

Chapter 6

Additional requirements for
premium listing (commercial
company)

6.6 Control of the business

- 6.6.1** **R** An *applicant* must demonstrate that it exercises operational control over the business it carries on as its main activity.
- 6.6.2** **G** ■ LR 6.6.1R is intended to ensure that the protections afforded to holders of *holders of equity shares* by the *premium listing* requirements are meaningful.
- 6.6.3** **G** Factors that may indicate that an *applicant* does not satisfy the requirement in ■ LR 6.6.1R include where the *applicant's* business consists principally of holding *shares* in entities that it does not control, including entities where the *applicant*:
- (1) owns a minority holding of *shares*; or
 - (2) is only able to exercise negative control; or
 - (3) exercises control subject to contractual arrangements which could be altered without the *applicant's* agreement or could result in a temporary or permanent loss of control.