

# Listing on SGX

Your Asian Partner for Global Growth

**Simon Lim, Director - Listings**

**26 March 2008**

# Singapore Exchange

Asian Gateway

# Key Milestones of SGX



**1960**

**Formation of Stock Exchange**

**1999 Dec 1**

**Singapore Exchange (SGX)**

*First demutualised, integrated securities & derivatives exchange in Asia-Pacific*

**2000 Nov 23**

**First exchange in Asia Pacific to be listed**

- ★ *Disclosure-based regime*
- ★ *International standards of corporate governance*
- ★ *Strong financial standing (AAA sovereign rating)*

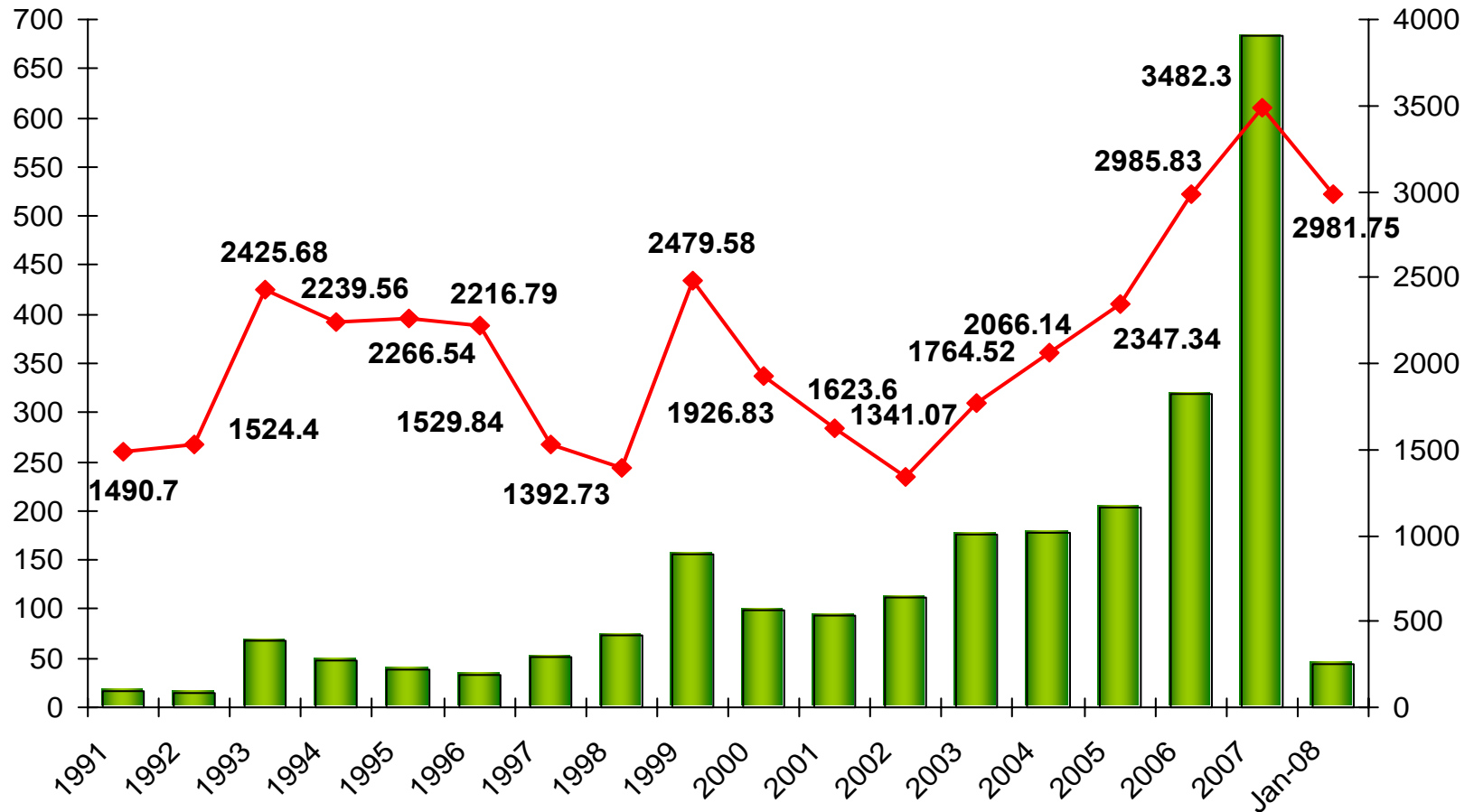
# Market Performance



.... strong long term growth

### Annual Trading Volume (bn units)

### Straits Times Index (STI)

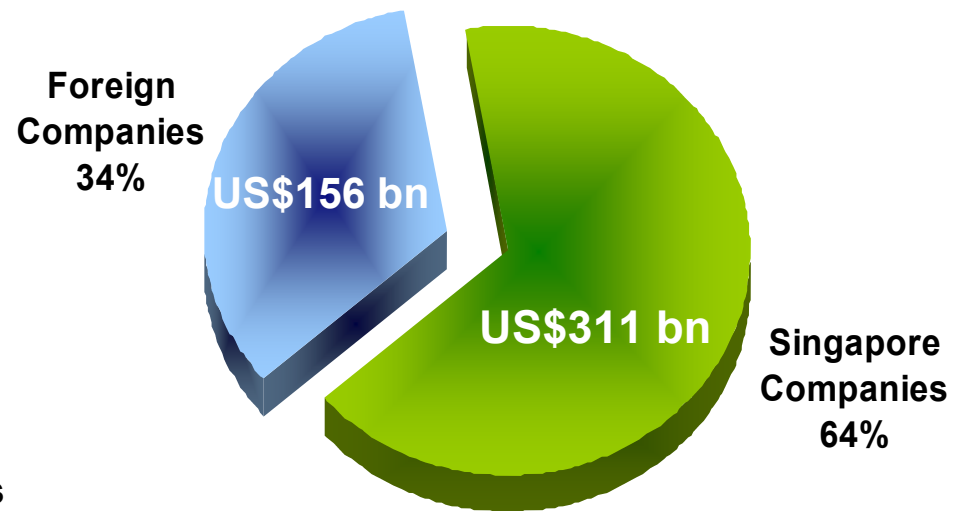
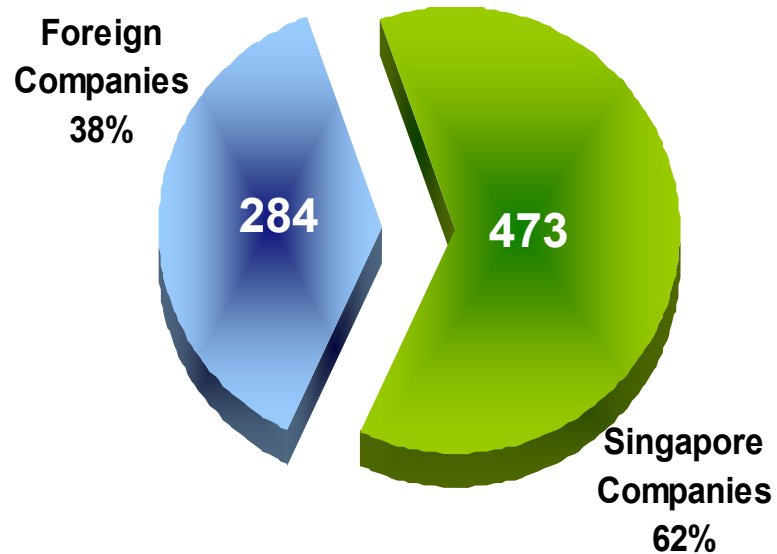


# An International Exchange

.... sizeable segment of foreign companies

No. of Listed  
Companies – 757\*

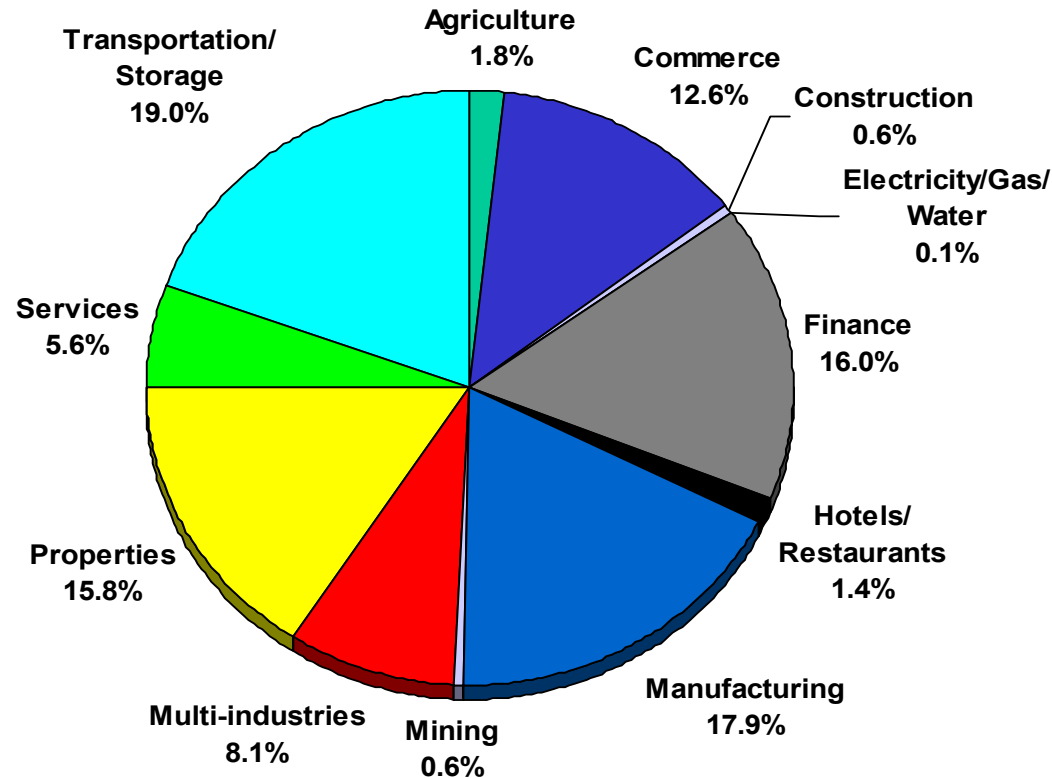
Market Capitalisation  
- US\$467 bn\*



- Excludes 18 foreign companies which are secondary listed with secondary trading on SGX, and 7 GDRs
- As at end-January 2008

# Established Market

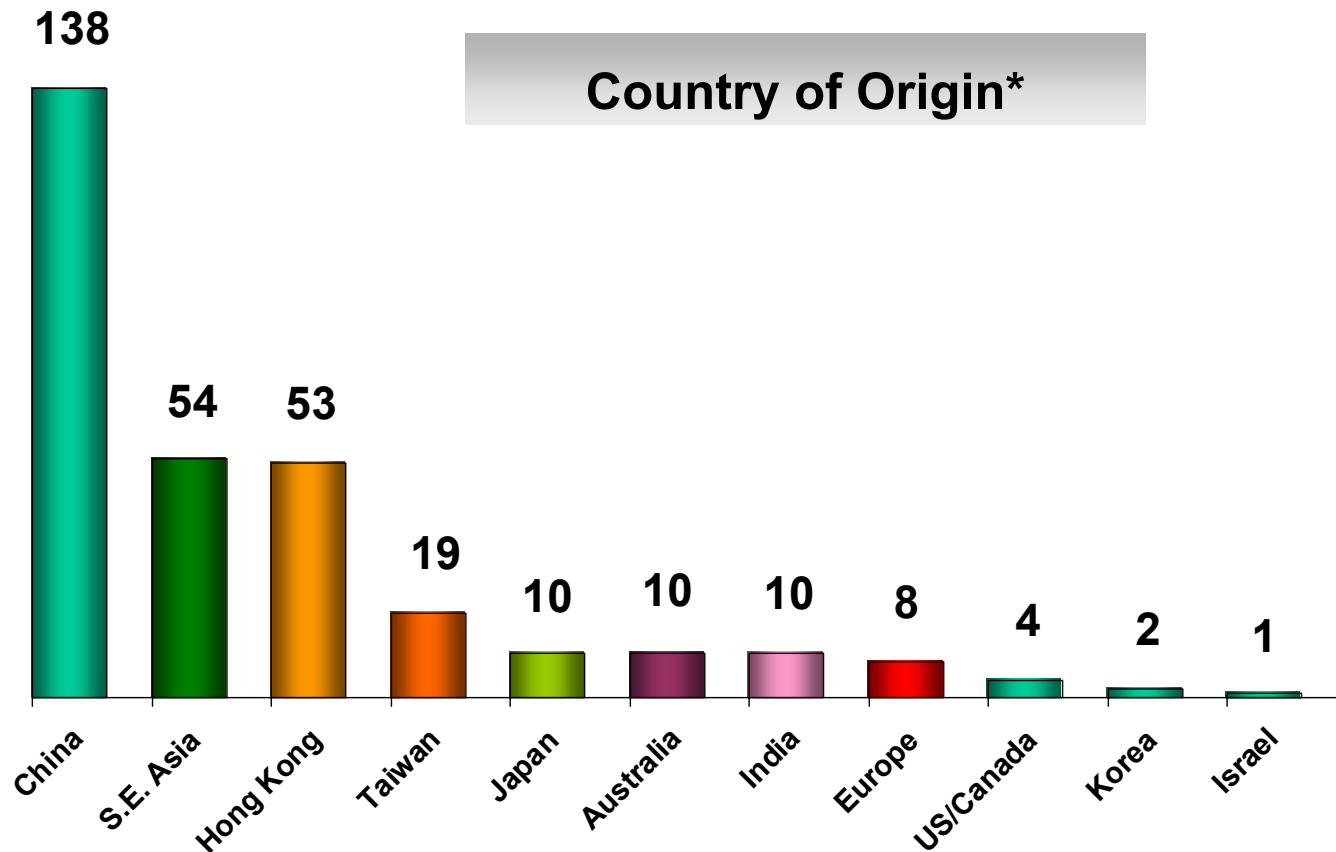
.... spans across the whole spectrum of industries



*\* Excludes 18 foreign companies which are secondary listed with secondary trading on SGX, and 7 GDRs.  
As at end-January 2008*

# Diversity of Foreign Companies

... different geographical regions



- Includes 18 foreign companies which are secondary listed with secondary trading on SGX, and 7 GDRs.
- As at end-January 2008

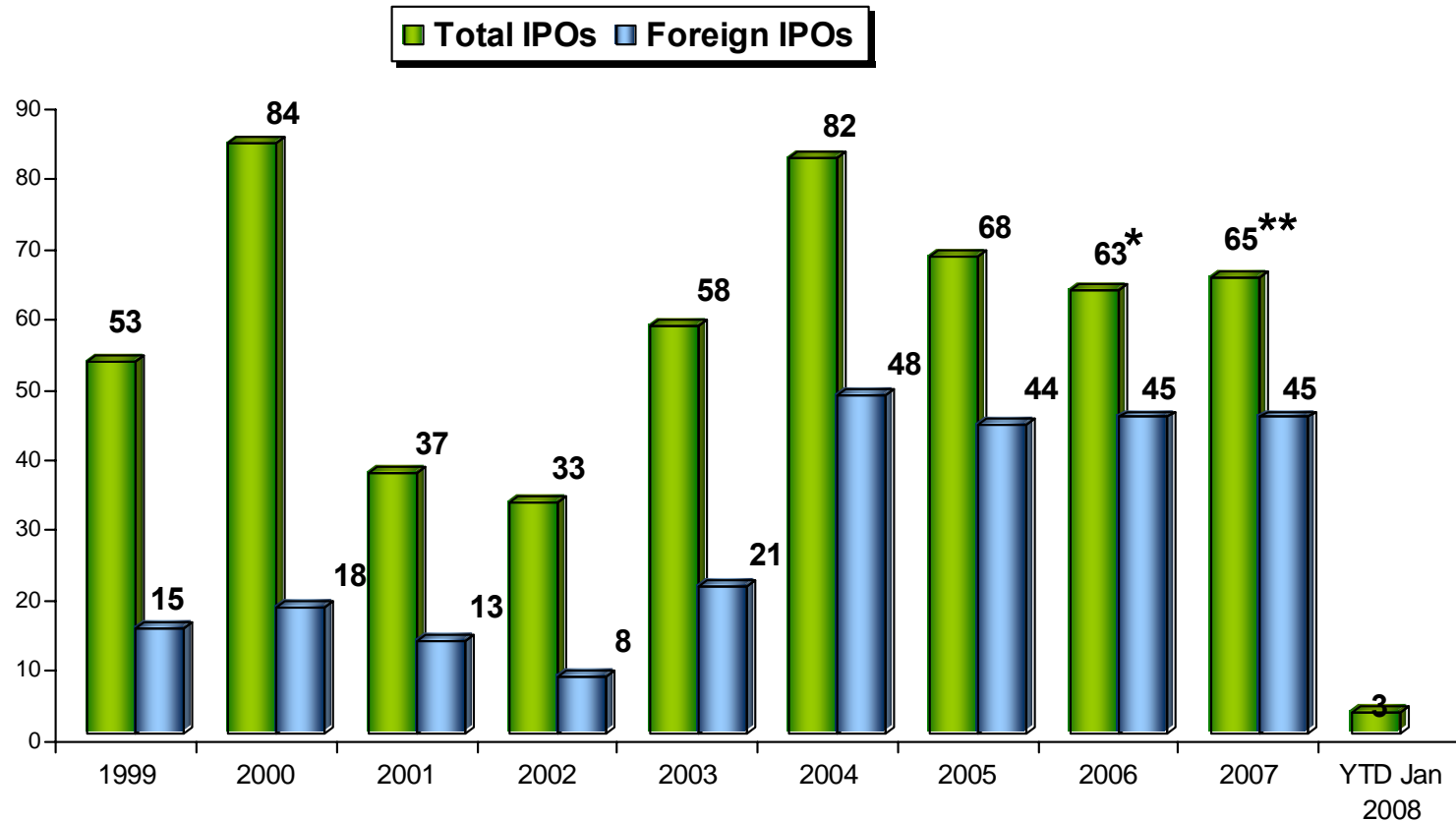
# Some of our Foreign Listings

.... ranges from mid to large size

Company	Origin	Sector	Market Cap (US\$ bn)
Jardine (6 companies)	Hong Kong	Conglomerate	54.8
Wilmar	Malaysia	Palm Oil	18.7
Cosco Corporation	PRC	Shipping	7.0
Thai Beverage	Thailand	Food & Beverage	4.3
Noble Group	Hong Kong	Trading	3.2
Yanlord	PRC	Property	3.1
Total Access Communications	Thailand	Telecommunications	2.9
PT Berlian Laju Tankers	Indonesia	Shipping	1.0
TPV Holdings	Taiwan	Electronics	0.8

# Growth of Foreign Companies

.... outpacing growth of domestic listings

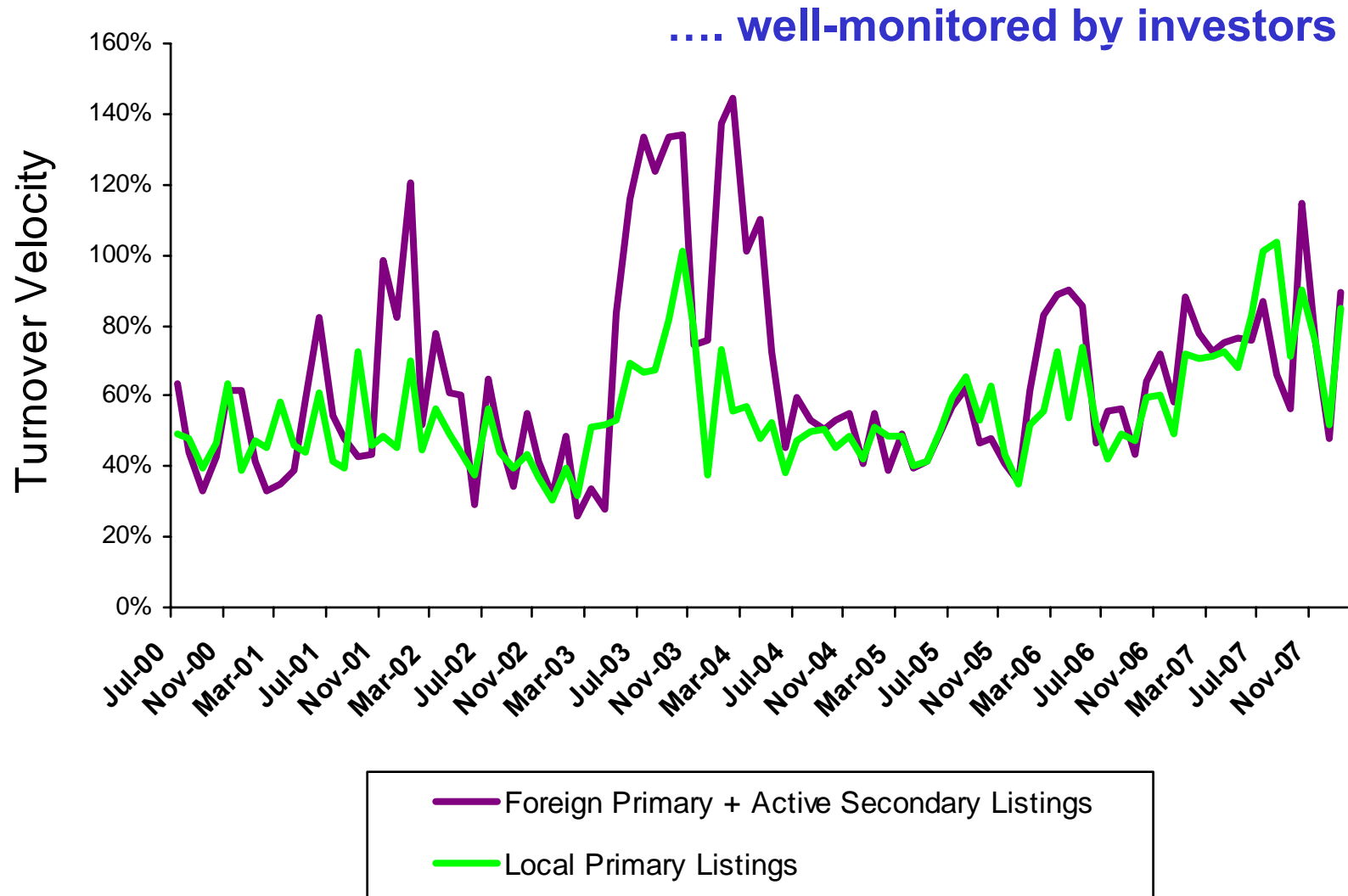


**Foreign companies are well-received by investors here**

\* Includes 3 Reverse Takeovers

\*\* Includes 3 Reverse Takeovers, but excludes 7 GDRs

# Liquidity of Foreign Companies

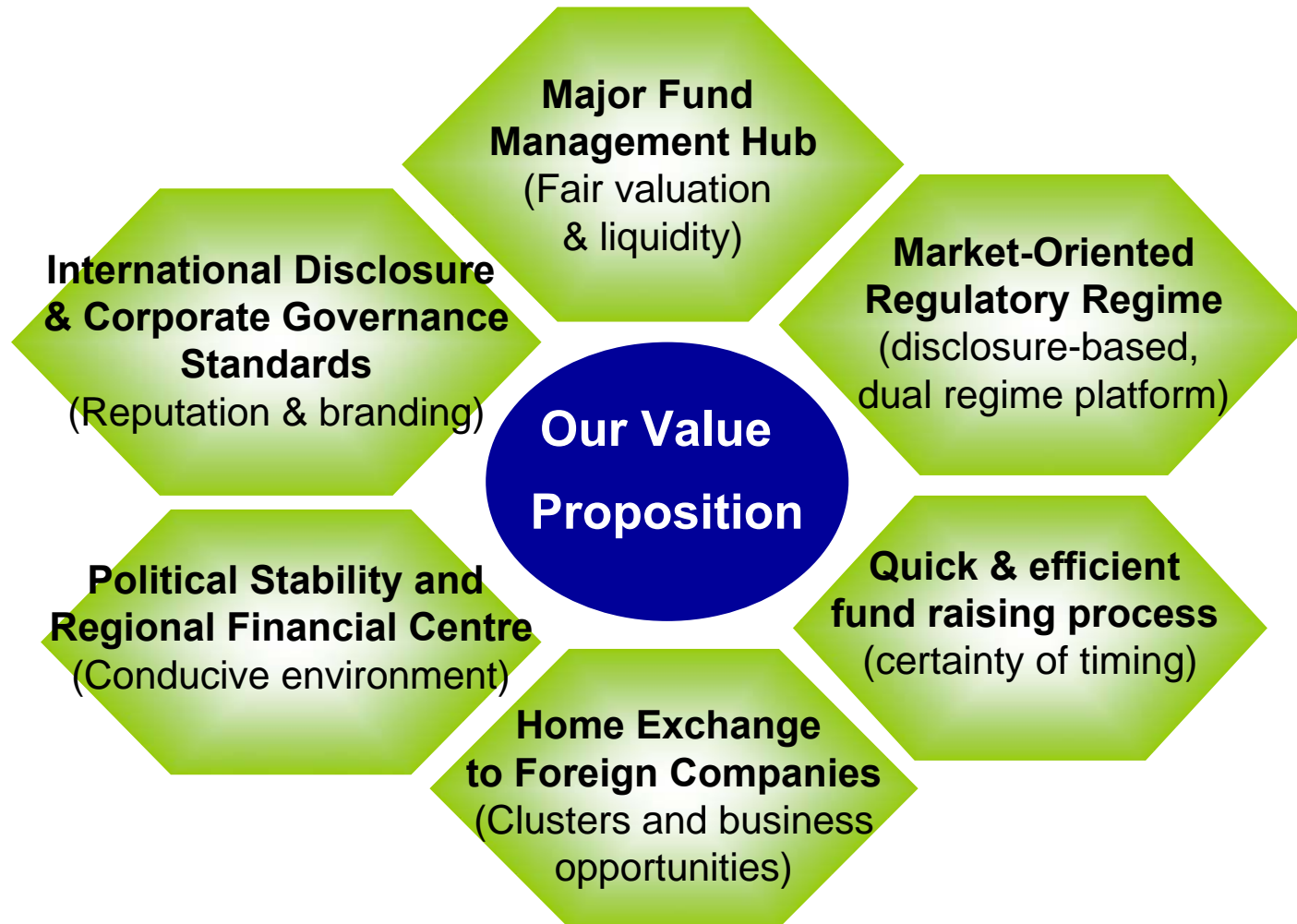


As at end January 2008

# Our Value Proposition

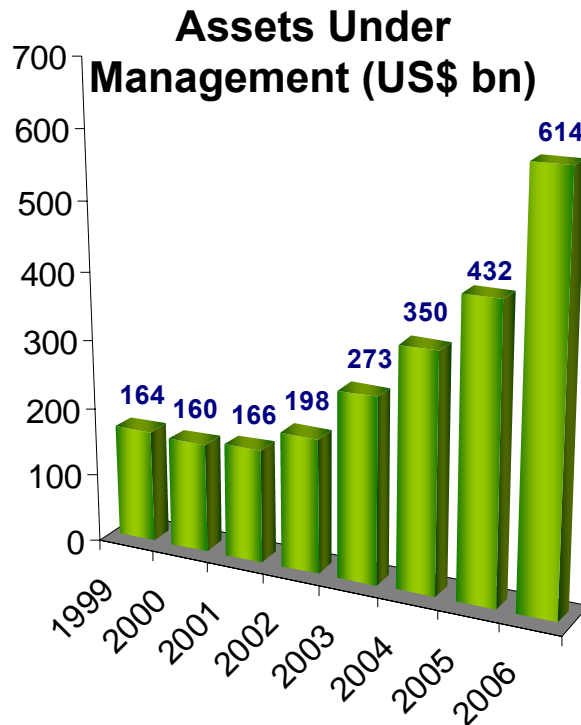
# Why List on SGX?

.... the advantage of listing in SGX



# Fund Management Hub

.... institutional investor participation in Singapore



Singapore is a regional financial centre and trading hub

2006 Assets Under Management

**US\$ 614 Bn**

Total Domestic Bank Deposits

**US\$ 168 Bn**

Central Provident Fund Deposits

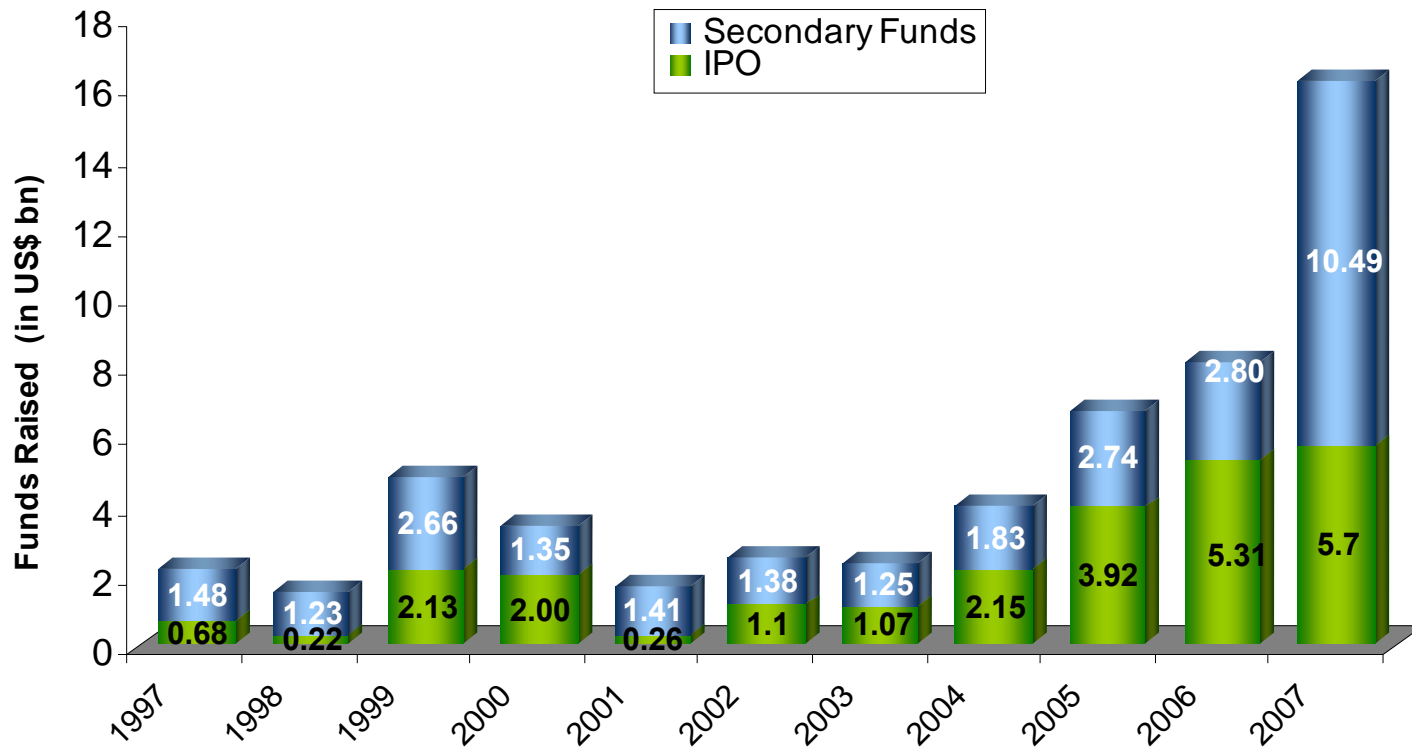
**US\$ 84 Bn**

**900** Financial Institutions

**1786** Investment Professionals

# Active Secondary Fundraising

.... continual funding for growth



# Diversified Product Range



.... to suit each funding and investment need

## Primary Listing

Equities

Business Trusts

Real Estate Investment Trusts (REITs)

Investment Funds

Exchange Traded Funds (ETFs)

## Secondary Listing

Global Depository Receipts (GDRs)

Bonds

Warrants

# SGX Securities Market

Dual Regime Platform

# SGX's Securities Market



## MAINBOARD

## Catalist

Regulatory Approach	Exchange-regulated & supervised	Exchange-regulated, Sponsor-supervised
Target Companies	Established Companies	Fast-Growing Companies
IPO Review & Post-IPO Supervision	Exchange	Sponsors
Key Benefits	<ul style="list-style-type: none"><li>• Established branding</li><li>• Access to a wider range of institutional investors</li><li>• More product types</li></ul>	<ul style="list-style-type: none"><li>• Faster time to market</li><li>• Easier corporate actions</li></ul>

\* Catalist is a transformation of SESDAQ

# Admission Requirements



	Mainboard *	Catalist *
<b>Review of Listing Applicants</b>	<ul style="list-style-type: none"> <li>• SGX &amp; MAS</li> </ul>	<ul style="list-style-type: none"> <li>• Sponsor</li> </ul>
<b>Financial Requirements</b>	<ul style="list-style-type: none"> <li>• Criteria 1: S\$ 7.5mn PBT over 3 yrs; at least S\$ 1mn each yr</li> <li>• Criteria 2: S\$ 10mn PBT in 1 or 2 yrs</li> <li>• Criteria 3: &gt; \$ 80mn Mkt Cap</li> </ul>	<ul style="list-style-type: none"> <li>• No minimum Profit and/or Track record required</li> </ul>
<b>Shareholder Spread</b>	<ul style="list-style-type: none"> <li>• Mkt Cap &lt; S\$300mn: 25% public float</li> <li>• Mkt Cap ≥ S\$300mn: 12-25% public float</li> <li>• At least 1000 shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• 200 shareholders</li> <li>• 15% public float</li> </ul>
<b>Independent Directors (ID)</b>	<ul style="list-style-type: none"> <li>• 2 Singapore resident IDs</li> </ul>	<ul style="list-style-type: none"> <li>• 2 IDs (min of 1 Singapore resident ID for Foreign Companies)</li> </ul>
<b>Moratorium</b>	<ul style="list-style-type: none"> <li>• After IPO, Promoters to retain 100% for 1<sup>st</sup> 6 months</li> <li>• Pre-IPO investors &gt; 5% shareholding to retain profit portion for 6 months</li> </ul>	<ul style="list-style-type: none"> <li>• Promoters to retain 50% of share capital at IPO: 100% for 1<sup>st</sup> 6 months and 50% for next 6 months</li> <li>• Pre-IPO investors to retain profit portion for 12 months</li> </ul>
<b>IPO Documentation</b>	<ul style="list-style-type: none"> <li>• Prospectus</li> <li>• Lodged on MAS OPERA website</li> </ul>	<ul style="list-style-type: none"> <li>• Offer Document</li> <li>• 12-mth working capital statement</li> <li>• Lodged on SGX Catalodge website</li> </ul>

\* Highlights key admission requirements

# Continuing Requirements

	Mainboard *	Catalist *
<b>Sponsor Requirement</b>	<ul style="list-style-type: none"> <li>No Sponsor required</li> </ul>	<ul style="list-style-type: none"> <li>Sponsor required for a company to maintain a listing</li> </ul>
<b>Review of Circulars</b>	<ul style="list-style-type: none"> <li>SGX</li> </ul>	<ul style="list-style-type: none"> <li>Sponsors</li> </ul>
<b>Issuance of New Shares</b>	<ul style="list-style-type: none"> <li>Shareholder mandate of up to 50% of capital</li> </ul>	<ul style="list-style-type: none"> <li>Shareholder mandate of up to 100% of capital</li> </ul>
<b>Major Transactions</b>	<ul style="list-style-type: none"> <li>Shareholder approval at 20% threshold for both Acquisitions and Disposals</li> </ul>	<ul style="list-style-type: none"> <li>Shareholder approval required for Acquisition at 75% threshold and for Disposal at 50% threshold, or for fundamental change in business</li> </ul>

***\* Other key continuing requirements that are the same for Mainboard and Catalist include corporate governance guidelines, disclosure of material information, interested person transactions, shareholding spread and reporting requirements.***

# IPO Timeline

## Mainboard process $\approx$ 12 – 18 weeks



## Catalist process $\approx$ 5 – 6 weeks



# SGX Listing Fees

		Mainboard	Catalist
Initial	Minimum	S\$50,000	S\$30,000
	Maximum	S\$200,000	S\$100,000
	Variable Rate Per S\$ mn	S\$100	S\$100
Annual	Minimum	S\$25,000	S\$15,000
	Maximum	S\$100,000	S\$50,000
	Variable Rate Per S\$ mn	S\$25	S\$25

# Post IPO Support



.... extending beyond the initial listing stage

- ❑ **Facilitate regular interaction with analysts**
  - Monthly sessions
  
- ❑ **Profile to institutional investors**
  - Overseas roadshows (eg. Japan, Europe, U.S.A.)
  
- ❑ **Investor Relations Professionals Association Singapore (IRPAS)**
  - Promotes IR best practices in Singapore with over 160 members
  
- ❑ **Ensure research coverage**
  - Pioneering an exchange-subsidized research scheme
  - Each listed company covered by 2 research firms
  - Downloadable research reports on SGX's website
  - (50,000 average monthly downloads by 35,000 users)

# Diversified Products

Global Depository Receipts  
Bonds

# GDR Listing on SGX

**Prestige**

*Be listed on one of Asia's most internationalized exchanges;  
well known for its strong corporate governance standing*

**Competitive  
Cost**

*Initial Listing Fees (S\$20,000-100,000)  
Annual fees (S\$11,000)*

**BENEFITS**



**Speed to  
Market**

*2 weeks from submission of  
application to approval*

**Market Oriented Rules**

*Less demanding obligations*

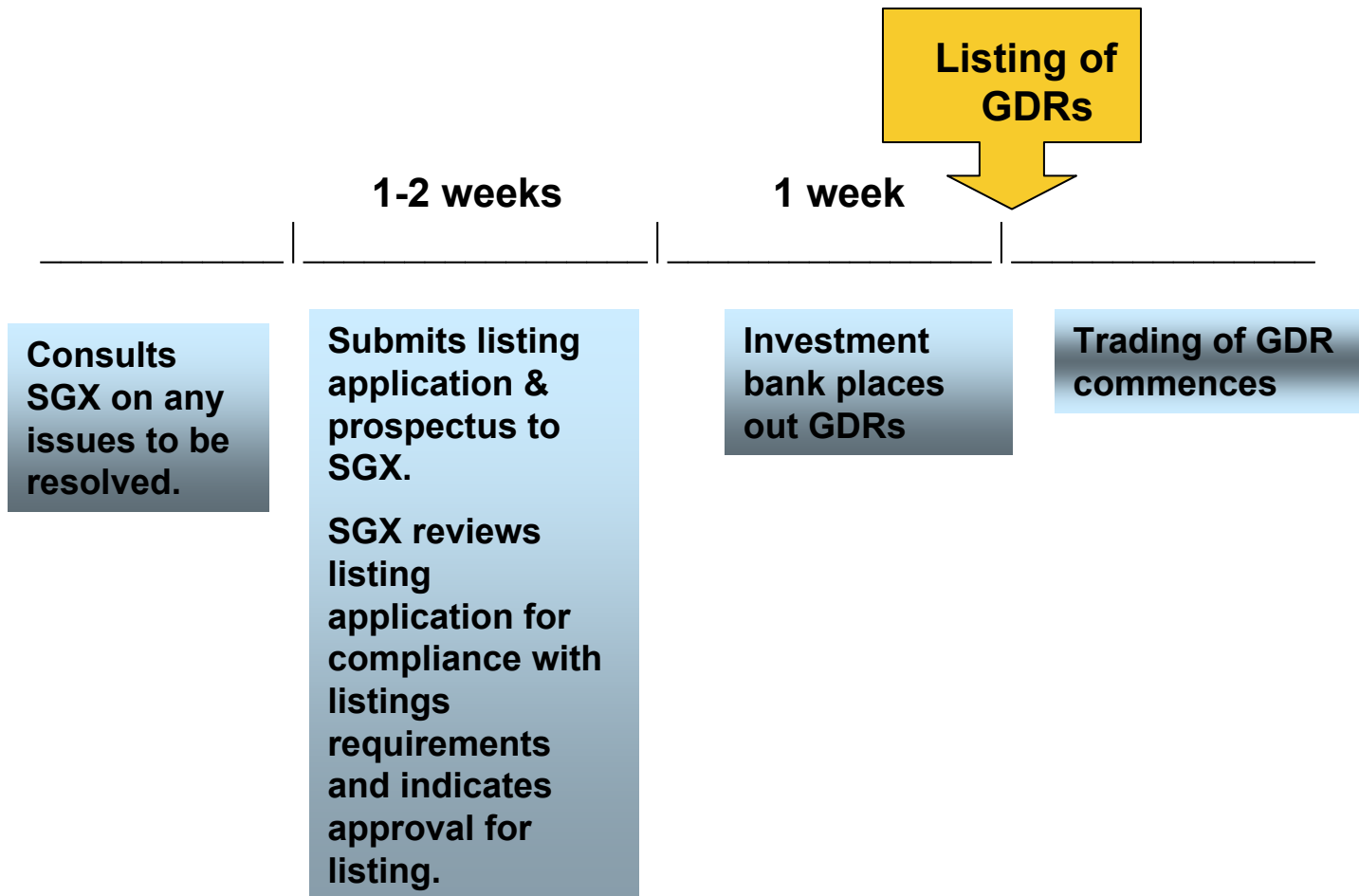
# GDR Listing Requirements

.... Efficient & simple fund raising

<b>Criteria</b>	<b>Must be listed on home exchange</b>
<b>Profit/Size</b>	<b>No minimum requirement</b>
<b>Sharehold -ing Spread</b>	<b>No minimum requirement</b>
<b>Others</b>	<ul style="list-style-type: none"><li>- Accounting Standards: Home Accounting Standards (Indian GAAP)</li><li>-Home Auditors Accepted</li><li>-No need for prospectus</li><li>-No need for Singapore resident directors</li></ul>

# GDR Listing Timeline

...approximately 2 weeks



# GDR Listing Fees

Fee	Rate		Remarks
<b>Initial</b>	Minimum	S\$20,000	Companies which raise S\$100mil or less from their GDR issue pay S\$20,000
	Maximum	S\$100,000	
	For first S\$100mil raised	S\$20k	
<b>Annual</b>	Fixed at S\$11,000 per annum		Companies which raise S\$365 mil or more from their GDR issue pay the maximum fee of \$100,000

# Bond Listing on SGX

**Efficient processing**

*5 working days from time of application to approval*



**BENEFITS**

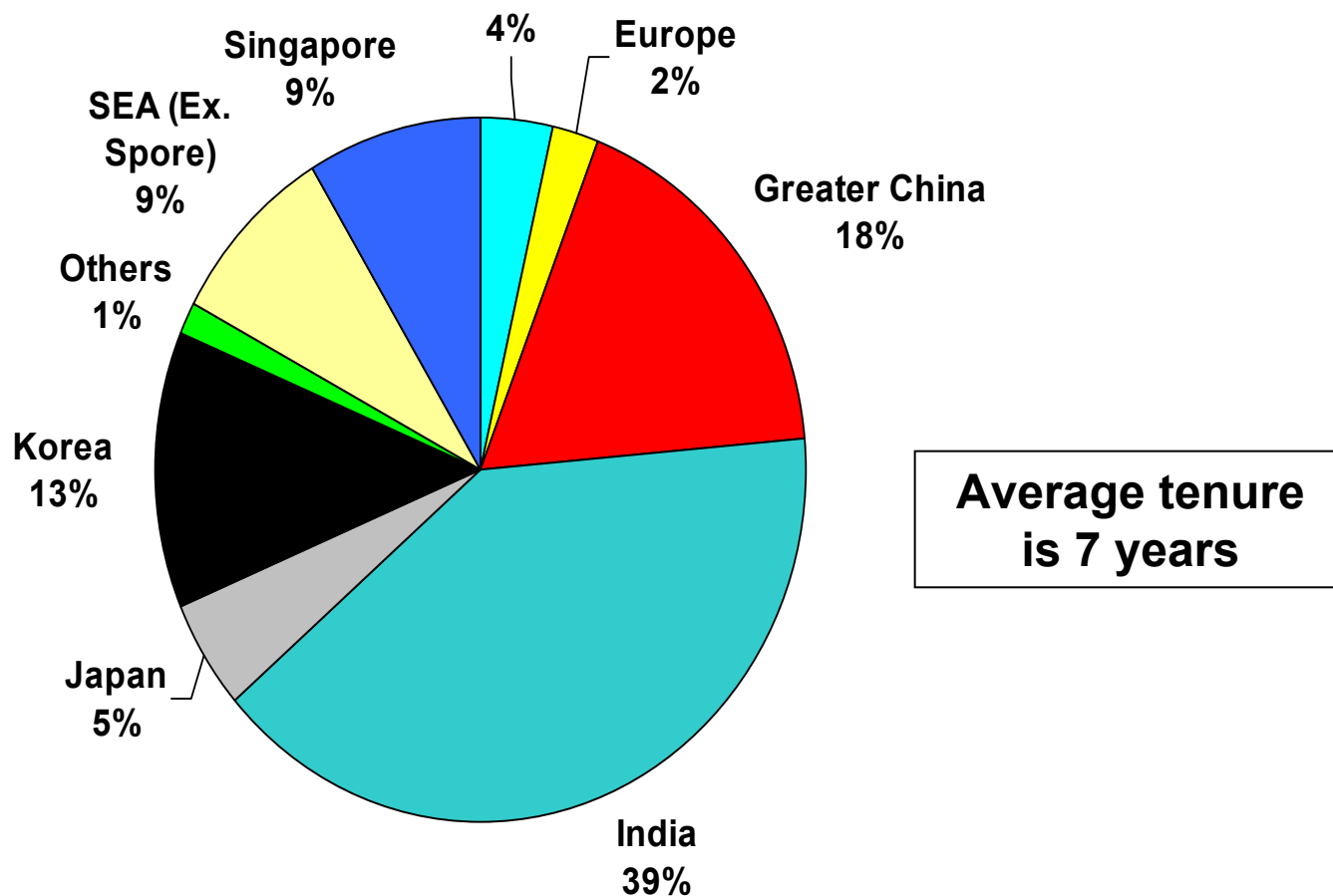
**Low Cost**

*Less than 1% of total expenses*

**Market-oriented Rules**

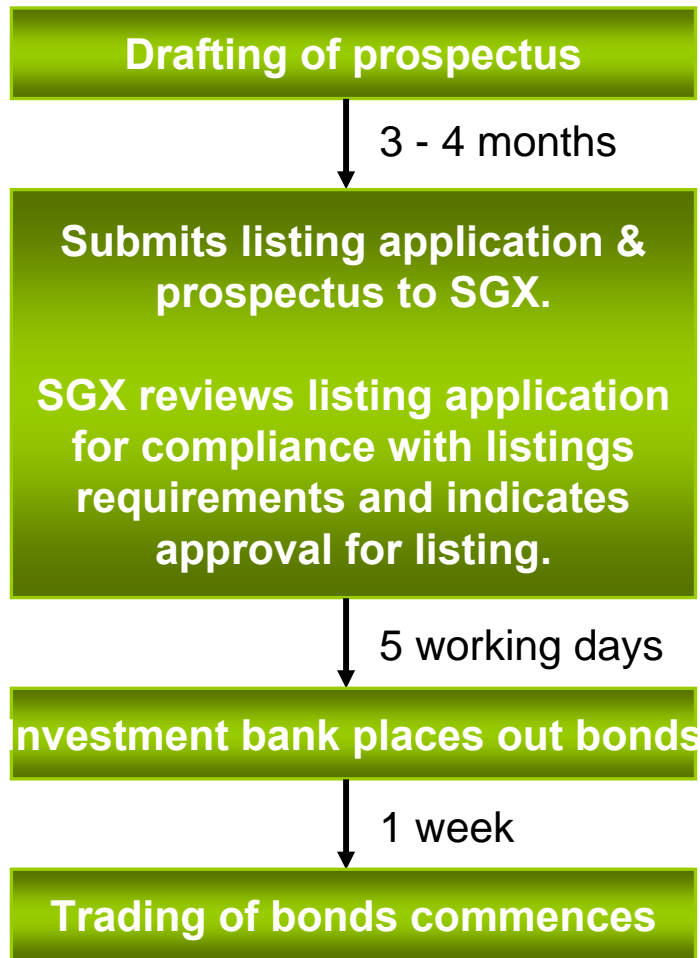
*Minimal listing obligations*

# Profile of Bond Issuers in 2007



*As of end August 2007*

# Timely and low cost



Fee	Rate
<b>Initial</b>	S\$15,000 (Fixed)
<b>Annual</b>	None
<b>Perusal</b>	S\$10,000 per application

# Diversified Sectors

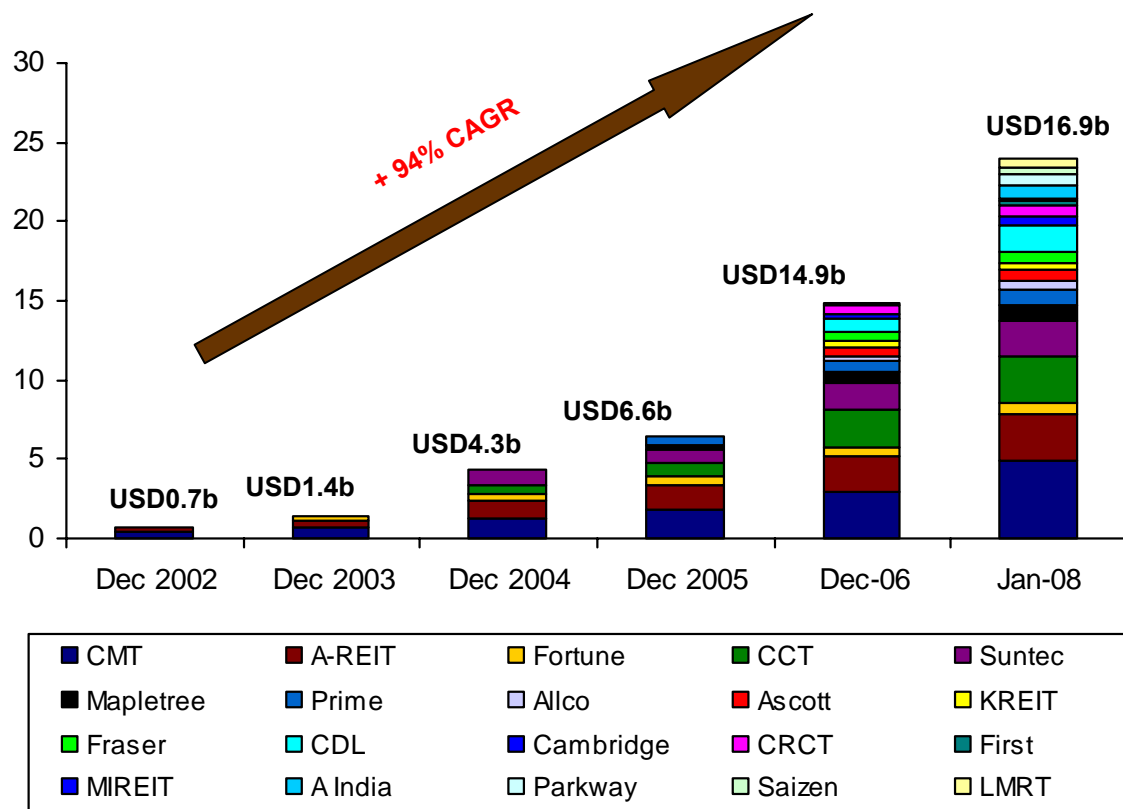
# Overview of SGX Offshore & Marine Sector

## MARINE & OFFSHORE SECTOR

	Shipyards	Shipping	Shipping Trusts	Offshore Services
<b>Market Cap</b>	US\$36.7 B	US\$12 B	US\$ 0.84 B	US\$ 4.5 B
<b>No of Cos</b>	8	9	3	8
<b>Ave PER</b>	26.5x	11.2x	-	15.8x
	Cosco Corp Yangzijiang JES International  Keppel Corp Sembcorp Marine Labroy Marine ASL Marine	NOL STX Pan Ocean Berlian Laju Tanker Mercator Lines Courage Marine Omega Navigation Samudera SSCL Pan United Corp	Pacific Shipping First Ship Lease Rickmers Maritime	CH Offshore Chuan Hup Ezra Holdings Mermaid Maritime Jaya Holdings Swiber Holdings KS Energy Swissco Intl

# Growth of Singapore REITs & Property Trust

**Strong Growth of 94% per annum over last 5 years**



□ Singapore REITs have experienced phenomenal growth, with market capitalisation increasing by **94%** per annum over the last 5 years

□ Main drivers of growth include:

- New Sector REITs
- Cross Border REITs
- Secondary offerings to fund acquisitions
- Capital appreciation

# Singapore Oil & Gas Industry

- ✦ One of the top 3 refining centres in the world
  - ✦ One of the top 3 oil trading and price discovery centres in the world
  - ✦ Among the top 10 petrochemical hubs in the world
  - ✦ Among the top 3 liquid ports in the world
  - ✦ Home to 8 of the world's top 10 flavours and fragrances companies
- ➡ Presence of the world's leading petroleum and petrochemicals and specialty chemicals giants, including ExxonMobil, Shell, Mitsui Chemicals and Sumitomo Chemical in Singapore
  - ➡ More than 90 companies on Jurong Island that engaged in a range of integrated chemical activities with investments of more than S\$27bn
  - ➡ Construction of 2 world-scale crackers by ExxonMobil and Shell

# Singapore Alternative Energy & Resources Industry



- ✦ A key player in developing sustainable and clean energy solutions for the world and aims to be a global energy hub.
- ✦ Successfully attracted leading energy players such as REC (Norway), Vesta (Denmark), SolarWorld (Germany), Neste Oil (Finland), Natural Fuel (Australia) to Singapore
- ✦ World's third-largest and Asia's No. 1 trading centre for energy and commodities products
- ✦ Home to more than 180 top international trading companies in industries such as oil trading, petrochemicals, agri-commodities and metals

- ➔ Building of the world's largest and Southeast Asia's first manufacturing plant for solar energy products
- ➔ Establishment of major wind energy R&D centre
- ➔ First solar cell manufacturing plant
- ➔ Construction of the world's largest biodiesel plant

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# APPENDIX

# Ascendas India Trust (Property Trust)

Ascendas India Trust is the first Indian property trust listed in the world. It is listed on Mainboard on August 2007. It is a Singapore-based business trust set up to own income-producing real estate used primarily as business space in India. The trust consists of both developed and developing assets.

<b>Share Price (IPO) - Listed Aug'07</b>	<b>US\$0.78</b>
<b>Current Share Price</b>	<b>US\$0.80</b>
<b>Current PB</b>	<b>16.82 x</b>
<b>Annualised Turnover velocity</b>	<b>174%</b>
<b>Market Capitalisation: IPO</b>	<b>US\$ 359mn</b>
<b>: Current</b>	<b>US\$ 583mn</b>

Source: Bloomberg and SGX, as of end Feb 2008

# Straits Asia Resources (Coal Mining)



Straits Asia is headquartered in Singapore with an Australian parent company. The company is principally engaged in thermal coal mining on Sebuk Island, South Kalimantan, Indonesia. A substantial portion of Sebuk coal is exported, largely under long-term contracts, to power generation companies within Asia. The Company also conducts commodities marketing activities and resources infrastructure development operations through its subsidiaries.

<b>Share Price (IPO) - Listed Nov'06</b>	<b>US\$0.39</b>
<b>Current Share Price</b>	<b>US\$2.17</b>
<b>Current PB</b>	<b>41.18 x</b>
<b>Annualised Turnover velocity</b>	<b>199%</b>
<b>Market Capitalisation: IPO</b>	<b>US\$ 359mn</b>
<b>: Current</b>	<b>US\$ 2,366mn</b>

Source: Bloomberg and SGX, as of end Feb 2008

# Food Empire

Food Empire Holdings Limited was listed on 27 April 2000. It manufactures and markets instant beverage products, frozen convenient food, confectionary and snack food. The Company exports its products under proprietary brands, MacCoffee, Klassno, FesAroma, OrienBites, MacCandy and Kracks to markets such as Russia, Eastern Europe, Central Asia, the Middle East and Indochina.

<b>IPO Share Price</b>	<b>US\$0.076</b>
<b>Current Share Price</b>	<b>US\$0.55</b>
<b>Current PE</b>	<b>10.61 x</b>
<b>Annualised Turnover velocity</b>	<b>28%</b>
<b>Market Capitalisation: IPO</b>	<b>US\$ 26.31mn</b>
<b>: Current</b>	<b>US\$ 242 mn</b>