance with the Interpretation Act 1978) any person, including a body of persons corporate or unincorporate (that is, a natural person, a legal person and, for example, a partnership)</td>
</tr>
<tr>
<td>Primary Market Regulation Team</td>
<td>the Primary Market Regulation team at the <strong>Exchange</strong>, email: <a href="mailto:primarymarketregulation@londonstockexchange.com">primarymarketregulation@londonstockexchange.com</a>, telephone: 020 7797 4199</td>
</tr>
<tr>
<td>prospectus</td>
<td>as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong></td>
</tr>
<tr>
<td>Prospectus Rules</td>
<td>the Prospectus Rules issued by the <strong>FCA</strong> as part of the <strong>FCA Handbook</strong>, as amended from time to time</td>
</tr>
<tr>
<td><strong>Recognised Investment Exchange</strong></td>
<td>as such term is defined in the <em>Admission &amp; Disclosure Standards</em></td>
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<tr>
<td>-----------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td><strong>regulated market</strong></td>
<td>as such term is defined in the <em>Admission &amp; Disclosure Standards</em></td>
</tr>
<tr>
<td><strong>related party</strong></td>
<td>(1) a <em>person</em> who is (or was within the 12 months before the date of the transaction or arrangement) a <em>substantial shareholder</em>; or (2) a <em>person</em> who is (or was within the 12 months before the date of the transaction or arrangement) a <em>director</em> or shadow director of the company or of any other company which is (and, if he has ceased to be such, was while he was a <em>director</em> or shadow director of such other company) its <em>subsidiary undertaking</em> or <em>parent undertaking</em> or a fellow <em>subsidiary undertaking</em> of its <em>parent undertaking</em>; or (3) a <em>person</em> exercising significant influence; or (4) an associate (as such term is defined in the <em>Listing Rules</em>) of a related party referred to in the above paragraphs.</td>
</tr>
<tr>
<td><strong>related party transaction</strong></td>
<td>as set out in section B4</td>
</tr>
<tr>
<td><strong>reverse takeover</strong></td>
<td>a <em>reverse takeover</em> is a transaction, whether effected by way of a direct acquisition by the <em>Issuer</em> or a <em>subsidiary undertaking</em>, an acquisition by a new holding company of the <em>Issuer</em> or otherwise, of a business, a company or assets: • where any <em>percentage ratio</em> is 100% or more; or • which in substance results in a fundamental change in the business or in a change in board or voting control of the <em>Issuer</em> and its <em>subsidiary undertakings</em>. When calculating the <em>percentage ratio</em>, the <em>Issuer</em> should apply the <em>class tests</em>. The following factors are usually indicators of a fundamental change: (1) the extent to which the transaction will change the strategic direction or nature of its business; or (2) whether its business will be part of a different industry sector following the completion of the transaction; or (3) whether its business will deal with fundamentally different suppliers and end users.</td>
</tr>
<tr>
<td><strong>RIS</strong></td>
<td>as such term is defined in the <em>Admission &amp; Disclosure Standards</em></td>
</tr>
<tr>
<td><strong>RNS</strong></td>
<td>as such term is defined in the <em>Admission &amp; Disclosure Standards</em></td>
</tr>
<tr>
<td><strong>securities</strong></td>
<td>as such term is defined in the Admission &amp; Disclosure Standards</td>
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<td>----------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>shareholders</strong></td>
<td>a holder of any legal or beneficial interest, whether direct or indirect, in a security admitted to the High Growth Segment</td>
</tr>
<tr>
<td><strong>subsidiary undertaking(s)</strong></td>
<td>as such term is defined in section 1162 of the Companies Act 2006</td>
</tr>
<tr>
<td><strong>substantial shareholder</strong></td>
<td>means any person who is entitled to exercise, or to control the exercise of, 10% or more of the votes able to be cast on all or substantially all matters at general meetings of the company (or of any company which is its subsidiary undertaking or parent undertaking or of a fellow subsidiary undertaking of its parent undertaking). For the purposes of calculating voting rights, the following voting rights are to be disregarded:</td>
</tr>
<tr>
<td>(1) any voting rights which such a person exercises (or controls the exercise of) independently in its capacity as bare trustee, investment manager, collective investment undertaking or a long-term insurer in respect of its linked long-term business if no associate of that person interferes by giving direct or indirect instructions, or in any other way, in the exercise of such voting rights (except to the extent any such person confers or collaborates with such an associate which also acts in its capacity as investment manager, collective investment undertaking or long-term insurer); or</td>
<td></td>
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<tr>
<td>(2) any voting rights which a person may hold (or control the exercise of) solely in relation to the direct performance, by way of business, of:</td>
<td></td>
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<tr>
<td>(a) underwriting the issue or sale of securities; or</td>
<td></td>
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<tr>
<td>(b) placing securities, where the person provides a firm commitment to acquire any securities which it does not place; or</td>
<td></td>
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<tr>
<td>(c) acquiring securities from existing shareholders or the Issuer pursuant to an agreement to procure third-party purchases of securities;</td>
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<tr>
<td>and where the conditions in (i) to (iv) are satisfied:</td>
<td></td>
</tr>
<tr>
<td>(i) the activities set out in (2)(a) to (c) are performed in the ordinary course of business;</td>
<td></td>
</tr>
<tr>
<td>(ii) the securities to which the voting rights attach are held for a consecutive period of 5 trading days or less, beginning with the first trading day on which the securities are held;</td>
<td></td>
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<tr>
<td>(iii) the voting rights are not exercised within the period the securities are held; and</td>
<td></td>
</tr>
<tr>
<td>(iv) no attempt is made directly or indirectly by the firm to</td>
<td></td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>intervene in</td>
<td>(or attempt to intervene in) or exert (or attempt to exert) influence on the management of the <strong>Issuer</strong> within the period the <strong>securities</strong> are held.</td>
</tr>
<tr>
<td>suspension of trading</td>
<td>as such term is defined in the <strong>Admission &amp; Disclosure Standards</strong></td>
</tr>
<tr>
<td>target</td>
<td>the subject of a <strong>notifiable transaction</strong> or <strong>reverse takeover</strong></td>
</tr>
<tr>
<td>these rules</td>
<td>these rules relating to <strong>admission</strong> to the <strong>High Growth Segment</strong></td>
</tr>
<tr>
<td>treasury shares</td>
<td>as such term is defined in the <strong>FCA Handbook</strong></td>
</tr>
</tbody>
</table>