Chinese enterprises in Singapore

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Banks and state enterprises

The first Chinese enterprises in modern Singapore were banks and state trading companies. Bank of China, present since 1936, was joined by the Industrial and Commercial Bank of China, China Construction Bank and other mainland institutions, which serve Chinese companies in the region and finance trade in commodities and manufactured goods. Chinese state enterprises also used Singapore as a trading and treasury base. Some listed their subsidiaries on the Singapore Exchange.

The most notorious of these listings was China Aviation Oil, a subsidiary of the state-owned aviation fuel supplier, listed in Singapore since December 2001. In 2004 the company announced losses of US$550 million on oil derivatives, in what was described as the largest financial scandal in Singapore since the collapse of Barings in 1995. Its chief executive, Chen Jiulin, pleaded guilty to charges that included insider trading and false financial statements, while BP, Temasek and the Chinese parent company recapitalised the firm to avert liquidation.[1] The case taught the Singapore regulators that a listed Chinese state enterprise could combine the governance of a

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Singapore company with risk management and reporting lines that ran to Beijing. Chapter II of Part D, which deals with Barings and the discipline of markets, provides the background.

In the decade that followed, a wave of private Chinese companies listed on the Singapore Exchange under the informal label “S-chips”. After a series of accounting scandals had damaged their reputation, many delisted or were suspended. The experience made Singapore's market wary of listings whose assets, records and management are located in China and therefore beyond the practical reach of Singapore investigators.

State capital in the opposite direction

Singapore's own state investors were among the earliest foreign investors in China's banks. In 2005 Temasek acquired a 10 per cent stake in Bank of China for US$3.1 billion, together with a further US$500 million in its initial public offering. In the same year it invested more than US$1 billion in China Construction Bank, before selling large parts of these holdings in 2011 and 2012.[2] China has since become one of the largest components of Temasek's portfolio. At 31 March 2024 its underlying exposure to China stood at 19 per cent. Chapter I of Part D follows the later increase.[3] The flows between the two economies therefore run in both directions, with the Singapore state as an investor in China and Chinese private capital moving to Singapore.

The technology firms and “Singapore washing”

From about 2020, a new kind of Chinese enterprise came to Singapore. Technology and consumer companies that had grown large in China sought a base from which to expand internationally and, increasingly, to distance themselves from the tensions between Beijing and Washington. The online fashion retailer Shein, founded in Nanjing in October 2008, moved its headquarters to Singapore in 2022 while keeping its supply chain in China. Its later attempt to list in London stalled in 2025, in part because it did not obtain the approval of the China Securities Regulatory Commission. The company eventually made its stock market debut in Hong Kong at

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the end of August 2026.[4] The episode illustrates a basic point. A Singapore headquarters does not remove a company from the reach of Chinese regulators, who continue to control the offshore listing of companies with mainland operations.

TikTok, the video platform of ByteDance, also placed its international management in Singapore. Its Singaporean chief executive, Chew Shou Zi, was questioned by the United States Congress in 2024. Reuters reported in December 2025 that analysts had begun to speak of "Singapore washing", by which they meant the practice of domiciling Chinese companies in Singapore to reduce their exposure to Sino-American tensions. It also noted that there is no official count of Chinese companies domiciled in Singapore. A corporate services provider quoted in the report put the increase in inquiries from Chinese firms at 15 to 20 per cent year on year.[5]

The same report described a Singapore-based data centre company under investigation in the United States for allegedly diverting Nvidia artificial intelligence chips. The case shows that relocation brings Chinese firms into Singapore's legal order without freeing them from American scrutiny.[6] Chapter IV of Part H examines the export control dimension.

The investment surge of 2025

Official investment statistics confirm the trend. The Economic Development Board reported fixed asset investment commitments of S$14.2 billion and total business expenditure commitments of S$8.9 billion for 2025.[7] According to press reports of the same results, Chinese enterprises committed S$2.9 billion in fixed asset investment, which raised their share of the total from 2.5 per cent in 2024 to 20.6 per cent. For the first time this exceeded the share of American companies, at 17.3 per cent. Chinese firms also accounted for about half of total business expenditure commitments.[8]

For the financial centre, these companies matter in three ways. They need treasury, cash management and trade finance services for their regional operations. Their founders and senior employees often become private banking and family office clients. Their presence also attracts Chinese law firms, accountants and service

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providers, which in turn make Singapore easier for the next wave of companies. The Mandarin skills of Singapore's workforce, which Chapter II of Part J examines, are an important part of this attraction.

Notes

1. Wikipedia, "China Aviation Oil" (accessed November 2026): listed on the Singapore Exchange since December 2001; losses of US$550 million in 2004; "the largest financial scandal to rock Singapore since the collapse of Barings Bank in 1995"; Chen Jiulin pleaded guilty to charges including insider trading and false financial statements (New York Times, 15 March 2006); rescue investment by BP, Temasek Holdings and CAOH. ↩
2. Wikipedia, "Temasek Holdings" (accessed November 2026): acquisition of a 10 per cent stake in Bank of China for US$3.1 billion in 2005, plus US$500 million in its IPO; investment of over US$1 billion in China Construction Bank in 2005; large divestments in 2011 and 2012; stakes in ICBC, JD.com, Baidu, Didi Global and Kuaishou. ↩
3. Temasek, *Temasek Review 2024*, "Performance and Portfolio" (tr24.temasekreview.com.sg): underlying exposure to China of 19 per cent at 31 March 2024; Wikipedia, "Temasek Holdings" (accessed November 2026), gives 26 per cent at 31 March 2026. ↩
4. Wikipedia, "Shein" (accessed November 2026): founded in Nanjing in October 2008 as ZZKKO; headquarters moved from China to Singapore in early 2022 "for regulatory, international expansion, and financial reasons", supply chains and warehouses remaining in China; London IPO filing of June 2024; plans reported stalled in May 2025 (Bloomberg, citing US tariffs); Shein "failed to secure the approval of the China Securities Regulatory Commission to list in London"; Hong Kong IPO of up to HK$13.86 billion launched in August 2026, debut reported by the BBC on 31 August 2026. ↩
5. Reuters, "As global scrutiny grows, Chinese firms look to call Singapore home", 19 December 2025 (reproduced at itiger.com): "Singapore washing" as

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a term used by some analysts; no official data on the number of Chinese companies domiciled in Singapore; inquiries from Chinese firms up about 15–20 per cent year on year according to the chief executive of InCorp Group; Chew Shou Zi questioned at a US congressional hearing in 2024; Shein and Megaspeed as examples; increasing US scrutiny of Chinese firms in Singapore. ↩

6. Reuters, 19 December 2025 (n above): Megaspeed, a Singapore-based data centre firm, facing a US probe over the alleged diversion of Nvidia AI chips; relocation "does not guarantee" freedom from political or regulatory pressure. ↩

7. Singapore Economic Development Board, media release, "EDB continued to secure high value investment commitments in 2025 amidst a volatile global operating environment", 9 February 2026, paras 3 and 5: FAI of S$14.2 billion, TBE of S$8.9 billion. ↩

8. "China's fixed asset investment in Singapore jumps more than eightfold", *Caixin Global*, 10 February 2026: Chinese fixed asset investment commitments of S$2.9 billion (about US$2.3 billion) in 2025; China's share 20.6 per cent, "exceeding the U.S. for the first time", against 2.5 per cent in 2024; US share 17.3 per cent; business expenditure by Chinese firms S$5.1 billion, "roughly half" of the total. "Singapore Investment Commitments Rise in 2025 as China's Share Soars", *China Global South*, 9 February 2026: China 50.7 per cent of business expenditure. The two reports diverge on the Chinese business expenditure (S$5.1 billion would be about 57 per cent of S$8.9 billion, 50.7 per cent about S$4.5 billion); *China Global South* also gave total fixed asset commitments as S$11.2 billion, which conflicts with the Board's S$14.2 billion, whereas S$2.9 billion is consistent with a 20.6 per cent share of S$14.2 billion. ↩

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