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VENTURE

Southeast Asia IPO Capital Market

2021 full year report

MAKING AN
IMPACT THAT
MATTERS
since 1845

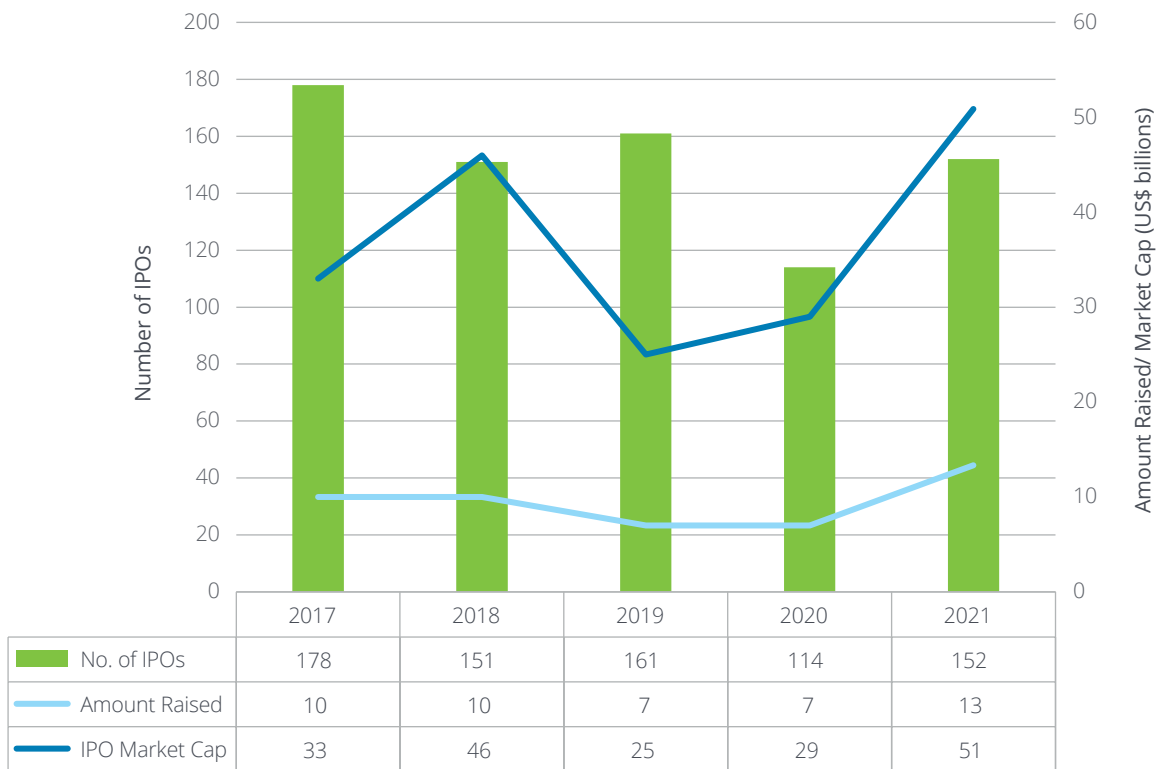


Southeast Asia IPO Market Overview	03
Country in focus: Indonesia	08
Country in focus: Thailand	11
Country in focus: Philippines	13
Country in focus: Malaysia	14
Country in focus: Singapore	15
Exploring the SPAC route	19

Southeast Asia IPO Market Overview

Southeast Asia IPO Market Performance

Capital markets across Southeast Asia recorded robust initial public offerings (“IPOs”) activity in 2021, having produced 152 IPOs which raised US\$13.3 billion in funds and US\$50.9 billion in market capitalisation.



This year saw 152 IPOs, a 33% increase compared to the 114 IPOs in 2020. This is a strong signal that the market conditions are improving as more entities seek IPO listings to tap on the capital markets.



2021 was a breakout year for the market as a grand total of US\$13 billion of funds were raised during this year, marking the highest amount of funds raised in the past 5 years.



The Southeast Asia IPO market closed 2021 with a IPO market capitalisation of US\$51 billion. With a record high amount of funds raised, IPO market capitalisation increased 75% from the previous year.

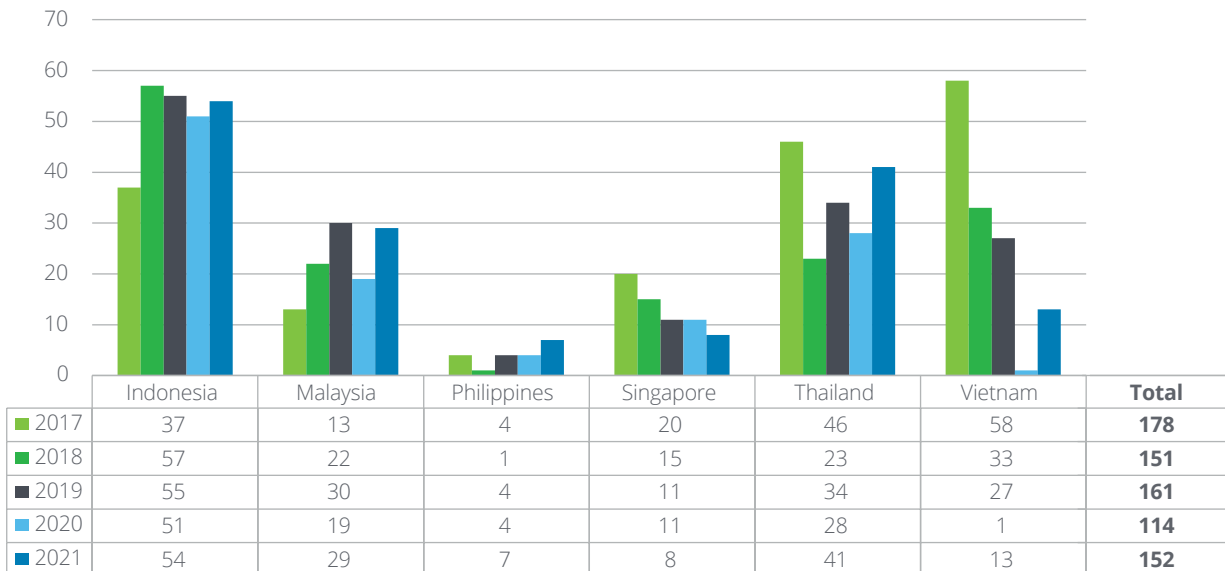


2021 ended on an all-time high with a flurry of IPO activities in the fourth quarter. This momentum in IPO activity continues to grow even as the region is still battling the COVID-19 pandemic, giving a strong signal to investors that the Southeast Asian IPO market has plenty of untapped potential as we look forward to an exciting 2022.

Market overview by country

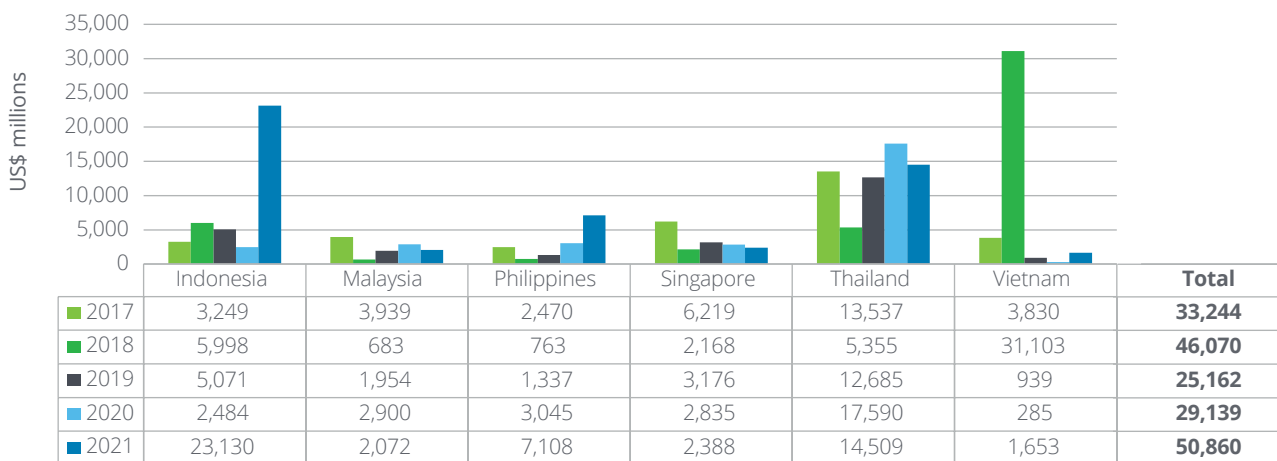
Number of IPOs

■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



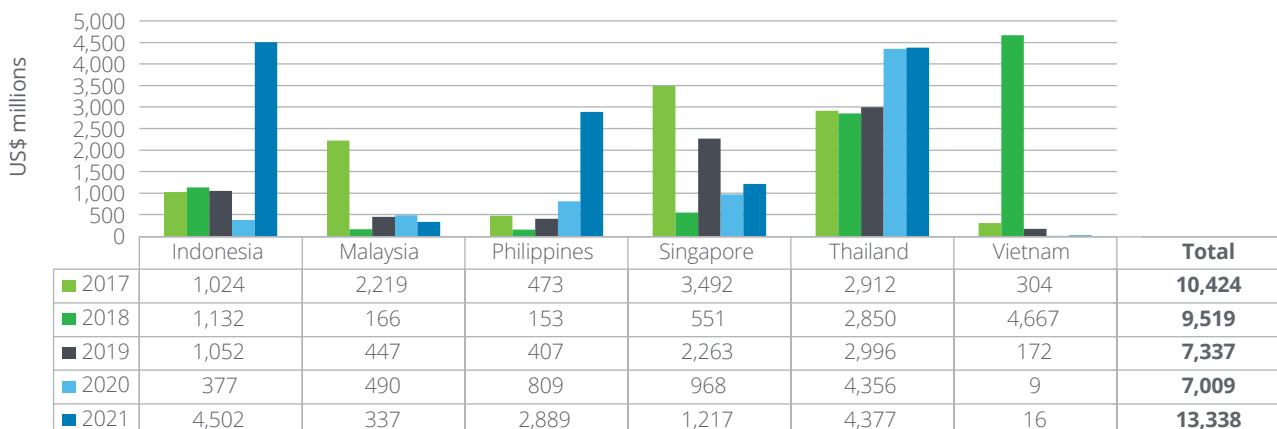
IPO market capitalisation

■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



IPO amount raised

■ 2017 ■ 2018 ■ 2019 ■ 2020 ■ 2021



Key Highlights in SEA

As conditions all around SEA improved, we saw the number of IPOs up by 33%, total funds rose by an astounding 90% and the total market capitalisation grew by 75%. This translates to a US\$6.3 billion increase in total IPO proceeds and US\$21.7 billion increase in total IPO market capitalisation this year.

Indonesia, Thailand and Philippines accounted for 88% of funds raised across Southeast Asia.



Indonesia surpassed the US\$2 billion mark in funds raised for the first time. Two blockbuster IPOs - PT Bukalapak.com Tbk, Indonesia's first tech unicorn and PT Dayamitra Telekomunikasi Tbk - both contributed close to US\$3 billion in total, out of the US\$4.5 billion raised by all IPOs in Indonesia in 2021. In fact, Indonesia IPOs have raised more funds in 2021 than the past four years combined.



Thailand narrowly missed out top spot in 2021, coming in a close second behind Indonesia. A stable economy, strong currency, low interest rates and consistently strong domestic liquidity contributed to the Thai bourse raising US\$4.4 billion in IPO proceeds, topping their performance in 2020.



In 2021, the bourse saw 4 mega REITs listings which raised a total of US\$1.8 billion. Together with the largest-ever listing in Philippines by Monde Nissin Corporation which raised US\$1 billion, **Philippines** raised more IPO funds in 2021 than in the last four years combined.



2021 was a slightly less eventful year for **Singapore**, as it recorded 8 IPOs, a 27% decrease in IPOs from the previous year. The Singapore IPO market managed to raise a total of US\$1.2 billion in funds, and US\$2.4 billion in market capitalisation. We observed that the Singapore IPO capital market picked up momentum in Q4 of 2021, with almost 80% of the total amount raised in the last two months of the year, and we saw this momentum continue with 3 SPACs and 1 Catalist being listed in January 2022.

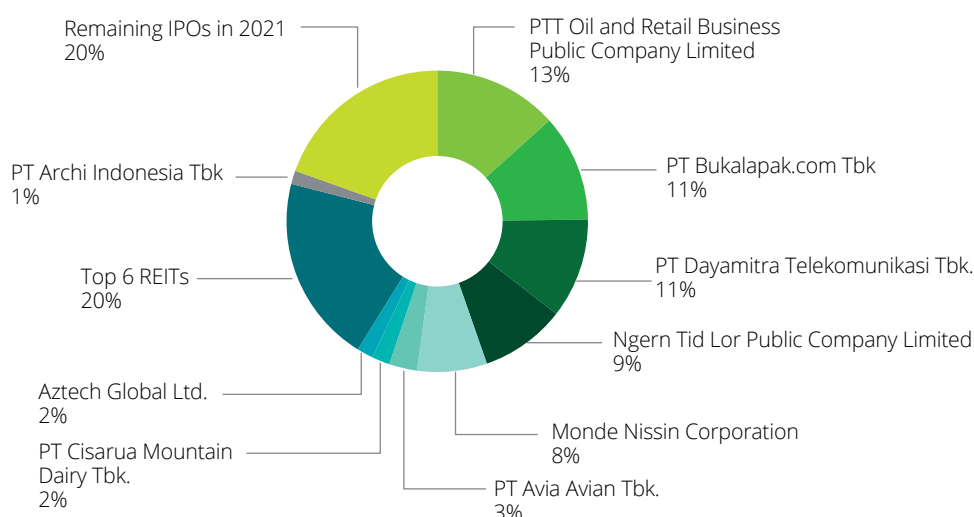


Malaysia experienced a 53% increase of IPO listings from previous year, recording 29 listings in 2021. The recovery of Malaysia's IPO market from the pandemic is boosted by strategic economic frameworks and stimulus packages ushered in by the Malaysian Government plus the emergence of the first REIT listing since 2017.



The **Vietnam** Stock Exchange (VNX) was officially launched on 11th December 2021. After VNX comes into operation, Hanoi Stock Exchange (HNX) will have the main task of organising and operating the derivatives, bond and other securities markets. Meanwhile Ho Chi Minh Stock Exchange (HOSE) is responsible for organising and operating the stock market and other securities according to regulations.

Largest IPOs of 2021



Top 15 IPOs make up **80%** of total amount raised in 2021

6 of the top 15 IPOs are from **REITs**

Remaining **137** IPOs make up **20%** of total amount raised in 2021

Ranking	Country of Listing	Company	Date of listing	Amount raised (US\$ million)	IPO market cap (US\$ million)	Industry
1	Thailand	PTT Oil and Retail Business Public Company Limited	11-Feb-2021	1,780	6,890	Energy and Resources
2	Indonesia	PT Bukalapak.com Tbk	06-Aug-2021	1,530	6,119	Technology, Media and Telecommunications
3	Indonesia	PT Dayamitra Telekomunikasi Tbk	22-Nov-2021	1,428	4,668	Technology, Media and Telecommunications
4	Thailand	Ngern Tid Lor Public Company	10-May-2021	1,218	2,708	Financial Services
5	Philippines	Monde Nissin Corporation	01-Jun-2021	998	4,980	Consumer Business
6	Philippines	DDMP REIT Inc	24-Mar-2021	826	826	Real Estate
7	Singapore	Digital Core REIT	06-Dec-2021	600	990	Real Estate
8	Philippines	RL Commercial REIT Inc	14-Sep-2021	424	424	Real Estate
9	Indonesia	PT Avia Avian Tbk	08-Dec-2021	404	4,036	Industrial Products
10	Singapore	Daiwa House Logistics Trust	19-Nov-2021	339	421	Real Estate
11	Philippines	MREIT, Inc.	01-Oct-2021	269	269	Real Estate
12	Indonesia	PT Cisarua Mountain Dairy Tbk.	06-Dec-2021	257	1,712	Consumer Business
13	Singapore	Aztech Global Ltd.	12-Mar-2021	233	735	Consumer Business
14	Philippines	Filinvest REIT, Corp	12-Aug-2021	230	230	Real Estate
15	Indonesia	PT Archi Indonesia Tbk	28-Jun-2021	192	1,281	Energy and Resources

Southeast Asia IPO Market Outlook

As Southeast Asia closes the chapter of 2021 and ushered in 2022, there is newfound optimism that the region will begin to experience economic recovery back to pre-pandemic levels. The re-opening of the economic and social sectors at full capacity has invariably been delayed for the past two years, as countries stepped up their efforts in an attempt to contain the spread of COVID-19.

With a highly effective and successful vaccination program, SEA readies itself for post-pandemic recovery. All six countries had a positive forecast for GDP growth in 2022, a stark improvement from 2021.



Philippines: 6.3% (2021: 3.2%)

- High IPO numbers from REITs
- Some optimism for a strong rebound



Indonesia: 5.9% (2021: 3.2%)

- More economic sectors set to resume operations
- Revival in the manufacturing sector
- Strong pipeline for tech IPOs



Malaysia: 6.0% (2021: 3.5%)

- Ongoing infrastructure projects showing signs of recovery
- More economic and social sectors set to return to full operating capacity



Thailand: 4.5% (2021: 1.0 %)

- Mild rebound projected in 2022
- Several companies in the pipeline for listing on SET



Singapore: 3.2% (2021: 6.0%)

- IPO Market set to welcome a new wave of SPAC listings
- Strong pipeline entering 2022 with 4 IPOs (3 SPACs and 1 Catalyst) and 3 Catalyst lodgements as of 28th January 2022



Vietnam: 6.6% (2021: 3.8%)

- Manufacturing sector set to benefit due to steady demand from the United States, Europe and China
- Approval of US\$14.1 billion economic stimulus package to boost economic recovery

In comparison to:

China	USA	Europe	Japan	Hong Kong	Australia
5.6% (2021: 8.0%)	5.2% (2021: 6.0%)	4.1% (2021: 5.0%)	3.2% (2021: 2.4%)	3.5% (2021: 6.4%)	4.1% (2021: 3.5%)

Source: International Monetary Fund – World Economic Outlook Real GDP Growth (October 2021)



“Amidst the volatility in the capital markets, companies have learnt to be resilient with pandemic-related challenges. With the growth potential and untapped opportunities in Southeast Asia, I am bullish about what the region’s capital markets can achieve in 2022 with the diverse sources of investment capital and growing interest by sovereign wealth funds in Asian businesses.”

Ms Tay Hwee Ling, Southeast Asia Disruptive Events Advisory Leader, Deloitte Singapore

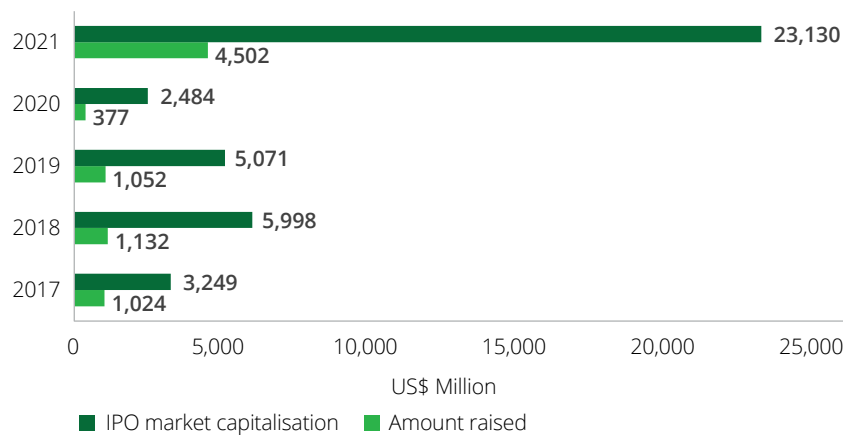
Country in focus: Indonesia

Indonesia IPO Market Performance

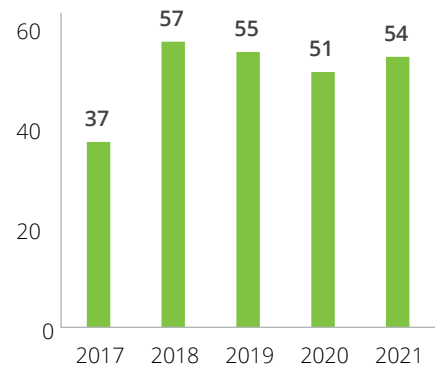
Indonesia IPO market scored the biggest boost from the listing of PT Bukalapak.com Tbk and PT Dayamitra Telekomunikasi Tbk which raised US\$1.5 billion and US\$1.4 billion respectively.

Indonesia topped the chart with 54 listings in 2021, a **6% increase** from prior year. Its IPO market raised an impressive US\$4.5 billion dollars, **an almost 12 times increase** from 2020. Market capitalisation figures rose to a record high US\$23.1 billion dollars, **9 times more** than the previous year's figures.

Indonesia IPO Performance Year-on-Year



Number of IPOs



Indonesia Stock Exchange topped the SEA charts in 2021 for amount raised and IPO market capitalisation. Two blockbuster IPOs, PT Bukalapak.com Tbk. and PT Dayamitra Telekomunikasi Tbk. each raised US\$1.5 billion and US\$1.4 billion, respectively.



The Technology, Media and Telecommunications industry raised over US\$3 billion with market capitalisation of US\$11.1 billion. It represented 67% of total funds raised and 48% of total IPO market capitalisation.

Indonesia IPO performance across the Main Board, Development Board and Acceleration Board

	2017	2018	2019	2020	2021
Main Board					
Number of IPOs	7	17	10	8	19
Total Amount Raised (US\$ million)	288	508	556	63	2,646
Total Market Cap. (US\$ million)	890	3,226	2,368	1,007	14,625
Development Board					
Number of IPOs	30	40	45	38	25
Total Amount Raised (US\$ million)	736	623	496	302	1,832
Total Market Cap. (US\$ million)	2,359	2,772	2,703	1,415	8,397
Acceleration Board					
Number of IPOs	N/A	N/A	N/A	5	10
Total Amount Raised (US\$ million)	N/A	N/A	N/A	12	24
Total Market Cap. (US\$ million)	N/A	N/A	N/A	62	108

2021 saw the Technology, Media and Telecommunications industry breakthrough in the Indonesian IPO market. This industry saw 7 listings, US\$3.0 billion of funds raised and a total of US\$11.1 billion of market capitalisation. This was a deviation from the norm that was usually dominated by industries such as consumer business, real estate and financial services.

Indonesia Stock Exchange: The Acceleration Board

The Acceleration Board, which serves as a fund raising platform for small to medium scale assets companies saw the number of IPOs and amount raised increase by twice the amount compared to 2020. This was a positive sign that more companies are willing to take the opportunity to raise funds via the Acceleration Board.



Background & Objectives

- Established in July 2019, to provide potential growing small to medium scale asset companies and start-ups the opportunity to raise funds via IPO
- A launchpad to the Development Board or Main Board, providing more access to a wider group of investors to fund larger growth plans



Listing Requirements

- Asset size of more than US\$4 million and less than US\$20 million
- Minimum of 1 year SAK-ETAP report
- Minimum of 20% public or free float



Statistics

- 10 IPOs recorded with US\$24 million of funds raised.
- Companies comprising of a diverse range of industries for investors to invest
- Investors base comprises of angel investors, venture capitalists and retail investors.

Top 10 largest IPOs in Indonesia in 2021

	Company	Date of listing	Amount Raised (US\$ million)	IPO Market Cap (US\$ million)	Industry
1	PT Bukalapak.com Tbk.	06-Aug-2021	1,530	6,119	Technology, Media and Telecommunications
2	PT Dayamitra Telekomunikasi Tbk	22-Nov-2021	1,428	4,668	Technology, Media and Telecommunications
3	PT Avia Avian Tbk.	08-Dec-2021	404	4,036	Industrial Products
4	PT Cisarua Mountain Dairy Tbk.	06-Dec-2021	257	1,712	Consumer Business
5	PT Archi Indonesia Tbk	28-Jun-2021	192	1,282	Energy and Resources
6	PT Cemindo Gemilang Tbk.	08-Sep-2021	82	814	Industrial Products
7	PT FAP Agri Tbk.	04-Jan-2021	71	692	Consumer Business
8	PT Widodo Makmur Perkasa Tbk.	06-Dec-2021	61	330	Consumer Products
9	PT Bank Multiarta Sentosa	30-Jun-2021	43	284	Financial Services
10	PT Indointernet Tbk.	08-Aug-2021	42	209	Technology, Media and Telecommunications

Indonesia could pride itself as a trade hub, as tech IPOs raised US\$3 billion amongst companies in the top 10 IPOs of 2021. This represented a 73% of funds raised in the top 10 and 67% of overall funds raised in 2021.

Gojek and Tokopedia, of what would be two of the most valuable startups in Indonesia formed a merger that will seek to be listed in Indonesia and the United States. PT Bukalapak.com Tbk was the first homegrown tech unicorn to list on Indonesia Stock Exchange, raising over US\$1.5 billion.

With the dual-class shares framework, certain shares carry heavier voting weight than the others. This allows founders to retain strategic control of the company.

The Indonesian Stock Exchange will adjust its requirements to ease the listing of tech companies. From 7th December 2021, tech companies are allowed to issue multiple voting shares, thus adopting a dual-class shares framework.

This essentially paves the way for many travel tech firms such as GoTo Group, Traveloka, Tiket.com and e-commerce platform BliBli to list on the Indonesia Stock Exchange in 2022.



“With the news of the government’s privatisation plan to list 14 state-owned companies, the commitment to promote fundraising alternatives for growing small and medium enterprises through the Acceleration Board and the widely-anticipated mega tech listings from the emerging tech scene in Southeast Asia, we foresee that this is just the cusp of a new era of listings”

Ms Imelda Orbito, Disruptive Events Advisory Leader, Deloitte Indonesia

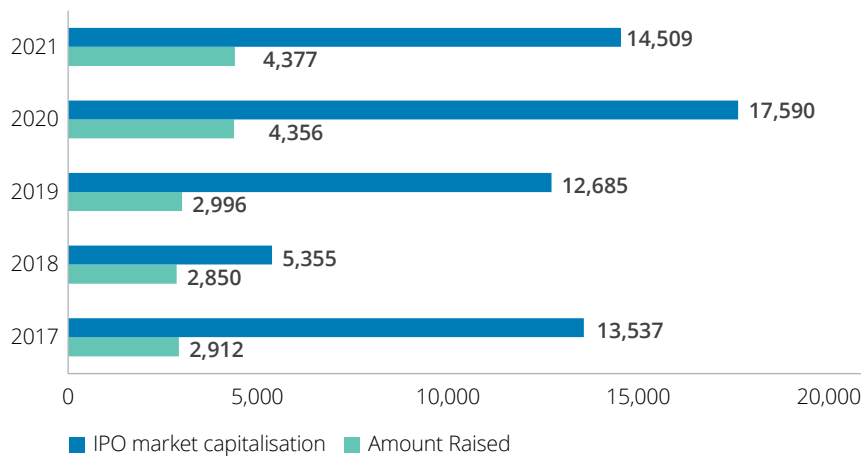
Country in focus: Thailand

Thailand IPO Market Performance

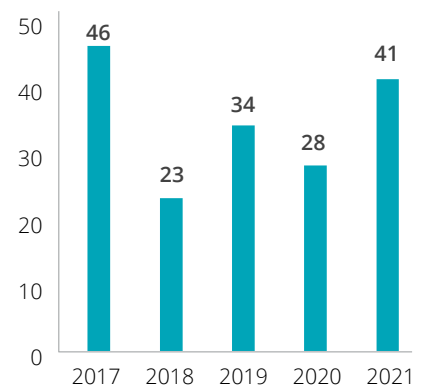
The bright spark for the Thai bourse in 2021 was the mega listing of PTT Oil and Retail Business Public Company that took the top spot on the region’s leaderboard this year with US\$1.8 billion funds raised. The Stock Exchange of Thailand has raised more than US\$4 billion for a second consecutive year.

The country saw 41 listings in 2021, an **increase of 46.4%** from the year before. Its IPO market raised a total of US\$4.4 billion dollars, narrowly edging out last year’s funds raised by an **increase of 0.47%**.

Thailand IPO Performance Year-on-Year



Number of IPOs



The first and fourth largest listings of 2021, PTT Oil and Retail Business Public Company Limited and Ngern Tid Lor Public Company Limited contributed to 69% of total funds raised in the Thailand IPO market.



Despite a spike in cases of Covid-19 in Q3 of 2021, Thailand’s IPO market remained stable as it rode out the pandemic with 63% of the number of listings coming in the second half of 2021.



Thailand market is continuously growing with 23 companies in the pipeline to be listed and are approved by Thai SEC as of year end. The largest one in the pipeline is Thai Life Insurance Public Company Limited which provides integrated products covering Personal Accident Insurance and Group Insurance.

OUR INSIGHTS

“IPOs continue to be a major growth driver for the Stock Exchange of Thailand (SET). This year’s IPOs are diverse, from oil groups to telecommunications, retailers and finance companies, thus appealing to a wide range of investors.”

Ms Wilasinee Krishnamra, Disruptive Events Advisory Leader, Deloitte Thailand

Top 10 largest IPOs in Thailand in 2021

	Company	Date of Listing	Amount Raised (US\$ million)	IPO Market Cap (US\$ million)	Industry
1	PTT Oil and Retail Business Public Company Limited	11-Feb-2021	1,780	6,890	Energy and Resources
2	Ngern Tid Lor Public Company Limited	10-May-2021	1,218	2,708	Financial Services
3	The ONE Enterprise Public Company Limited	05-Nov-2021	125	600	Technology, Media and Telecommunications
4	INET Leasehold REIT	09-Aug-2021	102	102	Real Estate
5	UBON Bio Ethanol Public Company Limited	30-Sep-2021	97	277	Energy and Resources
6	Grande Royal Orchid Hospitality REIT	21-Jul-2021	96	96	Real Estate
7	KTBST Mixed Leasehold REIT	15-Nov-2021	89	89	Real Estate
8	Britania Public Company Limited	21-Dec-2021	80	269	Real Estate
9	Don Muang Tollway Public Company Limited	07-May-2021	72	605	Consumer Business
10	Srinanaporn Marketing Public Company Limited	20-Jul-2021	67	269	Consumer Business

With a sizeable pipeline year-on-year, Thailand's IPO Market has consistently performed well amongst its Southeast Asian counterparts.

Also noteworthy is the Technology, Media and Telecommunications industry which boasted the biggest price change with an increase in 263% coming from DITTO (Thailand) Public Company Limited. 4 out of the top 5 best performers were based in the tech industry making it a formidable part of the economy with huge growth potential in the coming years.

Top 5 Performers in terms of change in share price

	Company	Industry	Offer price	Share Price as at 31-Dec-2021	% change
1	DITTO (Thailand) Public Company Limited	Technology, Media and Telecommunications	THB 7.5	THB 27.3	263%
2	Addtech Public Company Limited	Technology, Media and Telecommunications	THB 11.0	THB 31.5	186%
3	TQR Public Company Limited	Financial Services	THB 5.1	THB 14.3	180%
4	Beryl 8 Plus Public Company Limited	Technology, Media and Telecommunications	THB 10.0	THB 25.0	150%
5	Proen Corp Public Company Limited	Technology, Media and Telecommunications	THB 3.3	THB 7.2	120%



"Based on the performance of the newly listed tech companies on the Market for Alternative Investment (MAI), we should see more digital tech companies going public in Thailand, a departure from the usual traditional companies."

Ms Wilasinee Krishnamra, Disruptive Events Advisory Leader, Deloitte Thailand

Country in focus: Philippines

Philippines IPO Market Performance

Philippines pushed proceeds to the highest levels in five years, with 4 out of 7 number of listings coming from Real Estate Investment Trusts (REITs), largely due to the relaxation of regulations on REITs as well as tax adjustment schemes for companies doing business in the Philippines.

The Philippines IPO market raised a total of **US\$2.9 billion** proceeds this 2021, higher than the proceeds raised over the past 4 years combined. IPO market capitalisation also recorded a new high of **US\$7.1 billion**.

IPOs on the Philippine Stock Exchange in 2021

	Company	Date of Listing	Amount Raised (US\$ million)	IPO Market Cap (US\$ million)	Industry
1	DDMP REIT Inc	24-Mar-2021	826	826	Real Estate
2	Monde Nissin Corporation	01-Jun-2021	998	4,980	Consumer Business
3	Filinvest REIT, Corp	12-Aug-2021	230	230	Real Estate
4	RL Commercial REIT, Inc.	14-Sep-2021	424	424	Real Estate
5	MREIT, Inc.	01-Oct-2021	269	269	Real Estate
6	AllDay Marts Inc.	03-Nov-2021	90	327	Consumer Business
7	Solar Philippines Nueva Ecija Corporation	17-Dec-2021	53	53	Industrial Products
	Total		2,890	7,109	7 listings

Corporate Recovery and Tax Incentives for Enterprises (CREATE)

The Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was created by The Congress of the Philippines in response to the COVID-19 pandemic as a fiscal relief to domestic and foreign corporations doing business in the Philippines. It seeks to amend several provisions in the old Tax Code, with a central focus on lowering corporate income tax rates and rationalizing fiscal incentives to better attract local and foreign investments in the Philippines. It was signed into law on 26th March 2021 and took effect on 11th April 2021.

Key Adjustments under CREATE

Type of Business	Pre-CREATE	CREATE
Domestic Micro, Small and Medium Enterprises (MSME) with a taxable income of PHP5 million and below, and with total assets of not more than PHP100 million	30%	20%
Domestic corporations which earn a taxable income above PHP5 million	30%	25%
Minimum corporate income tax (applicable from July 1, 2020 to June 30,2021)	10%	1%
Foreign sourced dividends received by domestic corporations	15%	Exempt
Solar Philippines Nueva Ecija Corporation		

Source: <https://taxreform.dof.gov.ph/tax-reform-packages/p2-corporate-recovery-and-tax-incentives-for-enterprises-act/>

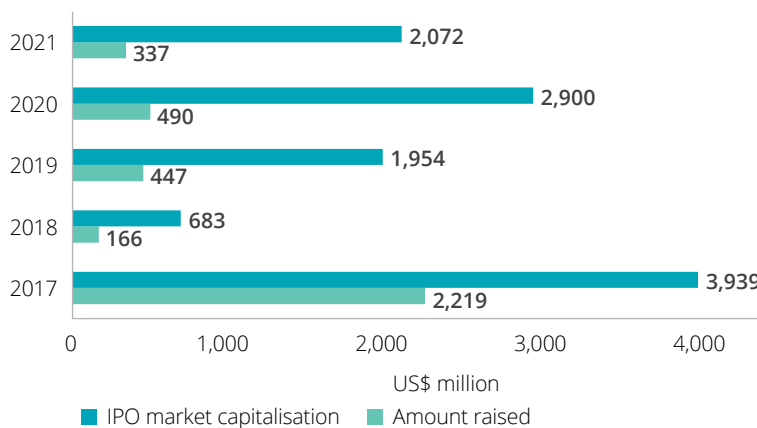
Country in focus: Malaysia

Malaysia IPO Market Performance

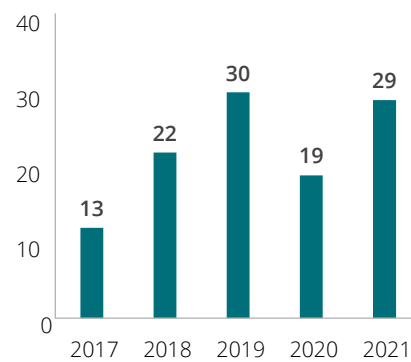
Malaysia saw the number of IPOs going back to pre-COVID levels, driven by cornerstone investors, coupled with an abundance of uninvested capital. With rising vaccination rates in the country, there is a growing number of technology-based startups and companies looking to increase their presence and capacity to tap the capital markets.

Malaysia's IPO market has remained vibrant with 29 listings in 2021, an **increase of 53%** from 2020. Its IPO market raised a total of US\$0.34 billion dollars, a **decrease of 31%** from prior year. Market capitalisation **decreased by 29%**, recording US\$2.1 billion.

Malaysia IPO Performance Year-on-Year



Number of IPOs



The Malaysian Stock Exchange fared better in the second half of the year with 74% of funds raised due to improving economic conditions and the Government being able to contain the spread of COVID-19.



Companies that were listed on the Malaysian IPO market were evenly spread out among the 3 Markets on the Stock Exchange. The Leap and Ace Market both recorded 12 and 11 listings respectively while the Main Market saw 6 listings and 1 secondary listing of OM Holdings Berhad (excluded from table above) in 2021.



Malaysia saw the first REIT listing since 2017, IGB Commercial REIT raised US\$90 million with a market capitalisation of US\$551 million.

OUR INSIGHTS

“Looking back on the IPO market in Malaysia in 2021, it has remained vibrant with 29 IPO listings and we are optimistic more will be coming in 2022. The positive sentiment can be attributed to the introduction of the Third Capital Market Masterplan by Securities Commission Malaysia, digitalisation of operations, and overall recovery of the economy from COVID-19. We would expect 2022 to be an eventful year, keeping an eye on macro-economic impact from fiscal and regulatory policies, which include sustainability reporting, from global markets.”

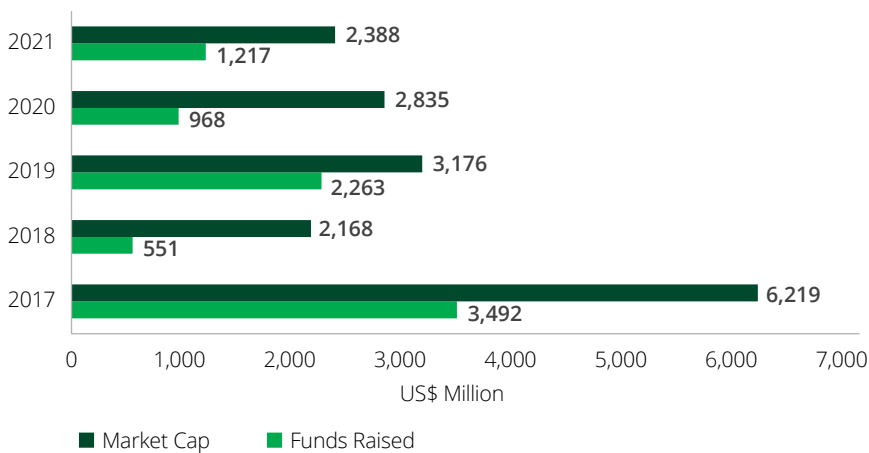
Mr Wong Kar Choon, Disruptive Events Advisory Leader, Deloitte Malaysia

Country in focus: Singapore

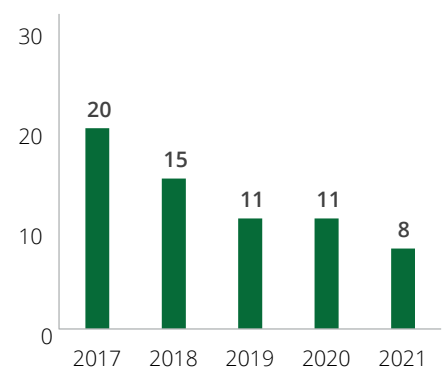
Singapore IPO Market Performance

2021 saw the Singapore Exchange (SGX) raise a total of **US\$1.2 billion** in IPO proceeds from 8 IPO deals. This comprises of 3 IPOs on the SGX Mainboard with **US\$1,173 million** funds raised and 5 deals on the Catalyst board that raised **US\$44 million**. In comparison, the exchange raised US\$968 million in proceeds from 11 IPO deals in 2020.

Singapore IPO Performance Year-on-Year



Number of IPOs



The Singapore Exchange (“SGX”) introduced the Special Purpose Acquisition Company (“SPAC”) framework to encourage listings on its local exchange. Enhancements to the Grant for Equity Market Singapore (GEMS) were ushered out to aid companies looking to list on SGX.



A much-needed boost for the Singapore IPO market came in the 4th quarter of 2021, when the listings of Daiwa House Logistics Trust and Digital Core REIT raised a total of US\$939 million with IPO market capitalisation of US\$1.39 billion.

OUR INSIGHTS

“The highly anticipated inaugural SPAC IPO on SGX did not happen in 2021, but we saw 3 of them listed in January 2022 instead. With a holistic ecosystem in place that supports companies to IPO, enabling them to tap on the capital market in a shorter timeframe, I look forward to seeing more listing activities in Singapore.”

Ms Tay Hwee Ling, Southeast Asia Disruptive Events Advisory Leader, Deloitte Singapore

IPOs on the SGX in 2021

Company	Mainboard/ Catalist	Date of listing	Amount Raised (US\$ million)	IPO Market Cap (US\$ million)	Industry
1 Aztech Global Ltd	Mainboard	12-Mar-2021	233	735	Consumer Business
2 ECON Healthcare (Asia) Limited	Catalist	19-Apr-2021	11	54	Life Sciences and Health Care
3 OTS Holdings Limited	Catalist	17-Jun-2021	7	37	Consumer Business
4 Audience Analytics Limited	Catalist	30-Sep-2021	6	37	Technology, Media and Telecommunications
5 Trans-China Automotive Holdings Limited	Catalist	11-Nov-2021	14	98	Consumer Business
6 Daiwa House Logistics Trust	Mainboard (REIT)	19-Nov-2021	339	395	Real Estate
7 Mooreast Holdings Ltd.	Catalist	24-Nov-2021	6	42	Energy and Resources
8 Digital Core REIT	Mainboard (REIT)	06-Dec-2021	600	990	Real Estate
TOTAL	8 listings		1,217	2,388	
2021 Total:	Total Count: 8		1,217	2,388	
2020 Total:	Total Count: 11		968	2,835	
2019 Total:	Total Count: 11		2,263	3,176	
2018 Total:	Total Count: 15		551	2,168	
2017 Total:	Total Count: 20		3,492	6,219	

Key regulatory updates in 2021

17th September 2021

Boosting Equity Financing for High-Growth Enterprises (GEMS)

Enhancements to the Grant for Equity Market Singapore (GEMS) scheme was announced. Companies with larger market capitalisation will now be able to tap on the GEMS listing grant to co-fund 70% of their IPO expenses, up to S\$2 million. Smaller firms can get 70% co-funding up to a cap of S\$1 million.

Anchor Fund@ 65

Announced the setting up of Anchor Fund @ 65 with an initial tranche of S\$1.5 billion that will assist promising high-growth companies raise capital through public listings here. This fund will be co-funded by the Government and Temasek Holdings

Growth IPO fund

The Growth IPO fund is another initiatives announced. This initiative focuses on late-stage private enterprises that are two or more funding rounds away from a listing. It will help them grow and prepare for an eventual initial public listing in Singapore.

Strategic Partnership Model

Singapore Exchange's Strategic Partnership Model, which will develop bespoke solutions ranging from private market fundraising to liquidity building and global investor outreach for high-growth companies



2nd September 2021

SGX introduces SPAC listing framework

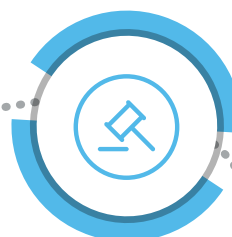
SGX announced that the new SPAC framework will take effect from 3rd September onwards.



21st May 2021

SGX RegCo to continue to suspend entry into issuer's watch-list

The reason for the extension is to enable SGX issuers to focus on meeting the current business and economic challenges due to the COVID-19 pandemic and dealing with any resultant liquidity crunch.



31st March 2021

SGX consults on SPACs framework

SGX sought feedback on a proposed regulatory framework for the listing of SPACs.



16th March 2021

SGX RegCo allows Mainboard issuers up to 31st Dec 2021 to seek or renew Enhanced Share Issue Limit

SGX provisionally enabled Mainboard issuers an extension to seek a general mandate for an issue of pro-rata shares and convertible securities of up to 100% of its share versus 50% till 31st December 2021. This mandate will expire on the next annual general meeting or on the date by which the next annual general meeting is required by law or the SGX-ST Mainboard Listing Manual to be held, whichever is the earliest.

12th Jan 2021

SGX RegCo enhances rules on auditors, valuers and valuation reports

All primary-listed issuers must appoint an auditor and valuers registered with the Accounting and Corporate Regulatory Authority (ACRA) and Singapore Institute of Surveyors and Valuers (SISV) respectively to conduct their statutory audits.

For all other secondary listed issuers from non-developed markets, SGX RegCo will assess if appointment of an auditor that is registered with ACRA is required on a case-by-case basis.



“By enhancing secondary listing rules and introducing the SPAC framework, listing aspirants in Southeast Asia with familiar local names have more options and can list closer to home. The emergence of more IPOs from Southeast Asia will trigger a positive effect and help increase the dynamics of Singapore as an international capital market that provides listing aspirants with a growth platform.”

Ms Tay Hwee Ling, Southeast Asia Disruptive Events Advisory Leader, Deloitte Southeast Asia and Singapore

Outlook: Singapore



SGX IPOs and lodgements as of 28th January 2022:

Company	Mainboard/ Catalist	Date of Listing	Amount raised (US\$ million)	IPO Market Cap (US\$ million)	Industry
1 Vertex Technology Acquisition Corporation Ltd	Mainboard (SPAC)	20-Jan-2022	149	149	Targeting de-SPAC in Technology, Media and Telecommunications
2 Pegasus Asia	Mainboard (SPAC)	21-Jan-2022	127	127	Targeting de-SPAC in Technology, Media and Telecommunications
3 Novo Tellus Alpha Acquisition	Mainboard (SPAC)	27-Jan-2022	112	112	Targeting de-SPAC in Technology, Media and Telecommunications
4 Alpina Holdings Limited	Catalist	28-Jan-2022	9	43	Consumer Business
5 LS 2 Holdings Limited	Catalist	Lodged: 23-Dec-2021	(i)	(i)	Consumer Business
6 iWOW Technology Limited	Catalist	Lodged: 30-Dec-2021	(i)	(i)	Technology, Media and Telecommunications
7 Oiltek International Limited	Catalist	Lodged: 31-Dec-2021	(i)	(i)	Energy and Resources

(i) As of 28th January 2022, the statistics are unavailable as it is still a lodgement on Catalodge.

“There is an ecosystem of companies in Singapore that have a regional footprint and they have the options to choose to list in Singapore or on overseas exchanges. Moving forward, we expect REITs to continue to be stronghold on the local bourse. We saw the first few SPACs IPOs in 2022, and we can look forward to SGX being a viable candidate for de-SPACs for high growth tech companies in the years to come. We are still cautiously optimistic, but with the new energy infused by SPAC listings and the buzz around the new economy companies and tech unicorns in Southeast Asia, we have a lot to look forward to.”

Ms Tay Hwee Ling, Southeast Asia Disruptive Events Advisory Leader, Deloitte Singapore

Exploring the SPAC route

What is a SPAC?

A SPAC is a company that is listed on a stock exchange which has no commercial operations. By acquiring a private company, it enables them to go public without going through the traditional IPO process.

Timeline of SPACs

SPACs were created in 1993, at a time where blank check companies were prohibited in the United States. The revival of SPACs came in 2020, where 248 SPACs were listed in the United States. Since then, different countries have adopted similar frameworks to help aspiring SPACs list on their local stock exchange.



On 5th May 2017, the first SPAC TPG Pace Energy Holdings listed on NYSE at **US\$10** per share. On 22nd July 2020, the biggest SPAC listing then, Pershing Square Tontine raised a total of **US\$4 billion** at **US\$20** per share. This had led to a new wave of SPAC listings and most recently on 2nd December 2021, Grab, a SEA technology company headquartered in **Singapore** went public on NASDAQ. The merger with **Altimeter Growth Corp** raised US\$4.5 billion making it the biggest SPAC listing to date.

Asian bourses jumping on the SPAC bandwagon



- In a bid to create more options for the Singapore IPO Market, SGX introduced the SPAC framework on the 2nd September 2021.
- In January 2022, 3 SPACs have commenced trading on SGX.



- On 21st September 2021, Malaysia's Securities Commission announced a review to its SPAC framework to meet the growing demand for SPACs.
- There were 5 SPACs in Malaysia prior to that.
- The revised framework took effect on 1st January 2022.



- Hong Kong Exchange ("HKEX") has released a consultation paper on 17th September 2021, seeking market feedback on proposals to create a listing regime for SPACs in Hong Kong.
- The framework took effect on 1st January 2022.



- Scepticism of SPACs initially due to 3 failed SPACs listings on South Korea's KRX Main Board in 2010.
- South Korea saw the US\$85.1 million IPO of NH Special Purpose acquisition 19 which marked the first SPAC listing on the South Korean Main Board in more than 10 years.

Special Purpose Acquisition Company (SPAC)

Comparison of SPAC frameworks across exchanges

	Singapore (SGX)	United States (NYSE and NASDAQ)	Hong Kong (HKSE)
Fund Raising and Market Capitalisation	<ul style="list-style-type: none"> No minimum fund raising SPAC required to have a market capitalisation of S\$150 million 	<ul style="list-style-type: none"> No minimum fund raising Minimum market capitalisation: NYSE American and NASDAQ capital market: (US\$50 million) NASDAQ Global Market: US\$75 million NYSE: US\$100 million 	<ul style="list-style-type: none"> Minimum funds raised of HK\$1 billion
Promoters and Directors	<ul style="list-style-type: none"> Suitability of SPAC includes the track record and reputation of founding shareholders Experience and expertise of the management team 	<ul style="list-style-type: none"> For NYSE, SPAC Promoters' experience and track record is one of the factors in the assessment of the suitability of a SPAC for listing 	<ul style="list-style-type: none"> SPAC Promoters must have at least a corporate finance or asset management license issued by the Securities and Futures Commission of Hong Kong Any material changes in promoters would require approval by a special resolution of shareholders at a general meeting
Investor suitability	<ul style="list-style-type: none"> The US regulatory regime and SGX do not limit the subscription and trading of SPAC securities to professional investors 	<ul style="list-style-type: none"> The US regulatory regime and SGX do not limit the subscription and trading of SPAC securities to professional investors 	<ul style="list-style-type: none"> The subscription and trading of SPAC securities prior to a de-SPAC transaction would be limited to professional investors only (i.e. institutional professional investors and individual professional investors). A SPAC must distribute each of the SPAC shares and SPAC warrants to a minimum of 75 professional investors, of which at least 20 must be institutional professional investors and such institutional professional investors must hold at least 75% of the securities to be listed
Open Market Requirements	<ul style="list-style-type: none"> 25% of SPAC's issued shares to be held by at least 300 shareholders 	<ul style="list-style-type: none"> NYSE: 300 round lot holders and 1.1 million publicly-held shares NASDAQ Capital Markets: 300 "round lot" holders and 1 million publicly held shares NASDAQ Global Markets: 400 "round lot" holder and 1.1 million publicly held shares 	<ul style="list-style-type: none"> Not more than 50% of securities at the time of a SPAC's listing can be beneficially owned by the three largest public shareholders At least 25% of the SPAC's total number of issued shares and at least 25% of the SPAC's total number of issued warrants must be held by the public. These public float requirements would also apply on an ongoing basis

Comparison of SPAC frameworks across exchanges

	Singapore (SGX)	United States (NYSE and NASDAQ)	Hong Kong (HKSE)
Issue Price	<ul style="list-style-type: none"> Issue price of S\$5 	<ul style="list-style-type: none"> Typically, SPACs have a unit issue price of US\$10 	<ul style="list-style-type: none"> HK\$10 or above
Continuing Obligations	<ul style="list-style-type: none"> 90% of gross SPAC IPO proceeds to be held in a trust account by an independent escrow agent or invested in cash or cash equivalent short dated securities of at least A-2 rating 	<ul style="list-style-type: none"> 90% of gross SPAC IPO proceeds to be held in an escrow account by an independent custodian, an “insured depository institution” or in a separate account established by a registered broker or dealer 	<ul style="list-style-type: none"> 100% of the gross proceeds of a SPAC’s initial offering must be held in a ring-fenced trust account located in Hong Kong
Application of new listing requirements	<ul style="list-style-type: none"> Must meet initial listing requirements 	<ul style="list-style-type: none"> NYSE: Must meet minimum share price, market capitalisation and shares in public hand requirements NASDAQ: Must meet full initial listing requirements applicable to market segments 	<ul style="list-style-type: none"> Required to meet all the new listing requirements including IPO sponsor engagement to conduct due diligence, minimum market capitalisation requirements and financial eligibility tests
Size of De-SPAC target	<ul style="list-style-type: none"> Fair market value must be more or equal to 80% of the proceeds held in trust 	<ul style="list-style-type: none"> Fair market value must be more or equal to 80% of the proceeds held in trust 	<ul style="list-style-type: none"> Fair market value must be more or equal to 80% of the funds raised by the SPAC from its initial offering prior to any redemptions

Contact us

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