

LEGAL UPDATE

13 February 2020

EXTENSION OF TIME FOR CERTAIN ISSUERS TO HOLD ANNUAL GENERAL MEETINGS TO APPROVE 31 DECEMBER 2019 FINANCIAL RESULTS IN LIGHT OF COVID-19

INTRODUCTION

The Singapore Exchange Regulation (“**SGX RegCo**”) has announced that it will grant a time extension of up till 30 June 2020 (“**Waiver**”) for issuers which fulfill certain criteria to hold their annual general meetings (“**AGMs**”) to approve their 31 December 2019 (“**FY Dec 2019**”) financial results. This is in view of the practical difficulties faced by audit professionals in performing statutory audits, due to measures implemented by the authorities in connection with COVID-19.

WAIVER CRITERIA

Issuers must fulfil the following criteria (“**Criteria**”) to be eligible for a Waiver:

(a) their financial year-end is 31 December 2019;

- (b) their principal place of business is in the People’s Republic of China (“**PRC**”) or they have business with significant operations in the PRC;
- (c) their statutory audits for FY Dec 2019 were affected due to the travel restrictions and/or other measures imposed by the authorities in response to COVID-19; and
- (d) approval of a similar application for extension of time by the Accounting and Corporate Regulatory Authority (“**ACRA**”) or other relevant regulatory authorities. ACRA will allow the applications for extension of time if issuers fulfill Criteria (a) to (c), and will waive the application fees for such extension of time.

APPLICATION FOR AND GRANT OF WAIVER

To seek a Waiver, issuers must notify the SGX RegCo of: (1) their desire to be granted a Waiver; (2) how they have fulfilled the Criteria (including providing confirmation from their auditors on Criteria (b) and (c)); and (3) the indicative timeline to convene their AGM.

Upon grant of the Waiver, issuers must announce: (1) the Waiver; (2) the indicative timeline to convene their AGM; and (3) the issuer’s board of directors’ confirmation: (i) that the issuer has fulfilled the Criteria; and (ii) as to whether the Waiver contravenes / will contravene any laws and regulations governing the issuer and its constitution (or the equivalent in the issuer’s country of incorporation).

Issuers must also issue their annual reports to shareholders and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) at least 14 days before the date of their AGM.

Issuers remain subject to the continuous disclosure obligations under the SGX-ST Listing Rules, and must make timely disclosures of all material information, including where issuers’ operations are materially affected by COVID-19. Notwithstanding the Waiver, issuers are still required to announce their unaudited financial statements for FY Dec 2019 by 29 February 2020 pursuant to SGX-ST Listing Rule 705(1).

REFERENCES

Please click [here](#) to access the relevant press release by the SGX RegCo.

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