

MAS, SIC AND SGX REGCO: OFFER DOCUMENTS MAY BE DISSEMINATED ELECTRONICALLY FOR RIGHTS ISSUES AND TAKE-OVER OR MERGER TRANSACTIONS

Posted on May 12, 2020



Categories: [CNPupdates](#), [Covid-19 Resource](#)

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Date Published: 12 May 2020

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The Monetary Authority of Singapore (“**MAS**”), the Securities Industry Council (“**SIC**”) and the Singapore Exchange Regulation (“**SGX RegCo**”) have announced on 6 May 2020 (“**Announcement**”) that listed issuers and parties involved in rights issues and take-over or merger transactions may disseminate their offer information statement (“**OIS**”) or take-over offer documents (“**Take-over Documents**”) electronically through publication on SGXNet and their corporate websites (“**Exemption**”). There is no need to despatch the hardcopy Offer Documents as required under the Securities and Futures Act, the Singapore Code on Take-overs and Mergers, and the Listing Rules of the Singapore Exchange Securities Trading Limited. Noting the restrictions imposed in manpower imposed on printers and mailing houses due to the circuit-breaker, the SGX RegCo, SIC and MAS explained in the Announcement that this Exemption will help to reduce the manpower needed to be physically present at workplaces to prepare, print and deliver a large number of offer documents.

Requirements in relation to rights issues

Issuers and parties involved in rights issues who wish to disseminate the OIS electronically must comply with the following conditions under the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 227(1)(c) and 305B(1)(b)) Regulations 2020:

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- The OIS must be capable of being printed by a person to whom the offer is made;
- The offer must be made in a physical document; and
- The physical document must state that:
 - the person to whom the offer is made should read the offer information statement before submitting his or her application to subscribe for or purchase the securities or securities-based derivatives contracts;
 - the OIS is available online; and
 - the address of the online location at which the OIS is published and contains instructions on how to view, download and print the OIS.

Issuers and parties involved in rights issues must also comply with the guidelines issued by the MAS with respect to this Exemption, which can be found here:

<https://www.mas.gov.sg/regulation/guidelines/guidelines-on-the-sf-oi-temporary-exemption-from-sections-277-1-c-and-305b-1-b-regs-2020>

Requirements in relation to take-over or merger transactions

The SIC requires issuers and parties involved in take-over or merger transactions opting to disseminate the Take-over Documents electronically to do the following:

- Post a hardcopy notification to shareholders with instructions on how they can access the electronic version of the Take-over Documents; and
- Post the hardcopy application or acceptance forms to shareholders together with the notification.

The SIC also requires parties to consult them before they despatch the Take-over Documents, whether by post or electronically.

For more information

Please refer to the following links to find out more:

- MAS media release:
<https://www.mas.gov.sg/news/media-releases/2020/electronic-dissemination-of-rights-issue-and-take-over-documents-allowed-until-30-september-2020>
- MAS Guidelines on the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020:
<https://www.mas.gov.sg/regulation/guidelines/guidelines-on-the-sf-oi-temporary-exemption-from-sections-277-1-c-and-305b-1-b-regs-2020>
- SIC Public Statement on Despatch of Take-over Documents under the Singapore Code on Take-overs and Mergers:
https://www.mas.gov.sg/-/media/MAS/resource/sic/press_releases/Public-Statement-on-Despatch-

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