



**ព្រះរាជាណាចក្រកម្ពុជា**  
Kingdom of Cambodia  
**ជាតិ សាសនា ព្រះមហាក្សត្រ**  
Nation Religion King

**គណៈកម្មការមូលបត្រកម្ពុជា**  
SECURITIES AND EXCHANGE  
COMMISSION OF CAMBODIA  
No. ០០៥/...SECC/Prk  
15

**PRAKAS**

on

**Public Offering of Equity Securities**

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**Minister of Economy and Finance and  
Chairman of Securities and Exchange Commission of Cambodia**

- Having seen the constitution of the Kingdom of Cambodia
- Having seen the Preah Reach Kret No. NS/RKT/0913/903 of 24 September 2013 on the Appointment of the Royal Government of the Kingdom of Cambodia
- Having seen the Preah Reach Kret No. NS/RKT/1213/1393 of 21 December 2013 on the Amendment and Complement of Composition of Royal government of Kingdom of Cambodia
- Having seen the Preah Reach Kram No. 02/NS/94 of 20 July 1994 promulgating the Law on the Organization and Functioning of the Council of Ministers
- Having seen the Preah Reach Kram No. NS/RKM/0196/18 of 24 January 1996 promulgating the Law on the Establishment of the Ministry of Economy and Finance
- Having seen the Preah Reach Kram No. NS/RKM/0107/001 of 10 January 2007 promulgating the Law on Government Securities
- Having seen the Preah Reach Kram No. NS/RKM/1007/028 of 19 October 2007 promulgating the Law on the Issuance and Trading Non-government Securities
- Having seen the Anukret No. 97 ANKR/BK of 23 July 2008 on Conduct and Organization of Cambodia Securities and Exchange Commission
- Having seen the Anukret No. 54 ANKR/BK of 08 April 2009 for the Implementation of the Law on the Issuance and Trading Non-government Securities
- Having seen the Prakas No.001/KMK/PRK of 15 January 2010 on Public offering of Equities Securities
- Having seen the approval by the Securities and Exchange Commission of Cambodia in plenary meeting on 27 August 2015

Unofficial Translation

# HEREBY DECIDES

## CHAPTER I GENERAL PROVISION

### **ARTICLE 1.– Purpose**

The purpose of this Prakas is to prescribe the process, procedure, mechanism, and approval for the public offering of equity securities in the kingdom of Cambodia pursuant to the Law on Issuance and Trading of Non-government securities and the Anukret on the implementation of the law on the issuance and trading of non-government securities.

### **ARTICLE 2.– Definition**

Technical terms used in this Prakas are defined in this article and available in the glossary of Annex of the Law and Anukret.

1- Law refers to the Law on the Issuance and Trading of Non-Government Securities.

2- Anukret refers to the Sub-degree on the Implementation of the Law on the Issuance and Trading of Non-Government Securities.

3- Public offering of equity securities may be initial public offering (IPO) or additional public offering.

a- Initial Public Offering refers to an offer of equity securities which has never been made to the public by public limited company or permitted entity as prescribed by the Law, the Anukret and this Prakas.

b- Additional public offering of equity securities refers to public offering made by existing public issuing company.

4- Potential Company refers to company that is able to make public offering of equity securities including small and medium enterprises, newly incorporated company and high growth company or potentially high growth company.

5- Holding Company refers to company which owns subsidiary or associate company by holding majority or minority of share that have enough voting right in that company.

6- Preference Share refers to share which often has no voting rights and receive dividend before common share.

7- Securities Registrar refers to persons recognized by the SECC to provide services related to registration of securities issued by the issuer.

8- Asset Valuation Agent refers to a company which business activities are to value the assets of issuer.

9- Securities Transfer Agent refers to person recognized by the SECC to provide services related to securities transfer.

10- Paying Agent refers to person recognized by the SECC to provide services related to payment for issuer.

11- Equity Securities refers to any legal interest in or right to shares in the share capital of a public limited company or permitted entity including similar foreign entity and included voting and non-voting shares, partly paid shares and preference shares.

12- Conversion rights refers to rights by which preferred stock converts into common stock.

### **ARTICLE 3.– Conditions of public offering and private placement**

Issuance of equity securities may be private placement or public offering.

The offering which meets the following conditions are considered as private placement:

1- The total number of people to whom the offer is made shall be no more than 30 and

2- The offering shall not be publicly advertised by any means including the advertisement for the purpose to be asked for information or any advice on the securities investment.

A person who proposes to make private placement shall filling related documents to SECC. When the private placement is completed, that person should report the result without delay to SECC. In case, listed issuers who offer the private placement shall report the result immediately to SECC.

Any issuance of equity securities which is contrast to the above mentioned is considered as public offering which requires to be complying with the procedure as prescribed by the Law, Anukret and this Prakas.

## **CHAPTER II**

### **The Approval of Issuance of Equity Securities**

#### **ARTICLE 4.– Equity Securities Offering**

A person who proposes to make public offering shall fulfill the following requirements:

- 1- Comply with corporate governance requirements determined by SECC;
- 2- Engage in business activities which serve the public interest of the Kingdom of Cambodia, including the interest of economy, society and ensure sustainable business operations;
- 3- Have historical financial statements and / or consolidated historical financial statements, within the latest 02 (two) financial years prior to the date of filling the application for eligible companies to list in the main board of the permitted securities market and within latest 1 (one) financial year prior to the date of filling the application for eligible companies to list in the growth board of the permitted securities market , which is audited in accordance with the laws and regulations in force in the Kingdom of Cambodia. In case a person who proposes to make public offering filling the application later than 45 (forty five) days after the end of the quarter, the applicant shall submit interim financial statements;
- 4- Obtain prior approval by permitted securities market for listing eligibility;
- 5- Have disclosure document which contains the information as prescribed in article 7 of this Prakas.

#### **ARTICLE 5.– The Application for the Public Offering**

In order to make a public offering, a public limited company or permitted entity shall:

- 1- Submit application form determined by SECC;
- 2- Submit disclosure document determined by SECC;
- 3- Submit the attached documents determined in this Prakas.

#### **ARTICLE 6.– Approval and Registration Disclosure document**

Issuer shall get approval from SECC and register disclosure document with SECC pursuant to Article 12 of the law and Article 9, Article 10, Article 11 and Article 13 of the Anukret.

Disclosure document contains the information from article 7 to Article 26 of this Prakas. Disclosure document shall have signature of Chairman of Board of Director, Directors, CEO and CFO.

## **ARTICLE 7.– Content of Disclosure document**

Disclosure document shall have information as follow:

1. General information relating to the public offering
2. Risk factors
3. Use of proceeds
4. Investment project
5. Description of business
6. Operating and financial review and prospects
7. Description of property, plant and equipment (PPE)
8. Asset valuation or/and revaluation
9. Directors, senior officers and shareholders
10. Involvement of directors and senior officers in certain legal proceedings
11. Certain relationships related parties transaction
12. Director and senior officer compensation
13. Option granted to directors, senior officers and employees
14. Transaction with directors and shareholders
15. Net assets per share and earning per share
16. Ownership of the issuer's equity securities
17. Determination of offering price
18. Rights of holders of equity securities being offered
19. Historical financial information and/or consolidated historical financial information

## **ARTICLE 8.– General Information**

The disclosure document shall contain description of the public offering and general information of the issuer as follow:

- 1- Name of the issuer;
- 2- Amount and type of equity securities being issued;
- 3- Offering price of equity securities per unit and its aggregate amount;
- 4- Name and addresses of the underwriter;
- 5- Opening and closing date of subscription;

6- Registration date of the disclosure document;

7- Statement as provided in the form. “THE ISSUER AND RELATED ENTITY WHO PREPARES THE DISCLOSURE DOCUMENT SHALL BE RESPONSIBLE FOR THE INFORMATION CONTAINING IN THIS DISCLOSURE DOCUMENT.”

### **ARTICLE 9.– Risk Factors**

Disclosure document shall have information related to risk factors, such as:

- 1- Financial risks;
- 2- Economy risks;
- 3- Operational risks;
- 4- Other risks required by Director General of SECC.

### **ARTICLE 10.– Use of Proceeds**

The disclosure document shall show how the net proceeds of offering shall be used by indicating the amount to be used for each purpose.

The disclosure document shall also include a schedule mentioning the stage of implementation and the utilization of funds received through public offering.

If the proceeds of sale of securities are to be used for the contract covering issuer’s activities, the disclosure document shall disclose the validity term of such contracts.

### **ARTICLE 11.– Investment Projects of Public Offer**

In case where the proposal of public offering related to one investment project or more, the separation of full disclosure document of each project shall be included.

### **ARTICLE 12.– Description of Business**

The disclosure document shall contain description of the issuer’s business such as:

- 1- The date on which the issuer was incorporated and the date on which it commenced operations and the nature of the business which the issuer and its subsidiaries are engaged in or propose to be engaged in.
- 2- The principal products or services of the issuer and the markets for such products or services inside or outside Cambodia.
- 3- The sale volume of other products which are not the principal products or services of which revenue accounts for more than 10% of the issuer’s total revenues.
- 4- Name of subsidiary, associates or holding company and their core areas of business.
- 5- The method of the products or services which are distributed.

- 6- Business competitive position in the market.
- 7- Raw materials and inputs which sustainably guarantee for production or service providing processes of the issuer including its sources and suppliers.
- 8- Requirement for power, gas and water; or any other utilities necessary for production or services providing processes by indicating its sources.
- 9- Name of the customers who purchase 10% or more of the issuer's products or services by showing the total amount and quality of transaction for which the contract is made and the duration of the contract.
- 10- Name of the suppliers who supply 10% or more of the total amount of the products or services that purchased by the issuer, showing the total amount and quality of transaction for which the contract is made and the duration of the contract.
- 11- Description of any material patents, trademarks, licenses or royalty agreements.
- 12- Number of total employees and number of full-time employees.
- 13- Production or service capacity and current utilization, where applicable.
- 14- If the issuer is a holding or subsidiary company, there shall be full disclosure document about the material transactions between the issuer and its subsidiary or holding company indicating its nature and amount of transactions which have taken place within the latest 03 (three) years on filing application date of public offering.

### **ARTICLE 13.– Operating and Financial review and Prospects**

The disclosure document shall describe the operating and financial review and prospects as follow:

- 1- Operating result
- 2- Liquidity and funding source
- 3- Research and development
- 4- Trend and Profit and cash flow forecast for the period of 01 (one) year.

### **ARTICLE 14.– Description of Property Plant, and Equipment (PPE)**

The disclosure document shall contain the information related PPE as follow:

- 1- Location of operation and location of PPE of the issuer and the condition thereof;
- 2- Certification of PPE ownership of the issuer. If the PPE is taken from leasing, the expiration dates of the lease with the name of lessor shall be included;
- 3- The PPE valuation of the issuer is conduct by asset valuation agent accredited by SECC and attaching valuation report (if any);

4- If the used PPE of the issuer is under a mortgage, the issuer shall disclose identity of mortgagor, value of the initial mortgage and the outstanding sum outstanding to the mortgagor.

### **ARTICLE 15.– Assets Valuation or/and Revaluation**

In case there is assets valuation or/and revaluation, disclosure document shall contain material information about assets valuation or/and revaluation as follow:

- 1- The summary of information about the valuation or revaluation, including the assets value prior to the revaluation, the composition of the revaluated assets by itemizing the revalued assets in a manner which shall facilitate the comparison between the historical value and the value after the revaluated and the attachment of valuation report.
- 2- The reason for the valuation or/and revaluation.
- 3- Identity and qualification of valuation agent.

### **ARTICLE 16.– Directors, Senior Officers and Shareholders**

The disclosure document shall contain the following information in respect of its directors, senior officers and shareholders, namely:

- 1- Short bio-data including name, age, qualification, experience and position of each of the directors of the issuer and any person nominated to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;
- 2- The date on which he/she first became a director of the issuer and the date on which his current term of office shall expire;
- 3- If any director is also a director or shareholder of another company or owner or partner of any other concern, gives the names of such companies;
- 4- Any family relationship among directors and senior officers;
- 5- Name with position, educational qualification, date of joining in the issuer, latest 5 (Five) years experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Deputy Managing Directors and all persons who hold important position in the company;
- 6- Declaration of insolvency of issuer's directors or shareholders who hold more than 5% of paid up capital.

The disclosure document shall attach the following document:

- 1- The code of ethics for director of issuer



- 2- The director's report on the valuation of issuer's performance.

### **ARTICLE 17.— Involvement of Directors and Senior Officers in Certain Legal Proceedings**

The disclosure document shall disclose involvement of directors and senior officers in legal proceedings which have occurred during the latest 5 (five) years, namely;

- 1- Any bankruptcy petition filed by or against any company of which any senior officer or director of the issuer was a director, officer or partner at time of the bankruptcy.
- 2- Any conviction of any criminal proceeding or any criminal proceeding pending against director or senior officer.
- 3- Any permanent or temporary judgment or decree from any court of competent jurisdiction against any director or senior officer enjoining, barring, suspending or limiting the involvement in any type of business or securities activities.
- 4- Any decision of the SECC, or any foreign Securities or Exchange Commission, or other regulatory authority suspending or limiting the involvement of any director or senior officer director in any type of business, equity securities or banking activities.

### **ARTICLE 18.— Certain Relationships and Related Transactions**

The disclosure document shall disclose relations and transactions with related parties by describe any material transactions with related parties that occurred during the latest 2 (two) years by giving the name, relationship, amount and nature of the interest in the transaction occurred between the issuer and any related party as follow:

- 1- Any director or senior officer, including any director holding any position in an association or non-profit organization or other then issuer and any director receiving any interest from issuer whether pecuniary or non-pecuniary;
- 2- Any person holding more than 5% of the outstanding shares of the issuer;
- 3- Any member of the immediate family of any persons as mention in 1 and 2 above;
- 4- A person who have relationship with the director of issuer, its affiliate or holding company where the relationship occurred during the operation or arrangement by issuer;
- 5- A person who used to be director or any person connected with the director of issuer of which the relationship occurred in the business operation.

### **ARTICLE 19.— Director and Senior Officer Compensation**

The disclosure document shall contain the information of executive compensation as follow:

1- The total amount of remuneration paid to the top five salaried officers of the issuer in the latest accounting year and the name and designation of each such senior officer;

2- The total amount of remuneration paid to non-executive director during the latest accounting year;

3- Aggregate amount of remuneration paid to all directors and senior officers for a coming year;

4- Aggregate amount of remuneration paid to all directors and senior officers for a coming year;

5- If the issuer intends to materially increase the remuneration paid to its directors and officers in the current or future years the issuer shall disclosure the aggregate amount involved.

## **ARTICLE 20.— Options Granted to Director, Officers and Employees**

The disclosure document shall specify the information related to option granted to director senior officers and employees as follow:

1- The date on which the option was granted.

2- The exercise price of the option.

3- The number of shares covered by the option.

4- The market price of the shares on the date the option was granted.

5- The expiration date of the option.

## **ARTICLE 21.— Transaction with the Directors and Shareholder**

In case the issuer has transaction with its directors and shareholders, the disclosure document shall detail the name of the directors and shareholders, types and the value of the properties, services or remuneration to be received or to be taken by issuer direct or indirect during the latest 2 (two) years.

If the issuer has acquired or is going to acquire assets from the directors or shareholders, the disclosure document shall specify the method used to determine the price and the amount paid for such assets.

## **ARTICLE 22.— Net assets per share and Earning per share**

The disclosure document shall specify the net asset backing per unit of the equity securities prior and after being offered and the earning backing per unit of the equity securities being offered at the latest income statement date.

## **ARTICLE 23.– The Ownership of Issuer’s Equity Securities**

The disclosure document shall disclose ownership of issuer’s equity securities in tabular form, the name of any person who owns more than 5% of the equity securities of the issuer, indicating the amount and percentage of equity securities.

The disclosure document shall have a table showing the number of equity securities owned by each director, each of the top five salaried officers by indicating their name and address, and all other officers as a group by indicating the percentage of equity securities owned comparing to outstanding equity securities.

## **ARTICLE 24.– Determination of Offering Price**

The disclosure document shall specify the considered factors in determining the offering price of equity securities for the offering.

## **ARTICLE 25.– Description of Equity Securities Outstanding or Being Offered**

The disclosure document shall contain information on rights of the holders of the equity securities being offered as follow:

- 1- Describe the dividend and voting rights of any equity securities outstanding or being offered;
- 2- Describe the dividend, voting, conversion and liquidation rights, as well as redemption or sinking fund provisions, of any preference share outstanding or being offered;
- 3- If there is any restriction on the payment of dividends to common or preference shareholders because of provisions related to debt instruments, explain such restrictions;
- 4- Describe any other material rights of the common or preference shareholders.

## **ARTICLE 26.– Financial Information and Financial Statements**

The disclosure document shall contain historical financial information and/or consolidated historical financial information in the forms prescribed by SECC and shall attach the financial statements prepared and audited in accordance with the laws and regulations in force in the Kingdom of Cambodia.

## **ARTICLE 27.– Expert Statements**

Pursuance to article 9 and article 10 of the ANUKRET, expert or related party who gave the consent in writing on my statement, report or opinion used in the disclosure document shall be responsible for such statement, report or opinion.

### **ARTICLE 28.— The responsibility of Issuer, Securities Firm and Expert**

The issuer shall be fully responsible for accuracy, adequacy and reliability of information containing in the disclosure document.

The securities firm and any expert providing opinions or information and participated in preparing the disclosure document shall be responsible for such opinions or information and the participation.

### **ARTICLE 29.— Attach Documents**

Issuer shall attach to the disclosure document the following documents:

- 1- A certified copy of Articles of Incorporation.
- 2- A certified copy of Certificate of Incorporation.
- 3- The Board of Directors' resolution related to public offer of equity securities preceding the resolution of general shareholders' meeting.
- 4- Powers of attorney which transfer rights to director or CEO of the issuer with signature of the chairman of board of director and all directors.
- 5- Loan agreements, if any.
- 6- Agreements that use the proceeds from the public offering, if any.
- 7- Issuer's business plan for the period of at least 01 (one) year.
- 8- Cash settlement agent's letter confirming opening of separate bank account for public issue purposes.
- 9- Agreement with underwriter.
- 10- Due diligence certificate from underwriter.
- 11- Confirmation of agreement with securities registrar.
- 12- Confirmation of agreement with securities transfer agent.
- 13- Confirmation of agreement with securities paying agent.
- 14- Any material agreement if any.
- 15- Due diligence report issued by professional accounting firm registered with SECC in case the financial statements stated in point 3 of article 4 are audited by professional accounting firms which are not registered with SECC.
- 16- Due diligence report issued by law firm registered with SECC.

- 17- VAT certificate, which shall have a tax identification number and documents confirm tax duty compliance.

### **ARTICLE 30.– Supplement, Replacement, Confirmation and Clarification Information**

The Director General of SECC may require issuer to provide the supplementary or replaced disclosure document, confirmed or clarified information. Issuer shall respond within 15 (fifteen) working days or any specific period determined by the Director General of SECC from the date of issuing letter. In case the issuer cannot satisfy the above request, the Director General of SECC may take measures pursuant to the applicable law.

### **ARTICLE 31.– Refuse the Proposal of Public offering**

The General Director of SECC may refuse the proposal of public offering of the issuer based on the following reasons:

- 1- The issuer cannot satisfy the requirements as prescribed by the Law, Anukret and Prakas.
- 2- The documents submitted to SECC contain false or misleading information.
- 3- The issuer is in the situation of termination or bankruptcy.
- 4- The non-compliance or partial compliance with the court's order which required the controlling interest shareholder of the issuer to pay any judgment sum.
- 5- The issuer, director, CEO, management or the controlling interest shareholder of the issuer:
  - a- Is not a person of good character as prescribed by the Anukret.
  - b- Has conducted or engaged in any other business in such a way as to cast doubt on its or his competence and soundness of judgment.
  - c- Has conducted any business appearing deceitful or oppressive or otherwise improper.
  - d- Has shown the fact that it or he/she may not be able to act in the best interest of its clients having regard to their reputation, character, financial integrity and reliability;
  - e- Has shown the fact that it or he/she may not carry out businesses under the license condition efficiently, honestly or fairly.
- 6- Any of directors, chief executive officer, managers or controlling shareholder of the issuer is an un-discharged bankrupt, whether within or outside the Kingdom of Cambodia, within the last 05 (five) years as from the date on which the application is made.

7- The financial position or business conducted of the issuer is not sufficient to ensure sustainability and reliability of the business operation.

8- There are other circumstances which are likely to:

a- Directors, chief executive officer, managers or controlling shareholder of the issuer can not operate business properly; or

b- Discredit the manner of conducting the business of the issuer.

9- The approval to the issuer will affect the public interests by considering the conditions as mentioned in Article 14 of the Law.

### **ARTICLE 32.– Principle Approval**

The Director General of SECC shall inform to the issuer in the writing about the refusal or principle approval on the public offering and the disclosure document within 02 (two) months after obtaining the full disclosure document.

## **CHAPTER III**

### **Public Offering of Equity Securities**

#### **ARTICLE 33.– Approve and Registered Disclosure Document**

The issuer, after obtaining approval in-principle, may proceed the public offer when:

1- Prepared term of offer including the securities pricing which obtain approval from the securities market operator.

2- Obtained approval the term of offering as mention in point 1 above from Director General of SECC pursuance to article 12 of Anukret.

3- Obtained approval and registered the disclosure document of the issuer from SECC.

#### **ARTICLE 34.– Subscription**

After obtaining approval and registering the disclosure document, a subscription shall be started when disclosure document is still valid as stipulated in point 3 of article 7 of the Anukret, When the subscription is completed, the issuer shall report of the subscription result to SECC without delay.

The subscription shall be done through securities firm licensed by SECC as stipulated in article 16 and article 17 of the Anukret. The securities firm shall deposit the cash receiving from the subscription in a separated bank account opened with a

commercial bank as stipulated in article 18 of the Anukret. The amount and list of subscribers' name shall be kept with the securities registrar.

The application form for subscription shall be determined by SECC. Each subscription shall be considered as completed, when subscribers fully comply with the application form for subscription, fully pay and get receipt issued by the securities firm. The subscribers may not withdraw amounts paid for the subscription, except in the case stipulated in the Paragraph 4 b of Article 7 and Paragraph 2 of Article 18 of Anukret and Article 39 and 40 of the Prakas.

### **ARTICLE 35.– Subscription the Remaining Equity Securities**

After the end of subscription date, in the case of equity securities remain unsubscribed, the underwriters of the issuer shall subscribe to those remaining securities or those as stated in the underwriting agreement and pay fully the issuer in cash or with other financial instruments as prescribed by Article 8 of Anukret, within 30 days as of the closing date of subscription application. The issuer shall report without delay to SECC the remaining equity securities subscription.

### **ARTICLE 36.– Allotment of Equity Securities**

The subscription shall be determined as following:

- 1- 20 % of total public offering amounts is reserved for investors who are Cambodian citizens.
- 2- 80 % of the remaining public offering amount is opened to investors who are Cambodian citizens and non-Cambodian citizens.

When the subscription cannot be successful with the above determination, the Director General of SECC may reallocate them to secure the success of public offering of equity securities.

### **ARTICLE 37.– Allotment of Securities**

The securities firm shall distribute equity securities at the price set in the disclosure document registered with SECC.

The issuer or securities registrar shall dispatch the equity securities to subscribers within 15 working days as of the closing date of subscription.

### **ARTICLE 38.– Suspension of Registered Disclosure Document**

Pursue to Article 21 of the Law, the registered disclosure document may be suspended by the Director General of SECC. In such case, the issuer and securities firm shall stop receiving the subscription application and information immediately subscribers and public about the suspension. The issuer and the securities firm shall inform the subscribers Are entitled to withdraw the agreement of public offering and get refund. The issuer and the securities firm may receive again the subscription application after the problems causing the suspension are resolved; and re-obtaining the approval of the Director General of SECC.

### **ARTICLE 39.– Public Announcement on Cancellation of Registered Disclosure Document**

The issuer shall announce immediately the cancellation of registered disclosure document in the media recognized by the Director General of SECC by specifying the following:

- 1- Serial number and cancellation date;
- 2- Reason of the cancellation;
- 3- Time, place and the method of repayment to the subscribers who pay or deposit money for the subscription. The repayment shall be done no longer than 15 working days after cancellation date;
- 4- Other information directed by Director General of SECC.

### **ARTICLE 40.– Fail Subscription**

The registered disclosure document may be cancelled, in the case subscription fails.

### **ARTICLE 41.– Report the Result of Public Offering**

The issuer shall report to SECC the result of public offering in accordance with the form determined by SECC, attaching with the commercial bank's written letter about the amount in the separate account created for the purpose of public offering at commercial banks which are accredited as cash settlement agent.

### **ARTICLE 42.– Fulfill the Procedure of Permitted Securities market**

The issuer shall fulfill the procedure of permitted securities market to list its securities for official trading on the permitted securities market in accordance with the law and regulations in force.

### **ARTICLE 43.– Fully Comply the Obligation of Corporate Governance**



The issuer shall fully comply with the obligation as prescribed in chapter 6 of Law and Anukret and other provision stipulated by SECC.

## **CHAPTER IV**

### **Advertisement and Public Announcement**

#### **ARTICLE 44.— Advertisement and Announcement**

Any advertisement, announcement or statement related directly or indirectly to issuing and offering shall be done in compliance with requirements as stipulated in Article 14 of Anukret and permitted in writing by Director General of SECC pursuant to Article 15 of Anukret.

Prior to the obtaining the approval in principle for the public offering and disclosure document, the applicant could make contact with institutional investors or potential investors, directly or through securities firms, about the public offering by requesting for prior approval in writing from the Director General of SECC and shall attach with a list of those investors, as well as related documents.

After obtained the approval in principle for the public offering and disclosure document, issuer could advertise or publish any information including Road Show and the public announcement of the information on Book-Building by requesting for prior approval in writing from the Director General of SECC, and attach with related documents.

The issuer shall readily prepared the disclosure document for public viewing at its securities firm, the issuer, securities market operator and SECC within 05 working days after obtained approval and registered disclosure document from Director General of SECC.

#### **ARTICLE 45.— Advertisement and Announcement**

At least 05 working days prior to the subscription date the issuer shall make an official announcement through newspapers and other media devices approved by the Director General of SECC and specifying as follow:

- 1- Name and country or other institution of issuer;
- 2- Number and name of equity securities to be offered;
- 3- Place where the public may receive disclosure documents and copy of application forms for subscription;
- 4- The date of public announcement of official subscription;

- 5- The statement to the public specifies that the public offering obtained the official approval from SECC;
- 6- The statement to the public specifies that the public announcement is to inform the public and does not invite for subscription;
- 7- The date of subscription of equity securities is going to be launched;
- 8- The statement specifies that subscribers shall consider to subscribe based on the disclosure document.

The disclosure document and application forms for subscription to be announced shall be in printing form. In addition, if the issuer may release the disclosure document and application forms for subscription in the electronic forms, issuer shall ensure the content of disclosure document and application forms for subscription in electronic form are the same as in the printing form.

## **CHAPTER V**

### **Fee and Charge**

#### **ARTICLE 46.— Fee for Submission and Registration of Disclosure Document**

A person who proposes to make public offering shall pay the following fees for submission and registration of disclosure document when making such proposal to SECC as follow:

- 1- 12,000,000 Riels for eligible issuer to list on main board of permitted securities market and 6,000,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of initial public offering (IPO).
- 2- 8,000,000 Riels for eligible issuer to list on main board of permitted securities market and 4,000,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of additional public offering.

#### **ARTICLE 47.— Fee for Submission and Registration of additional Disclosure Document**

Issuer shall pay the following fees for reviewing and registering additional and/or replaced disclosure document when making such proposal to SECC as follow:

- 1- 1,200,000 Riels for eligible issuer to list on main board of permitted securities market and 600,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of initial public offering (IPO).
- 1- 800,000 Riels for eligible issuer to list on main board of permitted securities market and 400,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of additional public offering.

**ARTICLE 48.— Fee for extending the expiration of Disclosure Document**

Issuer shall pay the following fees for reviewing the expiration of disclosure document when making such proposal to SECC:

- 1- 6,000,000 Riels for eligible issuer to list on main board of permitted securities market and 3,000,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of initial public offering (IPO).
- 2- 4,000,000 Riels for eligible issuer to list on main board of permitted securities market and 2,000,000 Riels for eligible potential company to list on growth board of permitted securities market, in case of additional public offering.

**ARTICLE 49.— Non-refundable Fees**

The fees as mentioned in article 46, 47 and 48 of this Prakas shall not be refunded whether the disclosure document will be approved and registered or not.

**CHAPTER VI  
Penal Provision**

**ARTICLE 50.— Administrative Sanctions**

The following administrative actions shall be taken against person who violates any item of this Prakas:

- 1- Request for admission of a explanatory memorandum;
- 2- Warning or admonition;
- 3- Public notice of such fact and order to redress;
- 4- Restriction on issuance of equity securities;

- 5- Recommendation on dismissal of directors or officers;
- 6- Public announcement on the actions taken as a result of violation of the Law, Sub-decree and this Prakas;
- 7- Suspension or prohibition of the public offering or secondary distribution.

### **ARTICLE 51.– Transaction Fine**

Without considering on the sanction defined in the law and regulations in used in the Kingdom of Cambodia, issuer, underwriter, expert, related entity violating against this Prakas shall be fined by SECC in cash range from 15,000,000 to 30,000,000 Riels.

## **CHAPTER VII**

### **Final Provisions**

### **ARTICLE 52.– Effective**

SECC will adopt guidelines for facilitating understanding and enforcement of the requirements of the Prakas by related entities, public and securities market participants.

### **ARTICLE 53.– Abrogate**

This Prakas shall substitute the Prakas No.001/KMK/PRK of 15 January 2010 on Public offering of Equities Securities.

### **ARTICLE 54.– Application**

Director General, Securities Issuance Supervision Department, Legal affair Department, Departments, other units of SECC and related parties shall implement this Prakas after the date of signing.

Phnom Penh, 10 September 2015

Signature and Seal

Aun Pornmoniroth

## **Copy and Distribution:**

- Council of Ministers
- Ministry of Economic and Finance
- Ministry of Commerce
- Ministry of Justice
- National Bank of Cambodia
- Secretariat of Royal Government
- Cabinet of Samdech Akka Moha Sena Padei Techo Hun Sen  
Prime Minister of the Kingdom of Cambodia
- Cabinets of Excellencies Deputy Prime Ministers
- All relevant Ministries and institutions
- As prescribed in Article 54
- Royal Gazette
- Archives-records.