FUNDRAISING DOCUMENTS FOR STARTUPS IN SINGAPORE

Hey, global entrepreneurs! Preparing to raise funds in Singapore's dynamic market? Our guideline is your first step toward investor-ready success.

MyBusiness in Asia has created a comprehensive guide for ambitious founders preparing to fundraise in Singapore's competitive startup scene.
We will guide you through the critical steps of fundraising by equity your Private Limited Company by shares and have your documents investor-ready.

This guide covers:

- Essential documents to raise capital in Singapore
- Stay compliant with fundraising regulations in Singapore
- How we can support you

INTRODUCTION

ESSENTIAL DOCUMENTS TO RAISE CAPITAL IN SINGAPORE

Every startup founder dreams of growth. But in Singapore, growth is not promised to the most creative or loudest ideas. It belongs to the most prepared. In Asia's financial hub, securing funding demands more than inspiration. It demands execution, structure, and compliance.

Behind every successful funding story is a founder who knew that investors don't just ask for vision. They ask for proof. Proof that your company isn't just built to launch, it's built to last.

This guide is structured into two essential parts:

- Part 1: **The Four Strategic Steps**. How to build your pitch deck, structure your term sheet, draft your shareholders' agreement, and demonstrate operational discipline through company resolutions.
- Part 2: **Compliance as a Competitive Advantage**. How mastering Singapore's regulatory framework strengthens investor trust and supports long-term growth.

Together, these two parts turn complex fundraising challenges into a clear, actionable roadmap for founders ready to lead their company to success.

Pitch Deck & Financial Projections
Story backed by strategy & data

Your pitch deck is not just a presentation. It's a business case, supported by data and refined for scrutiny. Singapore's investors are experienced. They have seen hundreds of pitch decks. The ones that stand out are not overloaded with buzzwords, they are grounded in credible financial projections.

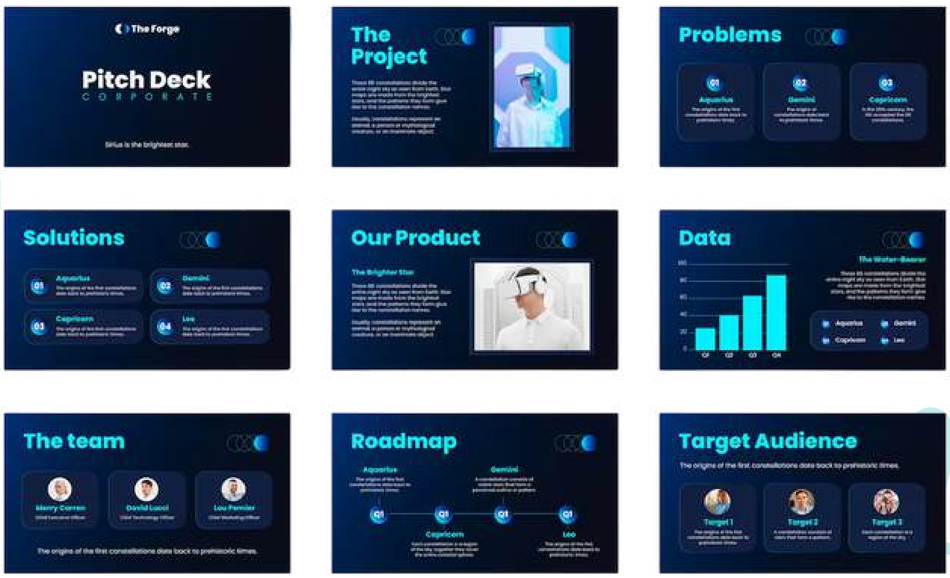
According to the Monetary Authority of Singapore (MAS), all financial forecasts provided to investors must be fair, verifiable, and based on sound assumptions. Exaggerated numbers don't just raise eyebrows, but also concerns about credibility.

A strong pitch deck answers:

- What exact problem are you solving in the market?
- Why is your product the right fit, at the right time?
- What were the financial results of the company in the past years?
- What are the revenues and cashflow forecast for the next few years?

Singapore founders often source data from trusted platforms like SingStat or Statista to validate market sizing or trends. Your numbers tell investors how seriously you take risk and their money.

PITCH DECK EXAMPLE



STEP 2

Term Sheet
Aligning on expectations early

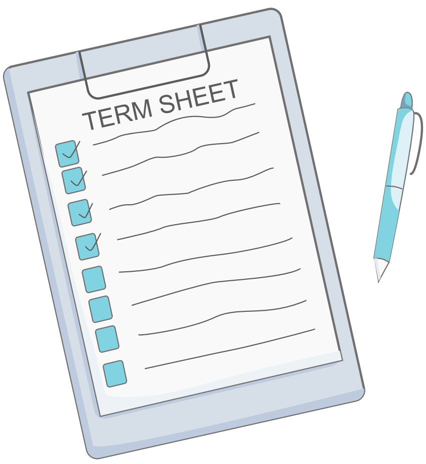
A **term sheet** (or Letter of Intent) is a strategic document, not a tactical one. It is used as a non-binding roadmap that outlines the broad terms of the investment deal, including investment amount, pre money and post money valuations, timeline, investor rights, governance models, and exit pathways.

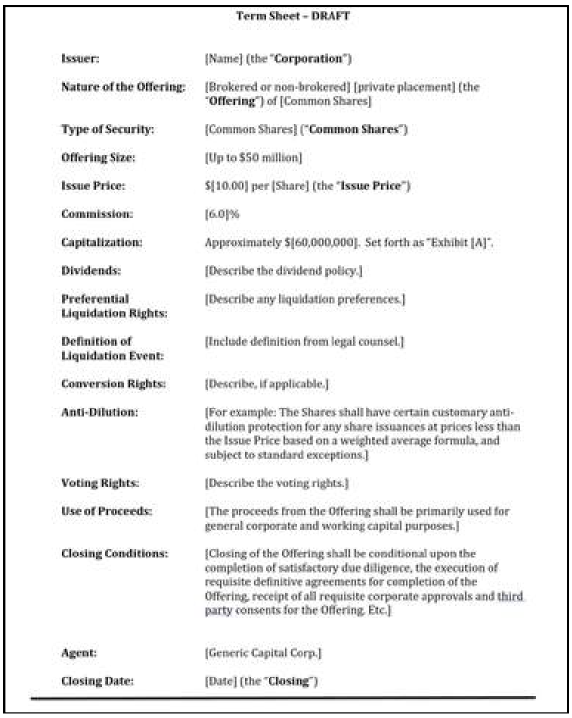
It's drafted relatively early in the negotiation process, before significant time and resources are spent on detailed legal documentation. Its primary purpose is to:

- Align expectations: Ensure the company and the investor have a mutual understanding of the fundamental aspects of the investment.
- Facilitate negotiation: Provide a framework for more detailed discussions and identify potential sticking points early on.

Why is this important?

Because the earlier alignment happens, the faster negotiations move. Investors in Singapore respect founders who set terms that balance business ambition with governance discipline. A clear, founder-friendly term sheet reflects operational maturity, a signal that no detail is left to chance.





Term Sheet – DRAFT

Issuer:	[Name] (the "**Corporation**")
Nature of the Offering:	[Brokered or non-brokered] [private placement] (the "**Offering**") of [Common Shares]
Type of Security:	[Common Shares] ("**Common Shares**")
Offering Size:	[Up to $50 million]
Issue Price:	$[10.00] per [Share] (the "**Issue Price**")
Commission:	[6.0]%
Capitalization:	Approximately $[60,000,000]. Set forth as "Exhibit [A]".
Dividends:	[Describe the dividend policy.]
Preferential Liquidation Rights:	[Describe any liquidation preferences.]
Definition of Liquidation Event:	[Include definition from legal counsel.]
Conversion Rights:	[Describe, if applicable.]
Anti-Dilution:	[For example: The Shares shall have certain customary anti-dilution protection for any share issuances at prices less than the Issue Price based on a weighted average formula, and subject to standard exceptions.]
Voting Rights:	[Describe the voting rights.]
Use of Proceeds:	[The proceeds from the Offering shall be primarily used for general corporate and working capital purposes.]
Closing Conditions:	[Closing of the Offering shall be conditional upon the completion of satisfactory due diligence, the execution of requisite definitive agreements for completion of the Offering, receipt of all requisite corporate approvals and third party consents for the Offering, Etc.]
Agent:	[Generic Capital Corp.]
Closing Date:	[Date] (the "**Closing**")

TERM SHEET EXAMPLE

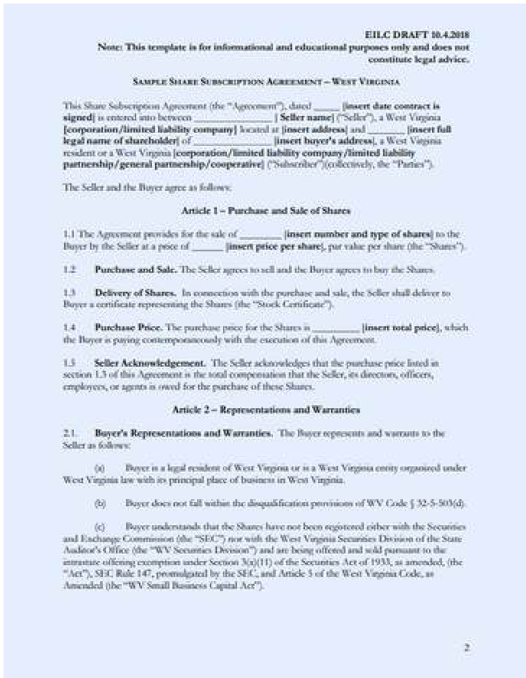
STEP 3

Share Subscription Agreement
Turning terms into legal commitment

The **Share Subscription Agreement (SSA)** is a legally binding contract that outlines the terms under which an investor agrees to subscribe for, and the company agrees to issue, new shares. It provides the comprehensive legal framework governing the investment transaction.

Key purposes of the SSA include:

- It legally bind the the investor to invest and the company to issue shares, specifying critical details such as the number of shares, price per share, payment terms, and the procedure for transferring funds.
- It defines the conditions precedent that must be fulfilled before the investment can proceed, often reflecting those in the term sheet but with greater legal specificity.
- It outlines the steps required to complete the transaction and specifies the closing date on which the investment will be finalized.



EILC DRAFT 10.4.2018

Note: This template is for informational and educational purposes only and does not constitute legal advice.

SAMPLE SHARE SUBSCRIPTION AGREEMENT – WEST VIRGINIA

This Share Subscription Agreement (the "Agreement"), dated _____ **[insert date contract is signed]** is entered into between _______________ **[Seller name]** ("Seller"), a West Virginia **[corporation/limited liability company]** located at **[insert address]** and _______ **[insert full legal name of shareholder]** of _______________ **[insert buyer's address]**, a West Virginia resident or a West Virginia **[corporation/limited liability company/limited liability partnership/general partnership/cooperative]** ("Subscriber")(collectively, the "Parties").

The Seller and the Buyer agree as follows:

Article 1 – Purchase and Sale of Shares

1.1 The Agreement provides for the sale of ________ **[insert number and type of shares]** to the Buyer by the Seller at a price of ______ **[insert price per share]**, par value per share (the "Shares").

1.2 **Purchase and Sale.** The Seller agrees to sell and the Buyer agrees to buy the Shares.

1.3 **Delivery of Shares.** In connection with the purchase and sale, the Seller shall deliver to Buyer a certificate representing the Shares (the "Stock Certificate").

1.4 **Purchase Price.** The purchase price for the Shares is _________ **[insert total price]**, which the Buyer is paying contemporaneously with the execution of this Agreement.

1.5 **Seller Acknowledgement.** The Seller acknowledges that the purchase price listed in section 1.3 of this Agreement is the total compensation that the Seller, its directors, officers, employees, or agents is owed for the purchase of these Shares.

Article 2 – Representations and Warranties

2.1. **Buyer's Representations and Warranties.** The Buyer represents and warrants to the Seller as follows:

(a) Buyer is a legal resident of West Virginia or is a West Virginia entity organized under West Virginia law with its principal place of business in West Virginia.

(b) Buyer does not fall within the disqualification provisions of WV Code § 32-5-503(d).

(c) Buyer understands that the Shares have not been registered either with the Securities and Exchange Commission (the "SEC") nor with the West Virginia Securities Division of the State Auditor's Office (the "WV Securities Division") and are being offered and sold pursuant to the intrastate offering exemption under Section 3(a)(11) of the Securities Act of 1933, as amended, (the "Act"), SEC Rule 147, promulgated by the SEC, and Article 3 of the West Virginia Code, as Amended (the "WV Small Business Capital Act").

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SHARE SUBSCRIPTION AGREEMENT EXAMPLE

STEP 4

Shareholders' Agreement
The architecture of trust

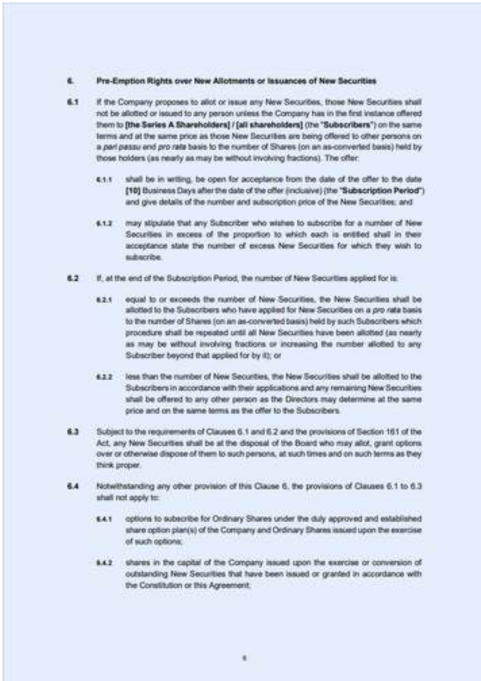
Funding isn't just about securing capital. It's about managing relationships. The shareholders' agreement is a private and confidential document to define different class of shares, and structure and articulate the rights between Founders and Investors.

This document goes beyond the Constitution and legally defines

- Shareholders rights and obligations
- Decision-making protocols
- Dispute resolution mechanisms
- Exit clauses and share transfer rules

The Shareholders' Agreement (SHA) sets out the company's share capital structure, board composition, voting rights, and reserved matters needing special approval. It covers investor rights such as information access, dividend policy, transfer restrictions, pre-emptive rights, exit strategies, and liquidation preferences.

Note that the SHA adoption also requires to sign a deed of ratification by all shareholders.



6. Pre-Emption Rights over New Allotments or Issuances of New Securities

6.1 If the Company proposes to allot or issue any New Securities, those New Securities shall not be allotted or issued to any person unless the Company has in the first instance offered them to **[the Series A Shareholders] / [all shareholders]** (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a *pari passu* and *pro rata* basis to the number of Shares (on an as-converted basis) held by those holders (as nearly as may be without involving fractions). The offer:

6.1.1 shall be in writing, be open for acceptance from the date of the offer to the date **[10]** Business Days after the date of the offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities; and

6.1.2 may stipulate that any Subscriber who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities for which they wish to subscribe.

6.2 If, at the end of the Subscription Period, the number of New Securities applied for is:

6.2.1 equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a *pro rata* basis to the number of Shares (on an as-converted basis) held by such Subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by it); or

6.2.2 less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Subscribers.

6.3 Subject to the requirements of Clauses 6.1 and 6.2 and the provisions of Section 161 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

6.4 Notwithstanding any other provision of this Clause 6, the provisions of Clauses 6.1 to 6.3 shall not apply to:

6.4.1 options to subscribe for Ordinary Shares under the duly approved and established share option plan(s) of the Company and Ordinary Shares issued upon the exercise of such options;

6.4.2 shares in the capital of the Company issued upon the exercise or conversion of outstanding New Securities that have been issued or granted in accordance with the Constitution or this Agreement.

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SHAREHOLDER AGREEMENT EXAMPLE

Why does fundraising in Singapore demand more than just a pitch deck?

Because investors in Singapore fund systems, not ideas alone. While creativity attracts attention, investor capital follows structure, governance, and operational readiness. Documents like term sheets, shareholder agreements, and company resolutions prove that a startup is built for sustainable growth, not just market entry.

STEP 5

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Company Resolutions
Proving Operational Discipline

Company resolutions are the day-to-day exercise of the right of the directors and shareholders decision. They are primordial to in sure the respect of the decision making and are required to be filed with the ACRA.

Raising fund will in most of the case resulting in Issuing new shares and increasing the paid-up capital of the company. The Corporate Secretary will be in charge of preparing and filing the resolutions passed at a General Meeting, approving the share capital increase and attributing the share to the new shareholders. Failing to do so isn't just a minor administrative error, it signals disorganization, the very thing that investors avoid.

Company resolutions reflect whether a startup is operating as a company, or still acting like a hobby project. This is where investors look for proof that a founder not only dreams of scaling but runs their company with the discipline required to get there.

What is ACRA's role in my fundraising process?

ACRA (Accounting and Corporate Regulatory Authority) is Singapore's corporate regulator. Every share issuance, director appointment, and company resolution must be formally filed with ACRA within strict timelines, usually 14 days. Compliance with ACRA is not optional, it's foundational.

COMPLIANCE IS NOW A COMPETITIVE STRENGTH

Compliance is not just a legal responsibility. In Singapore's funding ecosystem, it is a competitive advantage. The startups that win investor confidence aren't just the most innovative, they are the most prepared, organised, and operationally disciplined.

In Part 2 of this guide, we dive into how Singapore's regulatory environment rewards founders who understand not only how to raise capital but also how to manage it responsibly.

You will learn the core legal and compliance requirements from shareholder resolutions to accurate share issuance filings that every investment-ready company must master before meeting with investors. Because in Singapore, the companies that grow aren't just those with big visions, they are those built on strong, compliant foundations.

MEETING SINGAPORE'S LEGAL REQUIREMENTS FOR FUNDRAISING

Before new shares are issued, every Singapore-based startup must follow the regulatory process set by the Accounting and Corporate Regulatory Authority (ACRA). It is a framework designed not to slow down businesses but to protect all parties: founders, investors, and shareholders alike.

The compliance process involves:

- Securing shareholder approval through a formal resolution. Typically, this requires a 75% majority vote of existing shareholders.
- Filing a Return of Allotment within 14 days of the new share issuance. This must be submitted through ACRA's BizFile+ portal.
- Maintaining an accurate and updated cap table that reflects all issued shares and changes in ownership structure.

Failure to comply with these steps is not just an administrative mistake. In Singapore, it can trigger financial penalties and damage investor trust, an intangible loss no founder wants to risk.

> "In the world of fundraising, a clean legal record speaks louder than any pitch deck."

COMPLIANCE MISTAKES

While Singapore provides a business-friendly environment, its regulators expect transparency, accuracy, and accountability. Here are the three most common mistakes that derail early-stage fundraising and how to avoid them.

OVERSTATING FINANCIAL PROJECTIONS

According to the Monetary Authority of Singapore (MAS), all financial projections must be based on reliable data and sound assumptions. Startups often fall into the trap of over-promising to impress investors. But seasoned investors in Singapore always verify numbers.

The question is simple: *Will your projections hold up in due diligence?* If not, credibility is lost, and with it, the opportunity.

POOR DISCLOSURE OF BUSINESS RISKS

Investors expect to hear not only what you do well but also what challenges you might face. Risks could be operational, market-driven, regulatory, or sector-specific.

Transparency about risks shows maturity. Concealing them is a sign of inexperience.

TARGETING NON ACCREDITED INVESTOR

Private fundraising activities in Singapore are subject to specific regulatory restrictions. Certain offers are limited to Accredited Investors, as defined by MAS guidelines. Founders can also leverage 2 significant exemptions: 1. If the company offers less than SGD 5m over the rolling 12 months; 2. If the company's investment targets less than 50 offerees.

Also, be very careful on how you advertise the offer as the rules are very strict.

For detailed criteria on Accredited Investors, visit here.

BUILDING OPERATIONAL TRUST BEFORE THE FIRST MEETING

Documents are only the beginning of the story. Operational readiness is what converts documents into investor trust.

Before initiating funding discussions, every founder should take the following essential steps.

- Organize a digital data room that holds all key compliance documents, updated financial statements, company resolutions, shareholder agreements, and legal filings.
- Align your company governance structure with Singapore's Companies Act and ACRA requirements.
- Be prepared to answer detailed due diligence questions about tax compliance, intellectual property protection, business licenses, and organizational structure.

When an investor requests information, speed and accuracy matter. Delays in providing documentation or unclear answers to compliance questions are red flags that weaken a founder's position. Singapore investors are not just betting on your product. They are betting on your ability to lead with clarity, responsibility, and operational excellence.

WHY MBIA?

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CORPORATE SECRETARIAL SERVICES

Full alignment with the Accounting and Corporate Regulatory Authority (ACRA) guidelines, covering company incorporation, director appointments, share issuance, and AGM filings.

INVESTOR-READY DOCUMENTATION

Our expert's draft, review and finalise:

- Compliant Term Sheets.
- Share Subscription Agreements to secure trust and company's fundings.
- Shareholders' Agreements designed for clarity and protection of Founders and Investors.
- Company Resolutions directly filed with ACRA.
- Several meetings with all parties to ensure all the terms are well understood and drafted

TAILORED COMPLIANCE CHECKLISTS

No generic advice only tailored compliance solutions built around your business model, industry, and growth stage and based on our experience.

DUE DILIGENCE EXERCISE

Professional and legally compliant due diligence exercised on all new directors and shareholders to follow the required Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) local laws.

Startups across Singapore's most competitive sectors choose MBiA because we go beyond compliance management, we create investor-ready companies.

Our services blend regulatory expertise with growth-focused advisory empowering founders to raise capital with confidence, clarity, and operational excellence.

- Time-poor founders who need clarity without complexity.
- Founders needing legal backing through challenging processes.
- Growing companies entering multi-market operations across Asia.
- Investors who want to back companies that take governance seriously.

With MBiA, compliance is not a box-ticking exercise. It is a foundation for scaling trust.

[MyBusiness in Asia](https://mybusiness-asia.com) is a digital arm of RBA Group, is a tech-forward, multi-disciplinary advisory firm specialising in accounting, tax, payroll, immigration and corporate secretarial services.

*For entrepreneurs eyeing **Singapore** or **Hong Kong** to expand your business, reach out to us now!*

Partner with MBiA to achieve new heights of

HOW TO REACH US

CONNECT WITH OUR EXPERTS

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