

Taiwan stock exchange

Requirements for issuance of Taiwan Depositary Receipts (TDRs)

	Listing TDRs on TWSE	TDRs for GTSM trading		Listing TDRs on TWSE	TDRs for GTSM trading
Number of listed shares or market value	Number of shares to be listed: 20 million shares or more, or the market price of the shares to be listed is NT\$300 million or more; provided that the number of shares may not exceed 50% of the total number of shares issued by the foreign issuer.	Number of GTSM shares to be traded: not less than 10 million shares or the aggregate market value of the application is equivalent to NT\$100 million or more. The number of shares may not exceed 50% of the total number of shares issued by the foreign issuer.	Distribution of shareholding (before listing)	At the time of listing, the number of registered shareholders of TDRs in Taiwan should not be less 1,000 persons, and other than those units held by insiders of that foreign issuer and by judicial entities whose shares are held by those insiders with more than 50% shareholding, the total number of units should be 20% or more of the total issued units or be 10 million units or more.	When the shares of the issuer are traded on the GTSM, excluding company insiders of the issuer and any juristic persons in which such insiders hold more than 50% of the shares, the number of registered shareholders residing within the ROC shall be no less than 300, and the aggregate number of shares held by them shall be at least 20% of the total issued shares or more than 10 million shares.
Shareholders' equity	At the time of application for listing, the shareholders' equity stated on the financial report audited and certified by a Certified Public Accountant for the most recent period shall be the equivalent of NT\$600 million or more.	At the time of application for listing, the shareholders' equity stated on the financial report audited and certified by a Certified Public Accountant for the most recent period shall be the equivalent of NT\$200 million or more.	Other rules	<ol style="list-style-type: none"> 1. Transfer of the shares represented by the TDRs shall not be restricted. 2. The rights and obligations for any shares represented by the TDRs shall be the same as for any shares of the same type and the same issuance. 3. A professional shareholder services agent meeting the related requirements shall be established to handle shareholder services. 4. At least one litigious and non-litigious agent shall be appointed within the territory of Taiwan. 5. There is no abnormal fluctuation in the price of the stock represented by the Taiwan depositary receipts during the 3 months immediately prior to the approval of the listing agreement for TDRs. 6. The foreign issuer shall undertake in writing that, after listing, it will establish a reporting system with the TWSE/GTSM for automatic synchronous reporting of material information. 7. The depositary institution has not, within the past year, been sanctioned for any error in information reporting, where the circumstances were serious. 	
Profitability	<p>It does not have accumulative loss for the most recent one fiscal year and meets one of the following criteria:</p> <ol style="list-style-type: none"> 1. The income before tax for the most recent one year represents not less than 6% of the shareholders' equity as shown in its final accounts; or 2. The ratio of income before tax to shareholder's equity in the final accounting for each of the past two fiscal years is 3% or higher, or the average is 3% or higher, and the profitability in the most recent fiscal year is better year-on-year than in the preceding year. 3. The income before tax for the most recent two years shall be NT\$250 million or more. <p>If the foreign issuer obtains from the Ministry of Economic Affairs Industrial Development Bureau or the GTSM-designated professional institution an assessment opinion indicating that the company is a technology enterprise, and has successfully developed products or technology with marketability ("technology enterprise"), it may be exempted from the provisions of the profitability requirement.</p>	<p>The net profit before tax for the most recent fiscal year is NT\$4 million or more, and the ratio of net profit before tax to shareholders' equity must meet one of the following criteria:</p> <ol style="list-style-type: none"> 1. Be equal to at least 4%, and show no accumulated loss in the most recent fiscal year. 2. Be equal to at least 3% or more in each of the two most recent fiscal years. 3. The average for the last two fiscal years is 3% or higher, and the profitability in the most recent year is better year-on-year. 	List of foreign stock markets authorised by the competent authority	<ul style="list-style-type: none"> • The NYSE Euronext, Inc. (US) • The American Stock Exchange (US) • The Nasdaq (US) • The London Stock Exchange (UK) • Deutsche Borse Group (Germany) • The Italian Stock Exchange (Italy) • The Toronto Stock Exchange Group (Canada) • The Australian Stock Exchange (Australia) • The Tokyo Stock Exchange (Japan) • The Osaka Stock Exchange (Japan) • The Stock Exchange of Singapore (Singapore) • Bursa Malaysia (Malaysia) • The Stock Exchange of Thailand (Thailand) • The Johannesburg Securities Exchange (South Africa) • Hong Kong Exchange (Hong Kong) • Korea Exchange (South Korea) • Other stock exchanges as approved by the competent authority. 	

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