

## COMPARISON OF THE QUANTITATIVE IPO REQUIREMENTS OF THE MAIN BOARDS OF MAJOR FINANCIAL MARKETS

	Australia	Hong Kong	Japan	Mainland	Singapore	United Kingdom	United States
Exchange	Australian Stock Exchange	Stock Exchange of Hong Kong	Tokyo Stock Exchange	Shenzhen and Shanghai Stock Exchanges	Singapore Exchange Securities Trading Limited	London Stock Exchange	New York Stock Exchange
Net asset/capital requirement	<p><b>Domestic listing</b>  <i>Assets test (Alternative 1):</i>                      A\$2 million net tangible assets (or A\$10 million market capitalisation)  <i>Profit test (Alternative 2):</i>                      N/A</p> <p><b>Foreign exempt listing</b>  <i>Assets test (Alternative 1):</i>                      A\$2 billion net tangible assets  <i>Profit test (Alternative 2):</i>                      N/A</p>	N/A	¥1 billion (shareholders' equity)	RMB50 million (shareholders' equity)	N/A	N/A	<p><b>Domestic standards</b>                      US\$60 million (equity or market value of public shares)</p> <p><b>Alternate listing standards for non-US companies</b>                      US\$100 million worldwide (equity or market value of public shares)</p>

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Minimum market capitalisation	<b>Domestic listing</b> <i>Alternative 1:</i> A\$10 million (or A\$2 million net tangible assets) <i>Alternative 2:</i> N/A <b>Foreign exempt listing</b> N/A	HK\$100 million	¥2 billion At least 4 000 units of shares to be traded (1 unit is the minimum amount of shares with 1 voting right)	N/A	<i>Alternative 1:</i> N/A <i>Alternative 2:</i> N/A <i>Alternative 3:</i> S\$80 million	£700,000	N/A
Profit	<b>Domestic listing</b> <i>Alternative 1:</i> N/A <i>Alternative 2:</i> A\$1 million after tax profit over last 3 years and A\$400,000 over last 12 months; still profitable <b>Foreign exempt listing</b> <i>Alternative 1:</i> N/A <i>Alternative 2:</i> A\$200 million in each of the	After tax profits of HK\$50 million in the last 3 years (HK\$20 million in the most recent year and an aggregate of HK\$30 million for 2 preceding years)	<i>Alternative 1:</i> Pre-tax profits Most recent year: ¥400 million Second most recent year: ¥100 million <i>Alternative 2:</i> Pre-tax profits Most recent year: ¥400 million Third most recent year: ¥100 million Total past 3	Profitable for 3 consecutive years	<i>Alternative 1:</i> S\$7.5 million before tax profit over the last 3 years, with at least S\$1 million in each year <i>Alternative 2:</i> S\$10 million for the latest 1 or 2 years <i>Alternative 3:</i> N/A	N/A	<b>Domestic standards</b> <i>Alternative 1:</i> US\$6.5 million pre-tax earnings over last 3 years with US\$2.5 million in most recent year and US\$2 million in each of the 2 preceding years <i>Alternative 2:</i> US\$6.5 million pre-tax earnings over last 3 years with US\$4.5

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	previous 3 years		years: ¥600 million <i>Alternative 3:</i> ¥100 billion total market capitalisation if previous year's sales is more than ¥10 billion				million in most recent year <i>Alternative 3:</i> US\$25 million aggregate operating cash flow for last 3 years for companies over US\$500 million in market capitalisation and US\$100 million in revenue in last 12 months <i>Alternative 4:</i> US\$100 million in revenue for last year and US\$1 billion average global market capitalisation <b>Alternate listing standards</b> <i>Alternative 1:</i> Aggregate US\$100 million pre-tax earnings

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							over last 3 years with US\$25 million in each of last 2 years <i>Alternative 2:</i> US\$100 million aggregate operating cash flow for last 3 years with US\$25 million for each of last 2 years for companies over US\$500 million in market capitalisation and US\$100 million in revenue in last 12 months <i>Alternative 3:</i> US\$100 million revenue for last year and US\$1 billion average global market capitalisation

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Operating History	<b>Domestic listing</b> 3 years <b>Foreign exempt listing</b> <i>Alternative 1:</i> N/A <i>Alternative 2:</i> 3 years	3 years	3 years	3 years	<i>Alternative 1:</i> 3 years <i>Alternative 2:</i> N/A <i>Alternative 3:</i> N/A	3 years	N/A
Minimum public float	N/A	HK\$50 million or 25% of the issued share capital, whichever is higher (for companies with over HK\$4 billion market value, 10-25%)	20% (the number of shares held by the 10 largest shareholders, directors and related parties must not exceed 80%; 75% by the end of the first year after listing)	25% (for companies with over RMB400 million market value, 15%)	25% issued shares held by 1 000 holders. If market capitalisation over S\$300 million, shareholder spread varies between 12-20%	25%	<b>Domestic standards</b> 1.1 million shares <b>Alternate listing standards</b> 2.5 million shares worldwide
Shareholder spread	<b>Domestic listing</b> 500 shareholders each with shares worth at least A\$2,000 or 400 shareholders	Minimum 100, with not less than 3 holders per HK\$1 million worth of shares	800 – 2 200 (depending on the number of shares listed)	At least 1 000 each holding shares worth at least RMB1,000 (par value at RMB 1)	2 000 shareholders worldwide for secondary listings	N/A	<b>Domestic standards</b> 2 000 round lot holders or 2 200 total shareholders with average

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	each with shares worth at least A\$2,000 plus 25% held by unrelated parties <b>Foreign exempt listing</b> 1 000 shareholders each with shares worth at least A\$500						trading volume of 100 000 shares for last 6 months or 500 total shareholders with average trading volume of 1 million shares for last 12 months <b>Alternate listing standards</b> 5 000 shareholders worldwide each holding 100 shares or more
Delisting criteria	N/A	Rule 6.01 of the Listing Rules states that delisting may occur under the following circumstances: (1) failure to comply with the Listing Rules or Listing	Less than 4 000 units of shares listed; Insufficient public float or shareholder spread; Average monthly trading volume less than 10 units for the most recent	3 consecutive years of loss and no hope of recovery	Public shares of less than 10% for 3 months	Public shares below 25%	Market capitalisation and shareholders' equity of less than US\$50 million or average global market capitalisation less than US\$15 million for 30 consecutive days; Public shares of

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		Agreement (2) insufficient public float (3) insufficient level of operations or assets (4) issuer or its business no longer suitable for listing	year or no trades for last 3 months; Market capitalisation less than ¥1 billion; Excess liabilities for last 2 years				less than 600 000; Closing price of less than US\$1 for 30 consecutive days; Total shareholders of less than 400; Total shareholders of less than 1 200 and average monthly trading volume of less than 100 000 shares in last 12 months; For companies listed under the global market capitalisation standard: (a) average global market capitalisation less than US\$500 million for 30 consecutive days and revenue less than US\$20

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							million over the last 12 months; or (b) average global market capitalisation less than US\$100 million over 30 consecutive days
Requirement for non-executive directors	Top 500 listed entities should have an audit committee which should include some non-executive directors	At least 2 independent non-executive directors	Recommended but not mandatory	At least one-third of the board members	2 independent non-executive directors; Every listed company must have an audit committee with a majority of members being independent of management or related parties	Yes	Each listed issuer must have an audit committee comprising at least 3 independent non-executive directors

Notes:

1. In Australia and Singapore, companies may list by means of one of the alternatives but must satisfy all requirements under the chosen alternative.
2. In US, non-US companies may choose to qualify for listing either under the Alternate Listing Standards for non-US companies or the Domestic Listing Criteria. An applicant must meet all the criteria of the standards under which it seeks to qualify for listing.