



IPO destination guide

Find the right market strategy to maximize value for your IPO or secondary listing

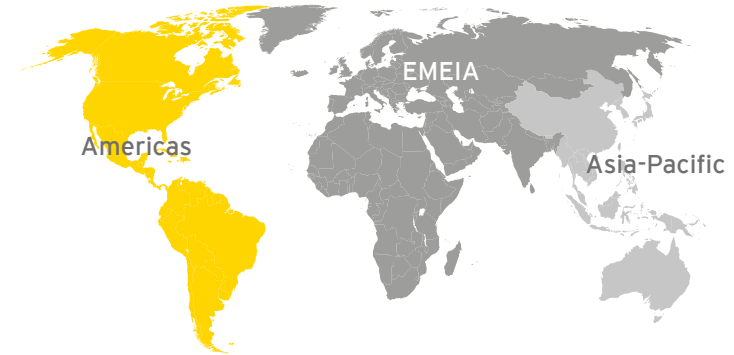
You've decided to go public and now you need to map out all the necessary steps.

But to determine the specific requirements for your IPO or secondary listing, first you have to set your goals. And that means determining which capital market or listing zone (EMEIA, Asia-Pacific or Americas), stock exchange and segment will best support your company's strategy.

Up to now, most companies have chosen their home market as the location for their primary listing. But there are many recent high-profile examples of businesses going public abroad. What's more, secondary listings are again on the rise – albeit with new motivations. And an additional stock exchange listing, particularly in emerging markets, is becoming increasingly important.

Where to list?

Capital market, stock exchange and listing segment – what's the best option?



Companies can choose from more than a hundred stock exchanges and listing options worldwide. There are three self-contained regions for companies wishing to go public – EMEIA, Asia-Pacific and Americas. Each is distinguished by its time zones, currencies and economies.

Many stock exchanges from mature and emerging markets have improved their offering for companies looking to go public. But where is the stock exchange that's right for your company? This question can be approached from two perspectives – the national and the sectoral.

The national perspective

A company's home market is often regarded as the country in which it is incorporated. This is where companies usually go public, and it is here that investors expect the listing. A company is intimately linked to the economy, culture, infrastructure, technology base and taxes of its home country. It is also committed to the relevant capital market regulations.

The sectoral perspective

However, a company can also be said to be at home in a market where people can best understand and evaluate its business model. As a result, the marketplace where many comparable companies are listed, which has sector specific analyst expertise and which attracts investors in the sector, can also be regarded as a company's home market.

EY's capital market compass

A sound basis for strategic decisions

- ▶ Does it make sense to go public and have your primary listing in your company's country of incorporation?
- ▶ Or should you look further afield?
- ▶ How mobile is your company on the capital market?

Finding the answers to these questions can pose complex challenges – particularly if there are strategic benefits to listing your company far from its familiar national market. For example, you can expect a listing abroad to attract consumers' attention to your company's products and media presence. This can facilitate access to new markets and benefit your business operations.

The factors that require careful examination include:

- ▶ Motivations and goals of your **strategy**
- ▶ Factors that are relevant to **valuation**
- ▶ Shareholder **preferences**
- ▶ Initial and ongoing **costs**

Other factors that motivate companies to go public outside their home market vary according to their country of incorporation. These include regulatory requirements, uncertainties regarding the listing process and waiting or processing times during the approval of the prospectus and the registration of the securities.



Capital market capability

Selecting the right capital market, stock exchange and listing segment enables you to determine the regulatory requirements that your company will have to meet. In the run-up to going public, your company's internal structures (legal, tax, organizational) and units (management, accounting, IR) have to be checked and prepared for the relevant requirements.

These measures are essential to maintain the profile of a listed company and meet the requirements of investors and regulators. The first key steps in this phase involve determining the appropriate capital market strategy and achieving internal capital market capability.

Whether your listing is far from your company's country of incorporation or closer to home, EY's experienced professionals will be happy to provide you with on-site support.

EY's services relating to IPO destination

- ▶ Analyze your company's motivations, objectives and mobility on the capital market
- ▶ Assistance with the selection of the right listing location and stock exchange, based on the strategic perspective of the company and owner
- ▶ Comparison of regulatory requirements during the selection of the appropriate stock exchange segment
- ▶ Comparison of internal structures and processes with initial and ongoing requirements of the chosen capital market
- ▶ IPO readiness assessment workshop designed to analyze the steps required to reach your preferred IPO destination
- ▶ Cross-border project management by our global IPO leaders

EY's area IPO leaders

We look forward to talking to you in person.



Paul Go
EY Global IPO Leader



Jacqueline Kelley
EY Americas IPO Leader



Ringo Choi
EY Asia-Pacific IPO Leader



Dr. Martin Steinbach
EY EMEA IPO Leader

IPO destination assessment

We recommend an IPO destination session with our IPO leaders based in your country.

Discover our global IPO resources on: ey.com/ipo



#IPOreport

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About EY's IPO services

EY is a leader in helping to take companies public worldwide. With decades of experience, our global network is dedicated to serving market leaders and helping businesses evaluate the pros and cons of an IPO. We demystify the process by offering IPO readiness assessments, IPO preparation, project management and execution services, all of which help prepare you for life in the public spotlight.

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