



**Asian Presence. Global Reach.**

**Be in the Big League – IPO your company**

**Gwendolyn Gn**

Partner

Shook Lin & Bok LLP

# Introduction

- Which big boy is not listed?
- Ease of financing
- Tap into capital markets for fund raising
- Corporate milestones – Transformation from SME to listed company
- On the radar of funds and investors
- Higher visibility and stronger corporate profile for major project tenders
- Create shell value
- Listing on SGX, a recognised stock exchange



## Main Board Listing Criteria

# Main Board Listing Criteria

## A. Shareholding spread and distribution – Rule 201(1)

Market Capitalisation ("M")	Proportion of post-invitation share capital in public's hands	Number of shareholders	Total offer size (\$ million) ("O")	Distribution
$M < 300$	25%	500	$O < 75$	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
$300 \leq M < 400$	20%	500	$75 \leq O < 120$	At least 20% of the invitation shares must be distributed to investors, each allotted not more than 0.4% of the invitation shares
$400 \leq M < 1000$	15%	500	$O \geq 120$	No requirement applicable
$M \geq 1000$	12%	500		Notes: 1) The shareholdings of an applicant and his associates must be aggregated and treated as one single holder 2) Preferential allotments made pursuant to Rule 234 must be excluded

## Main Board Listing Criteria

### B. Quantitative criteria – Rule 201(2)

An issuer must also satisfy one of the following requirements:—

- (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.
- (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 market capitalisation of not less than S\$150 million based on the issue price and post-invitation issued share capital.
- (c) Operating revenue (actual or pro forma) in the latest 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.

# Main Board Listing Criteria

## C. Other salient criteria – Rule 210 (4) – (9)

- Financial position and liquidity
  - Healthy financial position; positive cash flow from operations
  - Debts owing to the group by directors, substantial shareholders must be settled prior to listing
- Directors and management
  - Experience and expertise
  - Character and integrity
  - Board membership - independent directors
- No chain listing
- 3 Independent listing committees of the SGX
  - Listings advisory committee
  - Listings disciplinary committee
  - Listings appeals committee





## Catalist Listing Criteria

## Catalist Listing Criteria

- Sponsored by an SGX-approved sponsor
- “Offer Document”
  - SGX-ST has obtained an exemption from the MAS for the relevant sections in the SFA such that an offer of securities on Catalist will not require a prospectus
  - However, same disclosure requirements as a prospectus apply, as do SFA civil and criminal liabilities
- Working Capital Statement
  - Sponsor and directors must include a statement in the Offer Document that the company has sufficient working capital for at least 12 months after IPO
- Shareholding spread
  - 15% of shares in public hands with a minimum of 200 public shareholders
- Other salient criteria (e.g. financial position, directors and management) similar to the Main Board criteria also apply





## Main Board vs Catalist Listings

## Main Board vs Catalist Listings

Main Board	Catalist
Directly supervised by SGX	Directly supervised by sponsors
Minimum quantitative criteria specified under Rule 201(2)	No minimum quantitative criteria
Shareholding spread and distribution based on capitalisation and offer size	15% of shares in public hands with a minimum of 200 public shareholders
Lodgment of prospectus with SGX and MAS	Lodgment of Offer Document with SGX

**Disclaimer:**

This information is provided for general information purposes only and does not constitute legal or other professional advice. It is not comprehensive. Specific advice should always be sought in relation to any legal issue. Shook Lin & Bok LLP does not accept any responsibility for any loss which may arise from reliance on the above presentation.





# Thank You

**Gwendolyn Gn**

Partner

E: [gwendolyn.gn@shooklin.com](mailto:gwendolyn.gn@shooklin.com)