

Chapter 6

Additional requirements for
premium listing (commercial
company)

6.11 Specialist companies: scientific research based companies

- 6.11.1** **R** Where a *scientific research based company* applies for the *admission* of its *equity shares* to a *premium listing* and cannot comply with the minimum three-year period required in ■ LR 6.2.1R(1) because it has been operating for a shorter period:
- (1) the *scientific research based company* must have published or filed historical financial information since the inception of its business; and
 - (2) the following apply to the *scientific research based company* only with regard to the period for which it has published or filed historical financial information under (1):
 - (a) ■ LR 6.2.1R(2), ■ LR 6.2.1R(3) and ■ LR 6.2.1R(4) (content of historical financial information); and
 - (b) ■ LR 6.2.4R and ■ LR 6.2.6R (audit requirements for historical financial information).
- 6.11.2** **R** If the *scientific research based company* does not comply with either ■ LR 6.2.1R(1) (minimum period for historical financial information) or ■ LR 6.3.1R (revenue earning track record), it must:
- (1) demonstrate its ability to attract funds from sophisticated investors prior to the marketing at the time of *listing*;
 - (2) intend to raise at least £10 million pursuant to a marketing at the time of *listing*;
 - (3) have a capitalisation, before the marketing at the time of *listing*, of at least £20 million (based on the issue price and excluding the value of any *equity shares* which have been issued in the six months before *listing*);
 - (4) have as its primary reason for *listing* the raising of finance to bring identified products to a stage where they can generate significant revenues; and
 - (5) demonstrate that it has a three year record in laboratory research and development including:
 - (a) details of patents granted or details of progress of patent applications; and
 - (b) the successful completion of, or the successful progression of, significant testing of the effectiveness of its products.