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SGX RegCo Consults on Proposed Changes to Listing Rules to Facilitate Shareholder-Requisitioned Meetings

Executive Summary

On 23 April 2024, the Singapore Exchange Regulation ("**SGX RegCo**") issued a Consultation Paper on "[Facilitating Shareholder-Requisitioned Meetings](#)" to seek feedback on its proposed changes to the SGX-ST Listing Rules (Mainboard) and SGX-ST Listing Rules (Catalist) (collectively, "**Listing Rules**").

These changes relate to where shareholders ("**Requisitionists**") of issuers listed on the SGX-ST ("**issuers**") have requisitioned a general meeting ("**Shareholder-Requisitioned Meetings**"). Within 21 days of deposit of the requisition notice, issuers are to:

- commence facilitative efforts as soon as practicable; or
- (where they dispute the validity of the requisition notice) apply for a court ruling.

All comments should be provided to SGX RegCo by **23 May 2024**.

This Update provides a brief summary of the proposed changes to the Listing Rules.

Shareholder-Requisitioned Meetings

The mechanisms and procedural requirements for Requisitionists to requisition a Shareholder-Requisitioned Meeting are typically set out in the relevant laws and regulations governing the issuer in its place of incorporation ("**Relevant Law**").

For Singapore-incorporated companies, the Companies Act 1967 ("**Companies Act**") provides two ways that Requisitionists may requisition a Shareholder-Requisitioned Meeting:

- Members holding at least 10% of the issuer's total number of paid-up shares may requisition for a Shareholder-Requisitioned Meeting. The Board is required to take steps to convene the Shareholder-Requisitioned Meeting. This is provided under Section 176 of the Companies Act.
- At least two members holding at least 10% of the issuer's total number of issued shares (excluding treasury shares) may call for the Shareholder-Requisitioned Meeting. The Requisitionists must



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meet the procedural requirements including providing written notice to every shareholder in accordance with the Companies Act. This is provided under Section 177 of the Companies Act.

Challenges faced by Requisitionists

SGX RegCo observed that Requisitionists face difficulties meeting the procedural requirements under the Companies Act and the issuer's constituent documents ("**Constitution**") to convene and conduct the Shareholder-Requisitioned Meetings. Examples of challenges include:

- Difficulty in meeting the notice requirement. For instance, the issuer's Constitution may require that notice is provided to each shareholder (including depositors) at the shareholders' registered addresses. However, the Requisitionists are not able to access depositors' particulars maintained by The Central Depository (Pte) Limited owing to restrictions under the Personal Data Protection Act 2012.
- Challenges in collecting completed proxy forms; and
- Being unable to release announcements and documents on SGXNET on their own accord.

Proposed Changes to Listing Rules

To address the challenges, SGX RegCo proposes to provide that unless SGX RegCo requires otherwise, when an issuer receives a requisition notice from Requisitionists calling for the Shareholder-Requisitioned Meeting ("**Requisition Notice**") that meets the procedural thresholds under the Relevant Law and the Constitution, it must:

- provide reasonably necessary assistance to the Requisitionists to facilitate the convening and conduct of the Shareholder-Requisitioned Meeting; or
- Apply to court for a ruling where it disputes the validity of the Requisition Notice,

in each case as soon as practicable, within 21 days upon deposit of the Requisition Notice.

Applicable to Real Estate Investment Trust ("**REITS**") and Business Trusts ("**BTs**")

The above proposed requirement would also apply to Shareholder-Requisitioned Meetings requisitioned by unitholders in respect of REITs and BTs under the Code on Collective Investment Scheme and Business Trust Act 2004, respectively.

Further Information

For details of these proposed changes, please refer to the Consultation Paper. For more information, you may also wish to refer to the following releases on the SGX website:

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- ["Opening Remarks by Tan Boon Gin, SGX RegCo CEO, for the Press Briefing on the Launch of a Public Consultation on Facilitating Shareholder-Requisitioned Meetings"](#)
- ["SGX RegCo Wants Boards to Help Enable Shareholder-Requisitioned Meetings"](#)

If you wish to submit feedback on the Consultation Paper or have any queries on the above development, please feel free to contact our team members below who will be happy to assist.

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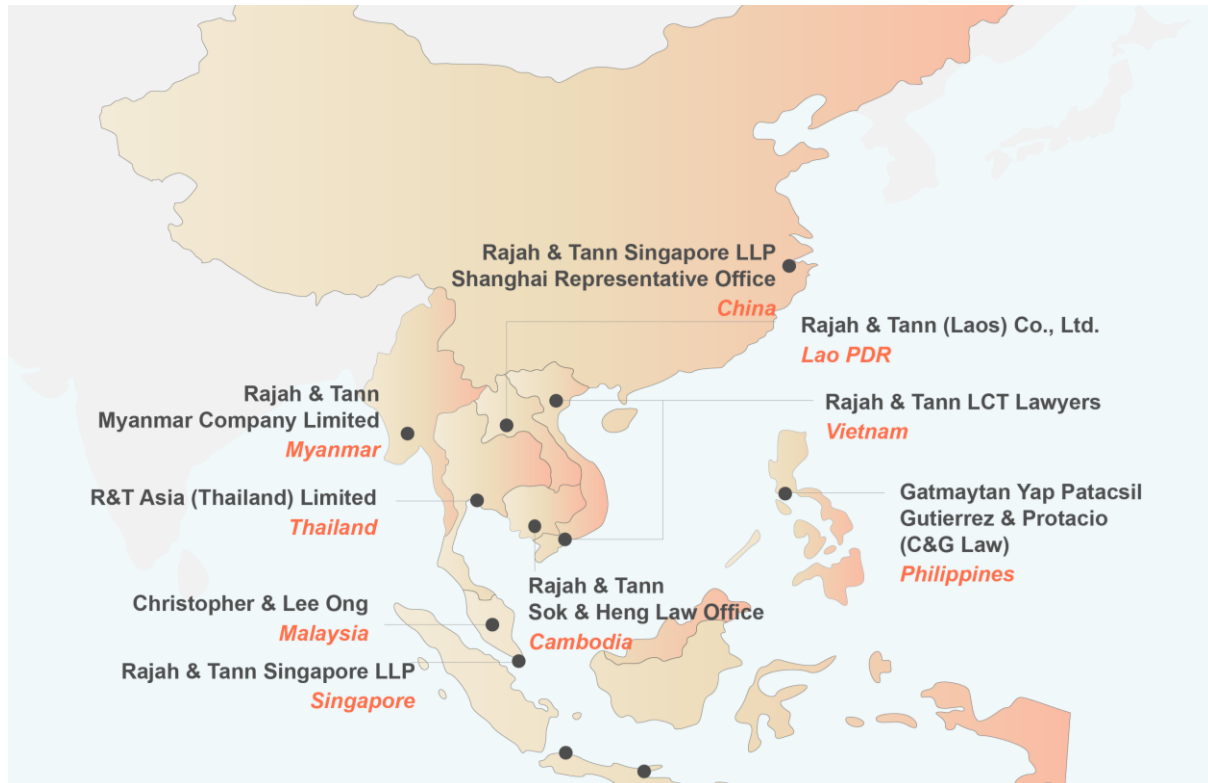
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