



# Raising Capital in the U.S., U.K. and Hong Kong Capital Markets – Legal Considerations

February 2011

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# Listing in the U.S., U.K. and Hong Kong

- Regulatory Review:
  - U.S.: SEC
  - U.K.: U.K. Listing Authority
  - Hong Kong: Hong Kong Exchange and Securities and Futures Commission
  
- Periodic Reporting and Ongoing Disclosure
  - U.S., U.K./H.K.: annual and semi-annual reports
  
- Accounting Standards
  - U.S.: can use IFRS with no reconciliation
  - U.K.: non-EU companies may use IFRS, U.S. GAAP, Canadian GAAP, or Japanese GAAP
  - H.K.: can use IFRS or Hong Kong Financial Reporting Standards
  
- Corporate Governance
  - U.S./U.K.: generally may follow home country standards
  - H.K.: consider proposals to follow home country standards on case-by-case basis

# How to Prepare for Listing in U.S./U.K./Hong Kong

- Prepare Disclosure Documents
  - Financial statements and management discussion of financial condition
  - Summary of business information/strategy
  - Material contracts
- Prepare for Listing Process
  - Ensure Compliance with Listing Eligibility Requirements
    - Financial Tests
    - Board Composition
    - Independent Audit Committee with Financial Expertise
    - Special Hong Kong rules regarding company independence
- Prepare for Due Diligence and Verification Process
- Prepare for Requirements of Particular Offering
  - Agreements outlining the rights of investors
  - Agreements related to debt securities
  - Underwriting Agreement

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