



M2K Advisors



ALLOTMENT OF SHARES – SINGAPORE

Allotment of Shares

Although the issuance of shares is normally proposed by the board of directors, it requires shareholder approval in order to issue new shares per section 161 of the Companies Act. (i.e., by holding an Extraordinary General Meeting (“EGM”))

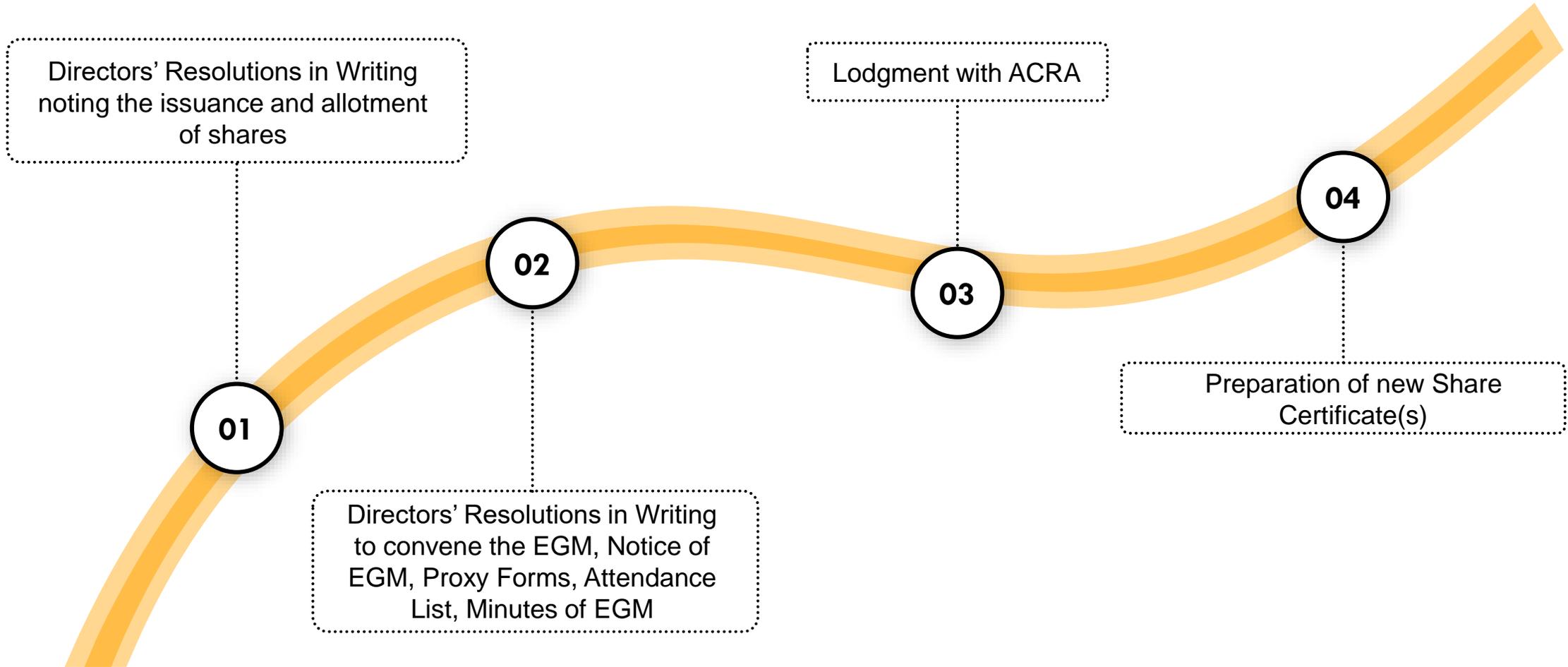


A company can issue new shares at any time by passing an **ordinary resolution** of the shareholders and filing a return of allotment with the Accounting and Corporate Regulatory Authority (ACRA)

Private companies can allot new shares only **after filing** the “Return of Allotment of Shares” transaction via BizFile.

Public companies limited by shares can allot new shares anytime and must file the “Return of Allotment of Shares” transaction **within 14 days** from the date of allotment.

Obligation of Company Secretary (CS)



After the new Share Certificates have been issued (within 60 days after allotment), the company's register of allotments & register of shareholders needs to be updated by the CS.

Filing of Allotment of shares - ACRA

As part of the lodgment for the allotment of shares, the company would be required to declare the following information:

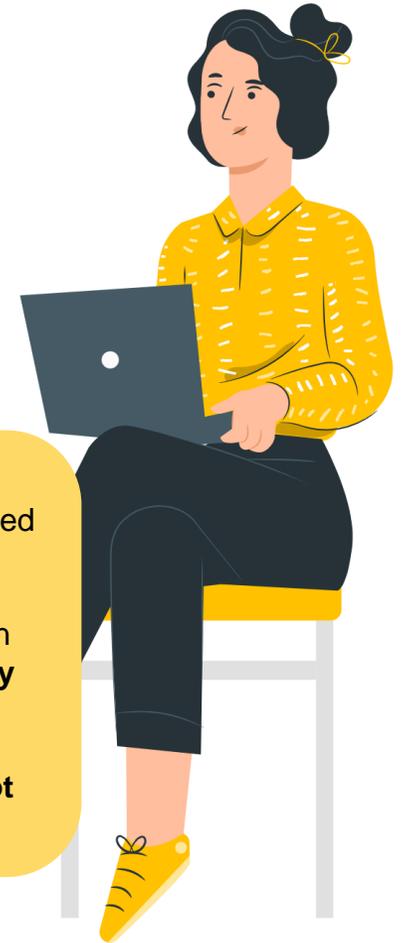
- Number of shares that will be allotted;
- Amount (if any) paid or deemed to be paid on the allotment of each share;
- Amount (if any) unpaid on each share referred to above;
- The different class of shares to which each share in the allotment belongs; and
- Full name, identification (NRIC or Passport No), nationality & address of each of its members, as well as the number and class of shares held by each member.

To notify ACRA of an allotment of shares one would need to do so **via Bizfile**.

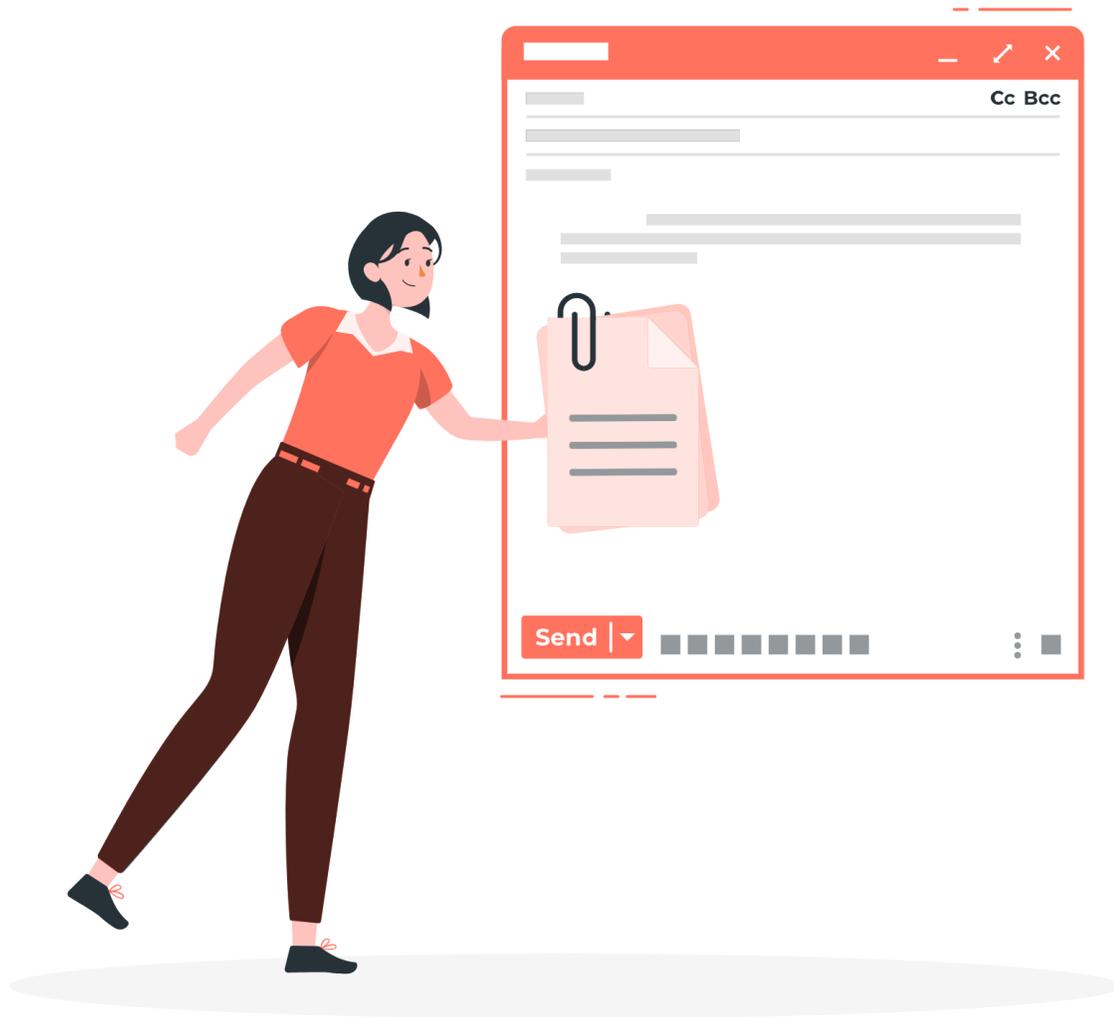
To protect companies from unauthorized submissions, ACRA **restricts access** to a company's Bizfile account; and **only authorised officers** of the company, can make submissions on the company's behalf.

Public companies that are not listed on the Singapore Exchange only need to list out the 50 members with the most number of shares in the company, **excluding treasury shares**.

Listed public companies **need not** provide this information.



Prospectus Requirements



According to **Section 240** of the Securities and Futures Act (**SFA**), any offer of securities must be accompanied by a prospectus.

However, if a **private company** -

- Makes the offer of investment to **not more than 50 persons** within any period of **12 months**, and
- **Does not make** any advertisements or promotional expenses.

It may utilize the private placement exception under **section 272B of the SFA** and **avoid the need to issue a prospectus**

Upcoming Singapore Knowledge Series

Please find below the list of completed & upcoming alerts from the series. In case you have missed the previous alerts, click on the hyperlink for the completed alerts to refer the same.

1. [Incorporation of Company](#)
2. [Allotment of shares](#)
3. Issuance of share certificate
4. Register of registerable controllers
5. Employment Pass
6. XBRL Filing
7. Annual General Meeting
8. ACRA Return filing
9. Audit requirements
10. Strike off company

**Corporate
law related**

11. Taxability of individuals
12. Taxability of corporates
13. Certificate of Residence (TRC)
14. Dormant Company
15. Estimate Tax Chargeable
16. Tax Return Requirements
17. Withholding tax
18. Auto Inclusion Submission

**Income Tax
Related**

19. GST Registration
20. GST Filing Requirement
21. Implication of late GST Filing
22. Input Tax Credit - Basics
23. Blocked Credits
24. Basic Invoicing Rules
25. Record Keeping

GST related



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