

ANNEXURE B

PROPOSED ACE LR AMENDMENTS IN RELATION TO
CONFLICT OF INTEREST & OTHER AREAS

ACE Market Listing Requirements

CHAPTER 6 NEW ISSUE OF SECURITIES

PART C - GENERAL REQUIREMENTS FOR NEW ISSUE OF SECURITIES

6.07 Allotment of shares to directors etc.

(1) Subject to sub-Rules (1A) and (5) below, a listed corporation must ensure that it or any of its subsidiaries does not issue shares or other convertible securities to the following persons unless shareholders in general meeting have approved the specific allotment to be made to such persons:

- (a) a director, major shareholder or chief executive of the listed corporation or a holding company of the listed corporation (“**interested director**”, “**interested major shareholder**” and “**interested chief executive**”); or
- (b) a person connected with an interested director, interested major shareholder or interested chief executive (“**interested person connected with a director, major shareholder or chief executive**”).

(1A) [No change].

(2) ~~Notwithstanding any provision to the contrary in these Requirements~~ Subject to sub-Rule (5) below, in a meeting to obtain shareholder approval in respect of the allotment referred to under sub-Rule (1) above -

- (a) the interested director, interested major shareholder, interested chief executive or interested person connected with a director, major shareholder or chief executive; and
- (b) where the allotment is in favour of an interested person connected with a director, major shareholder or chief executive, such director, major shareholder or chief executive,

must not vote on the resolution approving the said allotment. An interested director, interested major shareholder or interested chief executive must ensure that persons connected with him abstain from voting on the resolution approving the said allotment.

(3) - (4) [No change].

(5) Sub-Rules (1) and (2) above are not applicable to an issue of shares or other convertible securities to an interested person connected with a major shareholder if the following conditions are met:

- (a) the interested major shareholder and interested person connected with a major shareholder are either a statutory institution which is managing funds belonging to

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- the general public or a national fund management company established by the Government of Malaysia;
- (b) the interested person connected with the major shareholder -
- (i) is not a major shareholder of the listed corporation or its holding company;
 - (ii) is not involved in the day-to-day management of the listed corporation and does not have any representative in an executive capacity on the board of directors of the listed corporation, its subsidiaries or holding company;
 - (iii) is not an initiator, agent or involved in any other manner in the proposed issue of securities; and
- (c) the issue of shares or other convertible securities is effected through a book building exercise and no preferential treatment will be accorded to the interested person connected with the major shareholder.

[End of proposed amendments to Chapter 6]

CHAPTER 8 CONTINUING LISTING OBLIGATIONS**APPENDIX 8A****Contents of statement accompanying notices of annual general meetings
(Rule 8.29)**

1. Further details of individuals who are standing for election as directors (excluding directors standing for a re-election), namely the following:
 - (a) the name, age, gender, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director;
 - (b) the working experience and occupation;
 - (c) any other directorships in public companies and listed corporations;
 - (d) the details of any interest in the securities of the listed corporation and its subsidiaries;
 - (e) the family relationship with any director and/or major shareholder of the listed corporation;
 - (f) any conflict of interest or potential conflict of interest, including interest in any competing business, that they have with the listed corporation or its subsidiaries; and
 - (g) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any.
2. [No change].

[End of Appendix]

[End of proposed amendments to Chapter 8]

CHAPTER 9 CONTINUING DISCLOSURE**PART J - IMMEDIATE DISCLOSURE REQUIREMENTS****9.19 Immediate announcements to the Exchange**

A listed corporation must immediately announce to the Exchange the events set out below. This requirement is in addition to the other announcement requirements which are imposed under this Chapter and other parts of these Requirements, and are not exhaustive:

- (1) - (8) [no change];
- (9) any change of address, ~~or~~ telephone number, email address and/or facsimile number of the registered office of the listed corporation or of any office at which the register of securities of the listed corporation is kept;
- (10) - (52) [no change].

APPENDIX 9A**Part A****Contents of announcement in relation to the appointment of a director**
(Rule 9.19(12))

- (a) The name, age, gender, nationality, qualification and whether the position is an executive or non-executive one and whether such director is an independent director.
- (b) Working experience and occupation.
- (c) Any other directorship in public companies and listed corporations.
- (d) Any family relationship with any director and/or major shareholder of the listed corporation.
- (e) Any conflict of interest or potential conflict of interest, including interest in any competing business, that the person has with the listed corporation or its subsidiaries.
- (f) The details of any interest in the securities of the listed corporation or its subsidiaries.

Part B**Contents of announcement in relation to the appointment of a chief executive**
(Rule 9.19(14))

- (a) The name, age, gender, nationality and qualification.
- (b) Working experience.
- (c) Any other directorships in public companies and listed corporations.
- (d) Any family relationship with any director and/or major shareholder of the listed corporation.

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- (e) Where the chief executive is not a director of the listed corporation, whether the appointee has any conflict of interest or potential conflict of interest, including interest in any competing business, that the appointee has with the listed corporation or its subsidiaries.
 - (f) The details of any interest in the securities of the listed corporation or its subsidiaries.

Part B(A)

Contents of announcement in relation to the appointment of the chief financial officer (Rule 9.19(14A))

- (a) The name, age, gender, nationality and qualification.
- (b) Working experience.
- (bA) Any other directorships held in public companies and listed corporations.
- (c) Any family relationship with any director and/or major shareholder of the listed corporation.
- (d) Whether the appointee has any conflict of interest or potential conflict of interest, including interest in any competing business, that the appointee has with the listed corporation or its subsidiaries.
- (e) The details of any interest in the securities of the listed corporation or its subsidiaries.

Part B(B)

Contents of announcement in relation to the change in legal representative(s) (or person(s) of equivalent authority, however described) (Rule 9.19(14B))

- (a) The identity, qualification, experience, occupation, powers and responsibilities of such person.
- (b) Risks in relation to the appointment, including concentration of authority and impediments to the removal of such person.
- (c) Description of the processes and procedures put in place to mitigate the risks in relation to the appointment and an opinion by the board of directors on the adequacy of the processes.
- (d) Reasons for the change, where applicable.
- (e) Any conflict of interest or potential conflict of interest, including interest in any competing business, that such person has with the listed corporation or its subsidiaries.

APPENDIX 9C

Part A

Contents of annual report
(Rule 9.25)

- (1) The address, telephone number, email address and where available, facsimile numbers_s, of the registered office.
- (2) The address, telephone number, email address and where available, facsimile numbers_s, of each office at which a register of securities is kept.
- (3) The particulars of each director in the listed corporation including the following information:
 - (a) the name, age, gender, nationality, qualification and whether the position is an executive or non-executive one and whether such director is an independent director;
 - (b) working experience and occupation;
 - (c) the date the person was first appointed to the board;
 - (d) the details of any board committee to which the person belongs;
 - (e) any other directorship in public companies and listed corporations;
 - (f) any family relationship with any director and/or major shareholder of the listed corporation;
 - (g) any conflict of interest or potential conflict of interest, including interest in any competing business that the person has with the listed corporation or its subsidiaries;
 - (h) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any; and
 - (i) the number of board meetings attended in the financial year.
- (4) Name of the chief executive and where the chief executive is not a director, the following particulars:
 - (a) the age, gender, nationality and qualification;
 - (b) working experience;
 - (c) the date the person was first appointed to the listed corporation;
 - (d) the details of any interest in the securities of the listed corporation or its subsidiaries;
 - (e) any directorship in public companies and listed corporations;

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- (f) any family relationship with any director and/or major shareholder of the listed corporation;
 - (g) any conflict of interest or potential conflict of interest, including interest in any competing business that the person has with the listed corporation or its subsidiaries; and
 - (h) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any.
- (4A) The particulars of the key senior management including the following information:
- (a) the name, age, gender, nationality and qualification;
 - (b) working experience;
 - (c) the date the person was first appointed to the key senior management position;
 - (d) any directorship in public companies and listed corporations;
 - (e) any family relationship with any director and/or major shareholder of the listed corporation;
 - (f) any conflict of interest or potential conflict of interest, including interest in any competing business that the person has with the listed corporation or its subsidiaries; and
 - (g) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any.

For the purpose of this paragraph, "key senior management" refers to a person, who in the opinion of the listed corporation, is the key senior management of the group, and must include a person who is primarily responsible for the business operations of the listed corporation's core business and principal subsidiaries.

- (5) - (31) [No change].

[End of proposed amendments to Chapter 9]

CHAPTER 10 TRANSACTIONS**PART B - DEFINITIONS****10.02 Definitions**

For the purpose of this Chapter, unless the context otherwise requires -

- (a) **“acquisition or disposal of assets”** includes an option to acquire or dispose of assets and an issue of securities by a listed corporation’s subsidiary which will result in a reduction of the listed corporation’s equity interest in such subsidiary;
- (b) - (l) [no change].

PART C - VALUATION AND INFORMATION**10.03 Basis of valuation**

- (1) - (4) [No change].

(4A) In the case of any transaction entered into by a subsidiary, the consideration for the transaction is the entire amount of consideration paid or received, and not the listed corporation’s proportionate interest in such consideration.

- (5) - (10) [No change].

PART E - RELATED PARTY TRANSACTIONS**10.08 Related party transactions**

- (1) - (8) [No change].

- (9) Where any one of the percentage ratios of a related party transaction entered into between a subsidiary of a listed corporation and another person, is 5% or more and there are no other interested relationships except for a related party having an interest in the transaction who is -

- (a) a director or major shareholder of such subsidiary or the holding company of such subsidiary (other than the listed corporation or the holding company of the listed corporation) (“said director” or “said major shareholder”); or
- (b) a person connected with the said director or said major shareholder;

the listed corporation is exempted from -

- (i) appointing an independent adviser or engaging the services of a Sponsor or Adviser;
- (ii) issuing a circular to shareholders; and
- (iii) obtaining shareholder approval of the transaction in general meeting,

provided that the board of directors of the listed corporation -

- (aa) approves the transaction before the terms of transaction are agreed upon; and

- (bb) ensures that the transaction is fair and reasonable to the listed corporation, and is in the best interests of the listed corporation.

For the avoidance of doubt, where any one of the percentage ratio of the related party transaction under this sub-Rule is 25% or more, the listed corporation must still comply with the requirements in Rule 10.07, Part F or Part F(A), as the case may be.

(10) [No change].

(11) The following transactions are not normally regarded as related party transactions:

(a) - (f) [no change];

(fA) insurance coverage and indemnities for directors as permitted under the Companies Act;

(g) a transaction between a listed corporation or any of its subsidiaries and another person for the provision or receipt of goods or services which are Exempted Transactions where-

- (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
- (ii) all material terms including the prices or charges are applied consistently to all customers or classes of customers.

For the purposes of this sub-Rule -

(i) "goods" excludes securities;

(ii) "classes of customers" excludes such class by reason solely or otherwise that the customers are related parties of the listed corporation or its subsidiaries;

(iii) "Exempted Transactions" means the following:

(aa) provision or usage of public utility services such as water, electricity, ~~telecommunications, broadcasting services, postal or courier services, insurance, unit trusts, stockbroking services,~~ public transport, and education, medical services, provision or usage of tolled highways;

(bb) provision or receipt of postal and telecommunications services including courier and broadcasting services;

(cc) provision or receipt of financial services such as insurance, unit trusts and stockbroking services;

(dd) provision or receipt of education and medical services;

(ee) provision or receipt of hospitality services such as hotel facilities and recreational services;

(ff) provision or consumption of consumer goods or services such as fuel on retail, ~~or~~ food and beverage at eateries, and provision or purchase of goods at retail outlets such as supermarkets,

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hypermarkets or departmental stores or electronic commerce platforms; and

(~~bbgg~~) such other types of transactions that may be prescribed by the Exchange from time to time;

(h) - (q) [no change].

[End of proposed amendments to Chapter 10]

CHAPTER 15 CORPORATE GOVERNANCE**15.12 Functions of the audit committee**

Without limiting the generality of Rule 15.11 above, a listed corporation must ensure an audit committee must, amongst others, discharges the following functions:

- (1) review the following and report the same to the board of directors of the listed corporation:
 - (a) - (g) [no change];
 - (h) any related party transaction and conflict of interests situation that may arise within the listed corporation or group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
 - (i) - (j) [no change]; and

- (2) [no change].

15.15 Audit committee report

- (1) - (2) [No change].

- (3) The audit committee report must include the following:

- (a) - (d) [no change];

- (e) a summary of the work of the internal audit function; and -

- (f) a summary of any conflict of interest or potential conflict of interest situation that have arisen for the year and the measures taken to resolve, eliminate, or mitigate such conflicts.

15.17 Rights of the audit committee

A listed corporation must ensure that wherever necessary and reasonable for the performance of its duties, an audit committee must, in accordance with a procedure to be determined by the board of directors and at the cost of the listed corporation -

- (a) - (b) [no change];

- (c) have full and unrestricted access to any information pertaining to the listed corporation or group;

- (d) - (f) [no change].

[End of Annexure B]