



# SJ Semiconductor's STAR Market Listing — A New Milestone for Cayman Red-Chip Companies in China's A-Share Market

On 28 April 2026, SJ Semiconductor Corporation was successfully listed on the STAR Market of the Shanghai Stock Exchange, raising approximately RMB 4.8 billion through its initial public offering.

The Asia Corporate Team of the Maples Group is proud to have acted as Cayman Islands legal counsel to SJ Semiconductor in connection with this landmark transaction. The listing represents not only a major milestone in SJ Semiconductor's corporate development, but also another significant step forward for Cayman Islands-incorporated red-chip companies accessing China's domestic A-share capital markets.

## Red-Chip Structures: From Offshore Listings to the A-Share Market

The use of Cayman Islands holding companies as listing vehicles for Chinese enterprises has been a well-established and widely adopted practice in international capital markets, particularly for listings in Hong Kong and the United States.

The Cayman Islands has become the jurisdiction of choice for offshore holding companies for several compelling reasons:

- **Common law foundation:** Cayman law is based on English common law, offering a predictable and investor-friendly legal framework that is well understood by international market participants.
- **Corporate flexibility:** Cayman law provides a highly flexible corporate regime, accommodating multiple share classes, weighted voting rights and a broad range of capital structures.
- **Tax neutrality:** The Cayman Islands imposes no corporate income tax, capital gains tax or withholding tax.

- **Global acceptance:** Cayman Islands companies are widely recognised and accepted by major stock exchanges worldwide.

## Maples's Track Record: The Ninebot CDR Listing

Maples Asia Corporate Team has been at the forefront of advising on pioneering red-chip A-share transactions. Notably, the Team served as Cayman Islands legal counsel on one of the most groundbreaking capital markets transactions in China's history: the STAR Market listing of Ninebot Limited through the issuance of Chinese Depositary Receipts ("CDR").

On 29 October 2020, Ninebot became the first red-chip enterprise to list on China's domestic capital markets via CDRs. It was also the first company with a red-chip variable interest entity ("VIE") structure and weighted voting rights to be admitted to the A-share market. Maples Team acted as Cayman Islands legal counsel on this historic transaction.



## The Latest Chapter in Red-Chip A-Share Listings: SJ Semiconductor

SJ Semiconductor's STAR Market listing represents the latest evolution in the successful trajectory of red-chip enterprises accessing China's domestic capital market.

SJ Semiconductor was established as a joint venture between Semiconductor Manufacturing International Corporation ("SMIC") and Jiangsu Changjiang Electronics Technology Co., Ltd. ("JCET") and is incorporated in the Cayman Islands. The decision to maintain its red-chip structure for the purposes of its A-share listing reflects several important considerations:

1. The structure is consistent with the company's corporate heritage. SMIC itself is a Cayman Islands-incorporated red-chip company listed on the Hong Kong Stock Exchange. As a joint venture subsidiary of SMIC, SJ Semiconductor naturally adopted a similar offshore holding architecture.
2. Cayman Islands incorporation preserves maximum flexibility for future capital-raising. Cayman companies are eligible for listing in Hong Kong, the United States, and following the STAR Market reforms, China's A-share market. Retaining the offshore structure ensures access to the broadest possible range of capital markets over time.
3. The structure aligns with international investor preferences. Global investors typically prefer to hold equity interests at the offshore holding-company level, where shareholder protections under

Cayman law are well established and familiar in cross-border transactions.

4. Finally, dismantling a red-chip structure to re-incorporate domestically in China involves significant legal, regulatory and tax complexity. Such restructuring is often irreversible, requires coordination across multiple jurisdictions, and offers no certainty of CSRC approval. The STAR Market reforms have eliminated the need for this approach by allowing red-chip enterprises to list directly on the A-share market through their offshore holding companies.

## Maples Group: Unique Position

Maples Group brings unparalleled experience to red-chip A-share listings. The Group acted as Cayman Islands legal counsel on Ninebot's CDR listing — the first-ever CDR listing in the history of China's capital markets – and have now once again advised on SJ Semiconductor's STAR Market IPO.

Together, these transactions represent the two principal pathways through which red-chip enterprises can access the A-share market: CDR issuance and direct share offering.

Notably, Maples Group was recently named to the inaugural Panel List of Hong Kong Legal Services Providers Supporting "Go Global", published by the Hong Kong Department of Justice<sup>1</sup>, recognising its track record in supporting overseas expansion for Chinese companies.

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<sup>1</sup> [Maples Group Named on Hong Kong's Inaugural "Go Global" Legal Services Panel - Maples Group](#)



## Market Outlook

SJ Semiconductor's successful STAR listing further demonstrates that, with the right legal structure and experienced professional advisers, Cayman Islands red-chip enterprises can effectively access China's domestic capital market and achieve their strategic objectives for cross-border financing and growth.

As a trusted adviser with distinctive positioning, Maples Group remains committed to delivering best-in-class legal services to clients navigating this dynamic and rapidly evolving market.

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April 2026

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