

Chapter 1

GENERAL

- 1.01 The Prospectus Guidelines is issued by the SC under section 377 of the *Capital Markets and Services Act 2007* (CMSA).
- 1.02 These Guidelines set out the additional disclosure requirements to be disclosed in a prospectus pursuant to section 235(1)(f) of the CMSA, and information to be disclosed in an abridged prospectus pursuant to section 237(2) of the CMSA.
- 1.02A These Guidelines shall not apply to a prospectus prepared by a public company making an offer of its shares through an equity crowdfunding (ECF) platform provided that the prospectus is registered by the ECF platform operator in compliance with the requirements set out in the *Guidelines on Recognized Markets*.
- 1.03 For the purpose of the CMSA and these Guidelines, a prospectus includes one prepared in any language other than Bahasa Malaysia or English.
- 1.04 These Guidelines are divided into the following parts:
- (a) **Part I** sets out the general requirements governing information to be disclosed in the prospectus;
 - (b) **Part II** sets out the minimum contents of a prospectus;
 - (c) **Part III** sets out the registration process of a prospectus; and
 - (d) **Part IV** sets out other matters related to a prospectus.
- 1.05 Notwithstanding the requirements in these Guidelines, the SC may require the disclosure of other additional information in any particular case, where it deems appropriate.
- 1.06 Information disclosed in a prospectus prepared must be disclosed in a true, complete and accurate manner.

- 1.07 A person who is involved in the preparation of the prospectus and becomes aware of any significant change or new matter arising that will affect the contents of the prospectus, must immediately inform the SC of such change or matter arising.
- 1.08 Information to investors must be presented in a manner that can be easily understood to enable them to assess and make an informed investment decision. In drafting the prospectus, persons responsible for the contents of the prospectus must ensure that–
- (a) all information is written in a clear and concise manner, and easy-to-understand sentences are used;
 - (b) plain and simple language is used. Legal or financial jargon, technical terms, or complicated methodologies or analyses are avoided, unless they can be clearly explained;
 - (c) comparative information is meaningful and presented in a fair and balanced way, and the source of information is disclosed; and
 - (d) key information is prominently presented.
- 1.09 The cut-off date for information to be disclosed in the prospectus must be the latest practicable date available prior to the issue of the prospectus.
- 1.10 A prospectus must be prepared in a simple design and layout with a font and type size that is easy to read.
- 1.11 To assist with the interpretation of the requirements under these Guidelines and their application, Guidance have been provided, where appropriate. Any action or conduct which departs from the Guidance will be taken into account by the SC in determining compliance with these Guidelines.
- 1.12 The SC may, upon application, grant an exemption from or a variation to the requirements of these Guidelines if the SC is satisfied that–
- (a) such variation is not contrary to the intended purpose of the relevant requirement in these Guidelines; or
 - (b) there are mitigating factors which justify the said exemption or variation.

Thereafter, an exemption or variation shall be referred to as “relief” in these Guidelines.

- 1.13 These Guidelines are in addition to and not in derogation of any other guidelines issued by the SC or any requirements provided under the securities laws.
- 1.14 If the securities are offered under an ACMF initiative, the prospectus must comply with the relevant ASEAN Disclosure Standards as set out in Divisions 1A and 2A of Part II.