

AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

EXISTING PROVISIONS		AMENDED PROVISIONS	
Para		Para	
	CHAPTER 1- DEFINITIONS AND INTERPRETATION		CHAPTER 1- DEFINITIONS AND INTERPRETATION
1.01	New provision		“net assets” in relation to a company, means the total assets of the company after deducting total liabilities.
Relevant paragraph	All requirements in the LR that contain the term “net tangible assets”.	Relevant paragraphs	The term “net tangible assets” wherever appearing in the LR shall be replaced with the term “net assets” except in relation to subparagraph 8.23(2)(c) of the LR, wherein the term “net tangible assets” shall be retained.
	CHAPTER 6- NEW ISSUES OF SECURITIES		CHAPTER 6- NEW ISSUES OF SECURITIES
6.11	Allotment of shares to directors etc (1) Except in the case of an issue of securities on a pro rata basis to shareholders, a listed issuer must ensure that it or any of its subsidiaries shall not issue shares or other convertible securities to a director, major shareholder or person connected with any director or major shareholder (hereinafter referred to as “the interested director”, “interested major shareholder” or “interested person connected with a director or major shareholder” respectively) unless shareholders in general meeting have approved of the specific allotment to be made to such aforesaid person.	6.11	Allotment of shares to directors etc (1) Except in the case of an issue of securities on a pro rata basis to shareholders, a listed issuer must ensure that it or any of its subsidiaries shall not issue shares or other convertible securities to the following persons unless shareholders in general meeting have approved of the specific allotment to be made to such persons:- (a) a director, major shareholder or chief executive officer of the listed issuer or a holding company of the listed issuer (hereinafter referred to in this Part E as “interested director”, “interested major shareholder” and “interested chief executive officer”); or (b) a person connected with an interested director, interested major shareholder or interested chief executive officer (hereinafter referred to in this Part E as “interested person connected with a director, major

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	<p>(2) Notwithstanding any provision to the contrary in these Requirements, in a meeting to obtain shareholders' approval in respect of the allotment referred to under subparagraph (1) above:-</p> <p>(a) the interested director, interested major shareholder or interested person connected with a director or major shareholder; and</p> <p>(b) where the allotment is in favour of an interested person connected with a director or major shareholder, such director or major shareholder,</p> <p>must not vote on the resolution approving the said allotment. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the said allotment.</p> <p>(3) A listed issuer must ensure that the notice of meeting includes the following:-</p> <p>(a) the number of securities to be so allotted;</p> <p>(b) the purpose of allotment;</p> <p>(c) the precise terms and conditions of the allotment; and</p> <p>(d) the identity and relationship of the connected persons with the director or major shareholder, where applicable.</p> <p>New provision</p>		<p>shareholder or chief executive officer”).</p> <p>(2) Notwithstanding any provision to the contrary in these Requirements, in a meeting to obtain shareholders' approval in respect of the allotment referred to under subparagraph (1) above:-</p> <p>(a) the interested director, interested major shareholder, interested chief executive officer or interested person connected with a director, major shareholder or chief executive officer; and</p> <p>(b) where the allotment is in favour of an interested person connected with a director, major shareholder or chief executive officer, such director, major shareholder or chief executive officer,</p> <p>must not vote on the resolution approving the said allotment. An interested director, interested major shareholder or interested chief executive officer must ensure that persons connected with him abstain from voting on the resolution approving the said allotment.</p> <p>(3) A listed issuer must ensure that the notice of meeting includes the following:-</p> <p>(a) the number of securities to be so allotted;</p> <p>(b) the purpose of allotment;</p> <p>(c) the precise terms and conditions of the allotment; and</p> <p>(d) the identity and relationship of the persons connected with the director, major shareholder or chief executive officer, where applicable.</p> <p>(4) Except in the case of an issue of securities on a pro rata basis to shareholders and subject to subparagraph (1)</p>

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			<p>above, a listed issuer must ensure that its subsidiary shall not issue shares or other convertible securities to a director, major shareholder or chief executive officer of the said subsidiary or the holding company of the said subsidiary (other than the listed issuer or a holding company of the listed issuer) or a person connected with such director, major shareholder or chief executive officer unless the following are complied with:-</p> <p>(a) prior approval of the board of directors of the listed issuer must be obtained for the specific allotment to such persons;</p> <p>(b) the board of directors of the listed issuer must ensure that the allotment is fair and reasonable to the listed issuer and in the best interests of the listed issuer; and</p> <p>(c) an immediate announcement of the specific allotment to such persons must be made which includes the following:-</p> <p>(i) the information prescribed in subparagraph (3) above; and</p> <p>(ii) a statement by the board of directors of the listed issuer that the allotment is fair and reasonable to the listed issuer and in the best interests of the listed issuer, and where a director disagrees with such statement, a statement by the director setting out the reasons and the factors taken into consideration in forming that opinion.</p>

EXISTING PROVISIONS		AMENDED PROVISIONS	
	CHAPTER 8- CONTINUING LISTING OBLIGATIONS		CHAPTER 8- CONTINUING LISTING OBLIGATIONS
8.30	<p>Issuance of circular</p> <p>Where a listed issuer makes an announcement of a corporate proposal and pursuant to these Requirements a circular is required to be issued to its securities holders in relation to such corporate proposal, the said listed issuer must submit the said circular to the Exchange in accordance with these Requirements as soon as possible and in any event no later than 2 months from the date of the announcement or the date the last approval necessary for the corporate proposal is obtained from the relevant authority, whichever is the later and the circular must be issued immediately upon receipt of confirmation by the Exchange that it has no further comments thereon.</p>	8.30	<p>Issuance of circular</p> <p>Where a listed issuer makes an announcement of a corporate proposal and pursuant to these Requirements a circular is required to be issued to its securities holders in relation to such corporate proposal:-</p> <p>(a) the said listed issuer must submit the draft circular to the Exchange or issue the printed circular, as the case may be, in accordance with these Requirements as soon as possible and in any event no later than 2 months from the date of the announcement or the date the last approval necessary for the corporate proposal is obtained from the relevant authority, whichever is the later; and</p> <p>(b) where the draft circular is submitted to the Exchange pursuant to subparagraph (a) above, the printed circular must be issued immediately upon receipt of confirmation that it has no further comments thereon and in any event no later than 7 market days after receipt of such confirmation.</p>
	CHAPTER 10- TRANSACTIONS		CHAPTER 10- TRANSACTIONS
10.02	<p>Definitions</p> <p>(c) “director” shall have the meaning given in section 4 of the Companies Act 1965 and includes any person who is or was within the preceding 12 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer (or any other company which is its subsidiary or holding company <u>or a subsidiary of its holding company</u>);</p>	10.02	<p>Definitions</p> <p>(c) “director” shall have the meaning given in section 4 of the Companies Act 1965 and includes any person who is or was within the preceding 12 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer or any other company which is its subsidiary or holding company or a chief executive officer of the listed</p>

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	<p>(f) “major shareholder” includes any person who is or was within the preceding 12 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer as defined under paragraph 1.01 (or any other company which is its subsidiary or holding company <u>or a subsidiary of its holding company</u>);</p> <p>(g) “net tangible assets” in relation to a company, means the aggregate of the company’s equity share capital and reserves after deducting goodwill and other intangibles;</p>		<p>issuer, its subsidiary or holding company.</p> <p>(f) “major shareholder” includes any person who is or was within the preceding 12 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer as defined under paragraph 1.01 or any other company which is its subsidiary or holding company;</p> <p>(g) Deleted.</p>
10.03	<p>Basis of valuation</p> <p>(1) For the purpose of determining the value of the assets referred to in paragraph 10.02(h)(i), the following shall apply:-</p> <p>(a) in any acquisition or disposal of equity share capital the value thereof is to be assessed by reference to the book value of the net tangible assets represented by such capital; or</p> <p>(b) in any acquisition of assets other than equity share capital, the value of such assets shall be assessed by reference to the consideration. In the case of any disposal of assets other than equity share capital, the value of such assets shall be assessed by the consideration or the net book value of those assets, whichever is greater.</p> <p>(2) The market value of the equity share capital of the company shall be determined as the weighted average market price for the equity share capital for the 5 market days prior to the date</p>	10.03	<p>Basis of valuation</p> <p>(1) For the purpose of determining the value of the assets referred to in paragraph 10.02(h)(i), the following shall apply:-</p> <p>(a) in any acquisition or disposal of equity share capital the value thereof is to be assessed by reference to the book value of the net assets represented by such capital; or</p> <p>(b) in any acquisition of assets other than equity share capital, the value of such assets shall be assessed by reference to the consideration. In the case of any disposal of assets other than equity share capital, the value of such assets shall be assessed by the consideration or the net book value of those assets, whichever is greater.</p> <p>(2) No change.</p>

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	<p>on which the terms of the transaction were agreed upon.</p> <p>(3) For the purpose of computation of indicators of materiality (including the percentage ratios) in this Chapter, the following shall apply:-</p> <p>(a) the figures used must, in the case of total assets, net tangible assets, net book value of assets and net profits, be figures shown in the latest published audited accounts of the listed issuer or the latest audited consolidated accounts of the listed issuer, if the listed issuer has subsidiaries;</p> <p>(b) the total assets, net tangible assets and net book value of assets may be adjusted to take into account subsequent completed transactions in respect of which adequate information has already been issued to shareholders and where the adjustments have been reviewed by the listed issuer's external auditors; and</p> <p>(c) the listed issuer may use the total assets, net tangible assets and net book value of assets included in the balance sheet in its quarterly reports, provided that the listed issuer confirms to the Exchange, in writing, that:-</p> <p>(i) the balance sheet has been prepared in accordance with the listed issuer's accounting policies and generally accepted accounting practices and in accordance with applicable approved accounting standards issued by Malaysian Accounting Standards Board; and</p> <p>(ii) the results have been reviewed by the listed issuer's external auditors and is accompanied by confirmation from the listed issuer's external auditors that the accounts have been prepared on accounting principles and bases consistent with those previously</p>		<p>(3) For the purpose of computation of indicators of materiality (including the percentage ratios) in this Chapter, the following shall apply:-</p> <p>(a) the figures used must, in the case of total assets, net assets, net book value of assets and net profits, be figures shown in the latest published audited accounts of the listed issuer or the latest audited consolidated accounts of the listed issuer, if the listed issuer has subsidiaries;</p> <p>(b) the total assets, net assets and net book value of assets may be adjusted to take into account subsequent completed transactions in respect of which adequate information has already been issued to shareholders and where the adjustments have been reviewed by the listed issuer's external auditors; and</p> <p>(c) the listed issuer may use the total assets, net assets and net book value of assets included in the balance sheet in its quarterly reports, provided that the listed issuer confirms to the Exchange, in writing, that:-</p> <p>(i) the balance sheet has been prepared in accordance with the listed issuer's accounting policies and generally accepted accounting practices and in accordance with applicable approved accounting standards issued by Malaysian Accounting Standards Board; and</p> <p>(ii) the results have been reviewed by the listed issuer's external auditors and is accompanied by confirmation from the listed issuer's external auditors that the accounts have been prepared on accounting principles and bases consistent with</p>

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	<p>adopted in the preparation of annual audited accounts.</p> <p>(4) [As per existing provisions]</p> <p>New provision</p> <p>(5) [As per existing provisions]</p>		<p>those previously adopted in the preparation of annual audited accounts.</p> <p>(4) [No change]</p> <p>(4A) If deferred consideration is or may be payable or receivable by a listed issuer or its subsidiary in the future, the consideration to be taken into account is the maximum total consideration payable or receivable under the transaction.</p> <p>(5) [No change]</p>
	PART E-RELATED PARTY TRANSACTIONS		PART E-RELATED PARTY TRANSACTIONS
10.08	<p>Related party transactions</p> <p>(1) For a related party transaction, the listed issuer must make an immediate announcement to the Exchange of such transaction which announcement shall include the information set out in Appendices 10A and 10C.</p> <p>(2) For a related party transaction where any one of the percentage ratios is equal to or exceeds 5%, the following must be complied with by the listed issuer:-</p> <p>(a) a circular must be sent to the shareholders which shall include the information set out in Appendix 10B and Part A of Appendix 10D. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 10B and Part A of Appendix 10D;</p> <p>(b) the shareholders' approval of the transaction must be</p>	10.08	<p>Related party transactions</p> <p>(1) [No change]</p> <p>(2) Subject to subparagraph (8A) below, for a related party transaction where any one of the percentage ratios is equal to or exceeds 5%, the following must be complied with by the listed issuer:-</p> <p>(a) a circular must be sent to the shareholders which shall include the information set out in Appendix 10B and Part A of Appendix 10D. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 10B and Part A of Appendix 10D;</p>

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	<p>sought in general meeting; and</p> <p>(c) an independent adviser must be appointed.</p> <p>(3) The independent adviser referred to in subparagraph (2)(c) above must be appointed by the listed issuer before terms of the transaction are agreed upon, and it shall be the duty and responsibility of the independent adviser to comment as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders and, such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion.</p> <p>(4) For a related party transaction where any one of the percentage ratios is equal to or exceeds 25%, the following must be complied with by the listed issuer:-</p> <p>(a) a main adviser, which shall be a merchant bank or a Participating Organization that may act as a principal adviser under the Commission's Policies and Guidelines on Issue/Offer of Securities, must be appointed by the listed issuer before terms of the transaction are agreed</p>		<p>(b) the shareholders' approval of the transaction must be sought in general meeting; and</p> <p>(c) an independent adviser must be appointed.</p> <p>(3) The independent adviser referred to in subparagraph (2)(c) above, must be appointed by the listed issuer before terms of the transaction are agreed upon, and it shall be the duty and responsibility of the independent adviser to:-</p> <p>(a) confirm to the Exchange of its eligibility to act as an independent adviser within a period of 2 weeks after the announcement of the transaction;</p> <p>(b) comment as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion; and</p> <p>(c) advise minority shareholders on whether they should vote in favour of the transaction.</p> <p>(4) Subject to subparagraph (8A) below, for a related party transaction where any one of the percentage ratios is equal to or exceeds 25%, the following must be complied with by the listed issuer:-</p> <p>(a) [No change]</p>

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	<p>upon, and it shall be the duty and responsibility of the main adviser to:-</p> <p>(i) ensure that such transaction:-</p> <p>(aa) is carried out on fair and reasonable terms and conditions, and not to the detriment of minority shareholders of the listed issuer; and</p> <p>(bb) complies with the relevant laws/regulations/guidelines, where applicable;</p> <p>(ii) ensure full disclosure of all information required to be disclosed in the announcement and circular; and</p> <p>(iii) confirm to the Exchange and the Commission, after the transaction has been completed and all the necessary approvals have been obtained, that it has discharged its responsibility with due care in regard to the transaction; and</p> <p>(b) an independent adviser, which shall be a merchant bank or a Participating Organization that may act as a principal adviser under the Commission's Policies and Guidelines on Issue/Offer of Securities, must be appointed by the listed issuer before terms of the transaction are agreed upon, and it shall be the duty and responsibility of the independent adviser to:-</p> <p>(i) comment as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of</p>		<p>(b) an independent adviser, which shall be a merchant bank or a Participating Organization that may act as a principal adviser under the Commission's Policies and Guidelines on Issue/Offer of Securities, must be appointed by the listed issuer before terms of the transaction are agreed upon, and it shall be the duty and responsibility of the independent adviser to:-</p> <p>(i) confirm to the Exchange of its eligibility to act as an independent adviser within a period of 2 weeks after the announcement of the transaction;</p>

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	<p>minority shareholders and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion; and</p> <p>(ii) confirm to the Exchange of its eligibility to act as an independent adviser within a period of 2 weeks after the announcement of the transaction.</p> <p>(5)-(8) [As per existing provisions]</p> <p>New provision</p>		<p>(ii) comment as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders and such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion; and</p> <p>(iii) advise minority shareholders on whether they should vote in favour of the transaction.</p> <p>(5)-(8) [No change]</p> <p>(8A) For a related party transaction entered into between a subsidiary of a listed issuer and another person where any one of the percentage ratios is equal to or exceeds 5% and there are no other interested relationships except for a related party having an interest in the transaction who is:-</p> <p>(a) a director or major shareholder of such subsidiary or the holding company of such subsidiary (other than the listed issuer or a holding company of the listed issuer) (hereinafter referred to in this subparagraph as “the interested director” or “the interested major shareholder”); or</p> <p>(b) a person connected with the interested director or interested major shareholder;</p> <p>the listed issuer is exempted from:-</p> <p>(i) issuing a circular to shareholders;</p>

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	<p>(9) The following transactions are not normally regarded as related party transactions:-</p> <p>(a) the payment of dividend, issue of securities by way of a bonus issue, share split or an issuance of securities for cash (but shall be subject to paragraph 6.11);</p> <p>(b) a transaction between a listed issuer or any of its subsidiaries and an investee company, where the related party has no interest in the investee company other than via the listed issuer;</p> <p>(c) a transaction between the listed issuer or any of its subsidiaries and another person, where there are no other interested relationships except for common directorships and the directors who have common directorships have no shareholdings in either the listed issuer or any of its subsidiaries or that other company;</p>		<p>(ii) obtaining shareholders' approval of the transaction in general meeting; and</p> <p>(iii) appointing a main adviser and independent adviser, as the case may be;</p> <p>provided that the board of directors of the listed issuer :-</p> <p>(aa) approves the transaction before the terms of transaction are agreed upon; and</p> <p>(bb) ensures that the transaction is fair and reasonable to the listed issuer and is in the best interests of the listed issuer.</p> <p>(9) The following transactions are not normally regarded as related party transactions:-</p> <p>(a) the payment of dividend, issue of securities by the listed issuer by way of a bonus issue or for cash (but shall be subject to paragraph 6.11), subdivision of shares, consolidation of shares or reduction in the par value of shares;</p> <p>(b) [No change];</p> <p>(c) a transaction between the listed issuer or any of its subsidiaries and another person, where there are no other interested relationships except for common directorships provided that the directors who have common directorships have:-</p> <p>(i) no shareholdings in the other person other</p>

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	<p>(d) an acquisition or disposal by the listed issuer or any of its subsidiaries from or to a third party of an interest in another company where the related party holds less than 5% in that other company;</p> <p>(e) the provision of financial assistance or services by a licensed institution as defined under the Banking and Financial Institutions Act 1989, upon normal commercial terms and in the ordinary course of business; <u>or</u></p> <p>(f) director's fees and remuneration, and employment remuneration.</p> <p>New provisions</p>		<p>than via the listed issuer; and</p> <p>(ii) no other interest such as commission or other kinds of benefit received from the listed issuer or any of its subsidiaries or the other person in relation to the said transaction;</p> <p>(d) an acquisition or disposal by the listed issuer or any of its subsidiaries from or to a third party of an interest in another company where the related party holds less than 5% in that other company other than via the listed issuer;</p> <p>(e) the provision or receipt of financial assistance or services by or from a licensed institution as defined under the Banking and Financial Institutions Act 1989, upon normal commercial terms and in the ordinary course of business;</p> <p>(f) director's fees and remuneration, and employment remuneration;</p> <p>(g) a transaction between a listed issuer or any of its subsidiaries and another person for the provision or receipt of goods or services which are Exempted Transactions where:-</p> <p>(i) the goods or services are purchased, sold or rendered based on a non-negotiable fixed price or rate which is published or publicly quoted; and</p> <p>(ii) all material terms including the prices or charges</p>

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			<p>are applied consistently to all customers or classes of customers;</p> <p>For the purposes of this subparagraph:-</p> <p>(i) "goods" shall exclude securities;</p> <p>(ii) "classes of customers" shall exclude such class by reason solely or otherwise that the customers are related parties of the listed issuer or its subsidiaries;</p> <p>(iii) "Exempted Transactions" means the following:-</p> <p>(aa) provision or usage of public utility services such as water, electricity, telecommunications, postal or courier services, insurance, stock broking services, public transport, education, medical services, provision or usage of tolled highways, hotel facilities and recreational services, provision or consumption of fuel on retail or food and beverage at eateries, provision or purchase of goods at retail outlets such as supermarkets, hypermarkets or departmental stores; and</p> <p>(bb) such other types of transactions that may be prescribed by the Exchange from time to time;</p> <p>(h) the entry into or renewal of tenancy of properties of not more than 3 years, the terms of which are</p>

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			<p>supported by an independent valuation;</p> <p>(i) a contract that is awarded by or on behalf of the Government of Malaysia or a State Government to the listed issuer or its subsidiary provided that an immediate announcement is made by the listed issuer which announcement shall include the information set out in Appendices 10A and 10C;</p> <p>(j) a contract that is awarded by way of a public tender:-</p> <p>(i) in relation to the listed awarder or its subsidiaries provided that an immediate announcement is made of the terms of the awarded contract and the value of at least the 3 closest bids or if not applicable, such lesser number of bids received; and</p> <p>(ii) in relation to the successful listed bidder or its subsidiaries provided that:-</p> <p>(aa)the awarder is listed or is a subsidiary of a listed issuer;</p> <p>(bb) majority of the directors and members of the audit committees of the listed issuers (whether as the bidder or the awarder or the holding companies of the bidder or awarder subsidiaries) are different; and</p> <p>(cc) an immediate announcement is made by the listed bidder which announcement shall</p>

EXISTING PROVISIONS		AMENDED PROVISIONS	
			<p>include the information set out in Appendices 10A and 10C;</p> <p>(k) a transaction between a listed issuer or any of its subsidiaries and another person which involves the sharing of services or facilities provided by one or more of such parties or other similar arrangements whereby the consideration merely involves reimbursement or sharing of costs in proportion to the utilisation of the services or facilities;</p> <p>(l) a transaction between the listed issuer or any of its subsidiaries and another person where there are no other interested relationships except for the related party having shareholdings in the other person which is less than 5% other than via the listed issuer;</p> <p>(m) a transaction between the listed issuer or any of its subsidiaries and another person where there are no other interested relationships except for:-</p> <p>(i) common major shareholders; or</p> <p>(ii) a person connected with a major shareholder being a major shareholder of the other person,</p> <p>provided that the following conditions are satisfied:-</p> <p>(aa) the major shareholder and/or the person connected with the major shareholder is/are not the largest shareholder of the listed issuer;</p>

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			<p>(bb) the major shareholder and/or the person connected with the major shareholder is/are not a party to the said transaction, initiator, agent or involved in any other manner in the said transaction;</p> <p>(cc) the major shareholder does not have any representative in an executive capacity on the board of directors of the listed issuer or any of its subsidiaries; and</p> <p>(dd) the major shareholder is:-</p> <p>(A) a statutory institution who is managing funds belonging to contributors or investors who are members of the public;</p> <p>(B) an entity established as a collective investment scheme such as closed end funds, unit trust or investment funds (but excluding an investment holding company); or</p> <p>(C) an insurance company whose activities are regulated by any written law relating to insurance and are subject to supervision by Bank Negara Malaysia and the said insurance company is managing its insurance funds (together with its own shareholders' funds or otherwise). For the purposes of this subparagraph, "insurance funds" shall have the meaning given in section 2 of the Insurance Act, 1996;</p>

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			<p>(n) a transaction between the listed issuer and another person where there are no other interested relationships except for a related party who is a director or major shareholder of a subsidiary of the listed issuer or person connected with such director or major shareholder having an interest in the transaction; or</p> <p>(o) a transaction between a subsidiary of a listed issuer (hereinafter referred to as “the transacting subsidiary”) and another person where there are no other interested relationships except for a related party who is a director or major shareholder of a subsidiary of the listed issuer (other than the transacting subsidiary or holding companies of the transacting subsidiary) or person connected with such director or major shareholder having an interest in the transaction.</p>
10.09	<p>Recurrent related party transactions of a revenue nature</p> <p>(1) With regard to related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for its day to day operations such as supplies of materials the listed issuer may seek a shareholders’ mandate in respect of such transactions subject to the following:-</p> <p>(a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;</p>	10.09	<p>Recurrent related party transactions of a revenue nature</p> <p>(1) With regard to related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for its day to day operations such as supplies of materials the listed issuer may seek a shareholders’ mandate in respect of such transactions subject to the following:-</p> <p>(a) [No change];</p> <p>(b) the shareholders’ mandate is subject to annual renewal and disclosure is made in the annual report</p>

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	<p>(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;</p> <p>(c) the listed issuer's circular to shareholders for the shareholders' mandate shall include the information set out in Part B of Appendix 10D. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Part B of Appendix 10D; and</p> <p>(d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions.</p>		<p>of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-</p> <p>(i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM 1 million; or</p> <p>(ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,</p> <p>whichever is the lower.</p> <p>(c) the listed issuer's circular to shareholders for the shareholders' mandate shall include the information set out in Part B of Appendix 10D and Appendix PN12/2001-A of Practice Note No. 12/2001. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Part B of Appendix 10D and Appendix PN12/2001-A of Practice Note No. 12/2001; and</p> <p>(d) [No change]</p>

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	(2) Where a listed issuer has procured shareholders' mandate pursuant to subparagraph (1) above, the provisions of paragraph 10.08 shall not apply.		(2) [No change]
10.11	<p>Aggregation of transactions</p> <p>(1) The Exchange may aggregate separate transactions and treat such transactions as if they were one transaction if the terms of such transactions were agreed upon within a period of 12 months <u>and the total percentage ratio is equal to or exceeds 5%.</u></p> <p>(2) [As per existing provisions]</p>	10.11	<p>Aggregation of transactions</p> <p>(1) The Exchange may aggregate separate transactions and treat such transactions as if they were one transaction if the terms of such transactions were agreed upon within a period of 12 months.</p> <p>(2) [No change]</p>
	<p>APPENDIX 10C</p> <p>Additional contents of announcement in relation to related party transactions</p> <p>(paragraph 10.08(1))</p> <p>(1) [As per existing provisions]</p> <p>(2) If the listed issuer is required to appoint an independent adviser, that the independent adviser will be appointed to advise the minority shareholders of the listed issuer as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders.</p> <p>New provision</p>		<p>APPENDIX 10C</p> <p>Additional contents of announcement in relation to related party transactions</p> <p>(paragraph 10.08(1))</p> <p>(1) [No change]</p> <p>(2) If the listed issuer is required to appoint an independent adviser, a statement explaining the role of the independent adviser.</p> <p>(3) In relation to a transaction which falls within paragraph</p>

EXISTING PROVISIONS		AMENDED PROVISIONS	
	[End of Appendix]		<p>10.08(8A), a statement by the board of directors that the transaction is fair and reasonable to the listed issuer and where a director disagrees with such statement, a statement by the director setting out the reasons and the factors taken into consideration in forming that opinion.</p> <p>[End of Appendix]</p>
	<p>APPENDIX 10D</p> <p>Additional contents of circular to shareholders in relation to related party transactions (paragraph 10.08(2)(a))</p> <p>(1) – (3) [As per existing provisions]</p> <p>(4) <u>An opinion, in the form of</u> a separate letter, by an independent adviser, as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders and, such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration, in forming that opinion.</p>		<p>APPENDIX 10D</p> <p>Additional contents of circular to shareholders in relation to related party transactions (paragraph 10.08(2)(a))</p> <p>(1) – (3) [No change]</p> <p>(4) A separate letter by an independent adviser incorporating:-</p> <p>(a) an opinion as to whether the transaction is fair and reasonable so far as the shareholders are concerned and whether the transaction is to the detriment of minority shareholders and, such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration, in forming that opinion; and</p> <p>(b) advice to minority shareholders on whether they should vote in favour of the transaction.</p>
	<p>Practice Note No. 14/2002</p> <p>REQUIREMENTS ON TRANSACTIONS AND RELATED PARTY TRANSACTIONS</p>		<p>Practice Note No. 14/2002</p> <p>REQUIREMENTS ON TRANSACTIONS AND RELATED PARTY TRANSACTIONS</p>

EXISTING PROVISIONS	AMENDED PROVISIONS
<p>3.0 Principles of aggregation</p> <p>3.1 Pursuant to paragraph 10.11 of the Listing Requirements, the Exchange may aggregate separate transactions and treat such transactions as if they were one transaction in certain circumstances (hereinafter referred to as "the Rule of Aggregation"). In this respect, the Exchange generally considers the following principles in applying the Rule of Aggregation:-</p> <p>(a) If the aggregation of transaction pursuant to the Rule of Aggregation results in a requirement for shareholders' approval under paragraph 10.06 or paragraph 10.08 of the Listing Requirements respectively, then that approval is required only for the latest transaction. The earlier transaction(s) would only require disclosure in the circular which shall include the information prescribed under the Listing Requirements.</p> <p>(b) A transaction will only be aggregated with an earlier transaction if by doing so, it results in a new or additional obligation being applicable in respect of the latest transaction vis-à-vis the earlier transaction.</p> <p>Illustration 1</p>	<p>3.0 Principles of aggregation</p> <p>3.1 Pursuant to paragraph 10.11 of the Listing Requirements, the Exchange may aggregate separate transactions and treat such transactions as if they were one transaction in certain circumstances (hereinafter referred to as "the Rule of Aggregation"). In this respect, the Exchange generally considers the following principles in applying the Rule of Aggregation:-</p> <p>(a) A transaction will be aggregated with an earlier transaction for the purpose of determining the obligations applicable in respect of the latest transaction except in the following circumstances:-</p> <p>(i) a transaction that has been announced earlier pursuant to Chapter 10 of the Listing Requirements, shall not be aggregated with the latest transaction when determining whether an announcement is required; and</p> <p>(ii) a transaction which has been approved by shareholders or which was the subject of aggregation with a transaction which has been approved by shareholders pursuant to Chapter 10 of the Listing Requirements, shall not be aggregated with the latest transaction when determining whether any obligations are applicable; and</p> <p>(b) If the aggregation of transactions results in a requirement for shareholders' approval under Chapter 10 of the Listing Requirements, then that approval is required only for the latest transaction. The earlier transaction(s) would only require disclosure in the circular which shall include the information prescribed under the Listing Requirements.</p>

EXISTING PROVISIONS

Facts:

Listed issuer, Z Bhd started to conduct business with a non-related party, Mr B in 2002. The transactions entered into between Z Bhd and Mr B during the year are as follows:-

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 1	January 2002	1%
Transaction 2	February 2002	4%
Transaction 3	Early March 2002	1%
Transaction 4	End March 2002	5%
Transaction 5	April 2002	6%
Transaction 6	November 2002	10%

Based on the above facts, the application of the principles set out in sub-paragraphs (a) and (b) above is as follows:-

AMENDED PROVISIONS

Illustration 1:

Facts:

Listed issuer, Z Bhd started to conduct business with a non-related party, Mr B in 2002. The transactions entered into between Z Bhd and Mr B during the year are as follows:-

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 1	January 2002	1%
Transaction 2	February 2002	4%
Transaction 3	Early March 2002	1%
Transaction 4	End March 2002	5%
Transaction 5	April 2002	6%
Transaction 6	November 2002	10%

Based on the above facts, the application of the principles set out

EXISTING PROVISIONS	AMENDED PROVISIONS
<p>i. Transaction 2 will be aggregated with Transaction 1 thus requiring Transaction 2 to be announced pursuant to paragraph 10.04 of the Listing Requirements. The announcement must include information on Transaction 1 which shall include the information set out in Appendix 10A of the Listing Requirements;</p> <p>ii. Transaction 3 will not be aggregated with Transactions 1 and 2 as no new or additional obligations under the Listing Requirements would be triggered in respect of Transaction 3 vis-à-vis the earlier transaction, Transaction 2;</p> <p>iii. Transaction 4, on its own, merely requires announcement pursuant to paragraph 10.04 of the Listing Requirements and will not be aggregated with Transactions 1, 2 and 3 as no additional or new obligations would be triggered in respect of Transaction 4 vis-à-vis the earlier transaction, Transaction 3.</p>	<p>in sub-paragraphs (a) and (b) above is as follows:-</p> <p>i. Transaction 2 will be aggregated with Transaction 1 to determine the obligations that are applicable. As the aggregate percentage ratio of Transactions 1 and 2 is 5%, Transaction 2 must be announced pursuant to paragraph 10.04 of the Listing Requirements. The announcement must include information on Transaction 1 which shall include the information set out in Appendix 10A of the Listing Requirements;</p> <p>ii. Transactions 1 and 2 will be aggregated with Transaction 3 to determine the obligations that are applicable. However for purposes of determining whether an announcement is required, Transactions 1 and 2 will be excluded from aggregation with Transaction 3 as they have already been announced. As the percentage ratio of Transaction 3 is only 1%, no announcement is required. As the aggregate percentage ratio for Transactions 1 to 3 is 6%, no other obligation is triggered.</p> <p>iii. Transaction 4 will be aggregated with Transactions 1 to 3 to determine the obligations that are applicable. However for purposes of determining whether an announcement is required, Transactions 1 and 2 will be excluded from aggregation with Transaction 4 as they have already been announced. As the aggregate percentage ratio for Transactions 3 and 4 is 6%, an announcement is required. The announcement must include information on Transaction 3 which shall include the information set out in Appendix 10A of the Listing Requirements. As the aggregate percentage ratio of Transactions 1 to 4 is 11%,</p>

EXISTING PROVISIONS		AMENDED PROVISIONS	
<p>iv. Transaction 5 will be aggregated with Transactions 1, 2, 3 and 4 thus requiring, in addition to an immediate announcement, the issuance of an information circular for Transaction 5 in accordance with paragraph 10.05 of the Listing Requirements. In this respect, information on Transactions 1, 2, 3 and 4 must be included in the said circular which shall include the information prescribed under Appendix 10B of the Listing Requirements; and</p> <p>v. Transaction 6 will be aggregated with Transactions 1, 2, 3, 4 and 5 thus requiring shareholders' approval to be procured for Transaction 6. In this respect, information on Transactions 1, 2, 3, 4 and 5 must be included in the circular issued which shall include the information set out in Appendix 10B of the Listing Requirements.</p>	<p>no other obligation is triggered.</p> <p>iv. Transaction 5 will be aggregated with Transactions 1 to 4 to determine the obligations that are applicable. However for purposes of determining whether an announcement is required, Transactions 1 to 4 will be excluded from aggregation with Transaction 5 as they have all been announced. As the percentage ratio for Transaction 5 is 6%, Transaction 5 on its own requires an announcement. As the aggregate percentage ratio for Transactions 1 to 5 is 17%, an information circular is required to be sent in accordance with paragraph 10.05 of the Listing Requirements. In this respect, information on Transactions 1, 2, 3 and 4 must be included in the said circular which shall include the information prescribed under Appendix 10B of the Listing Requirements; and</p> <p>v. Transaction 6 will be aggregated with Transactions 1 to 5 to determine the obligations that are applicable. However for purposes of determining whether an announcement is required, Transactions 1 to 5 will be excluded from aggregation with Transaction 6 as they have all been announced. As the percentage ratio for Transaction 6 is 10%, Transaction 6 on its own requires an announcement. As the aggregate percentage ratio for Transactions 1 to 6 is 27%, shareholders' approval is required in respect of the latest transaction, i.e. Transaction 6. In this respect, information on Transactions 1, 2, 3, 4 and 5 must be included in the circular issued which shall include the information set out in Appendix 10B of the Listing Requirements.</p>		

EXISTING PROVISIONS	AMENDED PROVISIONS
<p>(c) An earlier transaction for which shareholders' approval has been obtained (hereinafter referred to as "the Approved Transaction") will not be aggregated with the latest transaction. In this respect, earlier transaction(s) aggregated with the Approved Transaction will also not be aggregated with the latest transaction.</p> <p>Illustration 2:</p> <p>Facts:</p> <p>In addition to the facts set out in Illustration 1, Z Bhd entered into Transaction 7 with Mr B in December 2002. In this case, shareholders' approval had been sought for Transaction 6 in November 2002.</p> <p>Based on the above facts, and the application of the principles set out in sub-paragraph (c) above, Transaction 7 will not be aggregated with the earlier transactions (i.e. Transactions 1 to 6) because shareholders' approval has been sought for Transaction 6.</p> <p>Illustration 3:</p> <p>Facts:</p> <p>Listed issuer A Bhd entered into the following transactions with a related party, Mdm Y in 2002:-</p>	<p>Deleted.</p> <p>Illustration 2:</p> <p>Facts:</p> <p>In addition to the facts set out in Illustration 1, Z Bhd entered into Transaction 7 with Mr B in December 2002. In this case, shareholders' approval had been sought for Transaction 6 in November 2002.</p> <p>Based on the above facts, and the application of the principles set out in sub-paragraph (a) above, Transactions 1 to 6 will be excluded from aggregation with Transaction 7 for purposes of determining whether any obligation is triggered as they have all been announced and shareholders' approval has been sought for Transaction 6 based on aggregation with Transactions 1 to 5.</p> <p>Illustration 3:</p> <p>Facts:</p> <p>Listed issuer A Bhd entered into the following transactions with a related party, Mdm Y in 2002:-</p>

EXISTING PROVISIONS

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 1	February 2002	3%
Transaction 2	April 2002	2%

Based on the above and applying the principles set out in subparagraph (a) and (c), Transaction 2 will be aggregated with Transaction 1 thus requiring Transaction 2 to comply with paragraph 10.08(2) of the Listing Requirements. In this respect, information on Transaction 1 must be included in the circular issued which shall include the information prescribed under Appendix 10B and Part A of Appendix 10D of the Listing Requirements.

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 3	October2002	3%

In this case, the parties subsequently entered into Transaction 3 in October 2002. Transaction 3 will not be aggregated with

AMENDED PROVISIONS

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 1	February 2002	3%
Transaction 2	April 2002	2%

Based on the above and applying the principles set out in subparagraph (a) and (b), Transaction 2 will be aggregated with Transaction 1 thus requiring Transaction 2 to comply with paragraph 10.08(2) of the Listing Requirements. In this respect, information on Transaction 1 must be included in the circular issued which shall include the information prescribed under Appendix 10B and Part A of Appendix 10D of the Listing Requirements.

Transactions	Date of Transactions	Relevant Percentage Ratio
Transaction 3	October2002	3%

In this case, the parties subsequently entered into Transaction 3 in October 2002. Transaction 3 will not be aggregated with

EXISTING PROVISIONS		AMENDED PROVISIONS	
	Transactions 1 and 2 as shareholders' approval for Transaction 2 has been obtained.		Transactions 1 and 2 as shareholders' approval for Transaction 2 has been obtained based on aggregation with Transaction 1. Transaction 3 on its own must be announced pursuant to paragraph 10.08(1) of the Listing Requirements.
	<p>Practice Note No. 14/2002</p> <p>REQUIREMENTS ON TRANSACTIONS AND RELATED PARTY TRANSACTIONS</p> <p>4.0 Transactions not regarded as related party transactions</p> <p>4.1 In addition to the transactions set out in paragraph 10.08(9) of the Listing Requirements, the following are not normally regarded as related party transactions:-</p> <p>(a) – (h) [As per existing provisions]</p>		<p>Practice Note No. 14/2002</p> <p>REQUIREMENTS ON TRANSACTIONS AND RELATED PARTY TRANSACTIONS</p> <p>Deleted</p>