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News Release

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SGX clarifies that existing secondary listing framework allows dual class share companies

Companies with a dual-class share (DCS) structure that are primary-listed in “developed markets” can seek a secondary listing on Singapore Exchange (SGX), SGX said today in response to queries raised during the DCS public consultation process.

SGX’s secondary listing framework differentiates companies into two groups based on their home exchanges. For companies that are listed on any of the 22 markets the international index-providers FTSE and MSCI classify as “developed markets”, SGX does not impose additional post-listing conditions except a requirement that the companies make continuous disclosures via SGXNet of all announcements made to the home exchange. These companies must also maintain their primary listing on the home exchange. The classification considers a jurisdiction’s legal, regulatory and enforcement framework. The home exchange of each company will maintain primary regulatory oversight of the issuer.

In addition, all companies applying for a secondary listing are subject to the listings review process and must satisfy our suitability criteria. Initial secondary listing applications from DCS companies will be referred to the independent Listings Advisory Committee.

“The secondary listing of companies, including DCS companies, in Singapore provides investors with more choice and enables these shares to be traded during the Asian time zone. Should a DCS company secondary-list on SGX, it could enhance overall market knowledge and familiarity with the risks and benefits of DCS companies,” said Loh Boon Chye, CEO of SGX.

“‘Developed market’ jurisdictions are those whose frameworks are acceptable to us; more than 10 of these allow DCS listings and each has its own way of dealing with the associated risks. While the existing secondary listing framework accommodates DCS companies, this does not presume that we will adopt a primary DCS listing framework. We are still evaluating the feedback received and target to update the market before the year-end,” said Tan Boon Gin, CEO of Singapore Exchange Regulation (SGX RegCo).

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About Singapore Exchange

Singapore Exchange is Asia's leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and 75% of listed bonds originating outside of Singapore.

SGX is the world's most liquid offshore market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit www.sgx.com.

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