



AIM JOURNAL

THE ONLINE MONTHLY FOR THE ALTERNATIVE INVESTMENT MARKET

Cross border securities issuance under renewed focus

There's no escaping the fact that Brexit has been painful for many businesses, adding unexpected burdens both in terms of time and cost. The effects here will continue to be felt across many parts of the economy for years if not decades to come, but as the proverbial dust begins to settle, one specific area we at Avenir Registrars have seen growing interest in is the ability for issuers to work cross-border.

This was thrust into the limelight with the Irish Central Securities Depository migration that took place earlier in the year. As a consequence of Brexit, issuers were obliged to switch from CREST into Euroclear, ultimately to enable them to maintain electronic trading and settlement of both debt and equity securities. Completing this task was no small feat, requiring coordination between the exchange, the relevant CSDs, issuers, investors, Ireland's Company Records Office and indeed the registrars themselves. Despite potential obstacles, the migration completed on schedule with the full suite of instruments moving across without any reported issues.

Whilst the migration has been a burden for all - although at Avenir we used the flexibility of our technology to minimise the impact this had on our clients – those issuers who switched now have direct access to Euroclear Bank's global CSD infrastructure. That offers the highest levels of security combined with a truly global market reach, but perhaps most notably on the basis Euroclear settles transactions with a value equivalent to the EU's total GDP every six days, it also facilitates access to a significant pool of capital.

It's difficult to say whether the renewed interest in cross border listings and capital raising has been driven directly off the back of Brexit. After all, we have for many years been facilitating listings for UK and Irish companies across the globe on a wide number of exchanges – not just on AIM and the LSE main board, but also on markets in Dublin, the Channel Islands, Frankfurt, Vienna, Paris, Gibraltar and beyond.

Avenir's breadth of knowledge here is significant, not only given the background of our senior team, but also the hands-on experience of delivering these innovative, efficient solutions in recent years. It's perhaps too easy in today's apparently joined up world to overlook the benefits that a specific issuer may find from establishing a listing in one or more jurisdictions that may or may not include their own domicile. However, there is still no shortage of logistical hurdles that exist when it comes to cross-border investing, whether that's from the perspective of investor due diligence, taxation or simply the fact that a sector may be better understood elsewhere. Regardless of the motivation, the power of capital raising in the most appropriate venue should never be underrated.



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Avenir represent issuers who are listed or are seeking listings on the following exchanges:

- Aquis Stock Exchange
- AIM
- London Stock Exchange main board
- Euronext Dublin
- The International Stock Exchange
- Euronext Paris
- Frankfurt Stock Exchange
- Vienna Stock Exchange
- Nasdaq OMX
- Gibraltar Stock Exchange
- Cyprus Stock Exchange
- Asset Match
- JP Jenkins

Avenir represents issuers domiciled in the UK, Ireland, The Channel Islands and the Isle of Man for Equities and additionally for Debt Securities in:

- Switzerland
- Norway
- Germany
- Luxembourg
- The Cayman Islands
- Gibraltar
- The USA
- Canada
- Singapore

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