



SGX-ST Listing Rules

Practice Note 5.1

Term Sheet For Structured Warrants

Details	Cross References	Enquiries
Issue date: 28 January 2003	Listing Rule 518	Please contact Issuer Regulation Department:- 6-236-8896 Daisy Tan
Effective date: 29 January 2003		6-236-8887 June Sim 6-236-8895 Siew Wun Mui 6-236-8880 Tang Yeng Yuen 6-236-8810 Alex Lee

1. Introduction

- 1.1 This Practice Note provides guidance on the disclosure of information for a term sheet issued in connection with an issue of structured warrants for which listing is sought.

2. Listing Rule 518

- 2.1 Listing Rule 518 states:-

“When applying for the listing of structured warrants, an issuer must submit an indicative term sheet to the Exchange for its consideration. The indicative term sheet must set out the principal features of the structured warrants.”

3. Disclosure in term sheet

- 3.1 As a guide, the term sheet submitted to the Exchange and used in connection with the marketing of the structured warrants should include the following information:-

- (1) The nature and amount of the structured warrants for which listing is sought.
- (2) A summary of the principal terms of the structured warrants including the warrant type, issue price, strike price or level, conversion ratio or multiplier, board lot size, the exercise period or date, the expiry or maturity date, and the expected listing date.
- (3) Whether the structured warrants will be physically settled or cash settled. If cash settled, the method or formula for calculating the cash settlement amount.

- (4) Key numerical measures such as the historical and implied volatility of the underlying financial instrument, gearing and premium.
- (5) Whether the structured warrants are at, in, or out of, the money.
- (6) A description of the risk factors that are specific to the issue of structured warrants.
- (7) Summary information on the issuer and the guarantor (if any), including key financial information, credit rating and whether supervised by a monetary or securities regulatory authority.
- (8) Where the structured warrants are issued on securities of an entity (or entities) listed on an exchange, the identity of the exchange and how investors can obtain financial information on the entity (or entities). Where the structured warrants are based on an index, summary information about the index.
- (9) Whether the issuer or another person will make a market in the structured warrants. If so, the identity of the Designated Market-Maker, the maximum spread between the bid and offer quotations, the minimum quantity to which the quotations apply, and the circumstances in which no quotation will be provided.
- (10) Whether the issuer has authority to issue further structured warrants which will form a single series with the existing issue of structured warrants.
- (11) The identity of the manager, distributor, placing agent, paying agent, depository and warrant agent (if applicable).
- (12) Details on how copies of the offering memorandum, or base and supplemental listing documents, will be made available to the public.
- (13) The governing law and any selling restrictions under that law or otherwise.

3.2 Other information may be required depending on the circumstances of the issue.