

Chapter 1

PROSPECTUS UNDER DIVISION 1 AND 1A OF PART II

Part A: General

- 1.01 An application to register a prospectus under Division 1 and 1A of Part II must be in accordance with the submission requirements and procedures set out in this chapter.
- 1.02 The prospectus and all accompanying documents submitted to the SC must include an electronic copy of such documents in a text-searchable format.
- 1.03 Certified true copies of all reports and letters contained in the prospectus must be included as accompanying documents for the purpose of the application. Where the prospectus contains a summary of an expert's report, the corresponding full report must be submitted.
- 1.04 All reports and letters contained in the prospectus must be dated and signed.
- 1.05 All accompanying documents which are in a language other than Bahasa Malaysia or English, must be accompanied by a Bahasa Malaysia or English translation confirmed by the corporation or the principal adviser as being an accurate translation of the original documents.
- 1.06 Any application for relief from complying with the required disclosure requirements of a prospectus must be submitted at least 14 market days prior to the intended date of submission of the prospectus.

Part B: Submission of prospectus for registration (Stage 1)

- 1.07 The principal adviser must submit the prospectus for registration to the SC before 12:30 p.m.
- 1.08 The principal adviser must submit at least three copies of the prospectus in English, accompanied by the following documents:
 - (a) Cover letter signed by two authorised persons of the principal adviser specifying the following:

- (i) Application to register the prospectus together with a checklist of compliance with these Guidelines;
 - (ii) A confirmation that the due diligence working group has seen and verified that the prospectus complies with the disclosure requirements as set out in the CMSA and these Guidelines;
 - (iii) A confirmation that the accompanying documents in the application are complete, duly signed and dated; and
 - (iv) A confirmation that the electronic copy of documents is the same as the physical copy of documents submitted to the SC.
- (b) Registration fee as prescribed by the SC;
 - (c) Directors' and promoters' responsibility statement for the prospectus and, where applicable, the offerors' responsibility statement;
 - (d) Extract of the minutes of the board of directors' meeting that approved the submission of the prospectus to the SC;
 - (e) Certified true copy of the letter of consent from any person who has made a statement included in the prospectus or on which a statement made in the prospectus is based. The letter of consent must be dated, signed and in accordance with the form specified in Appendix 1;
 - (f) Certified true copy of each constituent document and the certificate of incorporation. Where the applicant is foreign incorporated, a certified true copy of each certificate of registration and constituent document of the foreign corporation;
 - (g) Certified true copies of all material contracts or documents referred to in the prospectus. For contracts not reduced into writing, a memorandum which gives full particulars of the contracts which must be verified by the due diligence legal adviser;
 - (h) Certified true copies of the audited financial statements of the corporation for each financial year and period, where applicable, where the audited financial statements of the corporation have been included in the prospectus;

- (i) Certified true copy of any expert's report referred to in the prospectus; and
- (j) Certified true copy of each director's existing or proposed service contract referred to in the prospectus;

1.09 **Prospectus Exposure**

The principal adviser must submit an electronic copy of the prospectus for prospectus exposure. The following statement must be prominently displayed on the cover page of the prospectus in bold and a contrasting colour:

"This document has not been registered by the Securities Commission Malaysia (SC). The information in this document may be subject to further amendments before being registered by the SC. Under no circumstances shall this document constitute an offer for subscription or purchase of, or an invitation to subscribe for or purchase securities."

Part C: Submission of prospectus for registration (Stage 2)

- 1.10 Upon receiving the relevant authority's approval for the corporate proposal, where applicable, the principal adviser must provide all documents required under paragraph 1.12 of Part C, to the SC before 12:30 p.m. at least seven market days prior to the intended date of registration.
- 1.11 The principal adviser must submit a copy of the prospectus in Bahasa Malaysia and English, and where applicable, in any other language, for registration by the SC.
- 1.12 The prospectus must be accompanied by:
 - (a) A cover letter for application to register the prospectus signed by two authorised persons of the principal adviser specifying the following:
 - (i) A confirmation that all relevant conditions of approval, to be complied with before issuance of the prospectus, have been met;

- (ii) A confirmation that all requisite approvals from other relevant authorities have been obtained;
 - (iii) A confirmation that the electronic copy of documents is the same as the physical copy of documents submitted to the SC;
 - (iv) A confirmation that the consents from any person who has made a statement included in the prospectus or on which a statement made in the prospectus is based have not been withdrawn; and
 - (v) Where a prospectus is in a language other than Bahasa Malaysia or English, a confirmation by the corporation or the principal adviser that such prospectus is an accurate translation of the Bahasa Malaysia or English prospectus.
- (b) Extract of the minutes of the board of directors' meeting that approved the registration and issuance of the prospectus;
 - (c) Certified true copy of any material contract, report or document referred to in the prospectus, which was entered into or updated after submission was made to the SC under Part B;
 - (d) Where the financial information has been updated after submission was made to the SC under Part B, certified true copies of the audited financial statements of the corporation for the updated financial year or period, where applicable;
 - (e) Where the corporation is a holding corporation, certified true copies of the audited financial statements of its subsidiaries for each financial year and period, in electronic form only; and
 - (f) For any revision to the prospectus that was cleared by the SC under Part B, the following must be provided to the SC:
 - (i) Marked-up copy of the revised prospectus; and
 - (ii) Letter of confirmation from the principal adviser stating that the due diligence working group–

- A. has seen and confirmed the revisions made to the prospectus; and
- B. has seen and verified that the prospectus complies with the disclosure requirements of the CMSA and relevant guidelines.

Part D: Supplementary prospectus and replacement prospectus

- 1.13 For registration of a supplementary prospectus, the supplementary prospectus must be submitted to the SC before 12:30 p.m. at least three market days prior to the intended date of registration.
- 1.14 For registration of a replacement prospectus, the replacement prospectus must be submitted to the SC before 12:30 p.m. at least seven market days prior to the intended date of registration.
- 1.15 For registration of a supplementary or replacement prospectus, the principal adviser must include–
 - (a) the documents required under paragraphs 1.08 of Part B and 1.12 of Part C above, where applicable; and
 - (b) a list highlighting the original statements from the previously registered prospectus and the amended statements.

Part E: Post registration

- 1.16 The principal adviser must provide the SC with the following:
 - (a) On the date of issuance of the prospectus, a confirmation that–
 - (i) the printed prospectus is the same as the prospectus registered by the SC; and
 - (ii) where applicable, the electronic prospectus complies with the requirements under Division 2 of Part IV; and

- (b) Two copies each of the printed prospectus in Bahasa Malaysia, English and where applicable, in any other language.

Guidance to Chapter 1 - General

1. Where any document is amended after submission, marked-up copies (including deletions of information) together with the corresponding electronic copy should be submitted to the SC.
2. The name and designation of the person who has signed the document should be stated below his signature.
3. Where a written consent, a letter or a report submitted to the SC, is issued by a business or professional firm, the signature appearing on such documents should be in the name of the firm and in the personal name of the signatory.

Guidance to paragraph 1.01 of Part A – Right to return prospectus

4. The SC reserves the right to return the prospectus if in its opinion–
 - (a) the disclosure in the prospectus is incomplete or inadequate;
 - (b) the prospectus is not in its final or complete form; or
 - (c) the prospectus is not accompanied by all relevant materials or documents.

Guidance to paragraph 1.02 of Part A – Electronic submission

5. The electronic copy submitted to the SC should be easily identifiable and complete.

Guidance to paragraph 1.04 of Part A – Reports and letters

6. All reports and letters should be dated and signed within a reasonable time, which generally should not be earlier than the latest practicable date.

Guidance to paragraph 1.06 of Part A – Relief application

7. The relief application should be accompanied with the relevant supporting documents and the prescribed fee.
8. The corporation and its principal adviser are encouraged to consult the SC prior to making a relief application.
9. For relief from disclosing certain clauses of a material contract to be made available for public inspection, specific justification must be provided for each clause of the material contract proposed to be redacted.

Guidance to paragraph 1.07 of Part B – Completeness of prospectus

10. The information in the prospectus must be substantially complete except in relation to information that by its nature can only be finalised and incorporated after the relevant authorities' approvals for the corporate proposal. For example, agreements relating to underwriting, cornerstone investors and lock-up arrangements for cornerstone investors.

Guidance to paragraph 1.08(e) of Part B – Letter of consent

11. A letter of consent is not required for a statement made in a prospectus that has been extracted from an official statement by:
 - (a) Malaysian and foreign governments including federal government, state government, province, county or municipality, a statutory or regulatory authority, or any agency or body carrying out a regulatory function; and
 - (b) United Nations and its organisations.

Guidance to paragraph 1.09 of Part B – Prospectus exposure

12. The following information disclosed in the electronic copy of the prospectus for prospectus exposure may be redacted:
 - (a) Pricing of securities and related disclosures such as amount for utilisation of proceeds and pro forma effects of the issuance of the securities;
 - (b) Indicative timetable for the listing; and
 - (c) Salient terms of agreements relating to underwriting and cornerstone investors, if any.

For the purpose of prospectus exposure, the accountants' report and the pro forma letter need not be signed and dated.

Letter of Consent under Section 244 of the CMSA

[*date of letter*]

Board of Directors, [*name of applicant*]

Dear Sir

[*name of applicant*] – [*identify the prospectus submitted to the SC*] in relation to the [*provide brief description of the proposed offer*] (the "**Offer**")

We, [*insert name of expert*], named as [*state capacity of expert in relation to the prospectus*] in the [*identify the prospectus submitted to the SC*] in relation to the Offer, do hereby consent to act in that capacity in relation to the [*identify the prospectus submitted to the SC*].

We have given and have not subsequently withdrawn our written consent before the date of issue of the [*identify the prospectus submitted to the SC*] with the inclusion of the following:

- (i) our name and all references thereto; and
- (ii) [*in the case of a report or letter, insert the title of the report or letter*].

in the form and context in which they are included in the [*identify the prospectus submitted to the SC*].

Yours faithfully,

[*signature*]

[*insert name of the authorised persons of the firm or of the individual expert, as the case may be*]