



# Europe's Premier Listing Platform for Chinese Companies

## German Stock Market



INVESTMENT BANKING

Since 1999

Berlin, 16.03.2007



INVESTMENT BANKING

Since 1999

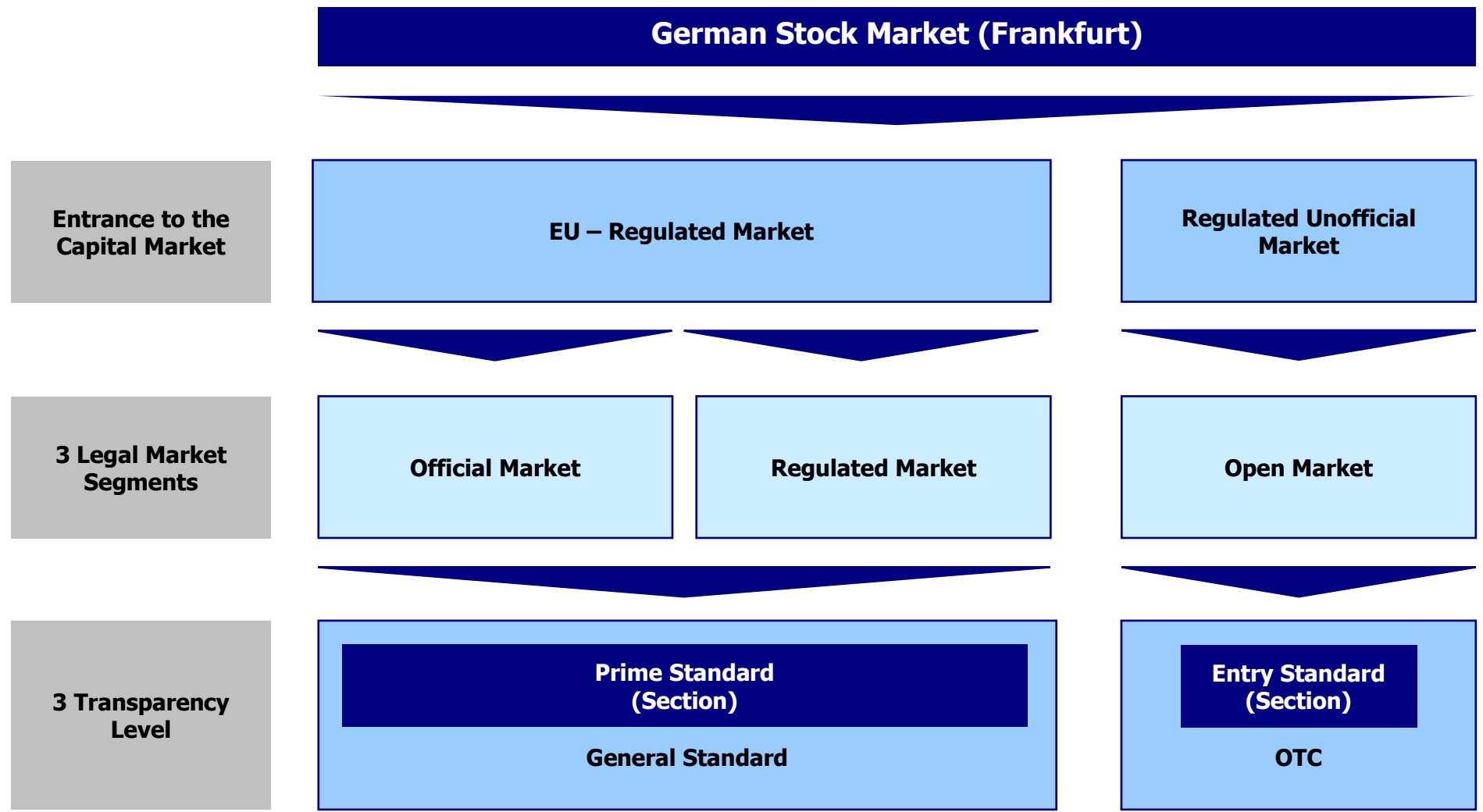
# Content

---

- **Overview of the German Stock Market**
- **Requirements, Costs and Time Schedule**
- **Chinese Companies traded on German Stock Market**
- **Compare between Entry Standard and AIM (London)**



# Overview of the German Stock Market



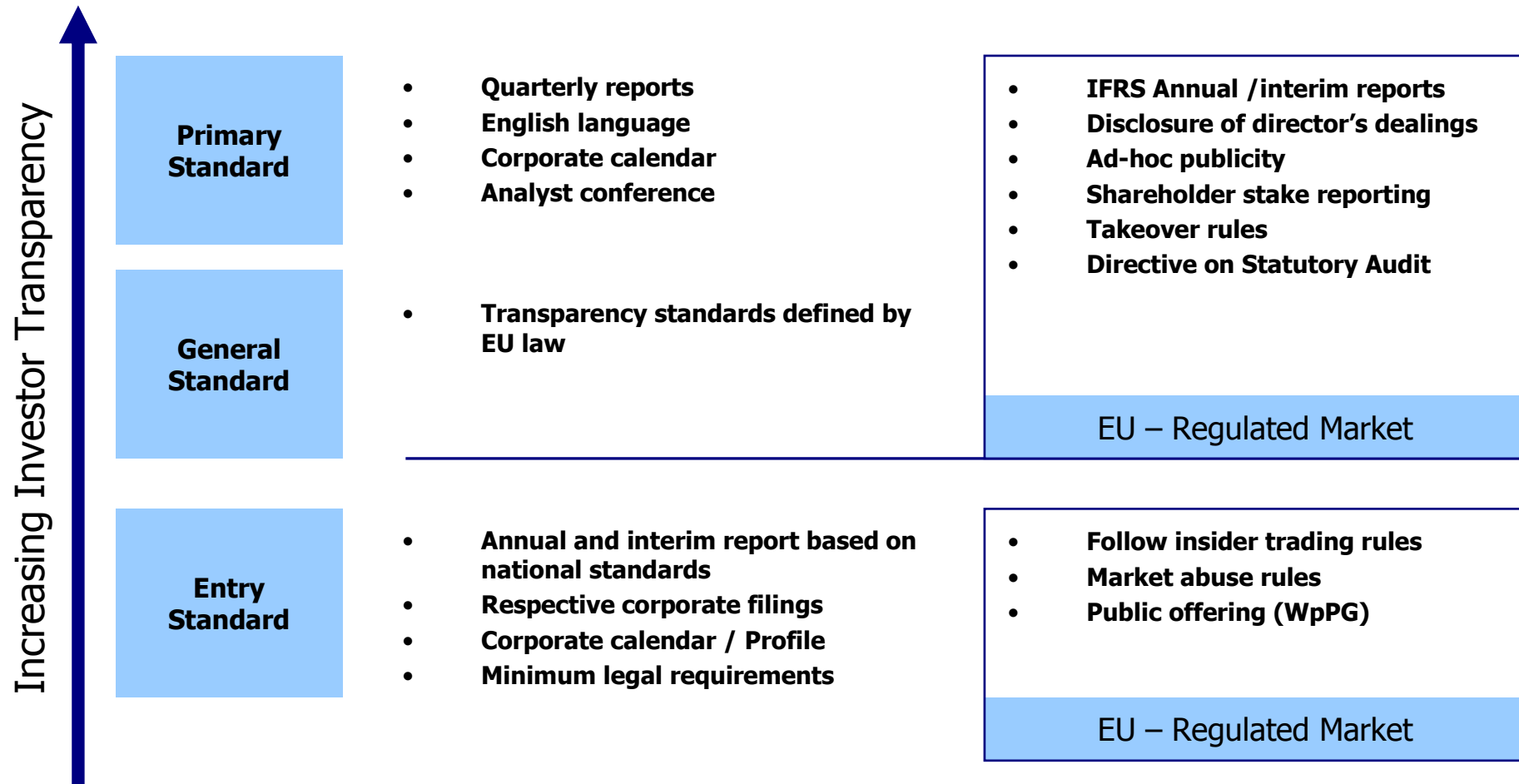
# Content

---

- **Overview of the German Stock Market**
- **Requirements, Costs and Time Schedule**
- **Chinese Companies on German Stock Market**
- **Compare between Entry Standard and AIM (London)**



# Requirements of Listing on German Stock Market



**Entry Standard as first step towards the capital market**

# Costs & Listing Process on German Stock Market

	Private placement without prospectus	Public offer with prospectus
One-Time Charges	<ul style="list-style-type: none"> <li>• <b>Placement fee: approx. 4-6% of the emission volume</b> <ul style="list-style-type: none"> <li>- Listing costs of the Bank: 2-4%</li> <li>- Listing costs of the listings partners : 2-4%</li> <li>- Listing costs of stock exchange: 2.500-5.500 EUR</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Placement fee: approx. 6-8% of the emission volume</b> <ul style="list-style-type: none"> <li>- Listing costs of the Bank: 2-4%</li> <li>- Listing costs of the listings partners: 2-4%</li> <li>- <b>Prospectus: 40.000-100.000 EUR</b></li> <li>- Listing costs of stock exchange: 2.500-5.500 EUR</li> </ul> </li> </ul>
Annual Costs	<ul style="list-style-type: none"> <li>• Quotation fee of the respective stock exchange: 0-7.500 EUR</li> <li>• Designated Sponsor: 5.000-36.000 EUR</li> </ul>	<ul style="list-style-type: none"> <li>• Quotation fee of the respective stock exchange : 0-7.500 EUR</li> <li>• Designated Sponsor: 5.000-36.000 EUR</li> </ul>
Listing Process	<ul style="list-style-type: none"> <li>• <b>Duration: ca. 2-3 Months</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Duration: ca. 3-6 Months:</b> <ul style="list-style-type: none"> <li>- Preparing Prospectus (1 Month)</li> <li>- Prospectus examination by BAfin (1 Month)</li> </ul> </li> </ul>

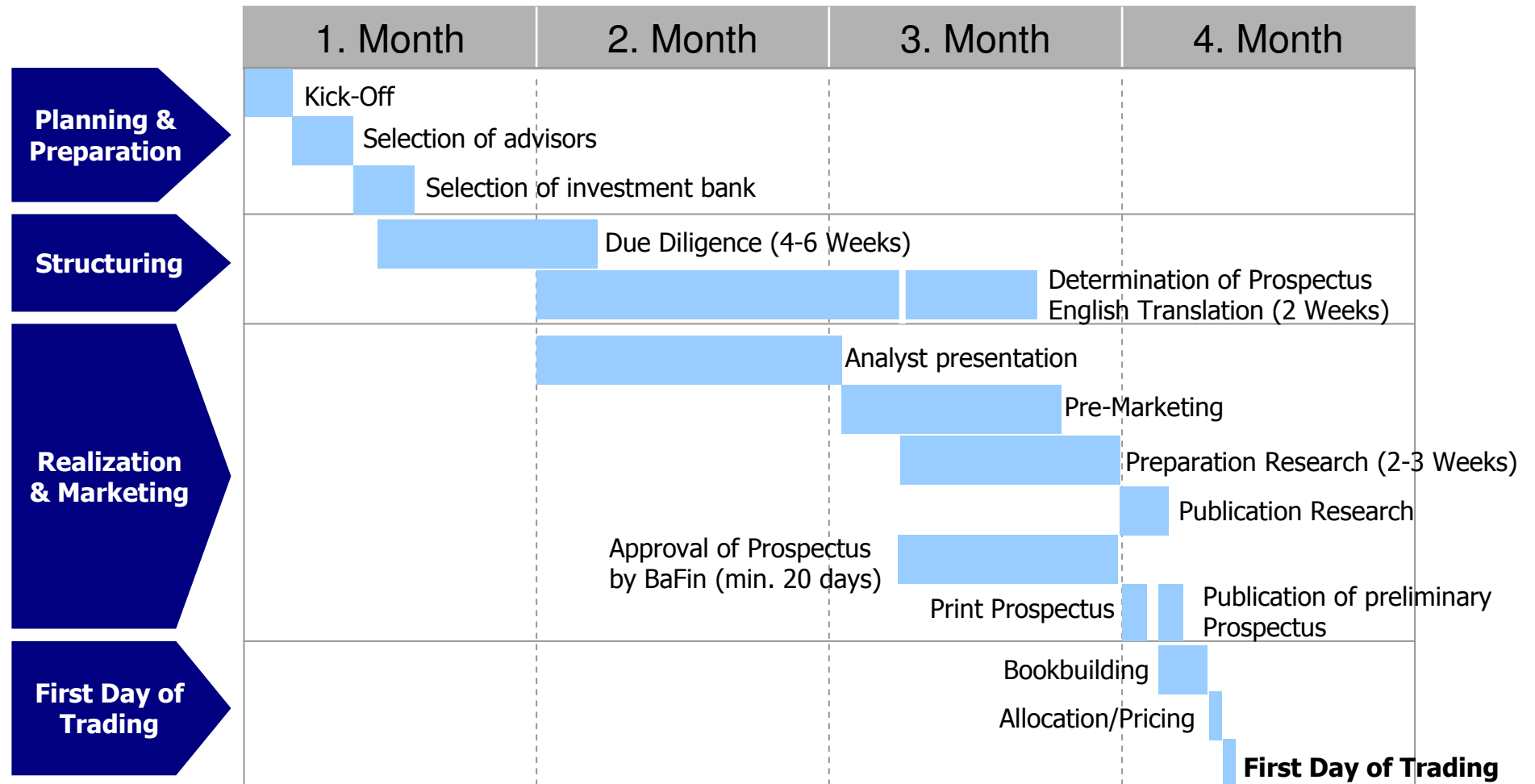
## Further possibility

### 2-Steps-Process with fastidious time framework

- Private placement in the Open Market without prospectus
- Public capital increase with prospectus by changing to more transparent market segment (Entry or General Standard)



# Typical Time Schedule: IPO in Entry Standard



- **Entry Standard is simple, flexible and allows for IPO within 3 months**
- **Lower formal and legal requirements substantially reduce after IPO costs**



# Content

---

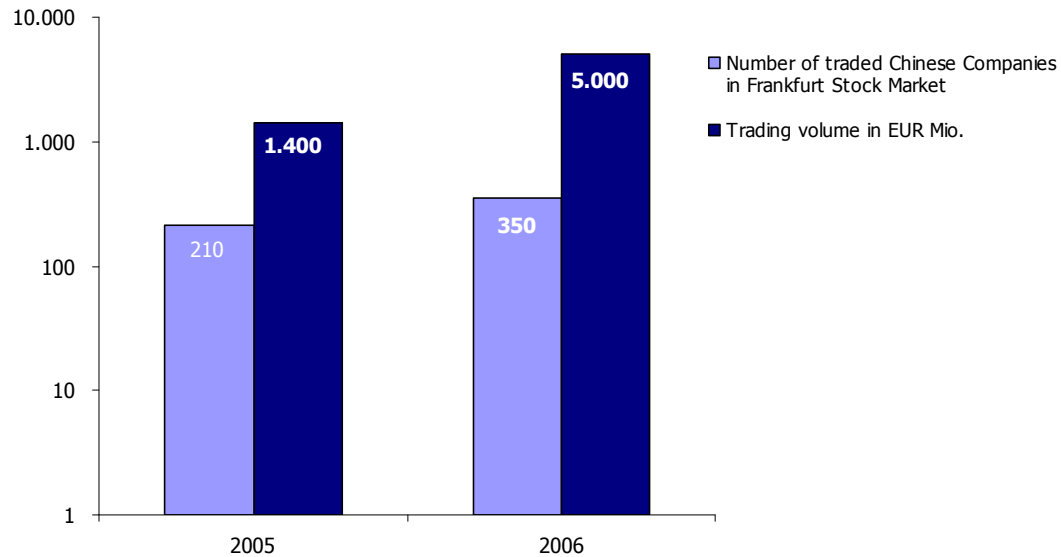
- **Overview of the German Stock Market**
- **Requirements, Costs and Time Schedule**
- **Chinese Companies on German Stock Market**
- **Compare between Entry Standard and AIM (London)**



# Chinese Companies on German Stock Market (1 of 2)

## Benefits of overseas listing on the German Stock Market

- International investor access
- Liquidity and low cost
- Visibility and prestige



**Private investor interest  
in stocks proven and  
waiting to expand**

Source: Deutsche Börse AG, December 2006



# Chinese Companies on German Stock Market (2 of 2)

## Selected Chinese Companies traded on Frankfurt Stock Market



Source: website of Deutsche Börse AG



# Content

---

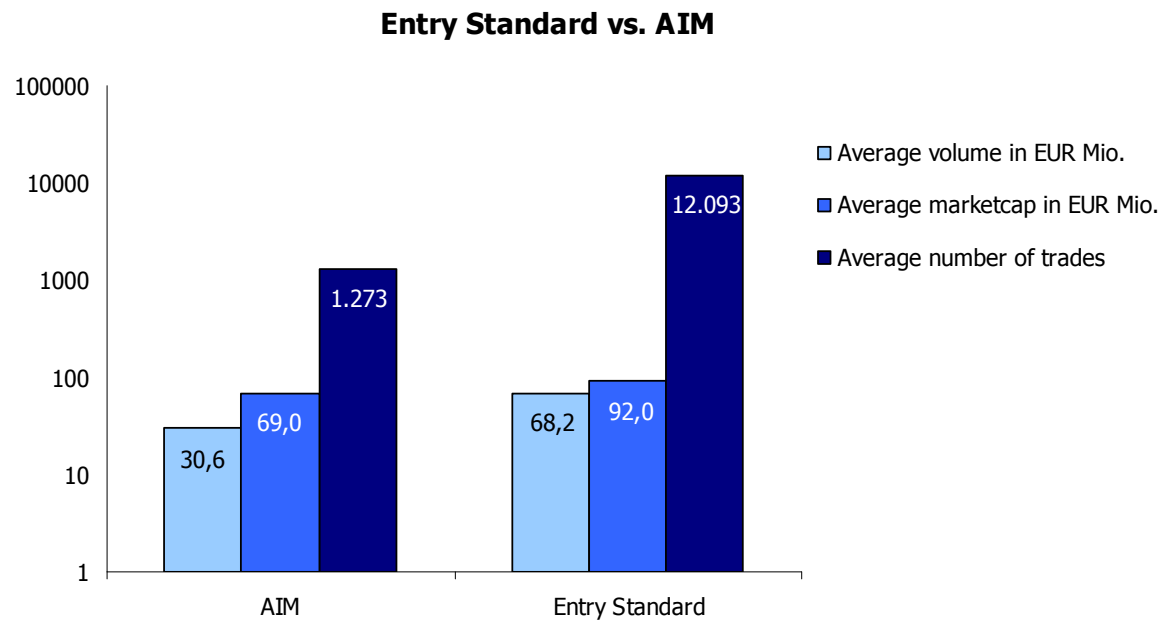
- **Overview of the German Stock Market**
- **Requirements, Costs and Time Schedule**
- **Chinese Companies on German Stock Market**
- **Compare between Entry Standard and AIM (London)**



# Entry Standard vs. AIM: Active Trading

## Entry Standard Europe's No 1 in trading activity

- 223% more volume traded (compared to AIM)
- Almost 10 times more trades (compared to AIM)

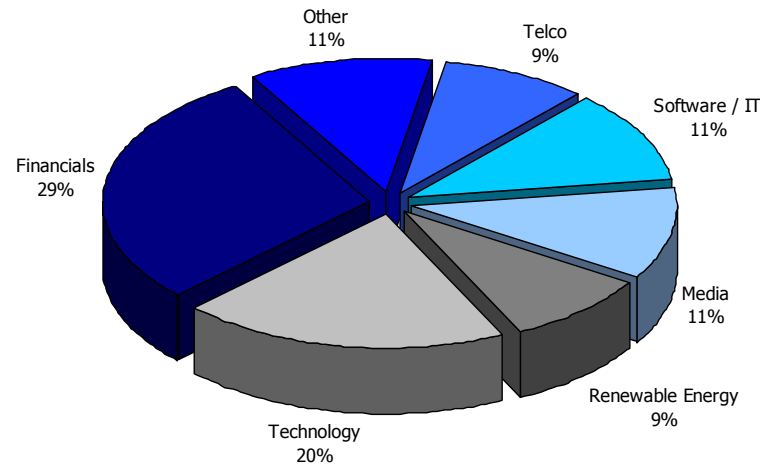


**Companies chose  
Entry Standard  
best of breed  
liquidity pool**

Source: statistics from the website of LSE, Deutsche Börse

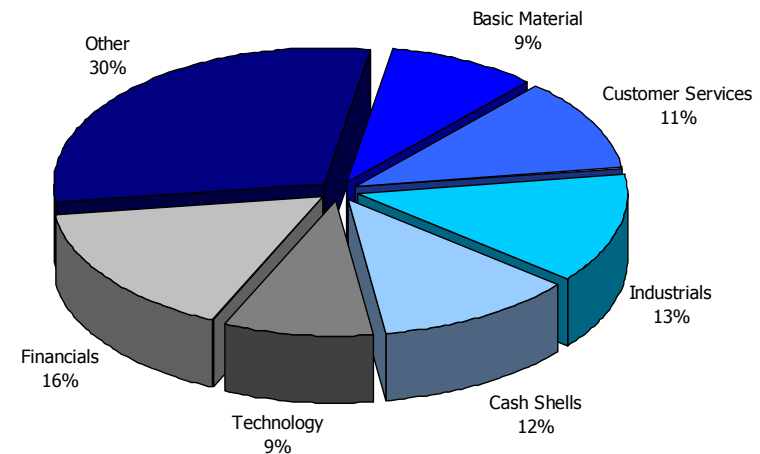
# Entry Standard vs. AIM: Sectoral Composition

## Entry Standard



Source: Deutsche Börse AG, July 31, 2006

## AIM



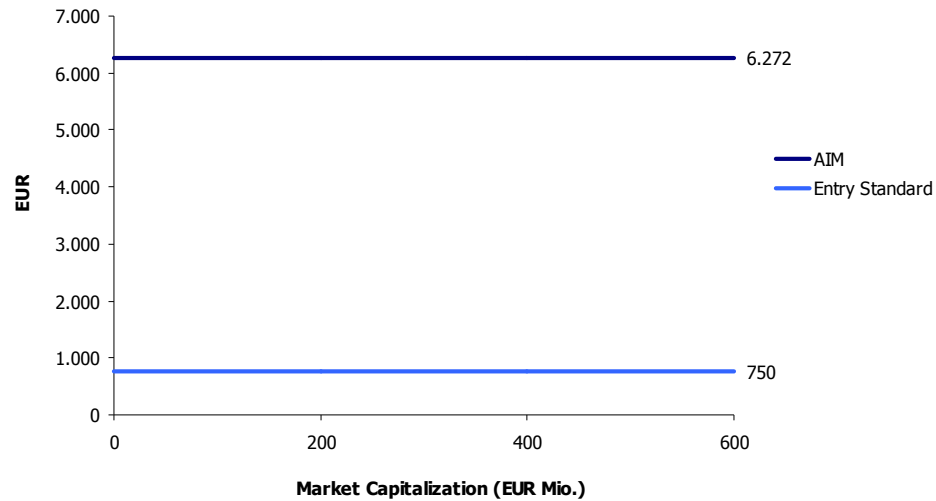
Source: AIM, July 31, 2006

## Companies from diverse sectors and attractive business models approaching Entry Standard

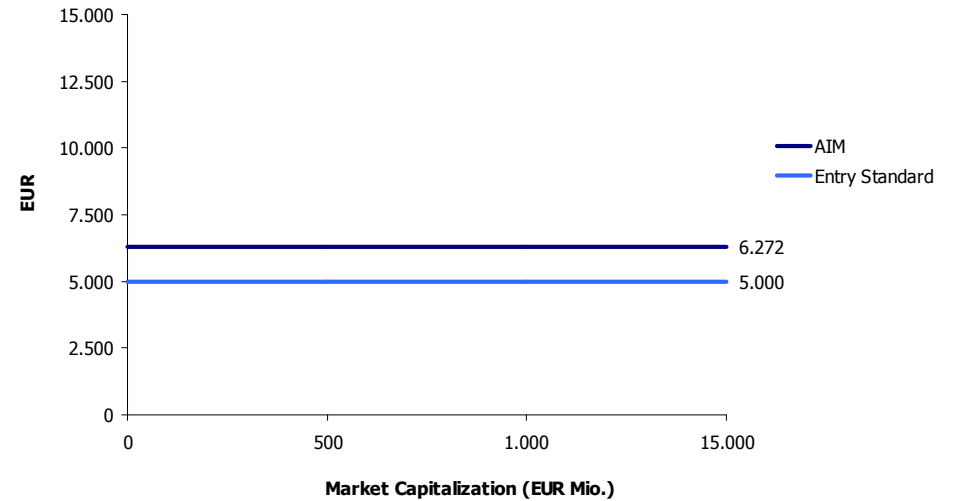
- No cash shells listed, no focus on exploration/mining
- Equally distribution between classic sectors (Financial, Media, Industry) and tech sectors (Technology, Telco, Software/IT, Renewable Energy)

# Entry Standard vs. AIM: Costs

### Admission Fees



### Annual Listing Fees



Source: Deutsche Börse AG, July 31. 2006

➤ Most transparent and lowest admission fees worldwide

➤ Most transparent and fair annual listing fees

