**DATED THIS THE\_\_\_\_\_\_ DAY OF \_\_\_\_\_\_\_\_**

**PRELIMINARY DUE DILIGENCE REPORT**

**PREPARED BY**

**CONTENT PAGE**

**GLOSSARY**

|  |  |
| --- | --- |
| TERM | DEFINITION |
| “CCM” | the Companies Commission of Malaysia (Suruhanjaya Syarikat Malaysia), a statutory body formed pursuant to the Companies Commission of Malaysia Act 2001 |
| “CRIF” | the credit reporting agency, CRIF OMESTI Sdn. Bhd. (Malaysian Registration No. 201901046772 (1356102-A)) of Ho Hup Tower - Aurora Place, 2-10-07 Level 10, Plaza Bukit Jalil, No.1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur, Malaysia accredited under the Credit Reporting Agencies Act 2010 |
| “Experian” | the credit reporting agency, Experian Information Services (Malaysia) Sdn. Bhd. (Malaysian Registration No. 200001029664 (532271-T)) of Suite 16.02, Level 16, Centrepoint South, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia accredited under the Credit Reporting Agencies Act 2010 |
| “MdI” | the Malaysia Department of Insolvency (Jabatan Insolvensi Malaysia), a body under the supervision of the Prime Minister's Department of Malaysia |
| “MyIPO” | the Intellectual Property Corporation of Malaysia (Perbadanan Harta Intelek Malaysia), an agency under the purview of the Ministry of Domestic Trade and Consumer Affairs of Malaysia |
| “RM” or “MYR” | Ringgit Malaysia, the lawful currency of Malaysia |
| “X” |  |
| “Y” |  |
| “Z” |  |

INTRODUCTION

1. IN CONNECTION WITH the proposed cooperation between X and Y, Z has been requested to conduct a preliminary legal due diligence investigation of legal information in relation to the Y.
2. Our investigation consists of reviewing, inter alia, the relevant search results relating to the Y extracted by X from the following authorities/platforms and which were made available to us for our investigation:
	1. CCM;
	2. MdI;
	3. MyIPO; and
	4. CRIF / Experian (whichever is applicable).
3. The purpose of this Report is to provide X with the findings of our review in respect of Y based on the documents cited and attached herein.
4. This Report is addressed to X and may not be relied upon by any other person or entity and/or for any other purpose without our express prior consent. Save for the foregoing, this Report shall not be transmitted, delivered to nor relied on by any other person.
5. Kindly be informed that this Report relates only to the laws of Malaysia as at the date hereof. We do not purport to be experts on and do not purport to be familiar with any other laws in any other countries except with the laws of Malaysia. Any reference to a document or to a matter not governed by Malaysian law is purely indicative and this Report is not reporting on and expresses no opinion with respect to the laws of any other jurisdiction or any such documents or matters which may be subject to, or governed by, laws of any other jurisdiction.
6. This Report is limited to matters and issues as of the dates stated in this Report and WE ASSUME NO RESPONSIBILITY for any amendments in law, regulation, policy and/or the documents cited and attached herein after such prescribed dates that might affect the validity, assumptions, accuracy or completeness of this Report.
7. If X receives a copy of this Report but are not an authorised recipient or a person responsible for delivering it to an authorised recipient:-
	1. X must not use, distribute, copy, disclose or take any action in reliance on this Report or its contents; and
	2. X must notify us immediately by telephone or facsimile and return this Report to us.
8. Authorised recipients:
	1. the directors of X; and
	2. the Senior Legal Specialist of X, (insert name).
9. This Report is subject to the following liability disclaimers:-
	1. We have limited our scope of investigation to the instructions given to us by X;
	2. This Report has been prepared SOLELY based on the documents cited and attached herein and on the assumption that the content of such documents were and remain true and complete and is not misleading in any way;
	3. We have limited our enquiries to matters of a legal nature and this Report does not extend to accounting, tax, financial evaluation, valuation or matters of business judgment. We have not reviewed any finance and accounting matters (including matters in relation to loans and sources of finance), business assets, business and commercial contracts, licences and approvals for business and operation, land and conveyancing documents (including matters in relation to planning advice or anticipated planning changes on lands), computer system and data law compliance, privacy law and compliance, insurance and takaful, competition, tax, litigation clearance, environmental, social security or other employment related information. Our investigation or valuation is only based on the documents cited and attached herein;
	4. We have developed this Report based on the understanding that we are not required to carry out any independent verification on the accuracy, correctness or completeness of the information or documents cited and attached herein. The accuracy of this Report depends solely on the information provided being complete and not being misleading or deceptive;
	5. We have not carried out and are not required to carry out searches and/or verification to the contents of the documents cited and attached herein at the aforesaid authorities / platforms, the High Court of Malaya, any land registry or land office, and/or any other authorities or public databases or records or registers; and
	6. We do not accept a duty of care to any person other than X in respect of this Report. We have aimed to conduct the legal due diligence of the documents and information relevant for the purposes of this Report on a diligent and careful basis and, except in the event of our gross negligence or wilful misconduct, we do not accept any liability to X for any loss arising out of or in connection with this Report, whether in contract, tort, by statute or otherwise. For the avoidance of doubt, our liability to X for any loss arising out of or in connection with this Report is limited to the legal fees of this Report.

**[End of Page]**

**REPORT**

THE FOLLOWING are the findings of our review in relation to Y:-

**SECTION A. SEARCH RESULT(S) ON CORPORATE INFORMATION**

1. **GENERAL:**

X extracted the following search result(s) of Y from the CCM and Experian and provided the same to us for our perusal:-

* 1. company search result issued by the CCM on (insert date) (“CCM Search”);
	2. company profile (CP) and enhanced company profile (ECP) issued by Experian on (insert date) (collectively referred to as “Experian CP Search”); and we extracted the following search result(s) of Y from the CCM, CRIF and MdI:-
1. company search issued by the CCM and winding up search issued by MdI, both dated which have been conducted independently by Z in relation to A Sdn. Bhd. (as hereinafter referred in the Shareholder column in Paragraph 2 (Summary) below) (collectively referred to as “A Search Results”); and
2. company search issued by CRIF and winding up search issued by MdI, both dated which have been conducted independently by Z in relation to B Sdn. Bhd. (as hereinafter referred in the Interest in Other Companies column in Paragraph 2 (Summary) below) (collectively referred to as “B Search Results”).

We have summarised the details of such search result(s) in the table below and enclose a copy of the same at the end of this Report. We assume that as at the date hereof there is no change to the particulars stated therein.

1. **SUMMARY:**

|  |  |
| --- | --- |
| **Company** |  |
| **Legal Form and Place of Incorporation** |  |
| **Date of Incorporation** |  |
| **Company Number** |  |
| **Constitutional Documents** |  |
| **Issued and paid up Capital Shares** |  |
| **Registered Address** |  |
| **Business Address** |  |
| **Branches and Representation Offices** |  |
| **Business Sector** |  |
| **Primary Business Activity** |  |
| **Directors** |  |
| **Company Secretaries** |  |
| **Shareholders** |  |
| **Status as Exempt Private Company** |  |
| **Observations/Comments** |  |

1. **COPY OF THE SEARCH RESULT(S):**

See end of this Report for the: (a) CCM Search; (b) Experian CP Search; (c) A Search Results; and (d) B Search Results.

1. **CONCLUSION:**

We have/have not identified any red flags from the aforesaid information based on the information or documents cited and attached herein.

**[End of Page]**

**SECTION B. SEARCH RESULT(S) ON INSOLVENCY**

1. **GENERAL:**

We extracted the publicly available search result(s) from the MdI on Y on (insert date) and each and every registered director of Y on (insert date) respectively.

We have summarised the details of such search result(s) in the table below and enclose a copy of the same at the end of this Report.

We assume that as at the date hereof there is no change to the particulars stated therein.

1. **SUMMARY:**

|  |  |
| --- | --- |
| **Company** |  |
| **Company Number** |  |
| **Status of winding up** |  |
| **Observations/Comments** |  |

|  |  |
| --- | --- |
| **Director** |  |
| **Status of Bankruptcy** |  |
| **Observations/Comments** |  |

1. **COPY OF THE SEARCH RESULT(S):**

See end of this Report for the search result(s).

1. **CONCLUSION:**

We have not identified any red flag from the aforesaid information based on the information or documents cited and attached herein. All entities above are not being declared as bankrupt or wound-up company.

**[End of Page]**

**SECTION C. SEARCH RESULT(S) ON FINANCIAL INFORMATION**

1. **GENERAL:**

X extracted the following search result(s) of Y from the CCM and Experian and provided the same to us for our perusal: -

* 1. CCM Search;
	2. Experian CP Search;
	3. company intelligence (CI) and enhanced company intelligence (ECI) issued by Experian on (insert date) (collectively referred to as “Experian CI Search”); and
	4. credit intelligence company (CRC) issued by Experian on (insert date) (“Experian CRC Search”).

We have summarised the details of such search result(s) in the table below and enclose a copy of the same at the end of this Report.

X also provided the Reports And Financial Statements for the Financial Year Ended (insert date) (“Report FYE \_\_\_”) for our perusal.

We assume that as at the date hereof there is no change to the particulars stated therein.

1. **SUMMARY:**

|  |  |
| --- | --- |
| **Company** |  |
| **Company Number** |  |
| **Status as Exempt Private Company** |  |
| **Financial Year End** |  |
| **Key Figures on Balance Sheet (FYE 20\_\_)** |  |
| **Key Figures on Profit and Loss Account (FYE 20\_\_)** |  |
| **Company Charges** |  |
| **Auditor (FYE 20\_\_)** |  |
| **Outstanding Credit from Non-Bank Lender Credit Information (NLCI)** |  |
| **Observations/Comments** |  |

1. **ADDITIONAL RESPONSES & ANALYSIS TO REPORT FYE 20\_\_:**

|  |  |  |
| --- | --- | --- |
| **Page (in the Report FYE 20\_\_)** | **Issues** | **Observations/Comments** |
|  |  |  |
|  |  |  |

1. **COPY OF THE SEARCH RESULT(S):**

See end of this Report for the (a) CCM Search; (b) Experian CP Search; (c) Experian CI Search; and (d) Experian CRC Search.

1. **CONCLUSION:**

We are unable to provide our opinion on financial-related question. X may conduct an independent financial due diligence on Y to protect its interests if necessary.

**[End of Page]**

**SECTION D. SEARCH RESULT(S) ON TRADEMARKS**

1. **GENERAL:**

We have extracted the publicly available search result(s) of Y from the MyIPO on (insert date). We have summarised the details of such search result(s) in the table below.

We assume that as at the date hereof there is no change to the particulars stated therein.

1. **SUMMARY:**

|  |  |
| --- | --- |
| **Company** |  |
| **Company Number** |  |
| **Status on Registered Trademark or Pending Registration of Trademark** |  |
| **Observations/ Comments** |  |

1. **COPY OF THE SEARCH RESULT(S):**

See end of this Report for the search result(s).

1. **CONCLUSION:**

We have not identified any red flag from the search result(s).

**[End of Page]**

**SECTION E. OTHER INFORMATION**

1. **GENERAL:**

X extracted the following search result(s) of Y from the CCM and Experian and provided the same to us for our perusal:-

* 1. CCM Search;
	2. Experian CP Search;
	3. Experian CI Search; and
	4. Experian CRC Search.

We have summarised the details of such search result(s) in the table below and enclose a copy of the same at the end of this Report.

We assume that as at the date hereof there is no change to the particulars stated therein.

1. **SUMMARY:**

|  |  |
| --- | --- |
| **Company** |  |
| **Company Number** |  |
| **Pending Suit Initiated by Y** |  |
| **Pending Suit Initiated Against Y** |  |
| **Observations/Comments On Other Matters** |  |

1. **COPY OF THE SEARCH RESULT(S):**

See end of this Report for the (a) CCM Search; (b) Experian CP Search; (c) Experian CI Search; and (d) Experian CRC Search.

1. **CONCLUSION:**

Please take note that there are current or pending litigation suits against Y. As advised, since there are always risks and possibilities associated with such suits and/ or proceedings that may affect the business viability of Y, X may want to liaise with Y directly to obtain details of the legal suits or any other supporting documents that provides the nature of the suits, and at the same time engage litigation expert to assess the nature of the suits including the likely outcome.

**[End of Page]**

**ENCLOSURES**

(to be taken read as part of this Report)

(a) CCM Search;

(b) Experian CP Search;

(c) Search result(s) from the MdI;

(d) Experian CI Search;

(e) Experian CRC Search;

(f) Report FYE 20 ; and

(g) Search result(s) from the MyIPO.

**[See Next Page]**