

SGX GRANTS QUALIFIED ISSUERS TIME EXTENSION FOR HOLDING AGMS

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Introduction

Listing rule 707(1) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) requires an issuer to hold its annual general meeting (“**AGM**”) within four (4) months from the end of its financial year. At the AGM, the directors of the issuer are required to table the financial results for approval by shareholders of the issuer.

However, due to measures put in place by authorities to combat COVID-19, certain issuers with financial years ending 31 December 2019 which are in the process of performing statutory audits for the purposes of preparing the financial results are facing practical difficulties (“**Affected Issuers**”).

In response to feedback received from these Affected Issuers, the SGX-ST issued a news release on 7 February 2020, pursuant to which it announced that subject to Affected Issuers meeting certain criteria, it will grant them a time extension of up to two (2) months to hold their AGMs (“**Waiver**”).

Waiver Criteria

The Waiver will be granted to Affected Issuers if they fulfil the following criteria (“**Criteria**”):

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- their financial year end is 31 December 2019;
- their principal place of business is in the People's Republic of China ("**PRC**"), or they have business with significant operations in the PRC;
- their statutory audits for 31 December 2019 were affected due to travel restrictions and/or other measures imposed by the authorities in response to COVID-19; and
- approval of a similar application for extension of time has been granted by the Accounting and Corporate Regulatory Authority ("**ACRA**") or other relevant regulatory authorities, where applicable.

Waiver Conditions

The Waiver is also subject to Affected Issuers complying with the following conditions ("**Conditions**"):

- the Affected Issuer's board giving a confirmation that it has fulfilled the Criteria; and
- the Affected Issuer's board giving a confirming as to whether the Waiver is or will be in contravention of any laws and regulations governing the Affected Issuer and its constitutive document.

Application for Waiver

Affected Issuers that are incorporated in Singapore should apply for an extension of time to hold AGMs through ACRA's online system. In this regard, ACRA has indicated that it will grant applications for extension of time if applicants fulfil the criteria set out under paragraphs 2(a) to 2(c), and that it will waive the usual application fee of S\$200.00 associated with such applications.

Thereafter, the Affected Issuers must notify SGX RegCo via the RegCo Submissions Portal with the following information:

- that they wish to be granted the Waiver;
- how they have met the Criteria, including obtaining confirmation from their auditors on the criterion set out under paragraph 2(b); and
- the indicative timeline to convene their AGMs.

Upon grant of the Waiver, Affected Issuers need to make an announcement via SGXNet disclosing the following information:

- the fact that the Waiver has been granted;
- the indicative timeline to convene their AGMs; and
- confirmation of compliance with the Conditions.

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Continuous Disclosure Obligations

For the avoidance of doubt, Affected Issuers are still required to release their unaudited financial statements in respect of the full financial year ending 31 December 2019 by 29 February 2020, and immediately announce any material adjustments subsequently made by auditors to such unaudited full year results.

The SGX-ST also reminded Affected Issuers that notwithstanding the grant of the Waiver, they are still subject to continuous disclosure obligations. As such, where their operations are materially affected by the COVID-19 situation, they should make timely disclosure as required under the listing rules.

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