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# Comparison of the Eligibility Criteria and Continuing Obligations for Listing on the Hong Kong Stock Exchange and the Singapore Stock Exchange

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Chambers, Global 2018

	<b>SGX (Mainboard)</b>	<b>SGX (Catalist)</b>	<b>Hong Kong Stock Exchange ("Main Board")</b>	<b>HKSE (GEM Board)</b>
<b>Regulated market</b>	Singapore regulated market	Singapore regulated market	Hong Kong regulated market	Hong Kong regulated market
<b>Prospectus/Admission Document</b>	Prospectus	Offer Document	Prospectus	Prospectus
<b>Exchange Rules</b>	SGX-ST Listing Rules (Mainboard)	SGX-ST Listing Rules (Catalist)	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (" <b>Main Board Listing Rules</b> ")	Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (" <b>GEM Board Listing Rules</b> ")
<b>Accepted Jurisdictions in which an Issuer may be incorporated</b>	<p>Any.</p> <p>A foreign issuer must also provide confirmation that an announcement will be made via SGXNET as soon as there is any change in the law of its place of incorporation which may affect or change shareholders' rights or obligations over its securities, including:</p> <p>(i) The right to attend, speak, vote at shareholders' meetings and the right to appoint proxies;</p> <p>(ii) Right to receive rights offering and any other entitlements;</p> <p>(iii) Withholding taxes on its</p>	<p>Any.</p> <p>A foreign listing applicant must release all information and documents to the SGX in English, and must also provide confirmation to the sponsor that an announcement will be made via SGXNET as soon as there is any change in the law of its place of incorporation which may affect or change shareholders' rights or obligations over its securities, including:</p> <p>(i) The right to attend, speak, vote at shareholders' meetings and the right to appoint proxies;</p> <p>(ii) Right to receive rights offering</p>	<ul style="list-style-type: none"> <li>Accepted Jurisdictions: Austria, Australia, Bermuda, Brazil, BVI, Canada (Alberta, British Columbia or Ontario), Cayman Islands, Cyprus, England and Wales, France, Germany, Guernsey, Hong Kong, India, Isle of Man, Israel, Italy, Japan, Jersey, Labuan, Luxembourg, Netherlands, Russia, PRC, Republic of Korea, Singapore or the United States (California, Delaware or Nevada)</li> <li>Issuers incorporated in other jurisdictions may be considered if the domestic laws, rules and regulations of the jurisdiction, the</li> </ul>	<ul style="list-style-type: none"> <li>Accepted Jurisdictions: Austria, Australia, Bermuda, Brazil, BVI, Canada (Alberta, British Columbia or Ontario), Cayman Islands, Cyprus, England and Wales, France, Germany, Guernsey, Hong Kong, India, Isle of Man, Israel, Italy, Japan, Jersey, Labuan, Luxembourg, Netherlands, Russia, PRC, Republic of Korea, Singapore or the United States (California, Delaware or Nevada)</li> <li>Issuers incorporated in other jurisdictions may be considered if the domestic laws, rules and regulations of the jurisdiction, the</li> </ul>

	<p>securities;</p> <p>(iv) Stamp duties on its securities;</p> <p>(v) Substantial shareholder reporting requirements for its securities;</p> <p>(vi) Foreign shareholding limits on the securities;</p> <p>(vii) Capital controls over cash dividends or other cash distributions payable in respect of its securities; and</p> <p>(viii) Obligations to file documents or make declarations in respect of its securities.</p>	<p>and any other entitlements;</p> <p>(iii) Withholding taxes on its securities;</p> <p>(iv) Stamp duties on its securities;</p> <p>(v) Substantial shareholder reporting requirements for its securities;</p> <p>(vi) Foreign shareholding limits on the securities;</p> <p>(vii) Capital controls over cash dividends or other cash distributions payable in respect of its securities; and</p> <p>(viii) Obligations to file documents or make declarations in respect of its securities.</p>	<p>constitutional documents of the issuer and the arrangements that the issuer has adopted as a whole meets the shareholder protection standards under Hong Kong law</p> <ul style="list-style-type: none"> <li>• Issuers incorporated in other jurisdictions may be considered for a secondary listing</li> </ul>	<p>constitutional documents of the issuer and the arrangements that the issuer has adopted as a whole meets the shareholder protection standards under Hong Kong law</p>
<b>Depository receipts</b>	Yes (subject to conditions)	No	Yes (subject to conditions)	No
<b>Minimum free float i.e. the amount of the company's shares to be in public hands</b>	<p>Ongoing float: 10%</p> <p>Where the issuer's market capitalisation ("M") &lt; S\$300 million, the public float shall be 25%, and at least 40% of the invitation shares or \$15 million whichever is lower, must be distributed to investors each allotted not more than 0.8% of the invitation shares or \$300,000 worth of shares whichever is lower.</p> <p>Where S\$300 million ≤ M &lt; S\$400 million, the public float</p>	<p>Ongoing float: 10%</p> <p>The proportion of post invitation share capital in public hands must be at least 15% at the time of listing.</p> <p>The overall distribution of shareholdings should be expected to provide an orderly secondary market in the securities when trading commences, and be unlikely to lead to a corner situation in the securities.</p>	<p>25% (the HKSE may discretionally accept 15%-25% if the issuer has an expected market capitalisation at the time of listing of over HK\$10 billion)</p> <p>Minimum of 300 shareholders</p> <p>No more than 50% of the shares in public hands at the time of listing can be beneficially owned by the 3 largest public shareholders</p>	<p>25% (the HKSE may discretionally accept 15%-25% if the issuer has an expected market capitalisation at the time of listing of over HK\$10 billion)</p> <p>Minimum of 100 shareholders</p> <p>No more than 50% of the shares in public hands at the time of listing can be beneficially owned by the 3 largest public shareholders</p>

	<p>shall be 20%, and at least 20% of the invitation shares must be distributed to investors, each allotted not more than 0.4% of the invitation shares.</p> <p>Where S\$400 million <math>\leq</math> M &lt; S\$1000 million, the public float shall be 15%. There are no requirements as to distribution.</p> <p>Where M <math>\geq</math> S\$1000 million, the public float shall be 12%. There are no requirements as to distribution.</p>			
<p><b>Trading Record Requirements</b></p>	<p>(a) Minimum consolidated pre-tax profit (based on full year consolidated audited accounts) of at least S\$30 million for the latest financial year and has an operating track record of at least three years;</p> <p>(b) Profitable in the latest financial year (pre-tax profit based on the latest full year consolidated audited accounts), has an operating track record of at least three years and has a <b>market capitalisation of not less than S\$150 million</b> based on the issue price and post-invitation issued share capital; OR</p> <p>(c) Operating revenue (actual or pro forma) in the latest</p>	<p>No minimum required</p>	<p>A trading record of not less than three financial years fulfilling one of the following three financial criteria, namely:</p> <ul style="list-style-type: none"> <li>• Profit Test <ul style="list-style-type: none"> <li>○ Profits of HK\$20 million for the most recent year and of aggregate of HK\$30 million for the first 2 years; and</li> <li>○ Market capitalisation of at least HK\$500 million at the time of listing.</li> </ul> </li> <li>• Market Capitalisation/Revenue Test <ul style="list-style-type: none"> <li>○ Revenue of at least HK\$500 million for the most recent audited financial year; and</li> <li>○ Market capitalisation of at least HK\$4 billion at the</li> </ul> </li> </ul>	<p>A trading record of not less than two financial years comprising:</p> <ul style="list-style-type: none"> <li>• a positive cash flow generated from operating activities in the ordinary and usual course of business before changes in working capital and taxes paid of at least HK\$30 million in aggregate for the two financial years immediately preceding the issue of the listing document; and</li> <li>• a market capitalisation of at least HK\$150 million at the time of listing (with a public float of a minimum of HK\$45 million)</li> </ul>

	completed financial year and a market capitalisation of not less than S\$300 million based on the issue price and post-invitation issued share capital. Real Estate Investment Trusts and Business Trusts who have met the S\$300 million market capitalisation test but do not have historical financial information may apply under this rule if they are able to demonstrate that they will generate operating revenue immediately upon listing.		time of listing. <ul style="list-style-type: none"> <li>• Market Capitalisation/Revenue/Cash Flow Test <ul style="list-style-type: none"> <li>○ Revenue of at least HK\$500 million for the most recent audited financial year;</li> <li>○ Positive cash flow from operating activities of at least HK\$100 million in aggregate for the 3 preceding financial years; and</li> <li>○ Market capitalisation of at least HK\$2 billion at the time of listing.</li> </ul> </li> </ul>	
<b>Securities</b>	Securities to be freely transferable. (Appendix 2.2(4))  Global depository receipts ("GDR"): The underlying equity securities represented by GDRs must be freely transferable, validly issued, and free from any liens or encumbrances. (Rule 252(4))	Securities to be freely transferable. (Appendix 4C(4))	Securities must be freely transferable.  Depository receipts must be freely transferable.	Securities must be freely transferable.
<b>Sponsor or Nomad required</b>	Applicant must appoint an issue manager who will act as the sponsor for the applicant's listing on the Exchange.  The requirement to have an issue manager ends once the issuer is admitted to listing, although it is recommended that the issuer retain the services of the issue	Applicant must appoint and retain a full sponsor at all times.  A full sponsor conducting introducing activities for an issuer must act as the continuing sponsor for the issuer for at least 3 years after admission of the issuer.	Sponsor required for new applicant.	Sponsor required for new applicant.

	manager for at least one year following its listing.			
<b>Working capital for next 12 months</b>	<p>No specific requirements for working capital for the next 12 months, but the issuer must satisfy one of the quantitative criteria, the profit test and the group must be in a healthy financial position, having regard to whether the Group has a positive cash flow from operating activities.</p> <p>Life science companies which are unable to meet the above criteria must have sufficient working capital for at least 12 months after listing.</p> <p>Mineral, oil and gas companies which are unable to meet the above criteria must have sufficient working capital for at least 18 months after listing.</p>	Sufficient working capital for at least 12 months after listing.	Sufficient working capital for at least 12 months after date of publication of the listing document.	Sufficient working capital for at least 12 months after date of publication of the listing document.
<b>Operating history and management</b>	Audited annual (consolidated) financial statements for the 3 most recent completed financial years or less where applicable, such as where the corporation exists for less than 3 years.	Audited financial statements for the last 3 years, where applicable.	<p>Management continuity for at least the three preceding financial years.</p> <p>Ownership continuity and control for at least the most recent audited financial year.</p>	<p>Substantially the same management throughout the two financial years immediately preceding the issue of the listing document and up until the listing.</p> <p>Continuity of ownership and control throughout the full financial year immediately preceding the issue of the listing document and up until the date of listing.</p>

## Corporate Governance

**Independent Directors:** The Code of Corporate Governance (the "**Code**") recommends that at least one-third of the board of directors should be independent directors.

Where (a) the chairman and CEO is the same person; (b) the chairman and CEO are immediate family members; (c) the chairman is part of the management team; (d) or the chairman is not an independent director, then at least half of the board of directors should be independent directors.

### **Committees:**

- The Code states that the board should establish a remuneration committee ("**RC**") consisting of at least three directors, the majority of whom, including the RC Chairman, should be independent. All of the members of the RC should be non-executive directors.
- The Code states that the board should establish an audit committee ("**AC**") consisting of at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent.
- The Code also states that the

**Independent Directors:** See comments for SGX Mainboard Listing.

### **Committees:**

- See comments for SGX Mainboard Listing.

## **Independent Non-executive Directors:**

- Every board of directors of a listed issuer must include at least three independent non-executive directors, and at least one-third of the board of directors should be independent non-executive directors.
- At least one of the independent non-executive directors must have the appropriate professional qualifications, or have appropriate accounting or related financial management expertise.

### **Committees:**

- An applicant must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors.
- The board should establish an audit committee consisting of non-executive directors only. The audit committee must comprise of a minimum of three members, a majority of whom shall be independent non-executive directors. At least one of the independent non-executive directors must possess appropriate professional qualifications or accounting or related financial management expertise. The

## **Independent Non-executive Directors:**

See comments for Main Board.

### **Committees:**

See comments for Main Board.

**Compliance Officer:** Every issuer must ensure that, at all times, one of its executive directors assumes responsibility for acting as the issuer's compliance officer.



	<p>board should establish a nominating committee ("NC") which consists of at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.</p>		<p>audit committee must be chaired by an independent non-executive director.</p> <ul style="list-style-type: none"> <li>• The board should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors.</li> </ul>	
<p><b>Business to be independent of controlling shareholder</b></p>	<p>An issuer should resolve or eliminate conflict situations prior to listing. SGX may accept a proposal to resolve or eliminate conflicts of interest within a reasonable period after listing. Conflicts of interest include situations in which interested persons:</p> <ol style="list-style-type: none"> <li>(1) Carry on business transactions with the issuer or provide services to or receive services from the issuer or its group;</li> <li>(2) Lend to or borrow from the issuer or its group;</li> <li>(3) Lease property to or from the issuer or its group; or</li> <li>(4) Have an interest in businesses that are competitors, suppliers or customers of the issuer or its group.</li> </ol> <p>Please also refer to "Related party</p>	<p>A listing applicant should resolve or eliminate conflict situations prior to listing. The Exchange may accept a proposal (submitted through the sponsor) to resolve or eliminate conflicts of interest within a reasonable period after listing. Conflicts of interest include situations in which interested persons:</p> <ol style="list-style-type: none"> <li>(1) Carry on business transactions with the listing applicant or provide services to or receive services from the listing applicant or its group;</li> <li>(2) Lend to or borrow from the listing applicant or its group;</li> <li>(3) Lease property to or from the listing applicant or its group; or</li> <li>(4) Have an interest in businesses that are competitors, suppliers or customers of the listing applicant</li> </ol>	<p>Where an applicant has a controlling shareholder with an interest in a business apart from the applicant's business which competes or is likely to compete, either directly or indirectly, with the applicant's business (the "<b>excluded business</b>"), the applicant must be able to demonstrate that the applicant is capable of carrying on its business independently of, and at arm's length from the excluded business.</p> <p>An applicant must disclose in the prospectus as to how it is satisfied that it is capable of carrying on its business independently of the controlling shareholder after listing.</p>	<p>An applicant will not be rendered unsuitable for listing on the grounds that any shareholder has an interest in a business which competes or may compete with the new applicant's business.</p> <p>However, the applicant must disclose in the prospectus as to how it is satisfied that it is capable of carrying on its business independently of the controlling shareholder after listing.</p>

	transactions below".	or its group. Please also refer to "Related party transactions below".		
<b>Relationship agreement with controlling shareholder</b>	No specific requirements	No specific requirements	<p>To delineate the business of an applicant from that of an excluded business, controlling shareholders of some applicants have (i) provided an enforceable non-competition undertaking in favour of the applicant; (ii) granted a right of first refusal to the new applicant if it is aware of a new business opportunity relating to the applicant's business or intends to dispose of the competing business; and/or (iii) granted a call option to the applicant to acquire the competing business in the future (the <b>Undertakings</b>”).</p> <p>The Undertakings are not mandatory, but may be helpful to ensure continued delineation of the excluded business from the competing business or limit the extent of competition between the applicant and the excluded business after the listing and is one way to address potential conflict of interest between the excluded business and the applicant.</p>	See comments for Main Board.

<b>Annual financial report</b>	Yes	Yes	Yes	Yes
<b>Half yearly financial report</b>	Yes	Yes	Yes	Yes
<b>Quarter financial reports</b>	Yes, if: (a) the issuer's market capitalization exceeded S\$75 million as at 31 March 2003; or (b) the issuer was listed after 31 March 2003 and its market capitalization exceeded S\$75 million at the time of listing (based on the IPO issue price); or (c) the issuer's market capitalization is S\$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006.	Yes, if: (a) the issuer's market capitalisation exceeded S\$75 million as at 31 March 2003; (b) the issuer was listed after 31 March 2003 and its market capitalisation exceeded S\$75 million at the time of listing (based on the initial public offering issue price); or (c) the issuer's market capitalisation is S\$75 million or higher on the last trading day of each calendar year, commencing from 31 December 2006.	No	Yes
<b>International Financial Reporting Standards</b>	Yes; and SFRS, US GAAP	Yes; and SFRS, US GAAP	Yes; and HKFRS, CASBE (for a PRC issuer), or US GAAP (for secondary listings)	Yes; and HKFRS or CASBE (for a PRC issuer)
<b>Publication of inside information as soon as possible (i.e. information which is likely to have a significant effect on the company's securities)</b>	Yes	Yes	Yes	Yes

<b>Major shareholder notification regime applies</b>	Yes (Rule 728)	Yes (Rule 728)	Yes (Part XV of the Securities and Futures Ordinance)	Yes (Part XV of the Securities and Futures Ordinance)
<b>Significant transactions</b>	Shareholder approval required for major transactions. (Rule 1014(2))	Shareholder approval required for major transactions. (Rule 1014(2))	Shareholders' approval requirement for major transactions and very substantial acquisitions/disposals.	See comments for Main Board.
<b>Reverse takeovers</b>	Shares may be suspended from trading until the issuer meets the relevant disclosure and admission requirements. (Rule 1015(6)) Shareholder approval required. (Rule 1015(1)(b))	Shares may be suspended from trading until the issuer meets the relevant disclosure and admission requirements. (Rule 1015(7)) Shareholder approval required. (Rule 1015(1)(b))	Reverse takeovers will be treated as if it were a new listing application. Shareholders' approval required.	See comments for Main Board.
<b>Related party transactions</b>	Shareholder approval required for interested person transactions of a value equal to or more than 5% of the group's latest audited net tangible assets or 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. Shareholder approval not required for any transaction below \$100,000. (Rule 906)	Shareholder approval required for interested person transactions of a value equal to or more than 5% of the group's latest audited net tangible assets or 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. Shareholder approval not required for any transaction below \$100,000. (Rule 906)	Independent shareholders' approval and appointment of independent board committee and independent financial adviser to advise shareholders required for connected transactions, subject to exemptions.  In addition, continuing connected transactions are also subject to a 3-year maximum term, maximum aggregate annual caps and an annual review requirement.	See comments for Main Board.
<b>Pre-emption rights on issue of new shares for cash</b>	Subject to any direction to the contrary that may be given by the company in the general meeting or except as permitted	Subject to any direction to the contrary that may be given by the company in the general meeting or except as permitted under the	An issue of shares, securities convertible into shares; or options, warrants or similar rights to subscribe for any shares or	See comments for Main Board.

	<p>under the SGX listing rules, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as far as circumstances admit, to the amount of the existing shares to which they are entitled. (Appendix 2.2(1)(f))</p>	<p>SGX listing rules, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as far as circumstances admit, to the amount of the existing shares to which they are entitled. (Appendix 4C(1)(e))</p>	<p>such convertible securities not offered to existing shareholders pro rata to their existing holdings must be approved by the issuer's shareholders either (i) a mandate specific to the proposed share issuance ("<b>specific mandate</b>"), or (ii) a prior mandate for issuing shares ("<b>general mandate</b>"), subject to a limit of up to 20% on the issue size and price discount.</p> <p>Rights issues, open offers and specific mandate placings, individually or when aggregated within a rolling 12-month period, that would result in a cumulative dilution effect of 25% are disallowed, unless there are exceptional circumstances.</p> <p>Minority shareholders' approval (the issuer's controlling shareholders and their associates must abstain from voting in favour) for rights issues would be required if the rights issue would increase the number of issued shares or the market capitalisation by more than 50%.</p> <p>Minority shareholders' approval (the issuer's controlling shareholders and their associates must abstain from voting in favour) for all open offers would be required, unless the new shares will be issued under an existing</p>	
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			general mandate.	
<p><b>Further issues of share</b></p>	<p>Additional Listing Application required, which may include a prospectus where applicable. (Rule 869)</p> <p>Shareholders' approval is not required where the issuer has obtained a general mandate from shareholders by ordinary resolution in a general meeting. The general mandate is subject to a limit of not more than 50% of the total number of issued shares excluding treasury shares and subsidiary holdings in each class, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the total number of issued shares excluding treasury shares and subsidiary holdings in each class. (Rule 806)</p>	<p>Additional Listing Confirmation required; an offer information statement may be required where applicable. (Rule 864)</p> <p>Shareholders' approval is not required where the issuer has obtained a general mandate from shareholders by resolution in a general meeting.</p> <p>If shareholders approve the mandate by ordinary resolution, the limit must be not more than 100% of the total number of issued shares excluding treasury shares and subsidiary holdings, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 50% of the total number of issued shares excluding treasury shares and subsidiary holdings; or</p> <p>If shareholders approve the mandate by special resolution, the limit on the aggregate number of shares and convertible securities issued, whether on a pro rata or non pro rata basis, may be up to 100% of the total number of issued shares excluding treasury shares and subsidiary holdings.</p>	<p>Any issue of shares not offered to existing shareholders <i>pro rata</i> to their existing holdings must be approved by the issuer's shareholders either through (i) a specific mandate or (ii) a general mandate.</p>	<p>See comments for Main Board.</p>

		(Rule 806)		
<b>Issue of convertible securities</b>	<p>Permitted provided the company (i) is not subject to any restrictions in its constitution or under domestic law and (ii) has waived any pre-emption rights to issue sufficient shares on conversion.</p> <p>Not more than 10% discount to the prevailing market price of the underlying shares, unless specific shareholder approval is obtained.</p>	<p>Permitted provided the company (i) is not subject to any restrictions in its constitution or under domestic law and (ii) has waived any pre-emption rights to issue sufficient shares on conversion.</p> <p>Not more than 10% discount to the prevailing market price of the underlying shares, unless specific shareholder approval is obtained.</p>	<p>An issue of convertible securities must be approved by the issuer's shareholders either through (i) a specific mandate, or (ii) a general mandate (subject to a limit of up to 20% on the issue size and the restriction that the initial conversion price cannot be less than the market price of the shares of the listed issuer at the time of the issuance).</p>	<p>See comments for Main Board.</p>
<b>Transfer between listing categories</b>	<p>May move to Catalist without cancelling listing.</p> <p>75% shareholder approval required to transfer out of premium listing.</p> <p>Must be sponsored and in compliance with all applicable SGX-ST Listing Rules (Mainboard).</p>	<p>May move to Mainboard without cancelling listing.</p> <p>Must be listed on Catalist for at least two years and meets the minimum quantitative requirements in Rule 210 of the SGX-ST Listing Rules (Mainboard).</p>	<p>No "fast-track" procedure for moving from Main Board to GEM so company will need to cancel its listing and comply with same requirements for a new listing.</p>	<p>"Eligible Issuers" may move to Main Board without the need to delist from GEM Board and apply for listing under the Main Board during the transitional period of three years from 15 February 2018 to 14 February 2021 if it:</p> <ul style="list-style-type: none"> <li>• it meets all the qualifications for listing on the Main Board;</li> <li>• it complied with the GEM Listing Rules in respect of its financial results for the first full financial year commencing after the date of its initial listing; and</li> <li>• in the 12 months preceding the transfer application and until the commencement of dealings in its securities on the Main Board, it has not been the subject of any disciplinary investigation by the HKSE in relation to a serious breach or</li> </ul>

				<p>potentially serious breach of any GEM Listing Rules or Main Board Listing Rules.</p> <p>"Eligible Issuers" include:</p> <ul style="list-style-type: none"> <li>• all issuers listed on GEM as at 16 June 2017; and</li> <li>• all GEM applicants who have submitted a valid listing application for listing on GEM as at 16 June 2017 and subsequently listed on GEM pursuant to such application or a renewal of such application.</li> </ul>
<p><b>Cancellation of listing</b></p>	<p>75% shareholder approval required.</p> <p>If an issuer is seeking to delist from the Exchange:</p> <p>(1) an exit offer must be made to the issuer's shareholders and holders of any other classes of listed securities to be delisted. The exit offer must:</p> <p>(a) be fair and reasonable; and (b) include a cash alternative as the default alternative; and</p> <p>(2) the issuer must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.</p>	<p>75% shareholder approval required.</p> <p>If an issuer is seeking to delist from the Exchange:</p> <p>(1) an exit offer must be made to the issuer's shareholders and holders of any other classes of listed securities to be delisted. The exit offer must:</p> <p>(a) be fair and reasonable; and (b) include a cash alternative as the default alternative; and</p> <p>(2) the issuer must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.</p>	<p>The HKSE may cancel the listing of an issuer where it considers it necessary for the protection of investors or the maintenance of an orderly market.</p> <p>An issuer whose primary listing is on the HKSE and which has an alternative listing on another regulated, regularly operating, open stock exchange recognised by the HKSE, may not voluntarily withdraw its listing on the HKSE unless:</p> <ul style="list-style-type: none"> <li>• shareholder approval has been obtained by way of an ordinary resolution;</li> <li>• the prior approval of holders of any other class of listed securities, if applicable, has been obtained; and</li> <li>• the issuer has given its shareholders and holders of any</li> </ul>	<p>The HKSE may cancel the listing of an issuer where it considers it necessary for the protection of investors or the maintenance of an orderly market.</p> <p>An issuer which has an alternative listing on another regulated, regularly operating, open stock exchange recognised by the HKSE, may not voluntarily withdraw its listing on the HKSE unless:</p> <ul style="list-style-type: none"> <li>• shareholder approval has been obtained by way of an ordinary resolution;</li> <li>• the prior approval of holders of any other class of listed securities, if applicable, has been obtained; and</li> <li>• the issuer has given its shareholders and holders of any other class of listed securities, if</li> </ul>



			<p>other class of listed securities, if applicable, at least 3 months' notice of the proposed withdrawal of the listing.</p> <p>If the issuer has no alternative listing, the issuer may not voluntarily withdraw its listing on the HKSE without the permission of the HKSE unless:</p> <ul style="list-style-type: none"> <li>• The issuer has obtained the prior approval of its shareholders and holders of any other class of listed securities, if applicable, at a shareholders meeting and a meeting of shareholders any other class of listed securities, if applicable, at which any controlling shareholders and their associates shall abstain from voting in favour. Where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive and their associates shall abstain from voting in favour;</li> <li>• The approval of withdrawal of the listing must be given by at least 75% of the votes attaching to any class of listed securities. The listed securities held by directors, the chief executive and any controlling shareholders or their associates that vote against the resolution at the meeting are to be included;</li> </ul>	<p>applicable, at least 3 months' notice of the proposed withdrawal of the listing.</p> <p>If the issuer has no alternative listing, the issuer may not voluntarily withdraw its listing on the HKSE without the permission of the HKSE unless:</p> <ul style="list-style-type: none"> <li>• The issuer has obtained the prior approval of its shareholders and holders of any other class of listed securities, if applicable, at a shareholders meeting and a meeting of shareholders any other class of listed securities, if applicable, at which any controlling shareholders and their associates shall abstain from voting in favour. Where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive and their associates shall abstain from voting in favour;</li> <li>• The approval of withdrawal of the listing must be given by at least 75% of the votes attaching to any class of listed securities. The listed securities held by directors, the chief executive and any controlling shareholders or their associates that vote against the resolution at the meeting are to be included;</li> <li>• The number of votes cast</li> </ul>
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			<ul style="list-style-type: none"> <li>• The number of votes cast against the resolution is not more than 10% of the votes attaching to any class of listed securities held by holders permitted to vote. The listed securities held by directors, the chief executive and any controlling shareholders or their associates that vote against the resolution at the meeting are to be included; and</li> <li>• The shareholders and holders of any other class of listed securities, if applicable, other than the directors (excluding independent non-executive directors), chief executive and controlling shareholders, are offered a reasonable cash alternative or other reasonable alternative.</li> </ul> <p>An issuer may voluntarily withdraw its listing on the HKSE, irrespective of whether it has an alternative listing or not, if:</p> <ul style="list-style-type: none"> <li>• after a general offer a right to compulsory acquisition is exercised pursuant to applicable laws and regulations resulting in the acquisition of all the listed securities of the issuer; or</li> <li>• the issuer is privatised by way of a scheme of arrangement or capital reorganisation which is governed by the Takeovers Code and all the relevant requirements, including the shareholders' approval</li> </ul>	<p>against the resolution is not more than 10% of the votes attaching to any class of listed securities held by holders permitted to vote. The listed securities held by directors, the chief executive and any controlling shareholders or their associates that vote against the resolution at the meeting are to be included; and</p> <ul style="list-style-type: none"> <li>• The shareholders and holders of any other class of listed securities, if applicable, other than the directors (excluding independent non-executive directors), chief executive and controlling shareholders, are offered a reasonable cash alternative or other reasonable alternative.</li> </ul> <p>An issuer may voluntarily withdraw its listing on the HKSE, irrespective of whether it has an alternative listing or not, if:</p> <ul style="list-style-type: none"> <li>• after a general offer a right to compulsory acquisition is exercised pursuant to applicable laws and regulations resulting in the acquisition of all the listed securities of the issuer; or</li> <li>• the issuer is privatised by way of a scheme of arrangement or capital reorganisation which is governed by the Takeovers Code and all the relevant requirements, including the shareholders' approval requirements, under the</li> </ul>
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			<p>requirements, under the Takeovers Code have been complied with,</p> <p>and, in either case, it has given its shareholders notice of the proposed withdrawal of the listing by way of an announcement and the intention not to retain the issuer's listing on the HKSE has been stated in a circular to shareholders.</p>	<p>Takeovers Code have been complied with,</p> <p>and, in either case, it has given its shareholders notice of the proposed withdrawal of the listing by way of an announcement and the intention not to retain the issuer's listing on the HKSE has been stated in a circular to shareholders.</p>
<p><b>Tax benefits</b></p> <ul style="list-style-type: none"> <li>• Stamp duty</li> <li>• EIS relief</li> <li>• VCT relief</li> <li>• IHT relief</li> <li>• ISA</li> <li>• UK-REIT</li> </ul>	<ul style="list-style-type: none"> <li>• Stamp duty is not payable where there is no document executed for the transfer of scripless shares. Duties chargeable on an agreement for the sale of any book-entry securities are remitted.</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Stamp duty is not payable where there is no document executed for the transfer of scripless shares. Duties chargeable on an agreement for the sale of any book-entry securities are remitted.</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Payable</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> </ul>	<ul style="list-style-type: none"> <li>• Payable</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> <li>• n/a</li> </ul>

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