

**SECURITIES INDUSTRY COUNCIL**  
**(“SIC” OR THE “COUNCIL”)**  
**PRACTICE STATEMENT ON OFFEROR’S INTENTIONS REGARDING**  
**THE LISTING STATUS OF THE OFFEREE COMPANY**

**Introduction**

Under Rules 724 and 1105<sup>1</sup> of the SGX-ST Listing Manual (the “Manual”), the Singapore Exchange (the “Exchange”) may suspend trading of the listed securities of an issuer if the percentage of securities held in public hands falls below 10% following the close of an offer. The Exchange may allow the issuer a period of 3 months or such longer period that it may agree, to raise the percentage of securities in public hands to at least 10%, failing which the Exchange may delist the company.

2 In addition, an offeror may seek to delist the offeree company under Rule 1306<sup>2</sup> of the Manual following the close of a successful offer.

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<sup>1</sup> Rule 724 states if the percentage of securities held in public hands falls below 10%, the issuer must as soon as practicable announce that fact and the Exchange may suspend trading of the securities of the issuer. Under Rule 1105, in the event that an offeror and parties acting in concert with it own or control more than 90% of the issuer’s securities, the Exchange may suspend the listing of such securities until it is satisfied that at least 10% are held by at least 500 members of the public.

<sup>2</sup> Rule 1306 states that the Exchange may agree to an issuer’s application to delist if the delisting resolution has been approved by a majority of at least 75% and not been voted against by 10% or more, in nominal value of the shares held by the shareholders present and voting at a general meeting.

## Statement of Intentions in Offer Document

3 General Principle 10 of the Singapore Code on Take-overs and Mergers states that shareholders should be given sufficient information, advice and time to enable them to reach an informed decision on an offer. No relevant information should be withheld from them.

4 As potential suspension and subsequent removal of an offeree company's listing status is material information for shareholders to make a decision on an offer, the offer document must set out clearly whether or not the offeror intends to maintain the listing status of the offeree company following the offer.

*Practice Statements are issued by the SIC to provide informal guidance to companies involved in take-overs and practitioners as to how the SIC normally interprets and applies relevant provisions of the Code in certain circumstances. Practice Statements do not form part of the Code. Accordingly, they are not binding on the SIC and are not a substitute for consulting the SIC to establish how the Code applies in a particular case.*

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