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## SGX proposes regulatory framework for secondary listings

Singapore Exchange (SGX) is consulting the public on its proposed regulatory framework for secondary listed companies on the exchange.

Under the current framework, SGX reviews the legal and regulatory requirements of the primary listing venue or “home exchange” for each company from a jurisdiction new to the exchange.

With the proposed framework, SGX aims to:

- Make clear the regulatory oversight SGX has on secondary listings i.e. reliance is placed on the regulator of the jurisdiction of the exchange where the company has its primary listing, also known as the company’s home exchange.
- Provide greater clarity on the methodology SGX applies for its regulatory review of secondary listing applicants

The proposed framework comprises:

- Classification of a secondary listing applicant into either a company from a Developed market or from a Developing market. Whether a market is deemed Developed or Developing will be based on classification by both MSCI and FTSE which takes into account, among others, the overall robustness and maturity of the legal and regulatory regimes of the market. More information on the MSCI and FTSE classifications can be found at [www.msci.com](http://www.msci.com) and [www.ftse.com](http://www.ftse.com).
- Where a company is from any of the 23 Developed Markets, SGX will not impose additional continuing listing obligations.
- If a company is from a Developing Market, additional continuing listing obligations may be imposed to enhance shareholder protection and corporate governance standards.

SGX also intends to help investors more easily differentiate between secondary- and primary-listed companies in the Singapore stock market. For example, SGX will clearly segregate between these companies when their stock information is displayed on our website.

SGX invites comments on this Consultation Paper until 25 June 2014 via:

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### **About Singapore Exchange (SGX)**

Singapore Exchange (SGX) is the Asian Gateway, connecting investors in search of Asian growth to corporate issuers in search of global capital. SGX represents the premier access point for managing Asian capital and investment exposure, and is Asia's most international exchange with more than 40% of companies listed on SGX originating outside of Singapore. SGX offers its clients the world's biggest offshore market for Asian equity index futures, centred on Asia's three largest economies – China, India and Japan.

In addition to offering a fully integrated value chain from trading and clearing, to settlement and depository services, SGX is also Asia's pioneering central clearing house. Headquartered in Asia's most globalised city, and centred within the AAA strength and stability of Singapore's island nation, SGX is a leading Asian counterparty for the clearing of financial and commodity products.

For more information, please visit [www.sgx.com](http://www.sgx.com)

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