

## Appendix: Illustration of a share consolidation corporate action

On 30 Dec 2015, Company ABC (trading counter: ABC) announced a 5 to 1 share consolidation with a book closure date of 7 Jan 16.

- Last cum-date (last day trading on a pre-consolidation basis): 4 Jan 16
- First ex-date (first day trading on a post-consolidation basis): 5 Jan 16

As of market close on 4 Jan 16, the last traded price of ABC was \$0.10.

A new trading counter, ABC1, was created for trading on a post consolidation basis.

Theoretical price of ABC1:  $\$0.10 \times 5 = \$0.50$ .

Theoretical price will be injected before the start of trading on 5 Jan 16 and will be the reference price for the forced order range, dynamic circuit breakers and error trade no-cancellation range.

Prior to any trade in ABC1,

- the forced order range will be +/- 20 bids from the reference price of \$0.50;
- the dynamic circuit breakers will apply to ABC1 as the theoretical price is \$0.50<sup>1</sup>. The price of \$0.50 will serve as the reference price for the price bands. The reference price will thereafter be determined in the manner as set out in Practice Note 8.10A.
- the error trade no-cancellation range will be the wider of +/- 20 bids, or +/- 5%, from the reference price of \$0.50.

Ready and unit share market			
Dates	Pre-consolidated trading counter (ABC)	Post-consolidated trading counter (ABC1)	
30 Dec 15 – 4 Jan 16	CE corporate action indicator displayed.	Not available for trading	
5 Jan 16 – 7 Jan 16	Not available for trading	Available for trading	
	CE corporate action indicator removed, XE displayed.	XE corporate action indicator displayed	
8 Jan 16	Delisted	XE corporate action indicator removed.	

<sup>1</sup>

Dynamic circuit breakers apply to all Straits Times Index and MSCI Singapore Index component stocks and all other stocks/units with price at or more than \$0.50 in the underlying currency.

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