

# Securities and Futures (Amendment) Bill

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**Bill No. 8/2026.**

*Read the first time on 7 April 2026.*

A BILL

*i n t i t u l e d*

An Act to amend the Securities and Futures Act 2001.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

## Short title and commencement

1. This Act is the Securities and Futures (Amendment) Act 2026 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

### 5 **New section 239AA**

2. In the Securities and Futures Act 2001 (called in this Act the principal Act), after section 239, insert —

#### **“Offers of sponsored depositary receipts**

**239AA.**—(1) In this Division —

10 “depository”, in relation to an offer of SDRs, means the issuer of those SDRs that holds, directly or indirectly, the underlying securities;

“SDR” or “sponsored depositary receipt” means an instrument that —

15 (a) confers or represents a right to exchange the instrument for any underlying securities under a trust, contractual arrangement or otherwise;

(b) entitles the holder of the instrument to receive —

20 (i) all or substantially all of the interest, dividends or other distributions that are paid or made in relation to the underlying securities; and

25 (ii) any other financial benefits conferred on the holder of the underlying securities, whether in cash or otherwise; and

(c) is issued pursuant to an agreement between the depository that issued the instrument and the issuer of the underlying securities,

30 and that is prescribed, or that belongs to a class of instruments prescribed, by the Authority as an SDR for the purpose of this definition.

(2) In this Division, unless otherwise provided —

- (a) a reference to an offer of SDRs is a reference to; and
- (b) a reference to an offer of securities includes a reference to,

an offer of SDRs that are securities by virtue of paragraph (a), (b) or (c) of the definition of “securities” in section 2(1), and not excluded by virtue of paragraph (g) of that definition. 5

(3) In this Division, where there is an offer of SDRs by the depositary (*Y*) —

- (a) the issuer of the underlying securities (*X*), rather than *Y*, is treated as the issuer of the SDRs being offered; 10
- (b) *X* rather than *Y* is treated as the person who makes the offer; and

- (c) accordingly, *X* has the rights and duties under this Act (including but not limited to compliance with all requirements as to the contents of prospectuses, and liability in respect of statements and non-disclosure in prospectuses) of — 15

- (i) the issuer of the SDRs; and

- (ii) the person making the offer of the SDRs. 20

(4) Subsection (3) applies despite anything in section 239.”.

### **Amendment of section 251**

3. In the principal Act, in section 251 —

- (a) in subsection (3), replace “institutional investors, relevant persons as defined in section 275(2) or persons to whom an offer referred to in section 275(1A) is to be made” with “any person”; 25

- (b) in subsection (3)(a)(i), insert “and” at the end;

- (c) in subsection (3)(a), delete sub-paragraph (ii); and

- (d) in subsection (4), replace paragraph (a) with — 30

“(a) by presenting, before a prospectus or profile statement is registered by the Authority, oral or written material on matters contained in a preliminary document which has been lodged with the Authority, to any person if —

(i) the person states in the oral or written material (as the case may be) that such matters are subject to further amendments and completion in the prospectus to be registered by the Authority;

(ii) the person states in the oral material, or in bold lettering in the written material (as the case may be), that no offer or agreement may be made on the basis of such material to purchase or subscribe for any securities or securities-based derivatives contracts to which the material relates;

(iii) such material does not contain or have attached to it any form of application mentioned in subsection (3)(b); and

(iv) when the prospectus is registered by the Authority, the person takes reasonable steps to notify the persons to whom the material was presented that the registered prospectus is available for collection; or”.

### **Amendment of section 273**

4. In the principal Act, in section 273 —

(a) in subsection (1)(cd), after “offer of securities”, insert “(not being SDRs)”;

(b) in subsection (1)(*cd*), replace “that is made to existing members or debenture holders of that entity (whether or not it is renounceable in favour of persons other than existing members or debenture holders);” with —

“where the offer is made to —

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(iii) existing members or debenture holders of that entity; or

(iv) existing holders of SDRs with shares or debentures of that entity as the underlying securities,

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(called *X* in this paragraph), whether or not the offer is renounceable in favour of persons other than *X*”;

(c) in subsection (1), after paragraph (*cd*), insert —

“(cda) it is an offer of SDRs, where the entity whose securities are the underlying securities of those SDRs —

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(i) is an entity which is formed or constituted in Singapore or otherwise, and the securities or securities-based derivatives contracts of which are not listed for quotation on an approved exchange; or

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(ii) is an entity which is not formed or constituted in Singapore, and the securities or securities-based derivatives contracts of which are listed for quotation on an approved exchange and such listing is not a primary listing,

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and where the offer is made to —

(iii) existing members or debenture holders of that entity; or

(iv) existing holders of SDRs with shares or debentures of that entity as the underlying securities,

(called *X* in this paragraph), whether or not the offer is renounceable in favour of persons other than *X*;;

(d) in subsection (1), replace paragraph (ce) with —

“(ce) it is an offer of shares or debentures of an entity, or of SDRs with shares or debentures of an entity as the underlying securities, made to —

(i) any existing member or debenture holder of that entity; or

(ii) any existing holder of an SDR with shares or debentures of that entity as the underlying securities,

where shares of that entity are listed for quotation on an approved exchange;”;

(e) in subsection (1), replace paragraph (cg) with —

“(cg) it is an offer of units of shares or debentures of an entity made to —

(i) any existing member or debenture holder of that entity; or

(ii) any existing holder of an SDR with shares or debentures of that entity as the underlying securities,

(called *X* in this paragraph), where —

(iii) shares of that entity are listed for quotation on an approved exchange; and

(iv) such units may only be exercised or converted by *X* into shares or

debentures (as the case may be) of that entity;”;

(f) in subsection (1), replace paragraph (cj) with —

“(cj) it is an offer of —

(i) units in a business trust; or 5

(ii) SDRs with units in a business trust as the underlying securities,

being a business trust whose units are listed for quotation on an approved exchange, where the offer is made to — 10

(iii) any existing unitholder of the business trust;

(iv) any existing holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (called in this paragraph a debenture of the business trust); or 15 20

(v) any existing holder of an SDR with units in the business trust or debentures of the business trust as the underlying securities;”;

(g) in subsection (1)(ck)(i), delete “or” at the end; 25

(h) in subsection (1)(ck), replace sub-paragraph (ii) with —

“(ii) any existing holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (called in this paragraph a debenture of the business trust), where such 30

derivatives of units may only be exercised or converted by the existing holder into units in the business trust; or

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- (iii) any existing holder of an SDR with units in the business trust or debentures of the business trust as the underlying securities, where such derivatives of units may only be exercised or converted by the existing holder into units in the business trust;”;

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- (i) in subsection (1)(cl), replace “that is made to any existing unitholder of the business trust or any holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (whether or not the offer is renounceable in favour of persons other than existing unitholders or holders of debentures);” with —

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“where the offer is made to —

- (iii) any existing unitholder of the business trust;

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- (iv) any existing holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (called in this paragraph a debenture of the business trust); or

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- (v) any existing holder of an SDR with units in the business trust or debentures of the business trust as the underlying securities,

(called *X* in this paragraph), whether or not the offer is renounceable in favour of persons other than *X*;" 5

(j) in subsection (1), after paragraph (cl), insert —

“(cm) it is an offer of SDRs with units in a business trust as the underlying securities, being a business trust — 10

- (i) which is registered in Singapore or otherwise, and the units or derivatives of units of which are not listed for quotation on an approved exchange; or 15

- (ii) which is not registered in Singapore, and the units or derivatives of units of which are listed for quotation on an approved exchange and such listing is not a primary listing, 20

where the offer is made to —

- (iii) any existing unitholder of the business trust;

- (iv) any existing holder of any debenture of the trustee-manager of the business trust that is issued by the trustee-manager of the business trust in its capacity as trustee-manager of the business trust (called in this paragraph a debenture of the business trust); or 25 30

(v) any existing holder of an SDR with units in the business trust or debentures of the business trust as the underlying securities,

5 (called *X* in this paragraph), whether or not the offer is renounceable in favour of persons other than *X*”;

(k) in subsection (1), after paragraph (e), insert —

10 “(ea) it is an offer of SDRs with underlying securities that are not excluded shares, debentures or units in a business trust mentioned in paragraph (d) or (da), where the SDRs —

(i) have been previously issued;

15 (ii) are listed for quotation or quoted on an approved exchange; and

(iii) are traded on the approved exchange;”;

20 (l) in subsection (1)(i), replace “it is made (whether or not in relation to securities or securities-based derivatives contracts that have been previously issued)” with “it is an offer of securities (not being SDRs) or securities-based derivatives contracts, whether or not previously issued;”;

(m) in subsection (1)(i), delete “or” at the end;

25 (n) in subsection (1), after paragraph (i), insert —

30 “(ia) it is an offer of SDRs, whether or not previously issued, made or treated under section 239AA as made by an entity to a qualifying person, where the SDRs are to be held by or for the benefit of the qualifying person, and the underlying securities of the SDRs are the securities of that entity or any of its related parties;”;

- (o) in subsection (1)(j), replace “it is made (whether or not in relation to securities or securities-based derivatives contracts that have been previously issued)” with “it is an offer of securities (not being SDRs) or securities-based derivatives contracts, whether or not previously issued,”; 5
- (p) in subsection (1)(j), replace the full-stop at the end with “; or”;
- (q) in subsection (1), after paragraph (j), insert —
- “(k) it is an offer of SDRs, whether or not previously issued, made or treated under section 239AA as made by a trustee-manager of a business trust to a qualifying person, where the SDRs are to be held by or for the benefit of the qualifying person, and the underlying securities of the SDRs are the securities of the business trust or any of its related parties.”; 10 15
- (r) after subsection (1), insert —
- “(1AA) For the purposes of subsection (1)(cd) and (cda), securities of an entity are treated as being listed for quotation on an approved exchange if SDRs with securities of the entity as the underlying securities are listed for quotation on the approved exchange. 20
- (1AB) For the purposes of subsection (1)(ce) and (cg)(iii), shares of an entity are treated as being listed for quotation on an approved exchange if SDRs with shares of the entity as the underlying securities are listed for quotation on the approved exchange. 25
- (1AC) For the purposes of subsection (1)(cj), (ck), (cl) and (cm), units in a business trust are treated as being listed for quotation on an approved exchange if SDRs with units in the business trust as the underlying securities are listed for quotation on the approved exchange.”; 30 35

(s) in subsection (1A), after “subsection (1)(d), (da), (e)”, insert “, (ea)”;

(t) in subsection (1A)(a)(ii), replace “a holder” with “an existing holder”;

5 (u) in subsection (1A)(a), replace sub-paragraph (iii) with —

“(iia) an existing holder of an SDR with shares or debentures of the issuer as the underlying securities;

10 (iii) where the securities or securities-based derivatives contracts offered are units or derivatives of units in a business trust, or SDRs with units in a business trust as the underlying securities —

15 (A) an existing unitholder of the business trust;

20 (B) an existing holder of derivatives of units in the business trust; or

(C) an existing holder of an SDR with units in the business trust as the underlying securities;”;

(v) after subsection (1A), insert —

25 “(1AAA) For the purposes of subsection (1A)(a), the issuer is treated as having borrowed the securities being offered for the purpose of facilitating an offer of securities if —

30 (a) where the securities being offered are not SDRs — the issuer borrowed SDRs with those securities as the underlying securities; or

(b) where the securities being offered are SDRs — the issuer borrowed securities

that are to form the underlying securities of those SDRs.”;

- (w) in subsection (2), replace “subsection (1)(i) or (j)” with “subsection (1)(i), (ia), (j) or (k)”;
- (x) in subsection (4), replace “subsection (1)(i) and (j)” with “subsection (1)(i), (ia), (j) and (k)”;
- (y) in subsection (8A)(a) and (b)(i), after “(e),” insert “(ea),”.

### **Amendment of section 276**

5. In the principal Act, in section 276 —

- (a) in subsection (1), replace “273(1)(d), (da), (e), (f), (g), (h), (i) and (j)” with “273(1)(d), (da), (e), (ea), (f), (g), (h), (i), (ia), (j) and (k)”;
- (b) in subsection (6), replace “section 273(1)(d) or (e)” with “section 273(1)(d), (da), (e) or (ea)”.

### **Amendment of section 277**

6. In the principal Act, in section 277 —

- (a) in subsection (1)(a), replace sub-paragraph (i) with —
  - “(i) units or derivatives of units in a business trust, issued by a trustee-manager in its capacity as trustee-manager of the business trust, where the business trust is one the units of which are listed for quotation on an approved exchange;
  - (ia) SDRs the underlying securities of which are units in a business trust issued by a trustee-manager in its capacity as trustee-manager of the business trust, where the business trust is one the units of which are listed for quotation on an approved exchange;”;

(b) in subsection (1)(a)(ii), replace “other than those mentioned in sub-paragraph (i)” with “(other than those mentioned in sub-paragraph (i) and SDRs)”;

(c) in subsection (1)(a)(ii), insert “or” at the end;

(d) in subsection (1)(a), after sub-paragraph (ii), insert —

“(iii) SDRs the underlying securities of which are securities issued by a corporation (other than those mentioned in sub-paragraph (i)), where the corporation is one the shares of which are listed for quotation on an approved exchange;” and

(e) after subsection (1), insert —

“(1AA) For the purposes of subsection (1)(a), units in a business trust or shares of a corporation are treated as being listed for quotation on an approved exchange if SDRs with units in the business trust or shares of the corporation (as the case may be) as the underlying securities are listed for quotation on the approved exchange.”.

### **Amendment of section 300**

7. In the principal Act, in section 300 —

(a) in subsection (2A), replace “institutional investors, relevant persons as defined in section 305(5) and persons to whom an offer referred to in section 305(2) is to be made” with “any person”;

(b) in subsection (2A)(a)(i), insert “and” at the end;

(c) in subsection (2A)(a), delete sub-paragraph (ii); and

(d) in subsection (2B), replace paragraph (a) with —

“(a) by presenting, before a prospectus or profile statement is registered by the Authority, oral or written material on

matters contained in a preliminary document which has been lodged with the Authority, to any person if —

- (i) the person states in the oral or written material (as the case may be) that such matters are subject to further amendments and completion in the prospectus to be registered by the Authority; 5
- (ii) the person states in the oral material, or in bold lettering in the written material (as the case may be), that no offer or agreement may be made on the basis of such material to purchase or subscribe for any units in the collective investment scheme to which the material relates; 10 15
- (iii) such material does not contain or have attached to it any form of application mentioned in subsection (2A)(b); and 20
- (iv) when the prospectus is registered by the Authority, the person takes reasonable steps to notify the persons to whom the material was presented that the registered prospectus is available for collection; or”. 25

### **New Part 13A**

- 8.** In the principal Act, after Part 13, insert — 30

## “PART 13A

MODIFICATION OF ACT FOR PURPOSES  
OF DUAL LISTING BOARDS**Purpose of this Part**

5       **309E.**—(1) The purpose of this Part is to enable regulations to be made to modify the application of this Act and subsidiary legislation made under this Act in relation to the following matters, for the purposes in subsection (2):

10           (a) offers or intended offers of capital markets products that are to be listed on a Dual Listing Board;

15           (b) offers or intended offers of capital markets products that are made using an offer information statement, being offers or intended offers made, or treated under section 239AA as made, by a Dual Listing Board issuer;

          (c) acts occurring within or outside Singapore in relation to capital markets products listed or to be listed on a Dual Listing Board.

20       (2) The purposes mentioned in subsection (1) are —

          (a) to streamline the preparation of offer documents for capital markets products to be listed on both a Dual Listing Board and an overseas exchange; and

25           (b) to align certain practices between Singapore and the foreign jurisdiction in which that overseas exchange operates (such as by modifying the restrictions on advertisements and publications of offers or intended offers of capital markets products, and introducing defences for criminal or civil liability),

30       in order to support any dual-listing arrangement to which SGX-ST is a party as described in subsection (3).

          (3) The dual-listing arrangement is one that the Authority considers is likely to enable access by issuers of capital markets products to a larger liquidity pool and a wider range of international investors.

## Interpretation of this Part

### 309F.—(1) In this Part —

“DLB issuer” or “Dual Listing Board issuer” means an issuer that —

(a) is admitted to a prescribed Dual Listing Board; 5  
or

(b) has received approval-in-principle, or eligibility-to-list, for its admission to a prescribed Dual Listing Board;

“DLB offer” or “Dual Listing Board offer” means an offer 10  
of capital markets products which are to be listed on a prescribed Dual Listing Board;

“DLB products” or “Dual Listing Board products” means capital markets products listed or to be listed on a 15  
prescribed Dual Listing Board;

“Dual Listing Board” means a listing board of SGX-ST set up for the purpose of listing capital markets products that are also listed or to be listed on an overseas exchange;

“foreign jurisdiction” means a jurisdiction other than 20  
Singapore;

“list”, in relation to any capital markets products, means to list those products for quotation;

“OIS offer” or “offer information statement offer” means an offer of capital markets products — 25

(a) made by a DLB issuer; or

(b) treated under section 239AA as made by a DLB issuer,

using an offer information statement;

“overseas exchange” means an exchange or listing board of 30  
an exchange operating in a foreign jurisdiction;

“prescribed DLB” or “prescribed Dual Listing Board” means a Dual Listing Board declared by regulations made under section 309G as a prescribed DLB;

5 “prescribed overseas exchange” means an overseas exchange declared by regulations made under section 309G as a prescribed overseas exchange;

“securities law”, in relation to a foreign jurisdiction, means any legislation, code of practice, standard or listing rules of the jurisdiction pertaining to securities regulation;

10 “SGX-ST” means the Singapore Exchange Securities Trading Limited.

(2) In this Part, a prescribed overseas exchange is paired with a prescribed DLB, or vice versa, if regulations made under section 309G(1)(c) declare the prescribed DLB as paired with the prescribed overseas exchange for the purposes of the regulations in question.

## Regulations

**309G.**—(1) The Authority may, for the purposes of this Part, make regulations for the following matters:

20 (a) declare a Dual Listing Board as a prescribed DLB;

(b) declare an overseas exchange as a prescribed overseas exchange, if the Authority is of the opinion that the securities law of the foreign jurisdiction in which the overseas exchange operates —

25 (i) is consistent with the principles of securities regulation relating to the enforcement of securities regulation, cooperation in regulation, and issuers, set out in the document called “Objectives and Principles of Securities Regulation” issued by the International Organization of Securities Commission (IOSCO) on May 2017 (as amended from time to time), or any document

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issued by IOSCO that replaces that document;  
and

- (ii) prescribes disclosure requirements for an offer or intended offer of capital markets products that are comparable to those set out in the document called “International Disclosure Standards for Cross-Border Offerings and Initial Listings by Foreign Issuers” issued by IOSCO on September 1998 (as amended from time to time), or any document issued by IOSCO that replaces that document; 5 10
- (c) declare a prescribed DLB as paired with a prescribed overseas exchange for the purposes of any regulations;
- (d) in relation to DLB products, a DLB offer, an intended DLB offer, an OIS offer or an intended OIS offer, replace one or more of the following with another provision or other provisions: 15
  - (i) sections 197, 198, 199, 200, 201, 202(1)(a), 218, 219, 234, 236, 253 and 254 (called in this Part liability provisions); 20
  - (ii) sections 240, 240AA, 241, 242, 243, 246, 251 and 277, and any provision in any subsidiary legislation made under any provision of Part 13, or for carrying out any purpose or provision in Part 13 (called in this Part offer provisions); 25
- (e) modify one or more liability provisions or offer provisions in its or their application in relation to DLB products, a DLB offer, an intended DLB offer, an OIS offer or an intended OIS offer; 30
- (f) disapply one or more liability provisions or offer provisions in relation to DLB products, a DLB offer, an intended DLB offer, an OIS offer or an intended OIS offer;

(g) make any modification to any other provision of the Act or any subsidiary legislation that is consequential to such replacement, modification or disapplication;

5 (h) provide that the regulations only apply to specific types of DLB products, DLB offers, intended DLB offers, OIS offers or intended OIS offers;

(i) make saving and transitional provisions consequent on the insertion, deletion or amendment of any regulation.

10 (2) The regulations made under subsection (1) may apply, adopt or incorporate by reference —

(a) wholly or partially;

(b) with or without any addition, omission or substitution; or

15 (c) specifically or by reference,

any securities law of the foreign jurisdiction in which a prescribed overseas exchange operates, as in force or published at a particular time or as in force or published from time to time.

20 (3) Any securities law of a foreign jurisdiction applied, adopted or incorporated by reference in the regulations under subsection (2) is to be treated for all purposes as forming part of the regulations.

25 (4) The regulations made under subsection (1) may make different provisions in relation to —

(a) offers or intended offers of DLB products that are listed or to be listed on different prescribed DLBs or different prescribed overseas exchanges; and

30 (b) DLB products that are listed or to be listed on different prescribed DLBs or different prescribed overseas exchanges.

(5) The regulations made under subsection (1) may not apply any securities law of a foreign jurisdiction on the procedure and practice to be followed in any court proceedings.

(6) The regulations made under subsection (1) have effect despite anything in any written law (including other Parts of this Act) or the common law. 5

(7) The regulations made under subsection (1) do not affect the liability a person incurs under any law not modified, replaced or disapplied by them.

**Regulations: permitted purposes for replacing, etc., liability provisions** 10

**309H.**—(1) The Authority may only make regulations under section 309G(1)(*d*), (*e*) or (*f*) to replace, modify or disapply a liability provision for the purpose of providing that the carrying out of a particular act is a defence against any criminal or civil liability, and may do so only if condition A or condition B is satisfied. 15

(2) Condition A is that the carrying out of that act, whether or not in Singapore, is also a defence against, or is otherwise exempt from, the same or a similar liability in the foreign jurisdiction in which a prescribed overseas exchange operates, being a prescribed overseas exchange that is paired with the prescribed DLB on which the DLB products that are the subject of the contravention are listed or to be listed. 20

(3) Condition B is that the act is carried out in Singapore, and had the act or a similar act been carried out in a foreign jurisdiction mentioned in subsection (2), it would have been a defence against, or would otherwise have been exempt from, the same or a similar liability in that foreign jurisdiction. 25

**Regulations: permitted purposes for replacing, etc., offer provisions** 30

**309I.**—(1) The Authority may only make regulations under section 309G(1)(*d*), (*e*) or (*f*) to replace, modify or disapply an offer provision for one or more of the following purposes:

5 (a) to enable a DLB offer of capital markets products to be listed on a prescribed DLB to be made using a prospectus (called a domestic offer document) that contains information that is the same or substantially the same as that which is required to be contained in —

10 (i) a prospectus or other offer document for an offer of the same capital markets products that are listed or to be listed on a prescribed overseas exchange that is paired with the prescribed DLB; or

(ii) any registration statement issued in connection with the listing of the same capital markets products on that prescribed overseas exchange,

15 (each called a foreign offer document) by the securities law of the foreign jurisdiction in which that prescribed overseas exchange operates;

20 (b) to enable an OIS offer of capital markets products by a DLB issuer (*X*) admitted to a prescribed overseas exchange that is paired with the prescribed DLB to which *X* is admitted, to be made using an offer information statement (also called a domestic offer document) that contains information that is the same or substantially the same as that which is required to be contained in —

25 (i) an offer document for an offer by *X* of the same capital markets products in the foreign jurisdiction in which that prescribed overseas exchange operates, if such offer were to be made in that foreign jurisdiction; or

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(ii) any registration statement issued in connection with the listing of those capital markets products on that prescribed overseas exchange, if those capital markets products were to be so listed,

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(each also called a foreign offer document) by the securities law of that foreign jurisdiction;

(c) to align the requirements for the lodgment with, and (where applicable) registration by, the Authority of a domestic offer document, with the corresponding requirements applicable to a foreign offer document;

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(d) to align the restrictions on an advertisement or publication of a DLB offer or an intended DLB offer of capital markets products to be listed on a prescribed DLB, with restrictions on a similar advertisement or publication of an offer or intended offer of the same capital markets products listed or to be listed on a prescribed overseas exchange that is paired with that prescribed DLB, being restrictions imposed by the securities law of the foreign jurisdiction in which that prescribed overseas exchange operates;

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(e) to align the restrictions on an advertisement or publication of an OIS offer or intended OIS offer of capital markets products by a DLB issuer (*X*) admitted to a prescribed overseas exchange that is paired with the prescribed DLB to which *X* is admitted, with restrictions on a similar advertisement or publication of an offer or intended offer by *X* of the same capital markets products in the foreign jurisdiction in which that prescribed overseas exchange operates (if such offer were or were intended to be made in that foreign jurisdiction), being restrictions imposed by the securities law of that foreign jurisdiction;

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(f) to align or otherwise avoid any inconsistent treatment of any document or information that is incorporated in a domestic offer document and any document or information that is incorporated in a foreign offer document.

(2) For the purposes of subsection (1), capital markets products listed or to be listed on one exchange (exchange A) are treated as the same as those listed or to be listed on another exchange (exchange B) if —

(a) the capital markets products are sponsored depositary receipts as defined in section 239AA(1); and

(b) the sponsored depositary receipts are listed or to be listed on exchange A and the underlying securities of those sponsored depositary receipts are listed or to be listed on exchange B.”.

### **Saving and transitional provision**

9. For a period of 2 years after the date of commencement of any provision of this Act, the Minister may, by regulations, prescribe such additional provisions of a saving or transitional nature consequent on the enactment of that provision as the Minister may consider necessary or expedient.

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## **EXPLANATORY STATEMENT**

This Bill seeks to amend the Securities and Futures Act 2001 (the Act) for the following main purposes:

- (a) to enable regulations to be made to modify the Act and its subsidiary legislation in order to support dual-listing arrangements between Singapore Exchange Securities Trading Limited (SGX-ST) and an overseas exchange;
- (b) to enable issuers of capital markets products to engage all investors earlier in the initial public offering process;
- (c) to provide that, in relation to an offer of sponsored depositary receipts (SDRs) by a depositary, the issuer of the underlying securities is

required to comply with all requirements relating to the prospectus, instead of the depositary.

Clause 1 relates to the short title and commencement.

Clause 2 inserts a new section 239AA to make special provision for an offer of securities that are SDRs. It provides that, in relation to an offer of SDRs by a depositary, the issuer of the underlying securities rather than the depositary is treated as (a) the issuer of the SDRs; and (b) the person who makes the offer of the SDRs, for the purposes of Division 1 of Part 13 of the Act, which deals with (among other things) offers of securities. Accordingly, the issuer of underlying securities will have the corresponding rights and duties under the Act of the issuer of the SDRs and the person making the offer of the SDRs.

Clause 3 amends section 251 (Restrictions on advertisements, etc.) to allow an issuer of securities and securities-based derivatives contracts to disseminate a preliminary document, and present any oral or written material contained in a preliminary document, to any person (and not only certain types of investors such as an institutional investor and an accredited investor), before registering a prospectus or profile statement. The amended section 251 also provides for the following safeguards in the presentation of such oral or written material to any person:

- (a) the person presenting must state that the matters contained in the preliminary document are subject to further amendments and completion in the prospectus;
- (b) the person must state that no offer or agreement may be made on the basis of such material to purchase or subscribe for any securities or securities-based derivatives contract;
- (c) such material must not contain an application form;
- (d) when the prospectus is registered by the Monetary Authority of Singapore (the Authority), reasonable steps must be taken to notify the persons to whom the material was presented that the registered prospectus is available for collection.

Clause 4 amends section 273 (Offer made under certain circumstances) to modify the application of the various exemptions from prospectus requirements in that section to SDRs. The modifications are primarily —

- (a) to provide that a condition for an exemption that an entity's securities must be listed or must not be listed on an approved exchange, is satisfied if SDRs over those securities are listed or not listed on an approved exchange;

- (b) to extend certain exemptions for offers of securities and securities-based derivatives contracts to existing holders of SDRs the underlying securities of which are securities of the issuer;
- (c) to extend certain exemptions in that section in respect of offers of securities, to offers of SDRs over those securities; and
- (d) to provide, in the case of an offer of SDRs to directors or employees of the issuer or their family members, that the underlying securities of the SDRs are those of the issuer or its related party.

As an offer of SDRs is generally regarded by the market as equivalent to an offer of the underlying securities, the clause also amends section 273(1A) and inserts a new section 273(1AAA) for the following purposes:

- (a) to provide that an issuer is treated as having borrowed securities for the purpose of facilitating an offer of the securities if, where the securities being offered are not SDRs, the issuer borrows SDRs with those securities as the underlying securities (and to make a similar provision where the securities being offered are SDRs);
- (b) to extend the conditions in section 273(1A) to a case where securities are borrowed from an existing holder of an SDR.

Clause 5 amends section 276 (Offer of securities acquired pursuant to section 274 or 275) to make amendments consequential to the amendments to section 273 (in clause 4). The clause also amends section 276(6) which clarifies that securities acquired pursuant to an exempt offer under section 274 or 275 may then be offered for sale after the expiry of 6 months from the exempt offer, in reliance on an exemption under certain paragraphs of section 273(1). The amendment inserts a reference to section 273(1)(da) and (ea) (both of which prescribe exemptions that are similar to those in section 273(1)(d) and (e)).

Clause 6 amends section 277 (Offer made using offer information statement) for the following purposes:

- (a) to provide for an exemption of an offer of SDRs using an offer information statement where the underlying securities of the SDRs are of an entity whose securities are listed on an approved exchange;
- (b) to provide that a condition for an exemption under that section that an entity's securities must be listed on an approved exchange, is satisfied if SDRs over those securities are listed on an approved exchange.

Clause 7 amends section 300 (Restrictions on advertisements, etc.) for the same purposes as the amendments to section 251.

Clause 8 inserts a new Part 13A comprising the new sections 309E to 309I.

The new section 309E sets out the purpose of the new Part 13A. Its purpose is to enable regulations to be made to modify the application of the Act and subsidiary legislation made under the Act in relation to —

- (a) offers or intended offers of capital markets products that are to be listed on a Dual Listing Board;
- (b) offers or intended offers of capital markets products that are made using an offer information statement that are made or treated as made by a Dual Listing Board issuer; and
- (c) acts occurring within or outside Singapore in relation to capital markets products listed or to be listed on a Dual Listing Board.

The new section 309E(2) sets out the purposes for the enactment of the regulations, which are —

- (a) to streamline the preparation of offer documents for capital markets products to be listed on both a Dual Listing Board and an overseas exchange; and
- (b) to align certain practices between Singapore and that relevant foreign jurisdiction in which that overseas exchange operates,

in order to support a dual-listing arrangement between SGX-ST and an overseas exchange.

The dual-listing arrangement must be one that the Authority considers is likely to enable access by issuers of capital markets products to a larger liquidity pool and a wider range of international investors.

The new section 309F sets out the definitions for terms used in the new Part 13A. These include the following:

- (a) “DLB issuer” is an issuer that is admitted to a prescribed DLB or has received approval-in-principle, or eligibility-to-list, for such admission;
- (b) “DLB offer” is an offer of capital markets products to be listed on a prescribed DLB;
- (c) “DLB products” are capital markets products listed or to be listed on a prescribed DLB;
- (d) “Dual Listing Board” is a listing board of SGX-ST set up for the purpose of listing capital markets products that are also listed or to be listed on an overseas exchange, and “prescribed DLB” is a Dual Listing Board declared as one under regulations made under the new section 309G;

- (e) “OIS offer” is an offer of capital markets products made by, or treated under the new section 239AA as made by, a DLB issuer using an offer information statement;
- (f) “prescribed overseas exchange” is an overseas exchange declared as one under regulations made under the new section 309G.

The new section 309G enables the Authority to make regulations for the purposes of the new Part 13A.

The new section 309G(1)(a), (b) and (c) enables regulations to be made to declare a DLB as a prescribed DLB, an overseas exchange as a prescribed overseas exchange, and the pairing of a prescribed DLB with a prescribed overseas exchange for the purposes of any regulations. The Authority may only declare an overseas exchange as a prescribed overseas exchange if it is of the opinion that the securities law of the relevant foreign jurisdiction —

- (a) is consistent with the principles of securities regulation relating to the enforcement of securities regulation, cooperation in regulation, and issuers, set out in the document called “Objectives and Principles of Securities Regulation” issued by the International Organization of Securities Commissions (IOSCO); and
- (b) prescribes disclosure requirements for an offer or intended offer of capital markets products that are comparable to those set out in the document called “International Disclosure Standards for Cross-Border Offerings and Initial Listings by Foreign Issuers” issued by IOSCO.

The new section 309G(1)(d), (e) and (f) enables regulations to be made to replace, modify and disapply one or more liability provisions (defined in subsection (1)(d)(i)) or offer provisions (defined in subsection (1)(d)(ii)) when applied in relation to DLB products, a DLB offer, an intended DLB offer, an OIS offer or an intended OIS offer.

The new section 309G(1)(g) enables regulations to be made to make any amendment to any provision of the Act or subsidiary legislation made thereunder that is consequential to such replacement, modification or disapplication.

The new section 309G(1)(h) allows the regulations to apply to specific types of DLB products, DLB offers, intended DLB offers, OIS offers or intended OIS offers.

The new section 309G(1)(i) enables regulations to be made to provide for matters of a saving and transitional nature consequential to the insertion, deletion or amendment of any regulation.

The new section 309G(2) and (3) allows the regulations to incorporate by reference any securities law of the relevant foreign jurisdiction, as in force or published at a particular time or from time to time.

The new section 309G(4) enables different regulations to be made for different matters.

The new section 309G(5) provides that the regulations may not apply any securities law of a foreign jurisdiction on the procedure and practice for court proceedings.

The new section 309G(6) provides that the regulations have effect despite anything in any written law or the common law.

The new section 309G(7) provides that the regulations do not affect the liability a person incurs under any law not modified, replaced or disapplied by them. For example, if a person is otherwise liable at common law in connection with a prospectus (such as under the law of contract or the law of tort) to an investor, the regulations do not impact the liability of such a person to the investor.

The new section 309H provides that the Authority may only make regulations to replace, modify or disapply a liability provision to provide for a defence against any criminal or civil liability, and may only do so if either Condition A or Condition B is satisfied. Condition A is that the carrying out of that act, whether or not in Singapore, is also a defence against, or is otherwise exempt from, the same or a similar liability, in the relevant foreign jurisdiction. Condition B is that the act is carried out in Singapore, and if the act or a similar act had been carried out in the relevant foreign jurisdiction, it would have been a defence against, or would have been exempt from, the same or a similar liability in that foreign jurisdiction.

The new section 309I provides that the Authority may only make regulations to replace, modify or disapply an offer provision for one or more of the following purposes:

- (a) to enable a DLB offer of capital markets products to be listed on a prescribed DLB, to be made using a prospectus (called a domestic offer document) that contains the same or substantially the same information as that required to be contained in a prospectus, offer document or registration statement (called a foreign offer document) by the securities law of the foreign jurisdiction of that overseas exchange with which the prescribed DLB concerned is paired;
- (b) to enable an OIS offer by a DLB issuer admitted to both a prescribed overseas exchange and a prescribed DLB that are paired with each other, to be made using an offer information statement (also called a domestic offer document) that contains the same or substantially the same information as that which is required to be contained in an offer document or registration statement (also called a foreign offer document) by the securities law of the foreign jurisdiction of that overseas exchange;

- (c) to align the requirements for the lodgment and registration of a domestic offer document, with the corresponding requirements applicable to a foreign offer document;
- (d) to align the restrictions on an advertisement or publication of a DLB offer or an intended DLB offer of capital markets products to be listed on a prescribed DLB, with restrictions on a similar advertisement or publication of an offer or intended offer of the same capital markets products, being restrictions imposed by the securities law of the foreign jurisdiction of a prescribed overseas exchange with which that DLB is paired;
- (e) to align the restrictions on an advertisement or publication of an OIS offer or an intended OIS offer by a DLB issuer that is admitted to both a prescribed overseas exchange and a prescribed DLB that are paired with each other, with restrictions on a similar advertisement or publication of an offer or intended offer of the same capital markets products by the DLB issuer in the foreign jurisdiction in which the prescribed overseas exchange operates, being restrictions imposed by the securities law of that foreign jurisdiction;
- (f) to align or otherwise avoid any inconsistent treatment of any document or information incorporated in a domestic offer document and any document or information incorporated in a foreign offer document.

Clause 9 allows regulations of a saving or transitional nature to be made for a period of 2 years from the commencement of any provision of the Bill.

## EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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