

**LISTING REQUIREMENTS**  
**OF**  
**BURSA MALAYSIA SECURITIES BERHAD**

## **CHAPTER 1 DEFINITIONS AND INTERPRETATION**

### **PART A DEFINITIONS**

1.01 Definitions

### **PART B INTERPRETATION**

1.02 Interpretation  
1.02A Incidental powers etc of the Exchange  
1.03 Securities holders' approval  
1.04 Gender  
1.05 Singular and plural  
1.06 Headings  
1.07 Appendices  
1.08 Schedules  
1.09 References

## **CHAPTER 2 GENERAL**

### **PART A GENERAL**

2.01 Introduction  
2.02 Purpose of these Requirements  
2.03 General principles

### **PART B APPLICATION OF THESE REQUIREMENTS**

2.04 Obligation to comply  
2.05 Spirit of these Requirements  
2.06 Waivers and modifications  
2.07 Varying or revoking decisions  
2.08 Practice Notes

### **PART C DOCUMENTS TO COMPLY WITH THESE REQUIREMENTS**

2.09 Documents to comply with these Requirements  
2.10 Timing of submission  
2.11 Letters of compliance

### **PART D INFORMATION**

2.12 Form of information  
2.13 Giving the Exchange information  
2.14 Submission of information  
2.15 Documents forwarded to the Exchange  
2.16 Verification of report or information  
2.17 Contents of statement, information or document  
2.17A Indemnity

### **PART E ADVISERS**

2.18 Undertaking by adviser

### **PART F OTHERS**

2.19 Instructions or directives issued by the Exchange  
2.20 Special auditor  
2.21 Conduct

- 2.22 Application of these Requirements to the management company of a trust
- 2.23 Notices by the Exchange
- 2.23A Issuance of new securities in foreign currency
- 2.24 Deleted

#### **PART G AMENDMENTS TO THESE REQUIREMENTS**

- 2.25 Amendments to these Requirements

#### **PART H EXCHANGE HOLDING COMPANY AND THE EXCHANGE**

- 2.26 Powers of the Exchange Holding Company
- 2.27 Liability of the Exchange etc

#### **APPENDIX 2A Undertaking by an adviser**

### **CHAPTER 3 ADMISSION**

#### **PART A GENERAL**

- 3.01 Introduction

#### **PART B ADMISSION**

- 3.02 Admission
- 3.03 Approval from other authorities
- 3.04 Issued and paid-up capital
- 3.05 Shareholding spread
- 3.06 Articles of association

#### **PART C APPLICATION PROCEDURES AND ADMISSION PROCESS**

- 3.07 Procedures relating to admission
- 3.07A Procedures relating to admission of securities involving a bonus issue and/or share scheme for employees
- 3.08 Listing application and application for quotation
- 3.09 Unissued securities
- 3.10 Undertakings and confirmation

#### **PART D INTRODUCTORY DOCUMENT**

- 3.11 General
- 3.12 Issue of introductory document
- 3.13 Deleted

#### **PART E OTHER REQUIREMENTS**

- 3.14 Independent directors
- 3.15 Audit committee
- 3.15A Notification/Advertisement of securities prescribed by the Exchange to be deposited with the Depository
- 3.16 Fees
- 3.17 Special requirements for the listing of specific applicants
- 3.17A Additional requirements for bonus issues
- 3.17B Additional requirements for share schemes for employees
- 3.17C Additional requirements for price stabilization mechanism
- 3.18 Classification of an applicant

#### **PART F TRANSFER OF LISTED COMPANY TO THE MAIN BOARD**

- 3.19 Transfer to the Main Board
- 3.19A Procedures relating to transfer
- 3.20 Submission of formal transfer application
- 3.21 Issuance of introductory circular
- 3.22 Box advertisement
- 3.23 Fees in relation to transfer

#### **APPENDIX 3A**

- Part A Contents of a listing application
- Part B Documents to be filed with a listing application
- Part C Documents to be filed with an application for quotation
- Part D Information to be disclosed in an introductory circular
- Part E Information to be disclosed in the advertisement of transfer to the Main Board

**APPENDIX 3B** Undertaking by an applicant

**APPENDIX 3C** Undertaking by a director of an applicant/a listed company

**APPENDIX 3D** Letter of confirmation by an independent director of an applicant/a listed company

**APPENDIX 3E** Information and documents to be disclosed in and filed with a transfer application

**APPENDIX 3F** Undertaking by a listed company transferring from the MESDAQ Market to the Main Board

**APPENDIX 3G** Undertaking by a director of a listed company transferring from the MESDAQ Market to the Main Board

**APPENDIX 3H** Letter of confirmation by an independent director of a listed company transferring from the MESDAQ Market to the Main Board

### **CHAPTER 4 SPECIAL REQUIREMENTS FOR SPECIFIC APPLICANTS**

#### **PART A GENERAL**

- 4.01 Introduction

#### **PART B INFRASTRUCTURE PROJECT COMPANIES**

- 4.02 Issued and paid-up share capital of infrastructure project companies
- 4.03 Shareholding spread of infrastructure project companies

#### **PART C CLOSED-END FUNDS**

- 4.04 Definitions
- 4.05 Issued and paid-up capital of closed-end funds
- 4.06 Shareholding spread of closed-end funds
- 4.07 Requirement in respect of independent director

#### **PART D Deleted**

- 4.08 Deleted

4.09	Deleted
4.10	Deleted
4.11	Deleted
4.12	Deleted
4.12A	Deleted
4.12B	Deleted

#### **PART E REAL ESTATE INVESTMENT TRUSTS**

4.13	Size of real estate investment trust
4.14	Unit spread of real estate investment trust
4.15	Independent director of management company
4.16	Requirement for audit committee not applicable
4.17	Listing application and application for quotation
4.18	Unissued units
4.19	Undertakings and confirmation
4.20	Provisions in the trust deed

#### **PART F EXCHANGE TRADED FUNDS**

4.21	Unit spread of exchange traded fund
4.22	Independent directors of management company
4.23	Requirement for audit committee not applicable
4.24	Listing application and application for quotation
4.25	Undertakings and confirmation
4.26	Provisions in the deed

**APPENDIX 4A** Deleted

#### **APPENDIX 4B**

Part A	Contents of a listing application in respect of a real estate investment trust
Part B	Documents to be filed with a listing application in respect of a real estate investment trust
Part C	Documents to be filed with an application for quotation of units of a real estate investment trust

**APPENDIX 4C** Undertaking by a trustee and management company of a real estate investment trust

**APPENDIX 4D** Undertaking by a director of a management company of a real estate investment trust

**APPENDIX 4E** Letter of confirmation by an independent director of a management company of a real estate investment trust

**APPENDIX 4F** Contents of deed in respect of a real estate investment trust

**APPENDIX 4G** Deleted

#### **APPENDIX 4H**

Part A	Contents of a listing application in respect of an exchange traded fund
Part B	Documents to be filed with a listing application in respect of an exchange traded fund
Part C	Documents to be filed with an application for quotation of units of an exchange traded fund

**APPENDIX 4I** Undertaking by a trustee and management company of an exchange traded fund

**APPENDIX 4J** Undertaking by a director of a management company of an exchange traded fund

**APPENDIX 4K** Letter of confirmation by an independent director of a management company of an exchange traded fund

**APPENDIX 4L** Contents of deed in respect of an exchange traded fund

## **CHAPTER 4A FOREIGN CORPORATIONS SEEKING A LISTING ON THE EXCHANGE AND COMPANIES SEEKING A SECONDARY LISTING ON THE EXCHANGE**

### **PART A FOREIGN CORPORATIONS SEEKING A PRIMARY LISTING ON THE EXCHANGE**

- 4A.01 Introduction
- 4A.02 Issued and paid-up capital
- 4A.03 Share transfer or registration office
- 4A.04 Appointment of directors
- 4A.05 Agent or representative
- 4A.06 Listing application
- 4A.07 Undertaking
- 4A.08 Listing and quotation in Ringgit

### **PART B SPECIFIC CONTINUING OBLIGATIONS RELATING TO FOREIGN CORPORATIONS WITH A PRIMARY LISTING ON THE EXCHANGE**

- 4A.09 Directors
- 4A.10 Auditing standards
- 4A.11 Information/documents in English
- 4A.12 Valuation standards
- 4A.13 Information to be disclosed
- 4A.14 Distribution of notices, etc
- 4A.15 Announcement of appointment of directors
- 4A.16 Substantial shareholdings
- 4A.17 Financial statements
- 4A.18 Statutory declaration in relation to annual audited accounts
- 4A.19 Notification of suspension and de-listing

### **PART C COMPANIES SEEKING A SECONDARY LISTING ON THE EXCHANGE**

- 4A.20 Introduction
- 4A.21 Admission
- 4A.22 Approval from other authorities
- 4A.23 Issued and paid-up capital
- 4A.24 Procedures relating to admission of companies seeking a secondary listing on the Exchange
- 4A.25 Listing application and application for quotation for companies seeking a secondary listing on the Exchange
- 4A.26 Unissued securities
- 4A.27 Undertaking
- 4A.28 Introductory document
- 4A.29 Issue of introductory document
- 4A.30 Notification/Advertisement of securities prescribed by the Exchange to be deposited with the Depository
- 4A.31 Fees
- 4A.32 Classification of a company seeking a secondary listing on the Exchange
- 4A.33 Appointment of Directors
- 4A.34 Other obligations

**PART D SPECIFIC CONTINUING OBLIGATIONS RELATING TO COMPANIES WITH A SECONDARY LISTING ON THE EXCHANGE**

- 4A.35 Procedures relating to listing of a new issue of securities by a company with a secondary listing on the Exchange
- 4A.36 Listing application by a company with a secondary listing on the Exchange for a new issue of securities and application for quotation
- 4A.37 Directors
- 4A.38 Change in classification
- 4A.39 Documents for overseas securities holders
- 4A.40 Copies of documents to be supplied to the Exchange
- 4A.41 Director's undertaking
- 4A.42 Fees
- 4A.43 Other obligations

**APPENDIX 4A(A)**

- Part A Contents of a listing application
- Part B Documents to be filed with a listing application
- Part C Documents to be filed with an application for quotation

**APPENDIX 4A(B) UNDERTAKING BY A COMPANY**

**APPENDIX 4A(C) UNDERTAKING BY A DIRECTOR OF AN APPLICANT/A LISTED COMPANY**

**APPENDIX 4A(D)**

- Part A Contents of a listing application for a new issue of securities
- Part B Documents to be filed with a listing application for a new issue of securities
- Part C Documents to be filed with an application for quotation of a new issue of securities

**CHAPTER 4B LISTING OF SUKUK AND DEBT SECURITIES UNDER AN EXEMPT REGIME**

**PART A GENERAL**

- 4B.01 Introduction

**PART B DEFINITIONS**

- 4B.02 Definitions

**PART C ADMISSION**

- 4B.03 Approval for admission
- 4B.04 Listing in Ringgit or foreign currency
- 4B.05 Information Memorandum/Offering Circular required
- 4B.06 Financial statements and announcements

**PART D APPLICATION PROCEDURES AND ADMISSION PROCESS**

- 4B.07 Procedures relating to admission
- 4B.08 Listing application
- 4B.09 Undertakings and confirmation
- 4B.10 Announcements to the Exchange

## **PART E CONTINUING LISTING OBLIGATIONS**

- 4B.11 Disclosure of information
- 4B.12 Submission of financial statements
- 4B.13 Financial statements and announcements
- 4B.14 Other Chapters not applicable

## **PART F DE-LISTING BY THE EXCHANGE**

- 4B.15 De-listing by the Exchange

## **PART G OTHER REQUIREMENTS**

- 4B.16 Fees

## **APPENDIX 4B(A)**

- Part A Initial Listing application
- Part B Documents to be filed with a listing application

## **APPENDIX 4B(B) Undertaking by an issuer for the listing of sukuk or debt securities**

## **CHAPTER 5 STRUCTURED WARRANTS**

### **PART A GENERAL**

- 5.01 Introduction

### **PART B DEFINITIONS**

- 5.02 Definitions

### **PART C ADMISSION**

- 5.03 Admission
- 5.04 Approval from other authorities
- 5.05 Tenure of issue
- 5.06 Minimum issue size
- 5.07 Holders of structured warrants
- 5.08 Market making

### **PART D TRUST DEED OR DEED POLL**

- 5.09 Contents of trust deed of deed poll

### **PART E FURTHER ISSUE**

- 5.10 Further Issue
- 5.11 Listing application for Further Issue

### **PART F CONTINUING LISTING OBLIGATIONS**

- 5.12 Obligation to retain a Market Maker
- 5.13 Submission of financial statements
- 5.14 Submission of periodic information
- 5.15 Adjustment
- 5.16 Notice of expiry
- 5.17 Director's undertaking
- 5.18 Allotment of securities, despatch of notices of allotment



- 5.19 for exercise and cash payment
- 5.19 Full exercise before expiry
- 5.20 Issuers incorporated in a jurisdiction outside Malaysia
- 5.21 Request for suspension, resumption of trading or withdrawal of listing
- 5.22 Other continuing obligations

#### **PART G ANNOUNCEMENTS**

- 5.23 Announcement relating to adjustment to structured warrants
- 5.24 Announcement relating to market making
- 5.25 Announcement relating to dealing in structured warrants

#### **APPENDIX 5A Contents of trust deed or deed poll in respect of structured warrants**

### **CHAPTER 6 NEW ISSUES OF SECURITIES**

#### **PART A GENERAL**

- 6.01 Introduction

#### **PART B ADMISSION**

- 6.02 Admission

#### **PART C APPLICATION PROCEDURES AND ADMISSION PROCESS**

- 6.03 Procedures relating to listing of a new issue of securities
- 6.03A Procedures relating to listing of a bonus issue of securities and listing or warrants or other convertibles securities arising therefrom
- 6.04 Listing application for a new issue of securities and application for quotation
- 6.05 Unissued securities

#### **PART D ANNOUNCEMENT AND CIRCULAR**

- 6.06 Announcement to the Exchange
- 6.07 Circular

#### **PART E OTHER GENERAL REQUIREMENTS**

- 6.08 Issue of securities
- 6.09 Allotment or issue of securities
- 6.10 Issue of securities
- 6.11 Allotment of shares to directors etc
- 6.12 Allotment of securities, despatch of notices of allotment and application for quotation in respect of a public issue
- 6.13 Deleted
- 6.14 Document for issue of securities to be made overseas
- 6.15 Fees

#### **PART F REQUIREMENTS RELATING TO A RIGHTS ISSUE**

- 6.16 Additional Requirements
- 6.17 Fixing of books closing date for a rights issue
- 6.18 Notice of books closing date for a rights issue
- 6.19 A rights issue must be renounceable
- 6.20 Timetable for a rights issue
- 6.21 Announcements of important relevant dates of a rights issue

- 6.22 Deleted
- 6.22A Abridged Prospectus
- 6.23 Issue of notices of provisional allotment
- 6.24 Availability of rights subscription forms
- 6.25 Allotment of securities, despatch of notices of allotment and application for quotation in respect of a rights issue

#### **PART G REQUIREMENTS RELATING TO A BONUS ISSUE**

- 6.26 Additional Requirements
- 6.26A Criteria for bonus issues
- 6.26B Revaluation of land and buildings
- 6.26C Staggered implementation of a bonus issue
- 6.26D Ranking of bonus issue securities
- 6.26E Listing application for a bonus issue
- 6.27 Fixing of books closing date for a bonus issue
- 6.28 Announcements in relation to a bonus issue of securities
- 6.29 Deleted

#### **PART H REQUIREMENTS RELATING TO A SHARE SCHEME FOR EMPLOYEES**

- 6.30 Additional Requirements
- 6.30A Eligibility and allocation
- 6.30B Number of shares
- 6.30C Pricing
- 6.30D Duration
- 6.30E Adjustments
- 6.30F Bylaws
- 6.30G Listing application for a share scheme for employees
- 6.30H Implementation
- 6.31 Share scheme for employees after listing
- 6.32 Allotment of shares, despatch of notices of allotment and application for quotation in respect of a share scheme for employees

#### **PART I REQUIREMENTS RELATING TO AN ISSUE OF DEBT SECURITIES**

- 6.33 Requirements relating to debt securities
- 6.34 Holders of debt securities
- 6.35 Listing application for debt securities and application for quotation
- 6.36 Announcement relating to an issue of debt securities

#### **PART J REQUIREMENTS RELATING TO AN ISSUE OF WARRANTS OR OTHER CONVERTIBLE SECURITIES**

- 6.37 Requirements relating to warrants or other convertible securities
- 6.38 Holders of warrants or other convertible securities
- 6.39 Listing application for warrants or other convertible securities and application for quotation
- 6.40 Announcement relating to an issue of warrants or other convertible securities
- 6.41 Circular relating to an issue of warrants or other convertible securities
- 6.42 Deed poll to comply with Requirements
- 6.42A Consequential securities
- 6.43 Notices of conversion or exercise
- 6.44 Allotment of securities, despatch of notices of allotment and application for quotation in respect of conversion or exercise

#### **PART K REQUIREMENTS RELATING TO REAL ESTATE INVESTMENT TRUSTS**

6.45 Requirements relating to real estate investment trusts

**PART L REQUIREMENTS RELATING TO EXCHANGE TRADED FUNDS**

6.46 Requirements relating to exchange traded funds

**APPENDIX 6A**

Part A Contents of a listing application for a new issue of securities

Part B Documents to be filed with a listing application for a new issue of securities

Part C Documents to be filed with an application for quotation of a new issue of securities

Part D Contents of a listing application for debt securities

Part E Supporting documents to be filed with a listing application for debt securities

Part F Supporting documents to be filed with a listing application for warrants or other convertible securities

**APPENDIX 6B**

Part A Contents of announcement in relation to a new issue of securities

Part B Contents of announcement in relation to an issue of debt securities

Part C Contents of announcement in relation to an issue of warrants or other convertible securities

**APPENDIX 6C**

Part A Contents of circular in relation to a new issue of securities

Part B Contents of circular in relation to warrants or other convertible securities

**APPENDIX 6D** Letter of confirmation in respect of acquisitions satisfied wholly or partly by an issue of new securities

**APPENDIX 6E** Timeline for a rights issue

**APPENDIX 6F** Contents of bylaws of a share scheme for employees

**CHAPTER 7 ARTICLES OF ASSOCIATION**

**PART A GENERAL**

7.01 Introduction

**PART B DEFINITIONS**

7.02 Definitions

**PART C SUBSIDIARIES**

7.03 Deleted

**PART D CAPITAL**

7.04 Issue of shares to directors

7.05 (Deleted)

7.06 Rights of other classes of shares

7.07 Power to issue further preference shares

- 7.08 Rights of preference shareholders
- 7.09 Capital paid on shares in advance of calls
- 7.10 Issue of new shares to members

**PART E FORFEITURE AND LIEN**

- 7.11 Company's lien on shares and dividends
- 7.12 Sale of shares forfeited

**PART F TRANSFER AND TRANSMISSION**

- 7.13 Transfers of securities
- 7.14 Transmission of securities from Foreign Register

**PART G MODIFICATION OF RIGHTS**

- 7.15 Modification of rights

**PART H BORROWING**

- 7.16 Scope of directors' borrowing powers

**PART I MEETINGS**

- 7.17 Notices of meetings
- 7.18 Record of Depositors

**PART J VOTING AND PROXIES**

- 7.19 Voting rights of members
- 7.19A Voting rights on a show of hands
- 7.20 Voting right of proxy
- 7.21 Voting rights of shares of different monetary denominations
- 7.22 Appointment of at least one proxy

**PART K DIRECTORS**

- 7.23 Directors
- 7.24 Directors' power to fill casual vacancies and to appoint additional directors
- 7.25 Remuneration of directors
- 7.26 Increase in directors' remuneration
- 7.27 Directors' interest in contracts
- 7.28 Election of directors
- 7.29 Vacation of office of director
- 7.30 Notice of intention to appoint director
- 7.31 Power of managing director
- 7.32 Proceedings in case of vacancies
- 7.33 Appointment of alternate director
- 7.34 Chairman's casting vote

**PART L ACCOUNTS**

- 7.35 Presentation of accounts

**PART M WINDING-UP**

- 7.36 Distribution of assets in specie
- 7.37 Liquidator's commission

**PART N EFFECT OF THESE REQUIREMENTS**

7.38 Effect of the Listing Requirements

**PART O CLOSED-END FUNDS**

7.39 Amendment to investment policies and objectives

7.40 Management control

7.41 Maximum holdings

7.42 Prohibition against conduct of other business

**PART P AMENDMENTS TO THIS CHAPTER**

7.43 Amendments to this Chapter

**CHAPTER 8 CONTINUING LISTING OBLIGATIONS**

**PART A GENERAL**

8.01 Introduction

**PART B DISCLOSURE TO THE EXCHANGE**

8.02 Submission of semi-annual returns

8.03 Change in classification

**PART C CERTIFICATES, TRANSFERS AND TRANSMISSIONS**

8.04 Proxy forms

8.05 Audit for transfers and issue of certificates

8.06 Number of securities

8.07 Paper quality and watermark

8.08 Size of certificates

**PART D DOCUMENTS**

8.09 Draft circulars and other documents

8.10 Quality of draft documents

8.11 Standard of disclosure for circulars

8.12 Documents for overseas securities holders

8.13 Copies of documents to be supplied to the Exchange

**PART E CONTINUED LISTING CRITERIA**

8.14 Deleted

8.14A Saving and transitional provision

8.14B Cash Companies

8.14C Financial condition and level of operations

8.14D Extension of time

8.14E Saving and transitional provision

8.15 Compliance with shareholding spread requirement

8.16 (Deleted)

8.16A Compliance with issued and paid-up capital

**PART F SPONSORSHIP OF ADRs OR GDRs**

8.17 Sponsorship of ADRs or GDRs

8.18 Status report on ADRs or GDRs

**PART G OFFER FOR SALE**

- 8.19 Renounceable offer for sale
- 8.20 Allotment of securities and despatch of notices of allotment in respect of an offer for sale

**PART H DIRECTORS**

- 8.21 Director's undertaking

**PART H1 SHARE SCHEMES FOR EMPLOYEES**

- 8.21A Allocation under a share scheme for employees
- 8.21B Termination of a share scheme for employees
- 8.21C Implementation of a new share scheme for employees
- 8.21D Restriction on dealings

**PART I OTHERS**

- 8.22 Material dilution
- 8.22A Material variations
- 8.23 Provision of financial assistance
- 8.24 Listing of subsidiaries
- 8.25 Profit Forecast
- 8.26 No alteration to or revocation of entitlement or books closing date after announcement of books closing date
- 8.27 Declaration of dividend
- 8.28 Notices of general meetings
- 8.29 Notice of maturity
- 8.30 Issuance of circular
- 8.31 Accounting and other records
- 8.32 Lodgement of agreement
- 8.33 Fees
- 8.33A Deleted

**PART J SPECIFIC CONTINUING OBLIGATIONS RELATING TO CLOSED-END FUNDS**

- 8.34 Provision of information by Managers

**PART K Deleted**

- 8.35 Deleted
- 8.36 Deleted
- 8.36A Deleted

**PART L SPECIFIC CONTINUING OBLIGATIONS RELATING TO REAL ESTATE INVESTMENT TRUSTS**

- 8.37 Distribution to be made in respect of real estate investment trusts
- 8.38 Application of other Chapters
- 8.38A Submission of circulars to Bursa

**PART M SPECIFIC CONTINUING OBLIGATIONS RELATING TO EXCHANGE TRADED FUNDS**

- 8.39 Distribution to be made in respect of exchange traded funds
- 8.40 Application of other Chapters

**PART N SPECIFIC CONTINUING OBLIGATIONS RELATING TO PRICE STABILIZATION MECHANISM**

- 8.41 Responsibilities of a listed issuer for the purposes of stabilizing action

**APPENDIX 8A** Contents of statement accompanying notices of annual general meetings

**APPENDIX 8B** Contents of circular to shareholders for approval

**APPENDIX 8C** Information to be included in the register

## **CHAPTER 9 CONTINUING DISCLOSURE**

### **PART A GENERAL**

9.01 Introduction

### **PART B CORPORATE DISCLOSURE POLICY**

9.02 Corporate Disclosure Policy

### **PART C IMMEDIATE DISCLOSURE OF MATERIAL INFORMATION**

9.03 Disclosure of material information

9.04 Examples of events which may require immediate disclosure

9.05 Withholding of material information

9.06 Maintaining confidentiality

9.07 Monitoring of market activity and making of announcements

### **PART D THOROUGH PUBLIC DISSEMINATION**

9.08 Thorough public dissemination

### **PART E CLARIFICATION, CONFIRMATION OR DENIAL OF RUMOURS OR REPORTS**

9.09 Clarification, confirmation or denial of rumours or reports

9.10 Response to rumour or report

### **PART F RESPONSE TO UNUSUAL MARKET ACTIVITY**

9.11 Unusual market activity

### **PART G UNWARRANTED PROMOTIONAL DISCLOSURE ACTIVITY**

9.12 Promotional disclosure activity

9.13 Hallmarks of promotional disclosure activity

### **PART H INSIDER TRADING**

9.14 Prohibitions under the law

9.15 Prohibition from trading

### **PART I PREPARATION OF ANNOUNCEMENTS**

9.16 Content of press or other public announcement

9.17 Preparation of press or public announcement

9.18 Summary of salient points

### **PART J IMMEDIATE DISCLOSURE REQUIREMENTS**

9.19 Immediate announcements to the Exchange

- 9.20 Announcement of corporate proposals
- 9.21 Dealings in quoted securities

**PART K PERIODIC DISCLOSURES**

- 9.22 Quarterly report
- 9.23 Submission of annual audited accounts and annual report
- 9.23A Issuance of annual report in CD-ROM
- 9.24 Annual audited accounts in consolidated form
- 9.25 Disclosure in annual report
- 9.26 Suspension and/or de-listing for failure to comply
- 9.27 Statutory declaration in relation to accounts
- 9.28 Memorandum of understanding

**PART L DISCLOSURE REQUIREMENTS FOR SPECIFIC LISTED ISSUERS**

- 9.29 Mining, plantation and timber companies

**PART L1 INFRASTRUCTURE PROJECT COMPANIES**

- 9.30 Immediate announcement by an infrastructure project company
- 9.31 Quarterly report of an infrastructure project company

**PART L2 CLOSED-END FUNDS**

- 9.32 Notification of change in policies and objectives by a closed-end fund
- 9.33 Annual report of a closed-end fund
- 9.34 Quarterly report of a closed-end fund
- 9.35 Weekly disclosure by a closed-end fund

**PART L3 Deleted**

- 9.36 Deleted
- 9.37 Deleted
- 9.38 Deleted
- 9.39 Deleted
- 9.40 Deleted
- 9.41 Deleted

**PART L4 REAL ESTATE INVESTMENT TRUSTS**

- 9.42 Immediate announcements to the Exchange for release
- 9.42A Quarterly reports of a real estate investment trust
- 9.43 Annual reports and distribution statements of a real estate investment trust

**PART L5 EXCHANGE TRADED FUNDS**

- 9.44 Announcements to the Exchange for release
- 9.45 Immediate announcements to the Exchange for release
- 9.46 Annual reports of an exchange traded fund

**APPENDIX 9A**

- Part A Contents of announcement in relation to the appointment of a director
- Part B Contents of announcement in relation to the appointment of a chief executive officer
- Part C Contents of announcement in relation to winding-up proceedings
- Part D Contents of announcement in relation to the appointment of a receiver, manager or receiver and manager or person of similar capacity



Part E	Contents of announcement in relation to the appointment of a special administrator
Part F	Contents of announcement in relation to a restraining order
Part G	Contents of announcement in relation to American Depository Receipts (ADRs) or Global Depository Receipts (GDRs)
Part H	Contents of announcement in relation to valuation on fixed assets
Part I	Information on delay in the issuance of quarterly reports, annual audited accounts or annual report
Part J	Information on the suspension in view of a delay in the issuance of quarterly reports, annual audited accounts or annual report

#### **APPENDIX 9B**

Part A	Quarterly report
Part B	Contents of quarterly report of closed-end funds

#### **APPENDIX 9C**

Part A	Contents of annual report
Part B	Contents of annual reports and accounts of closed-end funds
Part C	Deleted

#### **APPENDIX 9D**

Part A	Deleted
Part B	Contents of distribution statements of real estate investment trust

### **CHAPTER 10 TRANSACTIONS**

#### **PART A GENERAL**

10.01	Introduction
-------	--------------

#### **PART B DEFINITIONS**

10.02	Definitions
-------	-------------

#### **PART C VALUATION AND INFORMATION**

10.03	Basis of valuation
-------	--------------------

#### **PART D ACQUISITIONS AND DISPOSALS**

10.04	Requirements in the case of transactions exceeding 5%
10.05	Transactions exceeding 15%
10.06	Transactions exceeding 25%
10.07	Requirements in the case of transactions 5% and below

#### **PART E RELATED PARTY TRANSACTIONS**

10.08	Related party transactions
10.09	Recurrent related party transactions of a revenue nature

#### **PART F REVERSE TAKE-OVERS**

10.10	Reverse take-overs
-------	--------------------

#### **PART G OTHER REQUIREMENTS**

- 10.11 Aggregation of transactions
- 10.12 Diversification in operations carried on by a listed issuer

**APPENDIX 10A** Contents of announcement in relation to transactions

- Part A General information to be included, where applicable, in announcement of transactions
- Part B Additional specific information to be included in relation to joint-ventures
- Part C Additional specific information to be included in relation to acquisitions or disposals of property or land or companies whose main investments or interests are in properties or land
- Part D Additional specific information to be included in relation to acquisitions or disposals of construction companies
- Part E Additional specific information to be included in relation to foreign acquisitions
- Part F Additional specific information to be included in relation to very substantial acquisitions and reverse take-overs

**APPENDIX 10B** Contents of circular to shareholders in relation to transactions

- Part A General information to be included, where applicable, in the circular to shareholders in relation to transactions
- Part B Additional specific information to be included in circular to shareholders in relation to joint-ventures
- Part C Additional specific information to be included in relation to acquisitions or disposals of properties or land or companies with interest in properties or land
- Part D Additional specific information to be included in relation to acquisitions or disposals of construction companies
- Part E Additional specific information to be included in relation to foreign acquisitions
- Part F Additional specific information to be included in relation to very substantial acquisitions and reverse take-overs

**APPENDIX 10C** Additional contents of announcement in relation to related party transactions

**APPENDIX 10D**

- Part A Additional contents of circular to shareholders in relation to related party transactions
- Part B Contents of circular to shareholders for shareholders' mandate

**CHAPTER 11 TAKE-OVERS AND MERGERS**

**PART A GENERAL**

- 11.01 Introduction

**PART B DEFINITIONS**

- 11.02 Definitions

**PART C GENERAL REQUIREMENTS**

- 11.03 Secrecy during discussion stage
- 11.04 Immediate announcement of notice of take-over offer
- 11.05 Immediate announcement of notice received
- 11.06 Documents to be sent to all classes of securities

- 11.07 Announcements of dealings by offeror etc during offer period
- 11.08 Announcement of acceptances

**PART D ADDITIONAL REQUIREMENTS**

- 11.09 Deleted
- 11.10 Equity structure to be furnished to Exchange upon completion of take-over
- 11.11 Offeror to announce plans and intentions with regard to the offeree
- 11.12 Requirements of Chapter 10 on acquisitions to be complied with
- 11.13 Deleted
- 11.14 Deleted
- 11.15 Deleted
- 11.16 Deleted

**APPENDIX 11A**

- Part A Contents of announcement in relation to a notice of a take-over offer
- Part B Contents of announcement in relation to the receipt of notice of intention to make a take-over offer

**APPENDIX 11B** Deleted

**APPENDIX 11C** Deleted

**CHAPTER 12 SHARE BUY-BACKS**

**PART A GENERAL**

- 12.01 Introduction

**PART B DEFINITIONS**

- 12.02 Definitions

**PART C GENERAL REQUIREMENTS**

- 12.03 Authorisation
- 12.04 On the market transactions
- 12.05 Announcement of intention to propose a share buy-back
- 12.06 Circular to shareholders for purchase of own shares
- 12.07 Contents of ordinary resolution for share buy-back
- 12.08 Announcement of outcome of general meeting
- 12.09 Maximum limit

**PART D SOURCE OF FUNDS AND CONSIDERATION**

- 12.10 Source of funds
- 12.11 Types of funds

**PART E DECLARATION OF SOLVENCY**

- 12.12 Declaration of solvency
- 12.13 Execution of solvency declaration

**PART F ADDITIONAL REQUIREMENTS**

- 12.14 Public shareholding
- 12.14A Deleted
- 12.15 Minimum issued capital
- 12.16 Appointment of stockbroker

12.17	Notice of appointment of stockbroker
12.18	Purchase price
12.19	Resale price
12.20	Notification of purchase
12.21	Notification of resale
12.22	Notification of cancellation
12.23	Exercise of powers
12.24	Information to be included in annual reports
12.25	Status of purchased shares

#### **APPENDIX 12A**

Part A	Contents of circular in relation to a share buy-back
Part B	Contents of Share Buy-back Statement

**APPENDIX 12B** Contents of ordinary resolution in relation to a share buy-back

#### **APPENDIX 12C**

Part A	Contents of announcement in relation to shares purchased
Part B	Contents of announcement in relation to resale of shares
Part C	Contents of announcement in relation to cancellation of shares

**APPENDIX 12D** Disclosure in annual report in relation to share buy-back

### **CHAPTER 13 ARRANGEMENTS AND RECONSTRUCTIONS**

#### **PART A GENERAL**

13.01	Introduction
-------	--------------

#### **PART B SCHEMES OF COMPROMISE, ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION**

13.02	Immediate announcements
13.03	Contents of explanatory statement/circular

#### **PART C SUBDIVISION OF SHARES**

13.04	Application of Part C
13.05	Application to subdivide shares
13.06	Criteria for subdivision of shares
13.07	Procedures relating to subdivision of shares which is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue)
13.07A	Procedures relating to subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue
13.08	Convertible securities
13.09	Announcement to the Exchange
13.10	Circular and notices of subdivision of shares
13.11	Fixing of books closing date for subdivision of shares
13.12	Allotment of securities, despatch of notices of allotment and application for quotation in respect of subdivided shares
13.13	Fees

#### **PART D CONSOLIDATION OF SHARES**

13.14	Application of Part C
13.15	Deleted

13.16 Deleted  
13.17 Deleted  
13.18 Deleted

**APPENDIX 13A** Contents of announcement in relation to the proposed Scheme

**APPENDIX 13B** Contents of explanatory statement/circular in relation to the proposed Scheme

**APPENDIX 13C** Contents of an application for subdivision of shares

Part A Contents of an application for subdivision of shares

Part B Additional contents of an application for subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue

Part C Contents of an application for quotation of subdivided shares where the subdivision is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue)

**APPENDIX 13D** Contents of announcement in relation to a proposed subdivision of shares

**APPENDIX 13E** Contents of circular in relation to a proposed subdivision of shares

**APPENDIX 13F** Notice of subdivision of shares

## **CHAPTER 14 DEALINGS IN SECURITIES**

### **PART A GENERAL**

14.01 Introduction

### **PART B DEFINITIONS**

14.02 Definitions

### **PART C APPLICATION**

14.03 Application

### **PART D RESTRICTIONS**

14.04 General restriction on dealings

14.05 Possession of price sensitive information

### **PART E EXEMPTIONS**

14.06 Exemptions

14.07 Subsequent dealings

### **PART F PROCEDURES FOR DEALINGS**

14.08 Procedure for dealings during closed periods

14.09 Procedure for dealings outside closed periods

## **CHAPTER 15 CORPORATE GOVERNANCE**

### **PART A GENERAL**

15.01 Introduction

**PART B DIRECTORS**

15.02 Composition of the board of directors  
15.03 Undertaking and letter by directors  
15.04 Rights of directors  
15.05 Qualification, vacation of office and removal of directors  
15.06 Restriction on directorships  
15.07 Method of computation  
15.08 Deleted  
15.09 Directors' training

**PART C AUDIT COMMITTEE**

15.10 Composition of the audit committee  
15.11 Chairman of the audit committee  
15.12 Written terms of reference  
15.13 Functions of the audit committee  
15.14 Attendance of other directors and employees  
15.15 Procedure of audit committee  
15.16 Audit committee report  
15.17 Reporting of breaches to the Exchange  
15.18 Rights of the audit committee  
15.19 Quorum of an audit committee  
15.20 Retirement and resignation  
15.21 Review of the audit committee

**PART D AUDITORS**

15.22 External auditors  
15.23 Removal or resignation of external auditors  
15.24 Review of statements  
15.25 Right to request for meeting

**PART E CORPORATE GOVERNANCE DISCLOSURE**

15.26 Disclosure pursuant to the Code  
15.27 Additional statements by the board of directors

**PART F INTERNAL AUDIT**

15.28

**APPENDIX 15A Deleted**

**CHAPTER 16 TRADING HALT, SUSPENSION, WITHDRAWAL, DE-LISTING AND ENFORCEMENT**

**PART A GENERAL**

16.01 Introduction

**PART B TRADING HALT AND SUSPENSION**

16.02 Suspension of trading imposed by the Exchange  
16.03 Voluntary suspension  
16.03A Trading Halt

**PART C WITHDRAWAL OF LISTING AND DE-LISTING BY THE EXCHANGE**

- 16.04 Withdrawal of listing
- 16.05 Request for withdrawal
- 16.06 Application for withdrawal
- 16.07 Additional requirements
- 16.08 Withdrawal of other securities
- 16.09 De-listing by the Exchange

**PART D ENFORCEMENT**

- 16.10 Breach by subsidiaries
- 16.11 Breach by directors
- 16.12 Provision of information by directors
- 16.13 Attendance before the Exchange
- 16.14 Power to obtain documents
- 16.15 Listed issuer to ensure compliance
- 16.16 Breach of these Requirements
- 16.17 Types of actions or penalties
- 16.18 Cumulative actions or penalties
- 16.19 Other rights
- 16.20 Confirmation by Exchange
- 16.21 Notification by Exchange
- 16.22 Committee or sub-committee to decide
- 16.23 Rights of person

**APPENDIX 16A**

- Part A Contents of circular in relation to withdrawal of listing
- Part B Contents of application for withdrawal

**SCHEDULE OF FEES**

**PRACTICE NOTES**

## CHAPTER 1 DEFINITIONS AND INTERPRETATION

### PART A - DEFINITIONS

#### 1.01 Definitions

In these Requirements, unless the context otherwise requires:-

admission	means admission of a class of securities to the Official List of the Exchange and “admitted” shall be construed accordingly.
adviser	means a corporate finance adviser that may act as a principal adviser under the Commission’s Guidelines on Principal Advisers for Corporate Proposals or any other person who, acting in the capacity of an adviser, presents, submits or discloses an application, a circular or any other document to the Exchange on behalf of an applicant or a listed issuer.
amendment	in relation to a document or information, includes any addition, deletion, modification or variation of any part of such document or information, and “amended” shall be construed accordingly.
American Depository Receipt or ADR	means a security which accords a right to the registered holder to own a prescribed quantity of securities issued by a listed issuer and which security is issued within the jurisdiction of the United States of America.
applicant	means a person who is applying for admission of its securities.
approved accounting standards	in relation to the Malaysian Accounting Standards Board (MASB), shall have the meaning given in section 2 of the Financial Reporting Act 1997.
Approved Market Place	Deleted
articles of association	includes any document defining the constitution or governing the activities or conduct of an applicant, a listed company or its members.
associated company	shall have the meaning given to “associate” under the approved accounting standards of the Malaysian Accounting Standards Board.
Board	in relation to the Exchange, means the board of directors of the Exchange.
board lot	shall have the meaning given in the Rules of the Exchange.
books closing date	means the specified time and date set by a listed issuer for the purpose of determining entitlements to dividends, interest, new securities or other distributions or rights of holders of its securities.
chief executive officer	in relation to an applicant or a listed issuer, means the principal executive officer of the applicant or listed issuer for the time being, by whatever name called, and whether or not he is a director.
closed-end fund	means an applicant or a listed company which is a closed-end fund.



For the purpose of this definition, “closed-end fund” shall have the meaning given in the Commission’s Guidelines for Public Offerings of Securities of Closed-end Funds.

CMSA	means the Capital Markets and Services Act 2007
Commission	means the Securities Commission established under section 3 of the Securities Commission Act 1993.
Commission’s Guidelines on the Offering of Equity and Equity-Linked Securities	includes any Guidance Notes and any other documents issued by the Securities Commission in relation thereto.
Company	includes a corporation.
controlling shareholder	shall have the meaning given in the Commission’s Guidelines on the Offering of Equity and Equity-Linked Securities
convertible securities	means securities which are convertible or exercisable by the holder, or automatically, by their terms of issue, into shares or stocks.
corporate finance adviser	means a person who is permitted to carry on the regulated activity of advising on corporate finance under the CMSA
debenture	shall have the meaning given in section 2 of the CMSA
debt securities	means debentures, bonds, notes, loan stocks or other similar instruments representing or evidencing indebtedness, whether secured or unsecured, and whether convertible or not.
deposited security	shall have the meaning given in section 2 of the Securities Industry (Central Depositories) Act 1991.
depositor	means a holder of a securities account established by the Depository.
Depository	means Bursa Malaysia Depository Sdn Bhd.
depository bank	in relation to American Depository Receipts (ADRs) or Global Depository Receipts (GDRs), means the issuer of such ADRs or GDRs.
director	shall have the meaning given in Section 2 of the CMSA and includes in the case of an issuer of structured warrants or a listed issuer which is a trust, a director of the issuer of the structured warrants or a director of a management company of the trust respectively.
Exchange	means Bursa Malaysia Securities Berhad.
Exchange Holding Company	means Bursa Malaysia Berhad.
exchange traded fund	shall have the meaning given in the Commission’s Guidelines on Exchange Traded Funds.
expert	shall have the meaning given in section 212(1) of the CMSA

family	<p>in relation to a person means such person who falls within any one of the following categories:-</p> <ul style="list-style-type: none"> <li>(a) spouse;</li> <li>(b) parent;</li> <li>(c) child including an adopted child and step-child;</li> <li>(d) brother or sister; and</li> <li>(e) spouse of the person referred to in subparagraphs (c) and (d) above.</li> </ul>
foreign corporation	<p>shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities and shall include a foreign corporation which is listed on the Official List.</p>
Global Depository Receipt or GDR	<p>means a security which accords a right to the registered holder to own a prescribed quantity of securities issued by a listed issuer, and which security is issued outside the jurisdiction of the United States of America.</p>
home exchange	<p>shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.</p>
independent adviser or expert	<p>means an adviser or an expert who is independent of the management and board of directors of the applicant or listed issuer which appoints it and free from any business or other relationship which could interfere with the exercise of independent judgement by such adviser or expert.</p>
independent director	<p>means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or a listed issuer. Without limiting the generality of the foregoing, an independent director is one who:-</p> <ul style="list-style-type: none"> <li>(a) is not an executive director of the applicant, listed issuer or any related corporation of such applicant or listed issuer (hereinafter each corporation shall be referred to as "the said Corporation");</li> <li>(b) has not been within the last 2 years and is not an officer (except as a non-executive director) of the said Corporation. For this purpose, "officer" shall have the meaning given in section 4 of the Companies Act 1965;</li> <li>(c) is not a major shareholder the said Corporation;</li> <li>(d) is not a relative of any executive director, officer or major shareholder of the said Corporation. For this purpose, "relative" means the spouse, parent, brother, sister, child (including adopted or step child) and the spouse of such brother, sister or child;</li> <li>(e) is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation;</li> <li>(f) has not been engaged as a professional adviser by the said Corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director (except as an independent director) or major shareholder, as the case</li> </ul>

may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by the Exchange; or

- (g) has not engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the applicant or listed issuer) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange.

infrastructure project company shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.

listed means admitted to the Official List and "listing" shall be construed accordingly.

listed company or listed issuer means any company, other person or undertaking (including a trust), whose securities have been admitted to the Official List and not removed.

major associated company or major subsidiary means an associated company or subsidiary, as the case may be, which contributes 70% or more of the profit before tax or total assets employed of the listed issuer on a consolidated basis.

major shareholder means a person who has an interest or interests in one or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-

- (a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or
- (b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the company.

For the purpose of this definition, "interest in shares" shall have the meaning given in section 6A of the Companies Act 1965.

management company shall have the meaning given in the CMSA

Managers in relation to a closed-end fund, shall have the meaning given in the Commission's Guidelines for Public Offerings of Securities of Closed-end Funds.

market day means a day on which the stock market of the Exchange is open for trading in securities.

Member includes a depositor who shall be treated as if he were a member pursuant to section 35 of the Securities Industry (Central Depositories) Act 1991 but excludes the Depository in its capacity as a bare trustee.

net assets refers to the net assets attributable to ordinary equity holders of the listed issuer.

officer in relation to an applicant or a listed issuer or its related corporation, means the chief executive officer, the chief operating

officer, the chief financial controller or any other person primarily responsible for the operations or financial management of an applicant or a listed issuer or its related corporation, by whatever name called.

officer(s)	in relation the Exchange or the Exchange Holding Company, shall have the meaning given in section 4 of the Companies Act 1965.
Official List	means a list specifying all securities which have been admitted for listing on the Exchange and not removed.
Options	includes options under a share scheme for employees, convertible securities, warrants and any other types of options in respect of the issued or unissued securities of a company.
Participating Organisation	shall have the meaning given in the Rules of the Exchange.
partner	<p>in relation to a director, major shareholder or person connected with a director or major shareholder means such person who falls within any one of the following categories:-</p> <ul style="list-style-type: none"><li>(a) a person with whom the director, major shareholder or person connected with a director or major shareholder is in or proposes to enter into partnership with. "Partnership" for this purpose is given the meaning under section 3 of the Partnership Act 1961; and</li><li>(b) a person with whom the director, major shareholder or person connected to a director or major shareholder has entered or proposes to enter into a joint venture, whether incorporated or not.</li></ul>
person	includes a body of persons, corporate or unincorporate (including a trust).
person connected	<p>in relation to a director or a major shareholder, means such person who falls under any one of the following categories:-</p> <ul style="list-style-type: none"><li>(a) a member of the director's or major shareholder's family;</li><li>(b) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the director, major shareholder or a member of the director's or major shareholder's family is the sole beneficiary;</li><li>(c) a partner of the director, major shareholder or a partner of a person connected with that director or major shareholder;</li><li>(d) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or major shareholder;</li><li>(e) a person in accordance with whose directions, instructions or wishes the director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;</li><li>(f) a body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions,</li></ul>

instructions or wishes of the director or major shareholder;

- (g) a body corporate or its directors whose directions, instructions or wishes the director or major shareholder is accustomed or under an obligation, whether formal or informal, to act;
- (h) a body corporate in which the director, major shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
- (i) a body corporate which is a related corporation.

predominantly foreign-based operations shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.

predominantly Malaysian-based operations shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.

primary listing on the Exchange means a listing of a company seeking a primary listing and approved for listing as such by the Commission pursuant to the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.

prescribed security means a security which has been prescribed by the Exchange to be deposited with the Depository in accordance with section 14 of the Securities Industry (Central Depositories) Act 1991.

professional adviser means an adviser or any person offering professional advisory services.

public means all persons or members of the public but excludes:-

- (a) directors of an applicant or a listed issuer and its subsidiaries or associated companies;
- (b) substantial shareholders of an applicant or a listed issuer except where such a shareholder fulfils all the following requirements in which case such shareholder may be included as a "public" shareholder:-
  - (i) such shareholder's interest, directly or indirectly is not more than 15% of the total number of shares of the applicant or listed issuer;
  - (ii) such shareholder is not a promoter of the applicant or listed issuer; and
  - (iii) such shareholder is either:-
    - (aa) a statutory institution who is managing funds belonging to contributors or investors who are members of the public; or
    - (bb) an entity established as a collective investment scheme, such as closed-end funds, unit trusts or investment funds (but excluding investment holding companies);

and

- (c) associates of directors or substantial shareholders of an applicant or a listed issuer.

For the purpose of this definition, “associates” of directors or substantial shareholders of an applicant or a listed issuer are those who fall under any one of the following categories:-

- (i) a member of the director’s or shareholder’s family;
- (ii) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the director, shareholder or a member of the director’s or shareholder’s family is the sole beneficiary;
- (iii) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or shareholder;
- (iv) a person in accordance with whose directions, instructions or wishes the director or shareholder is accustomed or is under an obligation, whether formal or informal, to act;
- (v) a body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or shareholder;
- (vi) a body corporate or its directors whose directions, instructions or wishes of which, the director or shareholder is accustomed or under an obligation, whether formal or informal to act;
- (vii) a body corporate in which the director, shareholder or a member of the director’s or shareholder’s family is entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
- (viii) a body corporate which is a related corporation.

real estate investment trust shall have the meaning given in the Commission’s Guidelines on Real Estate Investment Trusts.

Recognised Stock Exchange Deleted

Record of Depositors means a record provided by the Depository to a listed issuer under chapter 24.0 of the Rules of the Depository.

register means the register of members to be kept pursuant to the Companies Act 1965.

related party means a director, major shareholder or person connected with such director or major shareholder. For the purpose of this definition, “director” and “major shareholder” shall have the meanings given in

	paragraph 10.02.
reverse take-over	relates to a situation whereby a listed issuer acquires other assets, businesses or interests and, as a result, there is a change in the controlling shareholder of the listed issuer.
RM and sen	means Ringgit Malaysia and sen respectively.
Rules of the Depository	shall have the meaning given in section 2 of the Securities Industry (Central Depositories) Act 1991.
Rules of the Exchange	means the Rules of Bursa Malaysia Securities Berhad, including any amendment thereto that may be made from time to time.
secondary listing on the Exchange	means a listing by the Exchange of a company which is not a primary listing on the Exchange.
securities	shall have the meaning given in section 2 of the CMSA
securities account	means an account established by the Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor.
share scheme for employees	means a share scheme involving a new issue of shares to employees.
significant change in the business direction or policy of a listed company	shall have the meaning given in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities
singly quoted shares	means shares, which have a limit, quota or restriction on the ownership by a foreigner imposed by the memorandum and articles of association or any other constituent document of a listed company but which shares are not separately quoted on the Exchange.
stabilizing action	shall have the meaning given under section 2 of the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008.
stabilizing manager	shall have the meaning given under section 2 of the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008.
substantial shareholder	shall have the meaning given in section 69D of the Companies Act 1965.
these Requirements	means the listing requirements of Bursa Malaysia Securities Berhad, including any amendment thereto that may be made from time to time.
very substantial acquisition	means an acquisition of a business, company or asset where any of the percentage ratios as defined under Chapter 10 is equal to or exceeds 100%.

## **PART B – INTERPRETATION**

### **1.02 Interpretation**

- (1) Unless otherwise defined in these Requirements or unless the context requires otherwise, words or expressions defined in the Companies Act 1965 shall, when used herein, have the meanings given to them thereunder.
- (2) Apart from the above, certain other terms and expressions have also been defined in the respective Chapters. Such definitions shall only apply with respect to the respective Chapters in which they are contained.
- (3) The terms and expressions defined in paragraph 1.01 shall also be applicable to any Practice Note, unless otherwise defined in the Practice Note.
- (4) Where an act is required to be done a specified number of “clear market days” before or after a specified date, at least that number of market days must intervene between the day on which the act is done and that date.
- (5) Unless the context requires otherwise, where the securities are listed and quoted in foreign currency, references to Ringgit in regard to the listed securities will be modified to mean its equivalent in foreign currency

### **1.02A Incidental powers etc of the Exchange**

Where any provision of these Requirements empowers, authorises or enables the Exchange to do or enforce the doing of any act or thing, the Exchange shall have all such powers or rights as may be necessary or reasonably incidental to the Exchange doing or enforcing the doing of the act or thing.

### **1.03 Securities holders’ approval**

- (1) Where a transaction entered into or proposed to be entered into by a listed issuer or any other action or proposal of a listed issuer is specified in these Requirements as one which requires securities holders’ approval, such approval must be obtained prior to the transaction, action or proposal being completed.
- (2) Where the transaction entered into or proposed to be entered into by a listed issuer is the grant for the exercise of an option and shareholders’ approval is required pursuant to these Requirements, then:-
  - (a) in the case of an issue by the listed issuer or its subsidiaries, the approval of the shareholders must be obtained before the option is issued, or the issue must be subject to that approval; and
  - (b) in the case of an exercise by the listed issuer or its subsidiaries, the approval of shareholders must be obtained before an option is exercised.

### **1.04 Gender**

Unless the context otherwise requires, words importing gender include all genders.

### **1.05 Singular and plural**

Unless the context otherwise requires, words importing the singular number shall include the plural number and vice versa.

### **1.06 Headings**



The headings and sub-headings in these Requirements are inserted for convenience of reference only.

### **1.07 Appendices**

The Appendices shall be taken, read and construed as an essential part of these Requirements.

### **1.08 Schedules**

The Schedules shall be taken, read and construed as an essential part of these Requirements.

### **1.09 References**

- (1) References to paragraphs, Parts and Chapters unless otherwise stated are to be construed as references to paragraphs, Parts and Chapters of these Requirements.
- (2) References to Appendices and Schedules unless otherwise stated are to be construed as references to Appendices and Schedules of these Requirements.
- (3) References to the provisions of statutes and subordinate legislation include such provisions as amended or re-enacted from time to time.
- (4) References to statutes and subordinate legislation include any consolidation, replacement or revision of the same.

[ End of Chapter ]

## **CHAPTER 2 GENERAL**

### **PART A – GENERAL**

#### **2.01 Introduction**

This Chapter sets out:-

- (a) the principles upon which these Requirements are based and applied; and
- (b) the general requirements of the Exchange which apply to all applicants, listed issuers, management companies, trustees, their directors, officers, advisers and other persons to whom these Requirements are directed.

#### **2.02 Purpose of these Requirements**

The purpose of these Requirements is to set out the requirements that must be complied with by all applicants, listed issuers, management companies, trustees, their directors, officers, advisers or other persons to whom these Requirements are directed. Failure to comply with any of these Requirements will amount to a breach in respect of which actions may be taken and/or penalties may be imposed.

#### **2.03 General principles**

The principles on which these Requirements are based, include the following:-

- (1) all applicants shall be of a certain minimum size, quality and have a record of operations of adequate duration;
- (2) investors and the public shall be kept fully informed by the listed issuers of all facts or information that might affect their interests and in particular, full, accurate and timely disclosure shall be made of any information which may reasonably be expected to have a material effect on the price, value or market activity in the securities of listed issuers;
- (3) all holders of securities shall be treated fairly and equitably;
- (4) directors, officers and advisers of listed issuers shall maintain the highest standards of integrity, accountability, corporate governance and responsibility; and
- (5) directors of listed issuers shall act in the interests of the company as a whole, particularly where the public represents only a minority of the shareholders or where directors or major shareholders have material interests in transactions entered into by listed issuers.

### **PART B - APPLICATION OF THESE REQUIREMENTS**

#### **2.04 Obligation to comply**

- (1) A listed issuer, whether or not admission of its securities shall have taken place prior to these Requirements being prescribed, shall, by virtue of its admission to the Official List, be bound by these Requirements and the Rules of the Exchange.
- (2) A listed issuer, a management company, a trustee, its directors, officers, advisers or any other person to whom these Requirements are directed must comply with these Requirements for so long as the listed issuer shall remain on the Official List. This applies even during periods when a listed issuer's securities are suspended from trading.

#### **2.05 Spirit of these Requirements**

These Requirements shall be interpreted:-

- (a) in accordance with their spirit, intention and purpose; and
- (b) in a way that best promotes the principles on which they are based.

#### **2.06 Waivers and modifications**

- (1) The Exchange requires strict compliance with these Requirements.
- (2) Notwithstanding subparagraph (1) above, the Exchange may at any time, waive or modify compliance with a Requirement or part of a Requirement. If the Exchange waives or modifies compliance with a Requirement or part of a Requirement subject to a condition, the condition must be complied with for the waiver or modification of compliance to be effective.

#### **2.07 Varying or revoking decisions**

The Exchange may, at any time, vary or revoke its decision where the circumstances warrant it, subject to any condition it deems fit. An unconditional variation or revocation has effect from the date specified by the Exchange. If a variation or revocation is subject to a condition, the condition must be complied with for the variation or revocation to be effective.

#### **2.08 Practice Notes**

- (1) The Exchange may, from time to time, issue Practice Notes subject to the approval of the Commission to provide, amongst others:-
  - (a) interpretation of these Requirements; or
  - (b) administrative or operational procedures in relation to these Requirements.
- (2) The Exchange may amend, waive or repeal such Practice Notes from time to time.
- (3) A listed issuer, a management company, a trustee, its directors, officers, advisers or any other person to whom these Requirements are directed shall comply with Practice Notes issued pursuant to this paragraph in the same manner as these Requirements.

### **PART C - DOCUMENTS TO COMPLY WITH THESE REQUIREMENTS**

#### **2.09 Documents to comply with these Requirements**

- (1) An applicant or a listed issuer must ensure that:-
  - (a) any articles of association, trust deed, deed poll or bylaws of a share scheme for employees which is required to be submitted to the Exchange (referred to as "the said documents" in this Part C); or
  - (b) any amendment thereto,complies with these Requirements.
- (2) A listed issuer must ensure that no amendment is made to the said documents unless the amendment is made:-
  - (a) with the prior approval of its securities holders, except where it is otherwise provided in the said document; and
  - (b) the approvals of the relevant authorities are obtained (where applicable).

## **2.10 Timing of submission**

An applicant or a listed issuer must ensure that the said documents and/or any amendment thereto are submitted to the Exchange no later than 5 market days after the effective date of the relevant document or any amendment to it, as the case may be.

## **2.11 Letters of compliance**

- (1) A listed issuer must submit a letter of compliance together with the said documents and any amendment thereto.
- (2) A letter of compliance is a letter written to the Exchange which confirms that the provisions of the document to which it relates comply with these Requirements and the Rules of the Depository.
- (3) Where the letter of compliance is in relation to an amendment of any of the said documents, it must confirm that the amended document complies with these Requirements and the Rules of the Depository.
- (4) A letter of compliance shall be written by a person with legal qualifications, provided that in the circumstances set out below, the letter of compliance may be written by the following additional persons:-
  - (a) in the case of bylaws of a share scheme for employees (and any amendment thereto), by the listed issuer's advisers; and
  - (b) in the case of an amendment to an articles of association, by the listed issuer's advisers or its company secretary.

## **PART D - INFORMATION**

### **2.12 Form of information**

- (1) If any of these Requirements stipulates that a person is to provide information to the Exchange, that information must be provided in writing unless otherwise specified by the Exchange.
- (2) The Exchange may require any information or document that is to be provided to the Exchange by an applicant, a listed issuer or its advisers to be through an electronic medium as directed by the Exchange and in a manner determined by the Exchange.
- (3) An applicant, a listed issuer, or its advisers must pay to the Exchange fees of such amount as may be determined by the Exchange from time to time in relation to the said electronic medium.

### **2.13 Giving the Exchange information**

An applicant, a listed issuer, a management company, a trustee, its directors, officers, employees, advisers or any other person to whom these Requirements are directed must give the Exchange any information, document or explanation that the Exchange requests for in accordance with the instructions or request of the Exchange.

### **2.14 Submission of information**

Where any document is submitted to the Exchange for public release, an applicant, a listed issuer or its advisers must clearly mark the document with the words "For Immediate Release".

### **2.15 Documents forwarded to the Exchange**

- (1) All documents forwarded to the Exchange shall become and remain the property of the Exchange which may, in its absolute discretion, deal with them as it wishes including copying, storing in a retrieval system, transmitting to the public, publishing or disclosing all or any part of the documents and forwarding copies to any stock exchange, relevant government bodies or authorities or, any expert or consultant acting in a professional capacity for and on behalf of the Exchange.
- (2) Subparagraph (1) above does not apply to documents produced for inspection of the Exchange pursuant to paragraph 16.14.

## **2.16 Verification of report or information**

The Exchange may, at its discretion, instruct or direct an applicant or a listed issuer to appoint an independent adviser or expert at the expense of such applicant or listed issuer to verify any report or information referred to in or which forms part of any application, submitted to the Exchange by or on behalf of such applicant or listed issuer and to submit the results of such verification to the Exchange directly.

## **2.17 Contents of statement, information or document**

- (1) An applicant, a listed issuer or an adviser or a director of an applicant or a listed issuer must ensure that any statement, information or document presented, submitted or disclosed pursuant to these Requirements:-
  - (a) is clear, unambiguous and accurate;
  - (b) does not contain any material omission; and
  - (c) is not false or misleading.
- (2) An applicant, a listed issuer or an adviser or a director of an applicant or a listed issuer does not commit a breach of subparagraph (1) above if such person proves that:-
  - (a) he had made all enquiries as were reasonable in the circumstances; and
  - (b) after making such enquiries, he had reasonable grounds to believe and did believe until the time of the presentation, submission or disclosure of the statement, information or document to the Exchange that the statement, information or document did fulfil the requirements of subparagraph (1).
- (3) Where any statement, information or document referred to in subparagraph (1) above has been presented, submitted or disclosed to the Exchange and the person referred to in subparagraph (1) above subsequently becomes aware that the statement, information or document may not fulfil the requirements of subparagraph (1) above, the person shall forthwith notify the Exchange of the same.
- (4) For the avoidance of doubt, in the case of a circular or an announcement to the Exchange, paragraphs 8.11 or 9.16 shall apply respectively, in substitution of subparagraphs (1) to (3) above.

## **2.17A Indemnity**

- (1) Where the Exchange publishes, releases or disseminates any statement, information or document for or on behalf of an applicant or listed issuer pursuant to these Requirements or otherwise, the Exchange shall not be responsible to check the accuracy, completeness or adequacy of any of the contents of such statement, information or document, and shall not be liable for any loss or damage howsoever arising as a result of publishing, releasing or disseminating the statement, information or document.

- (2) An applicant, a listed issuer or an adviser or director of an applicant or listed issuer shall fully indemnify and hold indemnified the Exchange against any loss, damage, liability, cost or expense (including legal costs) suffered or incurred by the Exchange, whether directly or indirectly, as a result of any demand, action or proceeding by any person for, on account of, or in respect of the publication, release or dissemination by the Exchange of any such statement, information or document for or on behalf of an applicant or listed issuer.

## **PART E - ADVISERS**

### **2.18 Undertaking by adviser**

- (1) An adviser intending to act on behalf of an applicant or a listed issuer must have lodged with the Exchange an undertaking duly executed by the adviser in the form of Appendix 2A.
- (2) The Exchange reserves the right to reject or not accept any application, circular or any other document submitted by an adviser on behalf of an applicant or a listed issuer where such adviser has not lodged with the Exchange an undertaking referred to in subparagraph (1) above.
- (3) The acceptance by the Exchange of the undertaking referred to in subparagraph (1) above is not an indication of approval and/or endorsement by the Exchange as to the skill, competency, fitness or capability of such person as an adviser.

## **PART F – OTHERS**

### **2.19 Instructions or directives issued by the Exchange**

The Exchange may, from time to time, issue any instruction or directive to or impose any condition on an applicant, a listed issuer, a management company, a trustee, its directors, officers, employees, advisers or any other person to whom these Requirements are directed and such person as aforesaid must comply with the said instruction, directive or condition and within such time as may be specified by the Exchange.

### **2.20 Special auditor**

- (1) Where the Exchange is of the opinion that a breach of these Requirements may have occurred and the appointment of a special auditor is necessary, the Exchange may instruct the listed issuer to appoint a special auditor to review or investigate the affairs of the listed issuer or any of its subsidiaries as the Exchange may direct. Any cost incurred as a result of the appointment of the special auditor shall be borne by the listed issuer.
- (2) For the purpose of this paragraph, a special auditor means any auditor other than the statutory auditor of the listed issuer appointed pursuant to the Companies Act 1965 or in relation to a foreign corporation, pursuant to the relevant laws of the place of incorporation.

### **2.21 Conduct**

Any act or omission by a person includes an act or omission caused directly or indirectly by the said person.

### **2.22 Application of these Requirements to the management company of a trust**

If a Requirement imposes an obligation on an applicant or a listed issuer which is a trust, the management company of such trust must make sure that the trust complies with the said Requirement.

### **2.23 Notices by the Exchange**

- (1) All notices or written communications required to be sent by the Exchange to a listed issuer or an adviser under these Requirements shall be sent to the registered office or the last known address of the listed issuer or adviser, as the case may be, as contained in the records of the Exchange.
- (1A) All notices or written communications required to be sent by the Exchange to a director under these Requirements shall be sent to the last known place of residence of the director or the last known address of the director, as contained in the records of the Exchange.
- (2) Where any notice or written communication is required to be sent by the Exchange under these Requirements, such notice or written communication shall be deemed received in the following circumstances:
  - (a) if sent by post, on the 3<sup>rd</sup> day after posting;
  - (b) if sent by courier, on the 2<sup>nd</sup> day after despatch; and
  - (c) if sent by facsimile transmission, immediately.
- (3) Notwithstanding subparagraph (1) above, the Exchange may specify other methods of communication including electronic mail, other electronic medium or advertisement in newspapers in which event such notice or written communication shall be deemed received immediately.

#### **2.23A Issuance of new securities in foreign currency**

- (1) An issue of securities by a listed issuer will be quoted in Ringgit or such other foreign currency as may be allowed by the Exchange.
- (2) A listed issuer must consult the Exchange and obtain the approval of the Controller of Foreign Exchange if it prefers the securities to be quoted in foreign currency.

**2.24** (Deleted)

### **PART G - AMENDMENTS TO THESE REQUIREMENTS**

#### **2.25 Amendments to these Requirements**

The Exchange shall have the right to amend all or any of these Requirements from time to time, pursuant to section 9 of the CMSA and any such amendment shall be binding on an applicant, a listed issuer, a management company, a trustee, its directors, officers, advisers or any other person to whom these Requirements are directed.

### **PART H – EXCHANGE HOLDING COMPANY AND THE EXCHANGE**

#### **2.26 Powers of the Exchange Holding Company**

- (1) Where any provision of these Requirements confers a right or power on the Exchange to do any act or thing such provision shall be deemed to confer the right or power on the Exchange Holding Company to do such act or thing on behalf of the Exchange.
- (2) An applicant, a listed issuer, a management company, a trustee, its directors, officers, advisers and other persons to whom these Requirements are directed must comply with, observe or give effect to any action of the Exchange Holding Company pursuant to subparagraph (1) above.

#### **2.27 Liability of the Exchange etc**

Without prejudice to any immunity or defence available to the following persons by statute or in law, none of such persons shall be liable in respect of anything done or omitted to be done by such persons in good faith in connection with the discharge or performance or purported discharge or performance of any function or duty, or the exercise or intended exercise of any power under these Requirements or any applicable law or in respect of any decision made or enforcement action taken or notice of publication thereof, whether resulting in any loss of profit, costs, damages or damage to reputation or otherwise:-

- (a) the Exchange or the Exchange Holding Company;
- (b) any member of the Board of the Exchange or Exchange Holding Company or any member of any committee of the Exchange or Exchange Holding Company;
- (c) any officer of the Exchange or Exchange Holding Company; or
- (d) any agent of, or any person acting under the direction of the Exchange or Exchange Holding Company.

[ End of Chapter ]



**APPENDIX 2A**

**Undertaking by an adviser**  
(paragraph 2.18(1))

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange allowing us to act as advisers for applicants seeking listing on the Official List of the Exchange or listed issuers, WE .....[name of the adviser] having a #registered address/place of business at..... HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of Bursa Malaysia Securities Berhad which shall be in force from time to time, insofar as the same shall apply to us as advisers.

The terms “adviser”, “applicant”, “listed issuer” and “Official List” shall have the meanings given under the Listing Requirements of Bursa Malaysia Securities Berhad.

The above Undertaking has been signed by us/me as..... [title/designation] of .....[name of adviser] pursuant to authority granted to us/me by resolution of the board of directors of the adviser on.....

Date :

Signature :

Name :

# Delete as appropriate

[ End of Appendix ]

## **CHAPTER 3 ADMISSION**

### **PART A – GENERAL**

#### **3.01 Introduction**

- (1) This Chapter sets out the requirements that must be complied with by an applicant seeking admission to the Official List.
- (2) Additional or exceptional requirements relating to admission to the Official List are also set out in Chapter 4 for applicants which are infrastructure project companies, closed-end funds, management companies of real estate investment trusts or exchange traded funds as well as real estate investment trusts and exchange traded funds and Chapter 4A for applicants which are foreign corporations and companies seeking a secondary listing on the Exchange.

### **PART B - ADMISSION**

#### **3.02 Admission**

- (1) The Exchange will exercise discretion over the admission and continued listing of securities on its Official List and may approve or reject applications for listing, as it deems fit.
- (2) The Exchange may also approve applications for listing unconditionally or subject to such conditions, as it deems fit.

#### **3.03 Approval from other authorities**

An applicant must first obtain approval(s) from the Commission and other relevant authorities (where applicable) before listing and quotation of any security will be considered by the Exchange.

#### **3.04 Issued and paid-up capital**

- (1) An applicant seeking a listing on the Main Board must have a minimum issued and paid-up capital of RM60 million.
- (2) An applicant seeking a listing on the Second Board must have a minimum issued and paid-up capital of RM40 million.

#### **3.05 Shareholding spread**

- (1) An applicant must have at least 25% of the total number of shares for which listing is sought in the hands of a minimum number of 1,000 public shareholders holding not less than 100 shares each. The Exchange may accept a percentage lower than 25% of the total number of listed shares if it is satisfied that such lower percentage is sufficient for a liquid market in such shares.
- (1A) For applicants which have or will be having shares listed on another stock exchange, these shares are included for the purpose of computing the 25% and 1,000 public shareholders referred to in subparagraph (1).
- (2) The employees of an applicant, its subsidiaries and holding company are not excluded from the minimum number of public shareholders.
- (3) All the shares of an applicant which are held by employees and Bumiputera investors for the purpose of compliance with the National Development Policy can make up the 25% public spread.

#### **3.06 Articles of association**

- (1) An applicant must incorporate into its articles of association, the various provisions set out in Chapter 7.
- (2) An applicant must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with its articles of association and a checklist showing compliance with the relevant provisions of Chapter 7.

## **PART C - APPLICATION PROCEDURES AND ADMISSION PROCESS**

### **3.07 Procedures relating to admission**

Subject to paragraph 3.07A below, the following procedures shall apply to the admission of an applicant to the Official List, with the necessary modifications, as may be applicable:-

- (a) Applicant submits a listing application to the Commission.
- (b) Commission approves listing.
- (c) Applicant files with the Exchange its articles of association together with a letter of compliance accompanied by a checklist showing compliance.
- (d) Applicant files the final copy of prospectus with the relevant authorities.
- (e) Applicant:-
  - (i) issues the prospectus or introductory document and the offer period opens, if the listing entails an offer of securities to the public;
  - (ii) advertises the prospectus or introductory document; and
  - (iii) provides the Exchange with such number of copies of the printed prospectus or introductory document as may be determined by the Exchange from time to time.
- (f) Applicant files with the Exchange a listing application together with supporting documents.
- (g) Exchange grants approval-in-principle for the admission of securities.
- (h) If the listing entails an offer of securities to the public, the applicant announces the level of subscription and the basis of allocation.
- (i) Applicant issues securities and notices of allotment.
- (j) Applicant files with the Exchange an application for quotation together with supporting documents.
- (k) Securities are admitted to the Official List and quoted on the Exchange 2 clear market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.

### **3.07A Procedures relating to admission of securities involving a bonus issue and/or share scheme for employees**

The following procedures shall apply to the admission of an applicant to the Official List which involves the listing of securities from a bonus issue and/or a share scheme for employees, with the necessary modifications, as may be applicable:-

- (a) Applicant submits a listing application to the Commission;

- (b) Applicant files with the Exchange a listing application together with supporting documents (including, in relation to its articles of association, a letter of compliance accompanied by a checklist showing compliance) within 2 market days of the date of submission of its listing application to the Commission or where the bonus issue involves a revaluation of land and buildings, within 2 market days of the date of receipt of a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation;
- (c) Commission approves the listing and the Exchange grants approval-in-principle for the admission of securities;
- (d) Applicant files the final copy of the prospectus with the relevant authorities;
- (e) Applicant:-
  - (i) issues the prospectus or introductory document and the offer period opens, if the listing entails an offer of securities to the public;
  - (ii) advertises the prospectus or introductory document; and
  - (iii) provides the Exchange with such number of copies of the printed prospectus or introductory document as may be determined by the Exchange from time to time.
- (f) If the listing entails an offer of securities to the public, the applicant announces the level of subscription and the basis for allocation;
- (g) Applicant issues securities and notices of allotment;
- (h) Applicant files with the Exchange an application for quotation together with supporting documents;
- (i) Securities are admitted to the Official List and quoted on the Exchange 2 clear market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.

### **3.08 Listing application and application for quotation**

- (1) An applicant must file with the Exchange a listing application which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 3A, duly signed by the applicant; and
  - (b) the supporting documents specified in Part B of Appendix 3A.
- (1A) In the case of an admission of an applicant to the Official List which involves the listing of securities from a bonus issue and/or a share scheme for employees, the listing application referred to in subparagraph (1) above must also comply with paragraph 6.04.
- (2) An applicant must also file with the Exchange an application for quotation which shall be accompanied by the documents specified in Part C of Appendix 3A and such other documents as may be specified in the approval-in-principle granted by the Exchange.

### **3.09 Unissued securities**

- (1) An applicant must apply for approval-in-principle to list only that part of the securities which have been issued and securities to be issued in connection with the listing application. If an additional unissued amount is reserved for subsequent issuance for a specific purpose, an applicant must apply for an approval-in-principle to add that amount to the Official List in the

future for that specific purpose. An applicant must not apply for an approval-in-principle for the listing of any security which is not reserved for subsequent issuance for a specific purpose.

- (2) An applicant must submit an application for quotation for such reserved amount for which approval-in-principle has been granted pursuant to subparagraph (1) above, upon actual issuance of such amount in accordance with the provisions of Chapter 6.

### **3.10 Undertakings and confirmation**

- (1) An applicant must give the Exchange an undertaking in the form of Appendix 3B.
- (2) An applicant must ensure that:-
  - (a) every one of its directors shall give the Exchange an undertaking in the form of Appendix 3C; and
  - (b) every director who is or has been appointed as an independent director shall give the Exchange a letter in the form of Appendix 3D.

## **PART D - INTRODUCTORY DOCUMENT**

### **3.11 General**

- (1) Where an applicant is not required to issue a prospectus in connection with its listing on the Official List, it must issue an introductory document. Such introductory document must comply with the Commission's Prospectus Guidelines for Public Offerings.
- (2) The draft introductory document, must be submitted to the Exchange together with a checklist showing compliance with the Commission's Prospectus Guidelines for Public Offerings

### **3.12 Issue of introductory document**

An applicant must not issue to the public any introductory document in connection with its listing on the Official List until such document has been perused by the Exchange and the Exchange has confirmed to the applicant that it has no further comments thereon.

### **3.13 Deleted**

## **PART E - OTHER REQUIREMENTS**

### **3.14 Independent directors**

- (1) An applicant must ensure that at least 2 directors or 1/3rd of the board of directors of the applicant, whichever is the higher, are independent directors.
- (2) If the number of directors of the applicant is not 3 or a multiple of 3, then the number nearest 1/3rd shall be used.

### **3.15 Audit committee**

An applicant must establish an audit committee comprising a majority of independent directors (see also Chapter 15).

#### **3.15A Notification/Advertisement of securities prescribed by the Exchange to be deposited with the Depository**

In relation to the prescription by the Exchange of the securities of the applicant to be deposited with the Depository pursuant to section 14 of the Securities Industry (Central Depositories) Act 1991

(referred to as "Prescription" in this Part E), the applicant must submit to the Exchange either one of the following, 3 clear market days prior to the issuance date of the prospectus or introductory document or the proposed books closing date, as the case may be:-

- (a) a confirmation in writing to the Exchange that the information set out in its register including the addresses of its shareholders are updated and accurate as at a date not exceeding 14 days prior to the issuance date of the prospectus or introductory document or proposed books closing date, as the case may be, for purposes of notification to its shareholders of the Prescription; or
- (b) where the applicant is unable to provide the confirmation set out in sub- paragraph (a) above, payment to the Exchange, in accordance with paragraph 3.16, for the advertisement charges incurred or to be incurred by the Exchange pursuant to section 14(2) of Securities Industry (Central Depositories) Act 1991 in relation to the Prescription.

### **3.16 Fees**

- (1) An applicant must pay to the Exchange a perusal fee of such amount as may be determined by the Exchange from time to time.
- (2) An applicant must pay to the Exchange:-
  - (a) the processing fee for a listing application which involves a bonus issue and/or a share scheme for employees;
  - (b) the Commission's Valuation Review Fee where its listing application involves a bonus issue arising from a revaluation of land and buildings;
  - (c) an initial listing fee and annual listing fee where its listing application has been approved; and
  - (d) the advertisement charges as may be incurred by the Exchange pursuant to section 14(2) of the Securities Industry (Central Depositories) Act 1991 (where the applicant is unable to provide the confirmation as set out under paragraph 3.15A(a)),

of such amount and in such manner as is specified in the Schedule of Fees and subparagraph (3) below respectively.

- (3) All payments must be made by cheques drawn to the order of Bursa Malaysia Securities Berhad and in the case of the Commission's Valuation Review Fee, the Securities Commission.

### **3.17 Special requirements for the listing of specific applicants**

An applicant which is an infrastructure project company, closed-end fund, foreign corporation or management company of a real estate investment trust or an exchange traded fund as well as the real estate investment trust or the exchange traded fund must comply with the requirements in Chapter 4 in addition or as an exception to those set out in this Chapter.

#### **3.17A Additional requirements for bonus issues**

In addition to complying with the requirements of this Chapter, an applicant which intends to make a bonus issue of securities must comply with the requirements in Part G of Chapter 6, where applicable.

#### **3.17B Additional requirements for share schemes for employees**

- (1) In addition to complying with the requirements of this Chapter, an applicant which intends to implement a share scheme for employees must comply with the requirements in Part H of Chapter 6, where applicable.

- (2) Where an applicant has implemented a share scheme for employees and such scheme has not expired or been terminated prior to listing, the scheme must comply with the requirements in Part H of Chapter 6, where applicable.

### **3.17C Additional requirements for price stabilization mechanism**

In addition to complying with the requirements under this Chapter, an applicant which intends to undertake stabilizing action must comply with Part N of Chapter 8.

### **3.18 Classification of an applicant**

- (1) An applicant must propose to the Exchange its classification into any one of the sectors prescribed by the Exchange, in accordance with the criteria prescribed by the Exchange.
- (2) The applicant must furnish to the Exchange a proposal of its classification made in accordance with subparagraph (1) above in a form prescribed by the Exchange.
- (3) The classification shall be subject to the approval of the Exchange. The Exchange may in its absolute discretion classify the applicant into such other sector as it deems fit.

## **PART F - TRANSFER OF LISTED COMPANY TO THE MAIN BOARD**

### **3.19 Transfer to the Main Board**

A company listed on the Second Board or the MESDAQ Market may be considered for a transfer to the Main Board provided that the listed company meets the requirements for listing on the Main Board and/or such other requirements as may be imposed by the Exchange and it obtains the prior approval of the Commission.

#### **3.19A Procedures relating to transfer**

The following procedures shall apply to the transfer of a listed company to the Main Board, with the necessary modifications, as may be applicable:-

- (a) Listed company makes an immediate announcement to the Exchange upon approval of the board of directors of the listed company being given for the transfer.
- (b) Listed company submits an application to the Commission.
- (c) Commission approves the transfer.
- (d) Listed company files with the Exchange a transfer application together with supporting documents.
- (e) Exchange grants approval-in-principle for the transfer.
- (f) Listed company submits the draft introductory circular to the Exchange, if applicable, together with checklist showing compliance with Part D of Appendix 3A.
- (g) Listed company files the final copy of prospectus with the relevant authorities, where applicable.
- (h) Listed company issues the prospectus or introductory circular and places a box advertisement.
- (i) Listed company files with the Exchange the documents and/or confirmations required by the Exchange pursuant to its approval-in-principle for the transfer.

- (j) Securities transferred 2 clear market days after receipt of the requisite documents and/or confirmations and the same have been found to be complete in all respects.

### **3.20 Submission of formal transfer application**

A listed company seeking a transfer to the Main Board must submit an application to the Exchange which shall include:-

- (a) the information set out in paragraphs (5), (6), (7) and (8) of Part D of Appendix 3A together with a resolution of its board of directors approving and authorising the application for transfer; and
- (b) in addition, where such company is listed on the MESDAQ Market, the information and documents set out in Appendix 3E.

### **3.21 Issuance of introductory circular**

- (1) Where a listed company seeking a transfer to the Main Board does not issue any prospectus or abridged prospectus, it must issue an introductory circular to its shareholders.
- (2) The introductory circular shall include the information set out in Part D of Appendix 3A. The printed introductory circular must be submitted to the Exchange together with a checklist showing compliance with Part D of Appendix 3A.

### **3.22 Box advertisement**

A listed company seeking a transfer to the Main Board must place a box advertisement in at least 1 nationally circulated Bahasa Malaysia and English daily newspaper on the day of issuance of the introductory circular which advertisement shall include the information set out in Part E of Appendix 3A.

### **3.23 Fees in relation to transfer**

- (1) A listed company seeking a transfer to the Main Board must pay the normal initial listing fees, together with the first annual fee according to the scale for listed companies.
- (2) Where the transfer occurs during a year, a portion of the Second Board or MESDAQ Market annual charge, as the case may be, for such year will be credited against the first annual listing fee.

[ End of Chapter ]



## **APPENDIX 3A**

### **PART A**

#### **Contents of a listing application**

(paragraph 3.08(1)(a))

- (1) Title Page showing:-
  - (a) the name of the applicant and when and where it was incorporated;
  - (b) the address of the principal registered office and the address of each office at which a share register is kept;
  - (c) the class of securities proposed for listing and the par value thereof; and
  - (d) the date of application, and formal request for listing, specifying amount, class and par value of the securities proposed for listing and whether the securities are fully paid; and
- (2) (a) A table showing the following:-
  - (i) the designation or title of each class of securities;
  - (ii) the par value; and
  - (iii) the number of securities authorised by the memorandum and articles of association, and authorised for issuance (including unissued reserved securities and applied for);
- (b) a table showing the number of unissued securities of each class of securities reserved for issuance for any specific purpose, and purpose for which reserved or an appropriate negative statement; and
- (c) the number of holders on record (of the class proposed for listing) as of a date not earlier than 7 days from the date of the application.

### **PART B**

#### **Documents to be filed with a listing application**

(paragraphs 3.08(1)(b), 4A.06 and 4.17(1)(b))

- (1) An applicant must file the following documents in support of a listing application:-
  - (a) One copy each of the articles of association and all amendments to-date; and one copy each of the certificate of incorporation, certificate of change of status and certificate of change of name, if any.
  - (b) One copy of the prospectus registered with the relevant authorities or the introductory document or where this is not available, one copy of the draft prospectus submitted to the relevant authorities or the draft introductory document.
  - (c) One specimen copy of each denomination of certificates of the class to be listed. If transfer offices and registrars are maintained in more than one place, one specimen of each denomination of certificates used in each office (see Chapter 8 for form and content of certificates).
  - (d) A statement on the percentage of the total number of shares for which listing is sought which are held by the public, the number of public shareholders and a pro forma distribution of the shares in the following format:-

<i>Particulars</i>	<i>No of Shares</i>	<i>No of shareholders</i>	<i>Percentage %</i>
--------------------	-------------------------	-------------------------------	---------------------

*Issued  
and paid-up capital*

*Less:*

*Directors of the  
applicant and  
its subsidiaries and/or  
associated companies*

*Substantial  
shareholders of  
the applicant (except  
where such shareholder  
may be included as  
“public”)*

*Associates of  
directors or substantial  
shareholders of the  
applicant*

*Shareholders  
holding less than  
100 shares*

-----

*Public shareholdings*

- (e) A letter of undertaking in the form of Appendix 3B duly executed by the applicant together with a certified true extract of the applicant’s board of directors’ resolution authorising the signatory.
- (f) A letter of undertaking in the form of Appendix 3C duly executed by each director of the applicant.
- (g) A letter in the form of Appendix 3D duly executed by each independent director of the applicant.
- (h) A letter from the applicant’s adviser confirming all approvals of relevant authorities have been obtained.
- (i) One copy each of all letters of approval from the relevant authorities.
- (j) A proposal as to classification of the applicant in a specific sector in the prescribed form.
- (k) A letter of notification issued by the applicant for the appointment of stabilizing manager that includes—
  - (i) Where the stabilizing manager is a Participating Organisation, the name, business address and contact person of the Participating Organisation, name of the Capital Markets Services Representative’s License holder that will be conducting the stabilizing action;
  - (ii) where the stabilizing manager is not a Participating Organisation, the name and business address of the person appointed as the stabilizing manager and a contact person, the name of the Participating Organization and the Capital

Markets Services Representative's License holder that has been appointed to conduct the stabilizing action.

(iii) Where a stabilizing manager is appointed outside Malaysia, the name, address and contact person of the stabilizing manager appointed at that jurisdiction, the name, address and contact person of the Participating Organisation appointed in Malaysia to conduct the stabilizing action in Malaysia, along with the name of the Capital Markets Services Representative's License holder that will be conducting the stabilizing action in Malaysia.

(iv) an undertaking to inform the Exchange of any subsequent change of the stabilizing manager, Capital Markets Services Representative's License holder or Participating Organisation, where applicable, immediately upon such change.

(2) If any of the above documents are not filed because they are not applicable or available in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable or available.

## **PART C**

### **Documents to be filed with an application for quotation**

(paragraphs 3.08(2) and 4.17(2))

An applicant must file the following documents in support of an application for quotation:-

- (a) A copy of the latest return of allotment filed with the Registrar of Companies or in relation to a foreign corporation, a copy of a document showing its latest issued and paid-up capital filed with the relevant authority pursuant to the laws of the place of incorporation or in the event no such document is required to be filed pursuant to the relevant laws, a confirmation from the foreign corporation as to its latest issued and paid-up capital.
- (b) An undertaking that all notices of allotment will be issued and despatched to all successful applicants prior to the date of listing and quotation of the securities.
- (c) A confirmation from the adviser that the public shareholding spread based on the enlarged issued and paid-up capital of the applicant is in compliance with paragraph 3.05 of the Listing Requirements and a statement on the percentage of the total number of shares for which listing is sought which are held by the public, the number of public shareholders and a certificate of distribution of the shares in the following format:-

<i>Particulars</i>	<i>No of Shares</i>	<i>No of shareholders</i>	<i>Percentage %</i>
<i>Issued and paid-up capital</i>			
<i>Less:</i>			
<i>Directors of the applicant and its subsidiaries and/or associated companies</i>			
<i>Substantial shareholders of the applicant (except</i>			

*where such shareholder  
may be included as  
“public”*

*Associates of  
directors or substantial  
shareholders of the  
applicant*

*Shareholders  
holding less than  
100 shares* -----

*Public shareholdings*

- (d) A confirmation from the Depository of the receipt of the allotment information for crediting of the securities.
- (e) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees (see Schedule of Fees for computation of amount) together with a copy of the details of the computation of the amount of listing fees payable.
- (f) Where a moratorium is imposed on the sale of securities, the following information on the moratorium:-
  - (i) the names of securities holders;
  - (ii) the number of securities;
  - (iii) the date(s) of expiry of the moratorium; anda confirmation that the above information has been submitted to the Depository.
- (g) A confirmation from the adviser that all conditions including conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the securities have been met.
- (h) (Deleted)
- (i) Such applicable documents set out in Part B of Appendix 3A which were not submitted.
- (j) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the applicant's securities including any order, injunction or any other directive issued by any court of law.
- (k) A confirmation from the adviser that the securities rank pari passu in all respects with each other.

## **PART D**

### **Information to be disclosed in an introductory circular** (paragraphs 3.20 and 3.21(2))

- (1) “This introductory circular is for information only. No action is required to be taken”;
- (2) “If you have sold all your securities in the [listed company], please forward this introductory circular to the agent through whom the sale was contracted for onward transmission to the purchaser”;
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the introductory circular, makes no representation as to its accuracy or completeness and

expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the introductory circular;

- (4) The purpose of the introductory circular;
- (5) The criteria for the transfer and how the listed company has achieved such criteria which shall include the following:-
  - (a) the listing status i.e. the number of years the company has been listed on the Second Board or MESDAQ MARKET, as the case may be;
  - (b) the issued and paid-up capital;
  - (c) the shareholding spread; and
  - (d) the historical profit performance;
  - (e) a statement as to whether the listed company has met the profit forecast disclosed in the prospectus, where applicable; and
  - (f) the market capitalisation of the listed company, where applicable.
- (6) The rationale for the transfer;
- (7) The financial effects of the transfer;
- (8) The conditions for the transfer;
- (9) An appendix containing the following information on the listed company:-
  - (a) the history and business;
  - (b) the type, par value and number of shares making up the share capital and changes in share capital since incorporation;
  - (c) the directors and substantial shareholders and their respective shareholdings in the listed company;
  - (d) the following details of its subsidiaries and associated companies:-
    - (i) the name;
    - (ii) the date and place of incorporation;
    - (iii) the issued and paid-up capital;
    - (iv) the percentage of effective interest held by the company; and
    - (v) the principal activities;
  - (e) the audited profit and dividend record for the past 5 years and the latest interim results, if available, stating:-
    - (i) the turnover;
    - (ii) the profit before tax and exceptional items;
    - (iii) the exceptional items;
    - (iv) the profit before tax;
    - (v) the taxation;
    - (vi) the profit after tax before extraordinary items;
    - (vii) the extraordinary items;
    - (viii) the profit after tax and extraordinary items;
    - (ix) the earnings per share; and
    - (x) the dividend rate;

- (f) where there is any material fluctuation in turnover or profits in any of the years, an explanation therefor; and
  - (g) the latest audited accounts together with notes and auditors' report;
- (10) An appendix containing the following information:-
- (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed company and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed company or its directors, a statement that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (if applicable) in the form and context in which it is included;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered by the listed company and/or its subsidiaries within 2 years immediately preceding the date of the circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed company and/or any of its subsidiaries, including those pending or threatened against such companies. The following particulars shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit;
    - (iii) the names of the plaintiff(s) and defendant(s);
    - (iv) the estimate of maximum exposure to liabilities;
    - (v) directors'/solicitors' opinion of the outcome; and
    - (vi) the status;
  - (e) a statement that for a period of not less than 2 weeks following the publication of the introductory circular the following documents (or copies thereof) may be inspected at the registered office of the listed company:-
    - (i) the memorandum and articles of association;
    - (ii) the audited accounts of the listed company and/or group for the past 2 financial years and the latest unaudited results since the last audited accounts;
    - (iii) the letters of consent referred to in subparagraph (10)(b) above;
    - (iv) the material contracts referred to in subparagraph (10)(c) above; and
    - (v) the relevant cause papers in respect of the material litigation referred to in subparagraph (10)(d) above; and
- (11) Any other information which the securities holders and their professional advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

## **PART E**

### **Information to be disclosed in the advertisement of transfer to the Main Board (paragraph 3.22)**

- (1) The date of incorporation of the listed company;
- (2) The principal activities;
- (3) The composition of the board of directors;
- (4) The date of transfer;
- (5) The sector;
- (6) The stock code; and
- (7) The stock name.

[ End of Appendix ]

**APPENDIX 3B**

**Undertaking by an applicant**  
(paragraph 3.10(1))

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements and Rules of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange approving the application for admission of ..... (“the Company”) to the Official List of the Exchange (“the Official List”) and for official quotation of the securities described in the Company’s listing application WE HEREBY ACKNOWLEDGE that the Company shall remain on the Official List, and official quotation of any of the Company’s securities shall continue only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of the Exchange and the Rules of the Exchange, which shall be in force from time to time, insofar as the same shall apply to the Company.

The above Undertaking has been signed by me as ..... [title] of .....[name of Company] pursuant to authority granted to me by resolution of the board of directors of the Company on .....

Date:

Signature:

Name:

[ End of Appendix ]



**APPENDIX 3C**

**Undertaking by a director of an applicant/a listed company**  
(paragraphs 3.10(2)(a)(i), 8.21 and 15.03(1))

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, .....[name and NRIC number of director], am a director of .....[name(s) of applicant/listed company(ies)] (“the Company(ies)”) which #has submitted an application to the Exchange to be admitted to the Official List of the Exchange (“the Official List”) / #is/are listed on the Official List of the Exchange.

In consideration of the Exchange #approving the Company’s application for admission to the Official List / allowing the continued listing of the Company(ies) on the Official List, I HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of Bursa Malaysia Securities Berhad which shall be in force from time to time, insofar as the same shall apply to me as a director of the Company(ies).

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]

**APPENDIX 3D**

**Letter of confirmation by an independent director of an applicant/a listed company**  
(paragraph 3.10(2)(b) and 15.03(2))

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Confirmation of “independence” pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of .....  
[name(s) of applicant/listed company(ies)] which #has submitted an application to the Exchange to be  
admitted to the Official List of the Exchange /#is/are listed on the Official List of the Exchange.

I HEREBY CONFIRM AND DECLARE that I am an independent director as defined under paragraph  
1.01 of the Listing Requirements of the Exchange.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate.

[ End of Appendix ]

## APPENDIX 3E

### Information and documents to be disclosed in and filed with a transfer application

(paragraph 3.20)

(1) A listed company must disclose and/or file the following information and/or documents in support of a transfer application:-

- (a) One copy each of the articles of association and all amendments to-date.
- (b) One copy of the prospectus registered with the relevant authorities or the introductory circular or where this is not available, one copy of the draft prospectus submitted to the relevant authorities or the draft introductory circular.
- (c) A confirmation from the adviser that the public shareholding spread based on the existing or enlarged issued and paid-up capital of the listed company, as the case may be, is in compliance with paragraph 3.05 of the Listing Requirements and a statement on the percentage of the total number of listed shares which are held by the public, the number of public shareholders and a certificate of distribution of the shares in the following format:-

<i>Particulars</i>	<i>No of Shares</i>	<i>No of shareholders</i>	<i>Percentage %</i>
<i>Issued and paid-up capital</i>			
<i>Less:</i>			
<i>Directors of the listed company and its subsidiaries and/or associated companies</i>			
<i>Substantial shareholders of the listed company (except where such shareholder may be included as "public")</i>			
<i>Associates of directors or substantial shareholders of the listed company</i>			
<i>Shareholders holding less than 100 shares</i>	-----		
<i>Public shareholdings</i>			

- (d) A letter of undertaking in the form of Appendix 3F duly executed by the listed company together with a certified true extract of the resolution of the listed company's board of directors authorising the signatory.
- (e) A letter of undertaking in the form of Appendix 3G duly executed by each director of the listed company.

- (f) A letter in the form of Appendix 3H duly executed by each independent director of the listed company.
  - (g) A letter from the listed company's adviser confirming all approvals of relevant authorities have been obtained.
  - (h) One copy each of all letters of approval from the relevant authorities.
  - (i) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees together with a copy of the details of the computation of the amount of listing fees payable.
  - (j) A confirmation from the adviser that all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met prior to the transfer to the Main Board have been met.
  - (k) A confirmation that the composition of the board of directors of the listed company complies with the requirements of paragraph 15.02.
  - (l) A confirmation that the composition of the audit committee of the listed company complies with the requirements of paragraph 15.10 and 15.11.
  - (m) (Deleted)
  - (n) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the transfer to the Main Board including any order, injunction or any other directive issued by any court of law.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, the listed company must submit a separate exhibit explaining why such documents are not applicable or available.

[ End of Appendix ]

**APPENDIX 3F**

**Undertaking by a listed company transferring from the MESDAQ Market to the Main Board**

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements and Rules of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange approving the application for transfer of ..... (“the Company”) to the Main Board of the Exchange WE HEREBY ACKNOWLEDGE that the Company shall remain on the Official List of the Exchange, and official quotation of any of the Company's securities shall continue only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of the Exchange and the Rules of the Exchange, which shall be in force from time to time, insofar as the same shall apply to the Company.

The above Undertaking has been signed by me as ..... [title] of .....[name of Company] pursuant to authority granted to me by resolution of the board of directors of the Company on .....

Date:

Signature:

Name:

[ End of Appendix ]

**APPENDIX 3G**

**Undertaking by a director of a listed company transferring from the MESDAQ Market to the Main Board**

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("the Exchange")

I, .....[name and NRIC number of director], am a director of .....[name of the listed company] ("the Company") which has submitted an application to the Exchange to be transferred to the Main Board of the Exchange ("Main Board").

In consideration of the Exchange approving the Company's application for transfer to the Main Board, I HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of the Exchange which shall be in force from time to time, insofar as the same shall apply to me as a director of the Company.

Yours faithfully

.....

Name:

Designation:

Date:

[ End of Appendix ]

**APPENDIX 3H**

**Letter of confirmation by an independent director of a listed company transferring from the MESDAQ Market to the Main Board**

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Confirmation of “independence” pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of ..... [name of the listed company] which has submitted an application to the Exchange to be transferred to the Main Board of the Exchange.

I HEREBY CONFIRM AND DECLARE that I am an independent director as defined under paragraph 1.01 of the Listing Requirements of the Exchange.

Yours faithfully

.....

Name:

Designation:

Date:

[ End of Appendix ]

## **CHAPTER 4 SPECIAL REQUIREMENTS FOR SPECIFIC APPLICANTS**

### **PART A - GENERAL**

#### **4.01 Introduction**

- (1) This Chapter sets out the special requirements, which may be in addition or, as an exception to those set out in Chapter 3, that must be complied with by an applicant which is:-
- (a) an infrastructure project company (Part B);
  - (b) a closed-end fund (Part C);
  - (c) Deleted
  - (d) a management company of a real estate investment trust as well as a real estate investment trust (Part E); or
  - (e) a management company of an exchange traded fund as well as an exchange traded fund,  
seeking a listing of its securities or units of a real estate investment trust or an exchange traded fund, as the case may be, on the Official List.
- (2) Where any requirement in this Chapter conflicts with a requirement of another Chapter, the former shall prevail.

### **PART B - INFRASTRUCTURE PROJECT COMPANIES**

#### **4.02 Issued and paid-up share capital of infrastructure project companies**

An infrastructure project company seeking a listing on the Main Board must have a minimum issued and paid-up capital of RM60 million.

#### **4.03 Shareholding spread of infrastructure project companies**

An infrastructure project company seeking a listing on the Main Board must have at least 25% but not more than 49% of the total number of shares for which listing is sought in the hands of a minimum number of public shareholders holding not less than 100 shares each in accordance with paragraph 3.05.

### **PART C - CLOSED-END FUNDS**

#### **4.04 Definitions**

For the purpose of this Part, unless the context otherwise requires, “connected persons” shall have the meaning given under the Commission’s Guidelines for Public Offerings of Securities of Closed-end Funds.

#### **4.05 Issued and paid-up capital of closed-end funds**

A closed-end fund seeking a listing on the Main Board must have a minimum issued and paid-up capital of RM100 million comprising ordinary shares of RM1.00 each.

#### **4.06 Shareholding spread of closed-end funds**



- (1) A closed-end fund seeking a listing on the Main Board must have at least 25% of the total number of shares for which listing is sought in the hands of public shareholders.
- (2) A closed-end fund must ensure that out of its public shareholding, at least 10% or RM15 million, whichever is greater, is held by not less than 500 shareholders, each holding not more than 30,000 shares and not less than 100 shares.
- (3) For the purpose of calculating the required minimum public holding of 25% of the total number of shares, holdings by the directors, Managers and advising merchant bank of the closed-end fund and connected persons shall be excluded.

#### **4.07 Requirement in respect of independent director**

For the purpose of complying with paragraph 3.14 with regard to the requirement of having "independent directors", a director who is related in any way to any of the major shareholders of the Managers shall not be considered as such.

#### **PART D - Deleted**

**4.08** Deleted

**4.09** Deleted

**4.10** Deleted

**4.11** Deleted

**4.12** Deleted

**4.12A** Deleted

**4.12B** Deleted

#### **PART E - REAL ESTATE INVESTMENT TRUSTS**

##### **4.13 Size of real estate investment trust**

A management company seeking a listing of units of a real estate investment trust on the Main Board must ensure that the minimum size of the trust is RM 100 million.

##### **4.14 Unit spread of real estate investment trust**

- (1) A management company seeking a listing on the Main Board of units of a real estate investment trust must ensure that the real estate investment trust complies with the requirements of paragraph 3.05.
- (2) For the purpose of calculating the required minimum public holding, holdings by the management company, its directors and any person connected with such management company or directors shall be disregarded.
- (3) For purposes of subparagraph (2) above, "person connected with such management company or directors" shall have the same meaning given in paragraph 1.01 of "person connected in relation to a director or major shareholder", as if the management company or directors is the major shareholder or director mentioned therein.

##### **4.15 Independent director of management company**

A management company must ensure that the composition of its board of directors complies with the requirements of paragraph 3.14 as if it were the applicant mentioned therein.

#### **4.16 Requirement for audit committee not applicable**

The provisions in these Requirements in relation to audit committees are not applicable to a real estate investment trust.

#### **4.17 Listing application and application for quotation**

- (1) A management company must file with the Exchange a listing application which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 4B, duly signed by the management company; and
  - (b) the supporting documents specified in Part B of Appendices 3A (where applicable) and 4B.
- (2) A management company must also file with the Exchange an application for quotation which shall be accompanied by the documents specified in Part C of Appendices 3A (where applicable) and 4B and such other documents as may be specified in the approval-in-principle granted by the Exchange.

#### **4.18 Unissued units**

- (1) A management company must apply for an approval-in-principle to list only that part of the units which have been issued and units to be issued in connection with the listing application. If an additional unissued amount is reserved for subsequent issuance for a specific purpose, a management company must apply for an approval-in-principle to add that amount to the Official List in the future for that specific purpose. A management company must not apply for an approval-in-principle for the listing of any unit which is not reserved for subsequent issuance for a specific purpose.
- (2) A management company must submit an application for quotation for such reserved amount for which approval-in-principle has been granted pursuant to subparagraph (1) above, upon actual issuance of such amount in accordance with the provisions of Chapter 6.

#### **4.19 Undertakings and confirmation**

- (1) A trustee and management company must give the Exchange an undertaking in the form of Appendix 4C.
- (2) A management company must ensure that:-
  - (a) every director of the management company shall give the Exchange an undertaking in the form of Appendix 4D; and
  - (b) every director who is or has been appointed as an independent director shall give the Exchange a letter in the form of Appendix 4E.

#### **4.20 Provisions in the trust deed**

- (1) A management company must ensure that the trust deed governing an issue of the real estate investment trust units includes the various provisions set out in Appendix 4F.
- (2) A management company must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with the trust deed and a checklist showing compliance with Appendix 4F.

## **PART F – EXCHANGE TRADED FUNDS**

### **4.21 Unit spread of exchange traded fund**

The Exchange may require a management company seeking a listing of units of an exchange traded fund on the Exchange to comply with such unit spread requirements as may be prescribed by the Exchange.

### **4.22 Independent directors of management company**

A management company of an exchange traded fund must ensure that the composition of its board of directors complies with the requirements of paragraph 3.14 as if it were the applicant mentioned therein.

### **4.23 Requirement for audit committee not applicable**

The provisions in these Requirements in relation to audit committees are not applicable to an exchange traded fund.

### **4.24 Listing application and application for quotation**

- (1) A management company must file with the Exchange a listing application which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 4H, duly signed by the management company; and
  - (b) the supporting documents specified in Part B of Appendices 3A (where applicable) and 4H.
- (2) A management company must also file with the Exchange an application for quotation of an exchange traded fund which shall be accompanied by the documents specified in Part C of Appendices 3A (where applicable) and 4H and such other documents as may be specified in the approval-in-principle granted by the Exchange.
- (3) A management company must ensure that the applications for listing and quotation referred to in subparagraphs (1) and (2) above shall cover all units approved for listing by the Commission, including the unissued amount reserved for subsequent issuance.

### **4.25 Undertakings and confirmation**

- (1) A trustee and management company must give the Exchange an undertaking in the form of Appendix 4I.
- (2) A management company must ensure that:-
  - (a) every director of the management company shall give the Exchange an undertaking in the form of Appendix 4J; and
  - (b) every director who is or has been appointed as an independent director shall give the Exchange a letter in the form of Appendix 4K.

### **4.26 Provisions in the deed**

- (1) A management company must ensure that the deed governing an issue of the exchange traded fund units includes the various provisions set out in Appendix 4L.
- (2) A management company must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with the deed and a checklist showing compliance with Appendix 4L.

[ End of Chapter ]

**APPENDIX 4A**

(Deleted)

[ End of Appendix ]

## **APPENDIX 4B**

### **Part A**

#### **Contents of a listing application in respect of a real estate investment trust** (paragraph 4.17(1)(a))

- (1) Title Page showing:-
  - (a) the name of the trust fund;
  - (b) the address of each office at which the trust fund register is kept;
  - (c) the class of trust fund units proposed for listing and the issue price thereof; and
  - (d) the date of application, and formal request for listing, specifying amount and class of the units proposed for listing; and
- (2)
  - (a) a table showing the following:-
    - (i) the designation or title of each class of units;
    - (ii) the maximum number of units authorised by the trust deed; and
    - (iii) the ranking of the units;
  - (b) a table showing the number of unissued units of each class of units reserved for issuance for any specific purpose, and purpose for which reserved or an appropriate negative statement; and
  - (c) the number of holders on record (of the class applied for) as of a date not earlier than 7 days from the date of the application.

### **Part B**

#### **Documents to be filed with a listing application in respect of a real estate investment trust** (paragraph 4.17(1)(b))

- (1) A management company must file the following documents in support of a listing application for a real estate investment trust:-
  - (a) One copy of the trust deed registered with the relevant authorities.
  - (b) One copy of the memorandum and articles of association of the management company and all amendments to-date.
  - (c) A letter of undertaking in the form of Appendix 4C duly executed by the trustee and management company together with a certified true extract of the board of directors' resolutions of the boards of the trustee and management company authorising the signatories.
  - (d) A letter of undertaking in the form of Appendix 4D duly executed by each director of the management company.
  - (e) A letter in the form of Appendix 4E duly executed by the independent director of the management company.
- (2) If any of the above documents are not filed because they are not applicable in any case, the management company must submit a separate exhibit explaining why such documents are not applicable.

## **Part C**

### **Documents to be filed with an application for quotation of units of a real estate investment trust**

(paragraph 4.17(2))

A management company must file the following documents in support of an application for quotation of a real estate investment trust:-

- (a) An undertaking that all notices of allotment will be issued and despatched to all successful applicants prior to the date of listing and quotation of the units.
- (b) A declaration of compliance with the spread requirements as set out in paragraph 4.14.
- (c) A confirmation from the Depository of the receipt of the allotment information for crediting of the units.
- (d) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees (see Schedule of Fees for computation of amount).
- (e) A confirmation that all conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the units have been met.
- (f) (Deleted)

[ End of Appendix ]

**APPENDIX 4C**

**Undertaking by a trustee and management company of a real estate investment trust**  
(paragraph 4.19(1))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur.

Compliance with the Listing Requirements and Rules of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange granting the application for admission of ..... [name of the real estate investment trust] (“the Trust”) to the Official List of the Exchange (“Official List”) and for official quotation of the units described in our listing application, WE, ..... [names of trustee and management company] HEREBY ACKNOWLEDGE that the Trust shall remain on the Official List, and official quotation of any of the Trust’s units shall continue only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of the Exchange and the Rules of the Exchange, which shall be in force from time to time, insofar as the same shall apply to the Trust.

The above Undertaking has been signed by us as:-

(i) .....[title] of .....[trustee] pursuant to the authority granted to me by resolution of the board of directors of the said trustee on .....

(ii) .....[title] of .....[management company] pursuant to authority granted to me by resolution of the board of directors of the said management company on .....

Date:

Date :

Trustee:

Management company:

Signature:

Signature:

Name:

Name:

[ End of Appendix ]



**APPENDIX 4D**

**Undertaking by a director of a management company of a real estate investment trust**  
(paragraph 4.19(2)(a)(i))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of .....[name of management company] (“the Company”) which #has submitted an application to the Exchange for the real estate investment trust.....[name of the trust] (“the Trust”) to be admitted to the Official List of the Exchange (“the Official List”) / #is/are listed on the Official List of the Exchange.

In consideration of the Exchange #approving the Company’s application for admission of the Trust to the Official List / allowing the continued listing of the Trust on the Official List, I HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of Bursa Malaysia Securities Berhad which shall be in force from time to time, insofar as the same shall apply to me as a director of the Company.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]

**APPENDIX 4E**

**Letter of confirmation by an independent director of a management company of a real estate investment trust**  
(paragraph 4.19(2)(b))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Confirmation of “independence” pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of .....  
[name of management company of real estate investment trust] which #has submitted an application to the Exchange to be admitted to the Official List of the Exchange / is listed on the Official List of the Exchange.

I HEREBY CONFIRM AND DECLARE that I am an independent director as defined under paragraph 1.01 of the Listing Requirements of the Exchange.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]

## **APPENDIX 4F**

### **Contents of deed in respect of a real estate investment trust**

(paragraph 4.20(1))

- (1) At least 14 days' notice in writing of any meeting (other than a meeting convened to pass a special resolution) of unit holders shall be given by the trustee. In the case of a meeting convened to pass a special resolution, at least 21 days' notice shall be given. Such notice will specify in a circular the general nature of the business to be transacted.
- (2) The trustee shall cause at least 14 days' notice (21 days in the case of special resolution to be passed) to be given of any meeting by advertisement in a national language daily newspaper and in one other newspaper as may be approved by the, and in writing to the Exchange.
- (3) A unit holder shall be entitled to attend and vote at any meeting of unit holders, and shall be entitled to appoint another person (whether a unit holder or not) as his proxy to attend and vote. Where the unit holder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with units standing to the credit of the said securities account. Where a unit holder appoints 2 proxies in accordance with this provision the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Such proxy shall have the same rights as the member to vote whether on a poll or a show of hands, to speak and to be reckoned in a quorum.
- (4) In the case of an equality of votes the chairman of a meeting of unit holders shall have a casting vote in addition to his votes (if any) as a unit holder both on a show of hands and on a poll.

[ End of Appendix ]

**APPENDIX 4G**

(Deleted)

[ End of Appendix ]

## **APPENDIX 4H**

### **Part A**

#### **Contents of a listing application in respect of an exchange traded fund** (paragraph 4.24(1)(a))

- (1) Title Page showing:-
  - (a) the name of the fund;
  - (b) the address of each office at which the fund register is kept;
  - (c) the fund units proposed for listing and the issue price thereof; and
  - (d) the date of application, and formal request for listing, specifying amount of units proposed for listing; and
- (2) (a) a table showing the following:-
  - (i) the designation or title of the units;
  - (ii) the maximum number of units approved by the Commission; and
  - (iii) the ranking of the units; and
- (b) the number of holders on record as of a date not earlier than 7 days from the date of the application.

### **Part B**

#### **Documents to be filed with a listing application in respect of an exchange traded fund** (paragraph 4.24 (1)(b))

- (1) A management company must file the following documents in support of a listing application for an exchange traded fund:-
  - (a) One copy of the deed registered with the relevant authorities.
  - (b) One copy of the memorandum and articles of association of the management company and all amendments to-date.
  - (c) A letter of undertaking in the form of Appendix 4I duly executed by the trustee and management company together with a certified true extract of the board of directors' resolutions of the boards of the trustee and management company authorising the signatories.
  - (d) A letter of undertaking in the form of Appendix 4J duly executed by each director of the management company.
  - (e) A letter in the form of Appendix 4K duly executed by each independent director of the management company.
- (2) If any of the above documents are not filed because they are not applicable in any case, the management company must submit a separate exhibit explaining why such documents are not applicable.

### **Part C**

#### **Documents to be filed with an application for quotation of units of an exchange traded fund**

(paragraph 4.24(2))

A management company must file the following documents in support of an application for quotation of an exchange traded fund:-

- (a) An undertaking that all notices of allotment will be issued and despatched to all successful applicants prior to the date of listing and quotation of the units, or where it relates to new units issued after listing, upon creation of the units, as the case may be.
- (b) A confirmation from the Depository of the receipt of the allotment information for crediting of the units issued as at the date of the application for quotation.
- (c) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees of the approved fund size (see Schedule of Fees for computation of amount) together with a copy of the details of the computation of the amount of listing fees payable.
- (d) A confirmation from the adviser that all conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the units have been met, or where it relates to new units issued after listing, such conditions will be met, as the case may be.
- (e) A confirmation from the adviser that the units issued rank pari passu in all respects with each other, or where it relates to new units issued after listing, such units will rank pari passu in all respects with each other and with the existing units.
- (f) (Deleted)
- (g) The number of units issued as at the date of application for quotation.
- (h) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the units, including any order, injunction or any other directive issued by any court of law.
- (i) A confirmation from the adviser that in relation to new units issued after listing, there will be no circumstances or facts which will have the effect of preventing or prohibiting the issuance, listing and/or quotation of the units, including any order, injunction or any other directive issued by any court of law.

[End of Appendix]

**APPENDIX 4I**

**Undertaking by a trustee and management company of an exchange traded fund**  
(paragraph 4.25(1))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur.

Compliance with the Listing Requirements and Rules of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange granting the application for admission of ..... [name of the exchange traded fund] (“the ETF”) to the Official List of the Exchange (“Official List”) and for official quotation of the units described in our listing application, WE, ..... [names of trustee and management company] HEREBY ACKNOWLEDGE that the ETF shall remain on the Official List, and official quotation of any of the ETF’s units shall continue only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of the Exchange and the Rules of the Exchange, which shall be in force from time to time, insofar as the same shall apply to the ETF.

The above Undertaking has been signed by us as:-

(i) .....[title] of .....[trustee] pursuant to the authority granted to me by resolution of the board of directors of the said trustee on .....

(ii) .....[title] of .....[management company] pursuant to authority granted to me by resolution of the board of directors of the said management company on .....

Date:

Date :

Trustee:

Management company:

Signature:

Signature:

Name:

Name:

[ End of Appendix ]

**APPENDIX 4J**

**Undertaking by a director of a management company of an exchange traded fund**  
(paragraph 4.25(2)(a)(i))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of .....[name of management company] (“the Company”) which #has submitted an application to the Exchange for the exchange traded fund .....[name of the fund] (“the ETF”) to be admitted to the Official List of the Exchange (“the Official List”) / #is/are listed on the Official List of the Exchange.

In consideration of the Exchange #approving the Company’s application for admission of the ETF to the Official List / allowing the continued listing of the ETF on the Official List, I HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of Bursa Malaysia Securities Berhad which shall be in force from time to time, insofar as the same shall apply to me as a director of the Company.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]



**APPENDIX 4K**

**Letter of confirmation by an independent director of a management company of an exchange traded fund**  
(paragraph 4.25(2)(b))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Confirmation of “independence” pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of .....  
[name of management company of exchange traded fund] which #has submitted an application to the Exchange to be admitted to the Official List of the Exchange / is listed on the Official List of the Exchange.

I HEREBY CONFIRM AND DECLARE that I am an independent director as defined under paragraph 1.01 of the Listing Requirements of the Exchange.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]

## APPENDIX 4L

### Contents of deed in respect of an exchange traded fund

(paragraph 4.26(1))

- (1) At least 14 days' notice in writing of any meeting (other than a meeting convened to pass a special resolution) of unit holders shall be given by the trustee. In the case of a meeting convened to pass a special resolution, at least 21 days' notice shall be given. Such notice will specify in a circular the general nature of the business to be transacted.
- (2) The trustee shall cause at least 14 days' notice (21 days in the case of a special resolution to be passed) to be given by advertisement in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper, and in writing to the Exchange.
- (3)
  - (a) The quorum for a meeting of unit holders for a meeting at which an ordinary resolution only is to be proposed shall be at least 5 persons holding or representing by proxy at least 10 per cent of the number of units of the relevant class and carrying the right to vote at that meeting.
  - (b) The quorum for a meeting of unit holders for a meeting at which a special resolution is to be proposed shall be at least 5 persons holding or representing by proxy at least 15 per cent of the number of units of the relevant class and carrying the right to vote at that meeting.
- (4) A unit holder shall be entitled to attend and vote at any meeting of unit holders, and shall be entitled to appoint another person (whether a unit holder or not) as his proxy to attend and vote. Where the unit holder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with units standing to the credit of the said securities account. Where a unit holder appoints 2 proxies in accordance with this provision the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Such proxy shall have the same rights as the member to vote whether on a poll or a show of hands, to speak and to be reckoned in a quorum.
- (5) In the case of an equality of votes the chairman of a meeting of unit holders shall have a casting vote in addition to his votes (if any) as a unit holder both on a show of hands and on a poll.
- (6) Every question arising at a general meeting of unit holders shall be decided in the first instance by a show of hands, provided that a poll shall be taken in any case where:-
  - (a) it is required by the deed or by law that the question be decided by a majority which is to be measured by a percentage of the votes of those present; or
  - (b) it is demanded either before or immediately after any question is put to a show of hands by unit holders present, holding (or representing by proxy) between them not less than 5% of the units issued.
- (7) Upon any question decided by a show of hands each unit holder present and each proxy shall have one vote and upon any question decided by a poll each unit holder present in person or by proxy shall have one vote for each fully paid unit.

[ End of Appendix ]

## **CHAPTER 4A FOREIGN CORPORATIONS SEEKING A LISTING ON THE EXCHANGE AND COMPANIES SEEKING A SECONDARY LISTING ON THE EXCHANGE**

### **PART A – FOREIGN CORPORATIONS SEEKING A PRIMARY LISTING ON THE EXCHANGE**

#### **4A.01 Introduction**

- (1) A foreign corporation seeking and/or having a primary listing on the Exchange must comply with all the other Chapters in these Requirements subject to the additional requirements, modifications or exceptions set out in this Chapter.
- (2) Where any requirements in this Chapter conflicts with a requirement of another Chapter, the former shall prevail.

#### **4A.02 Issued and paid-up capital**

A foreign corporation seeking a primary listing on the Exchange must have a minimum issued and paid-up capital equivalent to RM60 million.

#### **4A.03 Share transfer or registration office**

A foreign corporation seeking a primary listing on the Exchange must establish a share transfer or share registration office in Malaysia.

#### **4A.04 Appointment of directors**

A foreign corporation seeking a primary listing on the Exchange:-

- (a) which has predominantly Malaysian-based operations must have a majority of its directors whose principal or only place of residence is within Malaysia;
- (b) which has predominantly foreign-based operations must have at least one director whose principal or only place of residence is within Malaysia.

#### **4A.05 Agent or representative**

A foreign corporation seeking a primary listing on the Exchange must appoint an agent or representative in Malaysia to be responsible for communication with the Exchange, on behalf of the foreign corporation.

#### **4A.06 Listing application**

A foreign corporation seeking a primary listing on the Exchange must submit to the Exchange the supporting document(s) specified in items 1(a) to (c) in Part B of Appendix 4A(A) in addition to the supporting documents specified in Part B of Appendix 3A.

#### **4A.07 Undertaking**

A foreign corporation seeking a primary listing on the Exchange must give the Exchange an undertaking in the form of Appendix 4A(B).

#### **4A.08 Listing and quotation in Ringgit**

The securities of a foreign corporation seeking a primary listing on the Exchange shall be listed and quoted in Ringgit.

### **PART B – SPECIFIC CONTINUING OBLIGATIONS RELATING TO FOREIGN CORPORATIONS WITH A PRIMARY LISTING ON THE EXCHANGE**

#### **4A.09 Directors**

A foreign corporation with a primary listing on the Exchange:-

- (a) which has predominantly Malaysian-based operations must have a majority of its directors whose principal or only place of residence is within Malaysia;
- (b) which has predominantly foreign-based operations must have at least one director whose principal or only place of residence is within Malaysia.

#### **4A.10 Auditing standards**

A foreign corporation with a primary listing on the Exchange must ensure that the auditing standards applied are in accordance with approved auditing standards applied in Malaysia or International Standards on Auditing.

#### **4A.11 Information/documents in English**

All information or documents presented, submitted or disclosed pursuant to these Requirements must be in English.

#### **4A.12 Valuation standards**

A foreign corporation with a primary listing on the Exchange must ensure that the valuation standards applied in the valuation of assets are in accordance with approved valuation standards applied in Malaysia or International Valuation Standards.

#### **4A.13 Information to be disclosed**

A foreign corporation with a primary listing on the Exchange must give the Exchange for public release concurrently all information required to be publicly disclosed to its domestic regulatory authorities and other stock exchanges, if applicable.

#### **4A.14 Distribution of notices etc**

A foreign corporation with a primary listing on the Exchange must distribute to its shareholders in Malaysia all:-

- (a) notices of general meetings to be held;
- (b) annual reports;
- (c) accounts; and
- (d) all other documents or information,

which it is required to distribute in its place of incorporation and other stock exchanges, if applicable. The foreign corporation must give sufficient notice to enable its shareholders in Malaysia to comply with the terms of the notice.

#### **4A.15 Announcement of appointment of directors**

Without prejudice to paragraph 9.19 on the making of immediate announcements, the announcements made by a foreign corporation with a primary listing on the Exchange with regard to the appointment of a director must include the director's principal or only place of residence.

#### **4A.16 Substantial shareholdings**

A foreign corporation with a primary listing on the Exchange must make an immediate announcement of any change in the interest or interests of a substantial shareholder in its voting shares upon notification by the substantial shareholder, and in any event no later than 7 days after the date of notification by the substantial shareholder, stating the name of the shareholder and full particulars of the change, including the date of the change, the number of shares involved and the circumstances by reason of which the change occurred.

#### **4A.17 Financial statements**

A foreign corporation with a primary listing on the Exchange must ensure that any financial statements given to the Exchange for public release are:-

- (a) prepared on a consolidated basis;
- (b) prepared in accordance with the approved accounting standards as defined in the Financial Reporting Act, 1997; and
- (c) if prepared in a currency other than Ringgit, converted into Ringgit.

#### **4A.18 Statutory declaration in relation to annual audited accounts**

The annual audited accounts of a foreign corporation with a primary listing on the Exchange shall be accompanied by a statutory declaration in the form required under section 169(16) of the Companies Act 1965 which is signed by the director or person primarily responsible for the financial management of the foreign corporation, as the case may be, who satisfies the requirements prescribed in paragraph 9.27.

#### **4A.19 Notification of suspension and de-listing**

- (1) A foreign corporation with a primary listing on the Exchange must immediately notify the Exchange in writing where it has requested for a suspension in trading or a de-listing of its securities listed on other stock exchange(s).
- (2) If the other stock exchange(s) decide(s) to suspend trading in or de-list the securities of a foreign corporation with a primary listing on the Exchange, whether in relation to its request under subparagraph (1) above or otherwise, it must immediately notify the Exchange in writing.

### **PART C – COMPANIES SEEKING A SECONDARY LISTING ON THE EXCHANGE**

#### **4A.20 Introduction**

- (1) A company seeking and/or having a secondary listing on the Exchange must be subject to the listing rules (or its equivalent) of the home exchange.
- (2) Apart from the obligations set out in this Chapter, Chapters 1, 2 and 16, where applicable, and such other requirements as may be imposed by the Exchange from time to time, the other Chapters of these Requirements are not applicable to a company with a secondary listing on the Exchange.

#### **4A.21 Admission**

- (1) The Exchange will exercise discretion over the admission and continued listing of securities on its Official List and may approve or reject applications for listing on the Exchange, as it deems fit.
- (2) The Exchange may also approve applications for listing on the Exchange unconditionally or subject to such conditions, as it deems fit.

#### **4A.22 Approval from other authorities**

A company seeking a secondary listing on the Exchange must first obtain approval(s) from the Commission and other relevant authorities (where applicable) before listing and quotation of any security will be considered by the Exchange.

#### **4A.23 Issued and paid-up capital**

A company seeking a secondary listing on the Exchange must have a minimum issued and paid-up capital of RM60 million.

#### **4A.24 Procedures relating to admission of companies seeking a secondary listing on the Exchange**

The following procedures shall apply to the admission of a company seeking a secondary listing on the Exchange, with the necessary modifications, as may be applicable:-

- (a) A company seeking a secondary listing on the Exchange submits an application to the relevant authorities at the place of incorporation and other stock exchange (s) (“the Relevant Authorities”) and the Commission, if required under the applicable laws and rules.
- (b) The Relevant Authorities and the Commission approve the listing.
- (c) The company seeking a secondary listing on the Exchange files with the Exchange its articles of association together with a letter of compliance accompanied by a checklist showing compliance.
- (d) The company seeking a secondary listing on the Exchange files the final copy of the prospectus with the relevant authorities.
- (e) The company seeking a secondary listing on the Exchange:-
  - (i) issues the prospectus or introductory document and the offer period opens, if the listing entails an offer of securities to the public;
  - (ii) advertises the prospectus or introductory document; and
  - (iii) provides the Exchange with such number of copies of the printed prospectus or introductory document as may be determined by the Exchange from time to time.
- (f) The company seeking a secondary listing on the Exchange files with the Exchange a listing application together with supporting documents.
- (g) Exchange grants approval-in-principle for the admission of securities.
- (h) If the listing entails an offer of securities to the public, the company seeking a secondary listing on the Exchange announces the level of subscription and the basis of allocation.
- (i) The company seeking a secondary listing on the Exchange issues securities and notices of allotment.
- (j) The company seeking a secondary listing on the Exchange files with the Exchange an application for quotation together with supporting documents.
- (k) Securities are admitted to the Official List and quoted on the Exchange 2 clear market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.

#### **4A.25 Listing application and application for quotation for companies seeking a secondary listing on the Exchange**

- (1) A company seeking a secondary listing on the Exchange must file with the Exchange a listing application which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 4A(A), duly signed by the company; and
  - (b) the supporting documents specified in Part B of Appendix 4A(A).
- (2) A company seeking a secondary listing on the Exchange must also file with the Exchange an application for quotation which shall be accompanied by:-
  - (a) the documents specified in Part C of Appendix 4A(A); and
  - (b) a confirmation that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the securities including any order, injunction or any other directive issued by any court of law.

#### **4A.26 Unissued securities**

- (1) A company seeking a secondary listing on the Exchange must apply for approval-in-principle to list only that part of the securities which have been issued and securities to be issued in connection with the listing application. If an additional unissued amount is reserved for subsequent issuance for a specific purpose, a company seeking a secondary listing on the Exchange must apply for an approval-in-principle to add that amount to the Official List in the future for that specific purpose. A company seeking a secondary listing on the Exchange must not apply for an approval-in-principle for the listing of any security which is not reserved for subsequent issuance for a specific purpose.
- (2) A company seeking a secondary listing on the Exchange must submit an application for quotation for such reserved amount for which approval-in-principle has been granted pursuant to subparagraph (1) above, upon actual issuance of such amount in accordance with the provisions of paragraphs 4A.35 and 4A.36 below.

#### **4A.27 Undertaking**

- (1) A company seeking a secondary listing on the Exchange must give the Exchange an undertaking in the form of Appendix 4A(B).
- (2) A company seeking a secondary listing on the Exchange must ensure that every one of its directors shall give the Exchange an undertaking in the form of Appendix 4A(C).

#### **4A.28 Introductory document**

- (1) Where a company seeking a secondary listing on the Exchange is not required to issue a prospectus in connection with its listing on the Official List, it must issue an introductory document. Such introductory document must comply with the Commission's Prospectus Guidelines for Public Offerings.
- (2) The draft introductory document must be submitted to the Exchange together with a checklist showing compliance with the Commission's Prospectus Guidelines for Public Offerings.

#### **4A.29 Issue of introductory document**

A company seeking a secondary listing on the Exchange must not issue to the public any introductory document in connection with its listing on the Official List until such document has been perused by the Exchange and the Exchange has confirmed to the company that it has no further comments thereon.

#### **4A.30 Notification/Advertisement of securities prescribed by the Exchange to be deposited with the Depository**

In relation to the prescription by the Exchange of the securities of a company seeking a secondary listing on the Exchange to be deposited with the Depository pursuant to section 14 of the Securities Industry (Central Depositories) Act 1991 (referred to as "Prescription" in this Part C), the company must submit to the Exchange either one of the following, 3 clear market days prior to the issuance date of the prospectus or introductory document or the proposed books closing date, as the case may be:-

- (a) a confirmation in writing to the Exchange that the information set out in its register including the addresses of its shareholders are updated and accurate as at a date not exceeding 14 days prior to the issuance date of the prospectus or introductory document or proposed books closing date, as the case may be, for purposes of notification to its shareholders of the Prescription; or
- (b) where the applicant is unable to provide the confirmation set out in subparagraph (a) above, payment to the Exchange, in accordance with paragraph 4A.31, for the advertisement charges incurred or to be incurred by the Exchange pursuant to section 14(2) of the Securities Industry (Central Depositories) Act 1991 in relation to the Prescription.

#### **4A.31 Fees**

- (1) A company seeking a secondary listing on the Exchange must pay to the Exchange a perusal fee of such amount as may be determined by the Exchange from time to time.
- (2) A company seeking a secondary listing on the Exchange must pay to the Exchange:-
  - (a) an initial listing fee and annual listing fee where its listing application has been approved; and
  - (b) the advertisement charges as may be incurred by the Exchange pursuant to section 14(2) of the Securities Industry (Central Depositories) Act 1991 (where the company is unable to provide the confirmation as set out under paragraph 4A.30(a)),of such amount and in such manner as is specified in the Schedule of Fees and subparagraph (3) below respectively.
- (3) All payments must be made by cheques drawn to the order of Bursa Malaysia Securities Berhad.

#### **4A.32 Classification of a company seeking a secondary listing on the Exchange**

- (1) A company seeking a secondary listing on the Exchange must propose to the Exchange its classification into any one of the sectors prescribed by the Exchange, in accordance with the criteria prescribed by the Exchange.
- (2) The company seeking a secondary listing on the Exchange must furnish to the Exchange a proposal of its classification made in accordance with subparagraph (1) above in a form prescribed by the Exchange.
- (3) The classification shall be subject to the approval of the Exchange. The Exchange may in its absolute discretion classify the company seeking a secondary listing on the Exchange into such other sector as it deems fit.

#### **4A.33 Appointment of Directors**

A company seeking a secondary listing on the Exchange must have at least one director whose principal or only place of residence is within Malaysia.



#### **4A.34 Other Obligations**

Apart from the obligations set out in this Part C, a company seeking a secondary listing on the Exchange must comply with paragraphs 4A.03, 4A.05 and 4A.08. For the purpose of this paragraph, all references to foreign corporation seeking a primary listing on the Exchange in paragraphs 4A.03, 4A.05 and 4A.08 shall mean a company seeking a secondary listing on the Exchange.

### **PART D - SPECIFIC CONTINUING OBLIGATIONS RELATING TO COMPANIES WITH A SECONDARY LISTING ON THE EXCHANGE**

#### **4A.35 Procedures relating to listing of a new issue of securities by a company with a secondary listing on the Exchange**

- (1) A company with a secondary listing on the Exchange (hereinafter referred to as "listed issuer") shall ensure that all new issues of securities are admitted and quoted on the Exchange at the same time as they are admitted and quoted on other stock exchange(s) ("the Stock Exchange").
- (2) The following procedures shall apply to the listing of a new issue of securities by a listed issuer, with the necessary modifications, as may be applicable:-
  - (a) Listed issuer makes an immediate announcement to the Exchange upon the approval of the board of directors of the listed issuer being given for the new issue.
  - (b) Listed issuer submits an application to the relevant authorities at the place of incorporation and the Stock Exchange ("the Relevant Authorities") and the Commission, if required under the applicable laws and rules.
  - (c) The Relevant Authorities and the Commission approve the issuance and listing of the securities.
  - (d) Listed issuer files with the Exchange a listing application for the new issue of securities together with supporting documents.
  - (e) Exchange grants approval-in-principle for the listing of the new issue of securities.
  - (f) Listed issuer obtains approval of its shareholders, if required, under the applicable laws and rules.
  - (g) Listed issuer fixes relevant books closing and entitlement dates, where applicable, and makes an immediate announcement to the Exchange with respect to such dates.
  - (h) Listed issuer allots and issues the securities.
  - (i) Listed issuer files with the Exchange an application for quotation together with supporting documents at least 2 market days before the securities are admitted and quoted on the Stock Exchange.
  - (j) Securities are admitted to the Official List and quoted on the Exchange at the same time as they are admitted and quoted on the Stock Exchange if the application for quotation together with the supporting documents are found to be complete in all respects.
- (3) If the listed issuer fails to make an application to the Relevant Authorities and the Commission by the date specified in the announcement under subparagraph (2) above, it must make an immediate announcement informing the fact of such failure, the reasons therefor and when it expects to make the application.

#### **4A.36 Listing application by a company with a secondary listing on the Exchange for a new issue of securities and application for quotation**

- (1) A company with a secondary listing on the Exchange (hereinafter referred to as "listed issuer") must file with the Exchange a listing application for a new issue of securities which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 4A(D), duly signed by the listed issuer;
  - (b) the supporting documents specified in Part B of Appendix 4A(D); and
  - (c) the proposed admission and quotation date of the new securities on other stock exchange(s) ("the Stock Exchange").
- (2) A listed issuer must also file with the Exchange an application for quotation of a new issue of securities which shall be accompanied by:-
  - (a) a confirmation of the admission and quotation date of the new securities on the Stock Exchange;
  - (b) the documents specified in Part C of Appendix 4A(D);
  - (c) such applicable documents set out in paragraph 4A.36(1) which were not submitted; and
  - (d) other documents as may be specified in the approval-in-principle granted by the Exchange.

#### **4A.37 Directors**

A company with a secondary listing on the Exchange must have at least one director whose principal or only place of residence is within Malaysia.

#### **4A.38 Change in classification**

- (1) Where there are circumstances to signify that a change in the classification of a company with a secondary listing on the Exchange in a specific sector has taken place, the company with a secondary listing on the Exchange must propose to the Exchange of the change in classification in such manner as may be prescribed by the Exchange. The proposed change in classification shall be subject to the approval of the Exchange. The Exchange may in its absolute discretion either maintain the classification or classify the company into such other sector as it deems fit.
- (2) Notwithstanding the absence of any notification from the company with a secondary listing on the Exchange, the Exchange may, where the circumstances warrant the same, change the classification of a company with a secondary listing on the Exchange to a sector which, in the opinion of the Exchange, is more appropriate for the company.

#### **4A.39 Documents for overseas securities holders**

A company with a secondary listing on the Exchange must ensure that all documents for overseas securities holders of listed issuers are forwarded by airmail or any speedier form of transmission.

#### **4A.40 Copies of documents to be supplied to the Exchange**

A company with a secondary listing on the Exchange must supply the Exchange with 30 copies or any such number as the Exchange may determine from time to time of:-

- (a) all periodic and special reports, circulars, and all other documents released or issued by the company to the holders of any of the company's securities;
- (b) the annual audited accounts together with the auditors' and directors' reports and the printed annual report of the company and all documents required by law to be annexed thereto, as soon as issued; and
- (c) all proceedings of the annual general meeting where they contain information additional to that contained in the annual report.

#### **4A.41 Director's undertaking**

A company with a secondary listing on the Exchange must ensure that every director of the company shall give the Exchange after this paragraph comes into force or his appointment, whichever is the later, and in any event not later than 14 days thereafter, an undertaking in the form of Appendix 4A(C).

#### **4A.42 Fees**

- (1) A company with a secondary listing on the Exchange must pay to the Exchange an annual listing fees of such amount as specified in the Schedule of Fees annually in advance and not later than 31<sup>st</sup> January each year. Such payment shall be accompanied with a copy of the details of the computation of the amount of the annual listing fee payable.
- (2) A company with a secondary listing on the Exchange must pay to the Exchange a perusal fee of such amount as may be determined by the Exchange from time to time, for the perusal of documents.
- (3) All payments must be made by cheques drawn to the order of Bursa Malaysia Securities Berhad.

#### **4A.43 Other obligations**

Apart from the obligations set out in this Part D a company with a secondary listing on the Exchange must comply with paragraphs 4A.10, 4A.11, 4A.12, 4A.13, 4A.14, 4A.15, 4A.17 and 4A.19. For the purpose of this paragraph, all references to foreign corporation with a primary listing on the Exchange in paragraphs 4A.10, 4A.11, 4A.12, 4A.13, 4A.14, 4A.15, 4A.17 and 4A.19 shall mean a company with a secondary listing on the Exchange.

[ End of Chapter ]

## **APPENDIX 4A(A)**

### **PART A**

#### **Contents of a listing application**

(paragraph 4A.25(1)(a))

Title page showing:-

- (a) the name of the company and when and where it was incorporated;
- (b) the address of the principal registered office and the address of each office at which a share register is kept;
- (c) the class of securities proposed for listing and the par value thereof; and
- (d) the date of application, and formal request for listing, specifying amount, class and par value of the securities proposed for listing and whether the securities are fully paid.

### **Part B**

#### **Documents to be filed with a listing application**

(paragraphs 4A.06 and 4A.25(1)(b))

- (1) A company must file the following documents in support of a listing application:-
  - (a) A confirmation that it is able to comply with these Requirements, where applicable, insofar as such compliance does not contravene the laws of the place of incorporation.
  - (b) Where the company is unable to comply with these Requirements, a report from an independent legal adviser explaining why compliance with the relevant provisions of these Requirements will contravene the laws of the place of incorporation.
  - (c) In addition, for a foreign corporation, a copy of the certificate of registration issued by the Registrar of Companies under Part XI Division 2 of the Companies Act 1965.
  - (d) One copy each of the articles of association and all amendments to-date including the amendments to incorporate the standards of corporate governance, shareholders and minority interest protection and regulation on take-over and mergers equivalent to those provided in Malaysia in cases where the laws of the place of incorporation do not have the requisite standards together with a comparison of such standards provided in the laws of the place of incorporation and those provided in Malaysia.
  - (e) One copy each of the certificate of incorporation, certificate of change of status and certificate of change of name, if any.
  - (f) One copy of the prospectus registered with the relevant authorities or the introductory document or where this is not available, one copy of the draft prospectus submitted to the relevant authorities or the draft introductory document.
  - (g) One specimen copy of each denomination of certificates of the class to be listed. If transfer offices and registrars are maintained in more than one place, one specimen of each denomination of certificates used in each office.

- (h) A letter of undertaking in the form of Appendix 4A(B) duly executed by the company together with a certified true extract of the company's board of directors' resolution authorizing the signatory.
  - (i) A letter of undertaking in the form of Appendix 4A(C) duly executed by each director of the company.
  - (j) A letter from the company's adviser confirming all approvals of relevant authorities have been obtained.
  - (k) One copy each of all letters of approval from the relevant authorities.
  - (l) A proposal as to classification of the company in a specific sector in the prescribed form.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, the company must submit a separate exhibit explaining why such documents are not applicable or available.

## **Part C**

### **Documents to be filed with an application for quotation** (paragraph 4A.25(2)(a))

A company must file the following documents in support of an application for quotation:-

- (1) A copy of the latest return of allotment filed with the Registrar of Companies or in relation to a foreign corporation, a copy of a document showing its latest issued and paid-up capital filed with the relevant authority pursuant to the laws of the place of incorporation or in the event no such document is required to be filed pursuant to the relevant laws, a confirmation from the foreign corporation as to its latest issued and paid-up capital.
- (2) An undertaking that all notices of allotment will be issued and dispatched to all successful applicants prior to the date of listing and quotation of the securities.
- (3) A confirmation from the Depository of the receipt of the allotment information for crediting of the securities.
- (4) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees (see Schedule of Fees for computation of amount) together with a copy of the details of the computation of the amount of listing fees payable.
- (5) Where a moratorium is imposed on the sale of securities, the following information on the moratorium:-
  - (i) the names of securities holders;
  - (ii) the number of securities;
  - (iii) the date (s) of expiry of the moratorium; and
  - (iv) a confirmation that the above information has been submitted to the Depository.
- (6) A confirmation from the adviser that all conditions including conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the securities have been met.
- (7) Such applicable documents set out in Part B of Appendix 4A(A) which were not submitted.

- (8) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the company's securities, including any order, injunction or any other directive issued by any court of law.
- (9) A confirmation from the adviser that the new securities rank pari passu in all respects with each other.

[ End of Appendix ]

**APPENDIX 4A(B)**

**Undertaking by a company**

(paragraphs 4A.07 and 4A.27(1))

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements and Rules of Bursa Malaysia Securities Berhad (“the Exchange”)

In consideration of the Exchange approving the application for admission of ..... (“the Company”) to the Official List of the Exchange (“the Official List”) and for official quotation of the securities described in the Company’s listing application, WE HEREBY ACKNOWLEDGE that the Company shall remain on the Official List, and official quotation of any of the Company’s securities shall continue only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements and the Rules of the Exchange which shall be in force from time to time, insofar as the same shall apply to the Company.

This Undertaking shall be deemed to have been made in Malaysia and the construction, validity and performance of this Undertaking shall be governed in all respects by the laws of Malaysia and WE HEREBY irrevocably submit to the jurisdiction of the Malaysian Courts.

The above Undertaking has been signed by me as ..... [title] of ..... [name of the Company] pursuant to authority granted to me by resolution of the board of directors of the Company on .....

Date :

Signature :

Name :

[ End of Appendix ]

**APPENDIX 4A(C)**

**Undertaking by a director of an applicant/a listed company**  
(paragraphs 4A.27(2) and 4A.41)

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (“the Exchange”)

I, ..... [name and NRIC number of director], am a director of ..... [name (s) of applicant/listed company(ies)] (“the Company(ies)”) which #has(ve) submitted an application to the Exchange to be admitted to the Official List of the Exchange (“the Official List”) / #is/are listed on the Official List of the Exchange.

In consideration of the Exchange #approving the Company’s(ies’) application for admission to the Official List / allowing the continued listing of the Company(ies) on the Official List, I HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements of Bursa Malaysia Securities Berhad which shall be in force from time to time, insofar as the same shall apply to me as a director of the Company(ies).

Yours faithfully,

.....

Name :  
Designation :  
Date :

# Delete as appropriate

[ End of Appendix ]



## **APPENDIX 4A(D)**

### **Part A**

#### **Contents of a listing application for a new issue of securities** (paragraph 4A.36(1)(a))

- (1) Title Page showing:-
  - (a) the name of the company with a secondary listing on the Exchange;
  - (b) the full title or designation of the securities proposed for listing;
  - (c) the date of application and formal request for listing, specifying the amount, par value and title of the securities proposed for listing, and whether the securities are fully paid;
  - (d) the purpose of issuance; and
- (2) A table showing the class, ranking and number securities proposed for listing.

### **Part B**

#### **Documents to be filed with a listing application for a new issue of securities** (paragraph 4A.36(1)(b))

- (1) A company with a secondary listing on the Exchange must file the following documents in support of a listing application for a new issue of securities:-
  - (a) One copy of the circular, prospectus or abridged prospectus which is registered with the relevant authorities;
  - (b) A certified true copy of the relevant resolution passed by securities holders in general meeting;
  - (c) A letter from the company's adviser confirming all approvals of relevant authorities have been obtained;
  - (d) One copy each of all letters of approval from the relevant authorities; and
  - (e) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the processing fee (see the Schedule of Fees for the computation of the amount), where applicable, together with a copy of the details of the computation of the amount of listing fees payable.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, the company must submit a separate exhibit explaining why such documents are not applicable or available.

## **Part C**

### **Documents to be filed with an application for quotation of a new issue of securities** (paragraph 4A.36(2)(b))

A company with a secondary listing on the Exchange must file the following documents in support of an application for quotation of a new issue of securities:-

- (a) A confirmation from the company as to its latest issued and paid-up capital;
- (b) A confirmation that all notices of allotment have been issued and despatched to the entitled holders;
- (c) A confirmation from the company that the Depository is ready to credit the new securities to the accounts of the entitled holders, after receiving the allotment information for crediting of the new securities;
- (d) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees (see Schedule of Fees for computation of amount) together with a copy of the details of the computation of the amount of listing fees payable;
- (e) A confirmation from the adviser of whether the new issue of securities will be listed and quoted as the existing securities of the same class or will be separately quoted on the listing date. If the new issue of securities will be separately quoted on the listing date, to specify the entitlement that the holders of the new issue of securities will not be entitled to;
- (f) A confirmation from the adviser that all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the securities have been met;
- (g) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the securities, including any order, injunction or any other directive issued by any court of law; and
- (h) Such other documents which are not/have not been submitted pursuant to Part B of Appendix 4A(D).

[ End of Appendix ]

## **CHAPTER 4B LISTING OF SUKUK AND DEBT SECURITIES UNDER AN EXEMPT REGIME**

### **PART A – GENERAL**

#### **4B.01 Introduction**

This Chapter sets out the requirements that must be complied with by an issuer seeking a listing of its sukuk and debt securities on the Exchange under an Exempt Regime, and the continuing listing obligations of such issuer.

### **PART B - DEFINITIONS**

#### **4B.02 Definitions**

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

- (a) 'debt securities' means debentures, as defined under section 2(1) of the CMSA, which are issued or proposed to be issued by any government, body corporate or an unincorporated body;
- (b) 'government' includes:-
  - (i) the Federal or State government of Malaysia;
  - (ii) Bank Negara Malaysia;
  - (iii) a foreign government; or
  - (iv) a foreign central bank;
- (c) 'Information Memorandum/Offering Circular' means a document which is issued by an issuer or its agent purporting to describe the business and affairs of the issuer and to provide the investors information on the offering of the sukuk or debt securities;
- (d) 'issuer' means an issuer, listed or otherwise, whose sukuk or debt securities are listed or proposed to be listed on the Exchange under an Exempt Regime;
- (e) 'material information' means information which is reasonably expected to have a material effect on:-
  - (i) the price or value of the issuer's sukuk or debt securities; or
  - (ii) the decision of a sukuk or debt securities holder or an investor whether to trade in such debt securities;
- (f) 'sukuk' means Islamic securities as defined in the Commission's Guidelines on the Offering of Islamic Securities;
- (g) 'Trust Deed' means the trust deed governing an issue of the sukuk or debt securities entered into between the issuer and the sukuk or debt securities holders in accordance with the Commission's Guidelines on Minimum Contents Requirements for Trust Deeds;
- (h) 'Trustee' means the trustee appointed pursuant to the terms of the Trust Deed; and
- (i) 'Exempt Regime' means a regime under which the sukuk or debt securities are offered, issued or subscribed in accordance with section 229(1) or section 230(1) of the CMSA, and are listed but not quoted for trading on the Exchange.

## **PART C - ADMISSION**

### **4B.03 Approval for admission**

- (1) An issuer must submit its listing application under this Chapter through a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals.
- (2) An issuer seeking to list any sukuk or debt securities on the Exchange under an Exempt Regime needs to obtain the approval of the Commission only if an approval under section 212(4) of the CMSA is required for the issue or offer of the sukuk or debt securities.
- (3) Where the sukuk or debt securities are issued under a programme, an issuer may list either all or a certain class or tranche of sukuk or debt securities issued under the programme.
- (4) Short-term sukuk or debt securities with original maturity date of less than one year cannot be listed.
- (5) The Exchange will exercise discretion over the admission and continued listing of the sukuk or debt securities on the Exchange under an Exempt Regime and may approve or reject applications for listing, as it deems fit.

### **4B.04 Listing in Ringgit or foreign currency**

The sukuk or debt securities of an issuer may be issued in Ringgit or any foreign currency, except those currencies which are restricted by the Controller of Foreign Exchange.

### **4B.05 Information Memorandum/Offering Circular required**

- (1) An issuer must issue an Information Memorandum/Offering Circular in connection with the listing.
- (2) Notwithstanding subparagraph (1) above, where sukuk or debt securities are:-
  - (a) issued, or offered or guaranteed by a multilateral development bank, a multilateral financial institution, any government or entities wholly-owned by the government; or
  - (b) issued by a special purpose vehicle which is established by a multilateral development bank, a multilateral financial institution, any government or entities wholly-owned by the government and where the ultimate credit risk exposures of the investors still reside with these entities,

the issuance of a document setting out the principal terms and conditions of the sukuk or debt securities will be acceptable in place of an Information Memorandum/Offering Circular.

### **4B.06 Financial statements and announcements**

- (1) An issuer must issue its financial statements and announcements in English.
- (2) The issuer may prepare its financial statements in accordance with the approved accounting standards applicable in its home jurisdiction.

## **PART D - APPLICATION PROCEDURES AND ADMISSION PROCESS**

### **4B.07 Procedures relating to admission**

The following procedures apply to the listing of sukuk or debt securities on the Exchange under an Exempt Regime, with the necessary modifications, as may be applicable:-

- (a) Issuer submits an application to the Commission for the issue or offer of the sukuk or debt securities in Malaysia, where applicable.
- (b) Commission approves the issue or offer, where applicable.
- (c) Issuer files with the Exchange a listing application together with supporting documents.
- (d) Exchange grants approval for the listing of sukuk or debt securities.
- (e) Where applicable, the issuer:-
  - (i) issues the Information Memorandum/Offering Circular or such other document as may be acceptable under paragraph 4B.05(2) (collectively referred to in this paragraph as "the Said Documents");
  - (ii) provides the Exchange with 2 copies of the Said Documents as may be determined by the Exchange from time to time; and
  - (iii) announces the information set out in paragraph 4B.10 to the Exchange.
- (f) Sukuk or debt securities are listed on the Official List of the Exchange.

#### **4B.08 Listing application**

An issuer must file with the Exchange a listing application which consists of the following:-

- (a) the application, in the form of Part A of Appendix 4B(A), duly signed by the issuer; and
- (b) the supporting documents specified in Part B of Appendix 4B(A).

#### **4B.09 Undertakings and confirmation**

An issuer must give the Exchange an undertaking in the form of Appendix 4B(B).

#### **4B.10 Announcements to the Exchange**

- (1) An issuer must announce the following information prior to issuance of sukuk or debt securities for listing:-
  - (a) the issuer's name;
  - (b) the programme/instrument name and type;
  - (c) a brief description of the programme/instrument (e.g. coupon or profit rate);
  - (d) the actual date of listing and issue date;
  - (e) the programme/issue size;
  - (f) the stock short name, stock code, ISIN code, where applicable; and
  - (g) the initial rating of the programme/instruments and prevailing rating of the programme, if applicable.
- (2) An issuer must comply with subparagraph (1) above in respect of each subsequent issuance of sukuk or debt securities for listing under a programme, where applicable.

## **PART E - CONTINUING LISTING OBLIGATIONS**

### **4B.11 Disclosure of information**

- (1) An issuer must immediately announce to the Exchange any material information.
- (2) Without limiting the generality of subparagraph (1) above, an issuer must immediately announce to the Exchange the following:-
  - (a) any change in the terms of the sukuk or debt securities;
  - (b) any redemption or cancellation of the sukuk or debt securities;
  - (c) any amendment to the Trust Deed, if applicable;
  - (d) any appointment or replacement of Trustee or fiscal agent, if applicable; and
  - (e) any change of its Shariah adviser appointed by the issuer as required under the Commission's Guidelines on the Offering of Islamic Securities.
- (3) An issuer must, at least 1 month prior to the maturity date, announce the maturity date of each issuance of sukuk or debt securities.
- (4) An issuer which is a foreign corporation must announce to the Exchange concurrently all information required to be publicly disclosed to its domestic regulatory authorities and other stock exchanges, if applicable.

### **4B.12 Submission of financial statements**

- (1) An issuer must announce its unaudited or audited financial statements covering the profit and loss position and the balance sheet position on a consolidated basis within 2 months after the close of the half year of the issuer's financial year, if any, which statements must state whether there is any abnormal circumstance that has affected or will affect the business and financial position of the issuer.
- (2) An issuer must issue to its sukuk or debt securities holders and give to the Exchange, the issuer's annual audited financial statement, within 4 months after the close of the financial year of the issuer.
- (3) Subparagraph (2) above does not apply to an issuer referred to in paragraph 4B.05(2) above.

### **4B.13 Financial statements and announcements**

An issuer must comply with paragraph 4B.06 as a continuing listing obligation.

### **4B.14 Other Chapters not applicable**

- (1) Apart from Chapters 1, 2 and 16, the other Chapters of these Requirements are not applicable to an issuer of sukuk or debt securities under this Chapter.
- (2) Save as stated below, all provisions in Chapters 2 and 16 apply to an issuer, as if it were a listed issuer, with the necessary modifications:-
  - (a) paragraphs 2.03(a) (an applicant must of a certain size etc) and 2.22 (application of these Requirements to a management company of a trust); and
  - (b) paragraphs 16.02 (suspension of trading imposed by the Exchange), 16.03 (voluntary suspension), 16.03A (trading halt), 16.05 (request for withdrawal), 16.10 (breach by subsidiaries), 16.11 (breach by directors) and 16.20 (confirmation by Exchange).

## **PART F – DE-LISTING BY THE EXCHANGE**

### **4B.15 De-listing by the Exchange**

In addition to the circumstances set out in paragraph 16.09, the Exchange may at any time de-list an issuer or any class of its sukuk or debt securities from the Official List in any of the following circumstances:-

- (a) upon the occurrence of any of the events which the Trustee has declared the sukuk or debt securities to be immediately due and repayable pursuant to the Trust Deed; or
- (b) upon the maturity or expiry of the sukuk or debt securities.

## **PART G - OTHER REQUIREMENTS**

### **4B.16 Fees**

- (1) An issuer must pay to the Exchange initial and annual listing fees where its listing application has been approved of such amount and in such manner as is specified in the Schedule of Fees.
- (2) All fees must be made by cheques drawn to the order of Bursa Malaysia Securities Berhad.

[ End of Chapter ]

**APPENDIX 4B(A)**

**PART A**

**Initial Listing application**  
(paragraph 4B.08(a))

***Please tick wherever applicable. If not applicable, please indicate "N/A"***  
[You may tick more than one box, where applicable]

<b>1.</b>	<b>Name of Issuer</b>	
<b>2.</b>	<b>Types of Listing</b>	2.1 Primary Listing <input type="checkbox"/> 2.2 Secondary Listing <input type="checkbox"/>
	<b>Description of the instrument</b>	
<b>3</b>	<b>Tentative listing date (to specify)</b>	
<b>4</b>	<b>Undertakings</b>	We undertake the following:  (a) all relevant approvals which are required for the issuance and listing of the securities, if any, will be met;  (b) all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing of the securities will be met;  (c) there are no circumstances or facts which have the effect of preventing or prohibiting the issuance and/or listing of the securities including any order, injunction or any other directive issued by any court of law;  (d) to immediately inform the Exchange upon becoming aware, after submission of the listing application, that the issuer has failed to meet any of the above undertakings referred to in paragraphs (a) to (b) or of any circumstances under (c) above; and  (e) to make the relevant announcements in accordance with paragraph 4B.10 of the Listing Requirements
_____ [Authorised signatory of the adviser] Name: Designation: Date:		_____ [Authorised signatory of the issuer] Name: Designation: Date:



## **PART B**

### **Documents to be filed with a listing application**

(paragraph 4B.08(b))

- (1) An issuer must file the following documents in support of a listing application:-
  - (a) one copy each of the constitution of the issuer, the certificate of incorporation, certificate of change of status and certificate of change of name, if any.
  - (b) one copy of the Information Memorandum/Offering Circular or such other documents which are acceptable under paragraph 4B.05(2).
  - (c) one copy of the Trust Deed, facility agreement or other document securing or constituting the sukuk or debt securities.
  - (d) in case of secondary listing, the most recent Information Memorandum/Offering Circular filed with the issuer's primary exchange.
  - (e) a letter of undertaking in the form of Appendix 4B(B) duly executed by the issuer together with a certified true extract of the issuer's board of directors' resolution authorising the signatory.
  - (f) one copy each of all letters of approval relating to the issue, offer and listing of the sukuk or debt securities from the relevant authorities, where applicable, and a letter from the issuer's adviser confirming all necessary approvals have been obtained.
  - (g) for sukuk issues or programmes, a certification or endorsement from the issuer's Shariah advisor that the issue or programme is Shariah-compliant.
  - (h) a copy of any temporary document of title and any definitive document of title in respect of the sukuk or debt securities.
  - (i) in the case of a foreign issuer, the names and addresses of its representatives, with whom the Exchange may liaise in respect of future correspondence regarding the sukuk or debt securities.
  - (j) a cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees.
  - (k) any other documents which may be required by the Exchange for the processing of the issuer's listing application.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, an issuer must submit a separate exhibit explaining why such documents are not applicable or available.

[ End of Appendix ]

**APPENDIX 4B(B)**

**Undertaking by an issuer for the listing of sukuk or debt securities**  
(paragraph 4B.09)

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with the Listing Requirements

In consideration of the Exchange approving our application for admission of the sukuk or debt securities to the Official List of the Exchange (“the Official List”) described in our listing application WE HEREBY ACKNOWLEDGE that the sukuk or debt securities shall remain on the Official List only during the pleasure of the Exchange and WE HEREBY UNDERTAKE AND AGREE to comply with the Listing Requirements, including any amendments as may be made from time to time, insofar as the same apply to us.

This Undertaking shall be deemed to have been made in Malaysia and the construction, validity and performance of this Undertaking shall be governed in all respects by the laws of Malaysia and WE HEREBY irrevocably submit to the jurisdiction of the Malaysian Courts.

The above Undertaking has been signed by me as ..... [title] of ..... [Issuer] pursuant to the authority granted to me by resolution of the board of directors of the issuer on .....

Date:

Signature:

Name:

[ End of Appendix ]

## CHAPTER 5 STRUCTURED WARRANTS

### PART A - GENERAL

#### 5.01 Introduction

This Chapter sets out the requirements that must be complied with by an issuer seeking a listing of its structured warrants on the Official List and the continuing listing obligations of such issuer.

### PART B - DEFINITIONS

#### 5.02 Definitions

- (1) For the purpose of this Chapter, unless the context otherwise requires, the words or expressions which are defined in the SC's Structured Warrants Guidelines when used in this Chapter, have the meanings given in the said Guidelines.
- (2) For the purpose of this Chapter:
  - (a) **"issuer"** means an issuer of structured warrants which are listed or proposed to be listed on the Official List;
  - (b) **"Market Maker"** means a person who performs market making and is registered as a market maker under the Rules of the Exchange; and
  - (c) **"market making"** means the act of entering bid and offer prices in the Automated Trading System of the Exchange for security specified by the Exchange as available for market making.

### PART C – ADMISSION

#### 5.03 Admission

- (2) The Exchange will exercise discretion over the admission and continued listing of structured warrants on its Official List and may approve or reject applications for listing, as it deems fit.
- (2) The Exchange may also approve applications for listing unconditionally or subject to such conditions, as it deems fit.
- (3) An issuer applying to admit a structured warrant issue must comply with the relevant listing procedures and requirements as may be prescribed by the Exchange.

*[Cross reference: Practice Note 20A]*

- (4) An issuer must submit its listing application to the Exchange for the issue of structured warrants through an eligible broker. However, where the issuers themselves are eligible brokers or licensed institutions approved by Bank Negara Malaysia, they may submit the proposals on their own behalf.

#### 5.04 Approval from other authorities

An issuer seeking a listing of its structured warrants must first obtain approval(s) from the SC and other relevant authorities (where applicable) before listing and quotation of any structured warrants will be considered by the Exchange.

### **5.05 Tenure of issue**

An issuer must ensure that the expiry date of the structured warrants -

- (a) in relation to call warrants, is not earlier than 6 months and no later than 5 years from the date of issue; and
- (b) in relation to bull equity-linked structures, is not earlier than 28 days and no later than 2 years from the date of issue.

### **5.06 Minimum issue size**

An issuer must ensure that each issue of structured warrants is for a total face amount of not less than RM5 million.

### **5.07 Holders of structured warrants**

- (1) An issuer must ensure that, upon initial listing, the structured warrants for which listing is sought are in the hands of a minimum -
  - (a) 100 warrant holders holding not less than 1 board lot of warrants each; or
  - (b) 50 warrant holders holding not less than 1 board lot each provided that each of these warrant holders subscribe for a minimum of RM100,000 of warrants each.
- (2) The requirements in subparagraph (1) above do not apply to –
  - (a) an issuer of bull equity-linked structures; or
  - (b) an issuer who provides liquidity for the structured warrant issue via market making in accordance with paragraph 5.08 below.

### **5.08 Market making**

An issuer intending to provide liquidity via market making must appoint only 1 Market Maker or be the Market Maker if it wishes to undertake the market making activities itself.

## **PART D - TRUST DEED OR DEED POLL**

### **5.09 Contents of trust deed or deed poll**

- (1) An issuer must ensure that the trust deed or deed poll governing an issue of structured warrants includes the various provisions set out in Appendix 5A.
- (2) An issuer must furnish to the Exchange a letter of compliance pursuant to paragraph 2.12 together with the trust deed or deed poll and a checklist showing compliance with Appendix 5A.

## **PART E – FURTHER ISSUE**

### **5.10 Further Issue**

- (1) An issuer may apply to list a further issue of its structured warrants (“**Further Issue**”) which forms part of the existing listed series of the structured warrants (“**Existing Issue**”), subject to the following conditions:
  - (a) the Further Issue is for the purpose of facilitating market making;

- (b) the terms and conditions of the Existing Issue either permit the Further Issue or have been properly amended to give the issuer the right to issue and list one or more Further Issues;
  - (c) the terms and conditions of the Further Issue and the Existing Issue must be identical except for the size and tenure of the issue; and
  - (d) the issuer holds no more than 50% of the Existing Issue at the time of application for the Further Issue.
- (2) An issuer may retain up to 100% of the Further Issue at the date of listing of the Further Issue.
  - (3) For the avoidance of doubt, the requirements under paragraphs 5.05 and 5.06 are not applicable to a Further issue.

#### **5.11 Listing application for Further Issue**

An issuer must comply with the relevant listing procedures and requirements for the listing of Further Issue as may be prescribed by the Exchange.

*[Cross reference: Practice Note 20A]*

### **PART F - CONTINUING LISTING OBLIGATIONS**

#### **5.12 Obligation to retain a Market Maker**

- (1) An issuer who provides liquidity for structured warrants via market making must ensure that the market making obligations, whether performed by itself or by another party, are performed -
  - (a) in accordance with the Rules of the Exchange; and
  - (b) as disclosed in the prospectus in relation to the minimum presence, spread and quantity requirements of the structured warrants.
- (2) For the avoidance of doubt, an issuer which has fulfilled the requirements in paragraph 5.07(1) above may also provide liquidity for its structured warrants via market making. In such instance, the issuer must also ensure that the Market Maker and market making activities comply with subparagraph (1) above.

#### **5.13 Submission of financial statements**

- (1) Subject to subparagraph (2) below, an issuer must announce its unaudited/audited financial statements covering the profit and loss position and the balance sheet position on a consolidated basis within 3 months after the close of the half year of the issuer's financial year ("Due Date"), or such period as may be approved by the Exchange. The issuer must ensure that the financial statement states whether there is any abnormal circumstance that has affected or will affect the business and financial position of the issuer.
- (2) This obligation does not apply to an issuer of bull equity-linked structures with an expiry date which takes place before the Due Date.
- (3) An issuer must immediately announce to the Exchange full details of any financial information which the issuer discloses to the public.

#### **5.14 Submission of periodic information**

- (1) Subject to subparagraph (2) below, an issuer must announce to the Exchange the following information, within the timeframes stipulated in subparagraph (2) below.

- (a) the number of structured warrants exercised during the relevant timeframe;
- (b) the cumulative number of structured warrants exercised to date; and
- (c) the number of structured warrants outstanding.

(2) The timeframes referred to in subparagraph (1) above are -

	Expiry date of Structured Warrants	Timeframes for Announcement
(a)	28 days	On a weekly basis, on the first market day of the week.
(b)	More than 28 days but 6 months or less	On a fortnightly basis, on the first market day of the week.
(c)	More than 6 months	On a monthly basis, within the first 5 market days of the month.

(3) Subparagraph (1) above does not apply to structured warrants exercisable in an European style.

(4) If an issuer provides liquidity via a market making, the issuer must announce the following information within the first 5 market days of every month:

- (a) stock short name;
- (b) stock code;
- (c) number of structured warrants bought and the volume weighted average price of structured warrants bought in the preceding month;
- (d) number of structured warrants sold and the volume weighted average price of structured warrants sold in the preceding month;
- (e) number of outstanding structured warrants in the market and the percentage of the same; and
- (f) total issue size.

(5) An issuer must also announce the number of structured warrants not held by the issuer or its Market Maker and the percentage of the same, on a quarterly basis of a calendar year.

### 5.15 Adjustment

Where an issuer proposes an adjustment to the terms of the structured warrants arising from the following (collectively referred to as “**Corporate Proposals**”):

- (a) a corporate exercise undertaken by the underlying corporation or the issuer of the underlying financial instrument, for example a consolidation, bonus or rights issue; or
- (b) upon the occurrence of any event which has a dilutive or concentrative or other effect on the theoretical value of the underlying financial instruments,

the issuer may only adjust the exercise price, conversion ratio of its structured warrants, or both.

### **5.16 Notice of expiry**

- (1) An issuer of structured warrants must prepare and announce a notice of expiry stating the expiry date of the structured warrants and treatment of the structured warrants which are not exercised, within the following timeframes, as may be applicable:
  - (a) where the structured warrants have an expiry date of 28 days but not more than 6 months - 2 weeks before the expiry date; or
  - (b) in respect of structured warrants other than those referred to in subparagraph (a) above - not less than 1 month before the expiry date.
- (2) In addition to subparagraph (1) above, an issuer of structured warrants without an automatic exercise feature must also despatch the above notice of expiry to its structured warrant holders.

### **5.17 Director's undertaking**

An issuer of listed structured warrants must ensure that every director of the issuer gives the Exchange immediately after his appointment, and in any event not later than 14 days after the appointment, an undertaking in a form as may be prescribed by the Exchange.

*[Cross reference: Annexure PN27-D of Practice Note 20A]*

### **5.18 Allotment of securities, despatch of notices of allotment for exercise and cash payment**

Within 7 market days of the date a notice of exercise is received by the issuer together with the requisite payment (if any), or the expiry date, as the case may be, or such other period as may be prescribed by the Exchange –

- (a) where settlement of the structured warrants is by way of delivery of the underlying shares, an issuer must -
  - (i) cause the securities to be credited into the securities accounts of the structured warrants holders; and
  - (ii) despatch notices of allotment to the structured warrants holders; and
- (b) where settlement of the structured warrants is by way of cash payment, an issuer must make the payment to the structured warrants holders .

### **5.19 Full exercise before expiry**

Where a structured warrant has been fully exercised before expiry, an issuer is required to immediately notify the Exchange of the full exercise.

### **5.20 Issuers incorporated in a jurisdiction outside Malaysia**

- (1) In relation to an issuer incorporated in a jurisdiction outside Malaysia which has been approved by the SC to issue non-collateralised call warrants, such an issuer must comply with the following provisions:
  - (a) paragraph 4A.03
  - (b) paragraph 4A.09;
  - (c) paragraph 4A.10;
  - (d) paragraph 4A.15;

- (e) paragraph 4A.16; and
  - (f) paragraph 9.34.
- (2) For the purpose of this paragraph, all references to foreign corporation in subparagraphs (1)(a) to (e) above and all references to listed issuer in paragraph 9.34 mean an issuer incorporated in a jurisdiction outside Malaysia.

#### **5.21 Request for suspension, resumption of trading or withdrawal of listing**

Where the underlying corporation or the underlying financial instrument is listed on a securities exchange outside Malaysia, the issuer must immediately request for a suspension, resumption in trading or withdrawal of listing, as the case may be, if –

- (a) the underlying corporation or issuer of the underlying financial instrument announces that it has requested a suspension, resumption in trading or withdrawal of listing on the securities exchange; or
- (b) the suspension, resumption in trading or withdrawal is imposed or effected by the relevant securities exchange.

#### **5.22 Other continuing obligations**

Apart from Chapters 1, 2 and 16, the other Chapters of these Requirements are not applicable to an issuer of structured warrants.

### **PART G - ANNOUNCEMENTS**

#### **5.23 Announcement relating to adjustment to structured warrants**

- (1) Where an issuer proposes an adjustment to the terms of the structured warrants arising from a Corporate Proposal defined in paragraph 5.15 above, the issuer must, not later than 3 market days from the date of announcement of the Corporate Proposal by the underlying corporation or the issuer of the underlying financial instrument, announce to the Exchange the following information:
- (a) the salient terms and conditions of the Corporate Proposals which will result in the adjustment; and
  - (b) the adjustments that will be made to the structured warrants due to the Corporate Proposals.
- (2) Any adjustment to the structured warrants pursuant to subparagraph (1) above may only be made in accordance with paragraph 5.15 of this Chapter.
- (3) An issuer must, not later than 3 market days from the date of announcement of the books closing date by the underlying corporation or the issuer of the underlying financial instrument, announce to the Exchange the following information:
- (a) the books closing date for the adjustments;
  - (b) the details of the adjustments; and
  - (c) in respect of a foreign underlying corporation or underlying financial instrument, the ex-entitlement date, which must be consistent with the foreign underlying corporation's or underlying financial instrument's ex-entitlement date.



- (4) Where an issuer adjusts the terms of the structured warrants or distributions to the holders of the structured warrants pursuant to events other than the Corporate Proposals, the issuer must immediately announce the following information:
- (a) the occurrence of the events, details and reasons of such adjustments or distributions; and
  - (b) the books closing date for the adjustments, and in respect of a foreign underlying corporation or underlying financial instrument, the ex-entitlement date (which must be consistent with the foreign underlying corporation's or underlying financial instrument's ex-entitlement date).
- (5) In respect of the adjustments made pursuant to subparagraph (4) above, an issuer must ensure that the period from it announcing the books closing date to the books closing date is not less than 10 market days.
- (6) An issuer must announce the adjusted exercise price, conversion ratio or both, and other salient terms of the structured warrants as soon as practicable and in any event not later than the last market day before the ex-entitlement date of the underlying financial instrument.

#### **5.24 Announcement relating to market making**

An issuer that provides liquidity via market making must immediately announce to the Exchange if –

- (a) the Market Maker of its structured warrants -
  - (i) does not carry out market making activities pursuant to the circumstances disclosed in the prospectus;
  - (ii) does not carry out market making activities pursuant to the exceptional circumstances described in the Rules of the Exchange; or
  - (iii) resumes market making activities after the occurrence of the events in subparagraphs (a)(i) or (ii) above.
- (b) there is any change in the Market Maker arising from resignation or termination of the Market Maker.

#### **5.25 Announcement relating to dealing in structured warrants**

- (1) For the purpose of this paragraph -
- (a) "**dealing**" means one or more of the following actions, undertaken by the issuer, its director or principal officer as a principal:
    - (i) acquiring or disposing of structured warrants or any interest in structured warrants; or
    - (ii) subscribing for or underwriting structured warrants;
    - (iii) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into -
      - (aa) any agreement for or with a view to acquiring or disposing of structured warrants or any interest in structured warrants;
      - (bb) any agreement for or with a view to subscribing for or underwriting structured warrants; or

- (cc) any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of structured warrants or by reference to fluctuations in the values of structured warrants; and
    - (iv) granting, accepting, acquiring, disposing of, exercising or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of structured warrants or any interest in structured warrants;
  - (b) **“interest in structured warrants”** has the same meaning as assigned to “interest in securities” under section 4 of the CMSA; and
  - (c) **“principal officer”** in relation to an issuer, includes the chief executive who is not a director, the chief financial officer or any other employee who has access or is privy to price-sensitive information concerning the structured warrants.
- (2) An issuer must announce to the Exchange any dealing in the issuer's structured warrants by the following persons:
- (a) the issuer;
  - (b) the issuer's director; or
  - (c) the issuer's principal officer.
- (3) An issuer must announce the dealings referred to in subparagraph (2) above which takes place -
- (a) between the launching and listing date of that structured warrants, on the listing date of the structured warrants; and
  - (b) after the listing date, within the timeframe stipulated in paragraph 5.14(2).
- (4) An issuer must include the following information in the announcement referred to in subparagraph (2) above:
- (a) the name and position of the person involved in the dealing;
  - (b) the date on which the dealing occurred;
  - (c) the consideration for the dealing; and
  - (d) the number of structured warrants involved in the dealing, both in absolute terms and as a percentage of the structured warrants.

[ End of Chapter ]

## **APPENDIX 5A**

### **Contents of trust deed or deed poll in respect of structured warrants**

(paragraph 5.09(1))

- (1) Within 7 market days of the date a notice of exercise is received by the issuer together with the requisite payment (if any), or the expiry date, as the case may be, or such other period as may be prescribed by the Exchange –
  - (a) where settlement of the structured warrants is by way of delivery of the underlying shares, an issuer shall -
    - (i) cause the securities to be credited into the securities accounts of the structured warrants holders; and
    - (ii) despatch notices of allotment to the structured warrants holders; and
  - (b) where settlement of the structured warrants is by way of cash payment, an issuer shall make the payment to the structured warrants holders.
- (2) If a books closing date has been declared by the underlying company and trading of the underlying shares is on a “cum-entitlement” basis, the underlying shares to be delivered by the issuer to the warrant holder upon the exercise of the structured warrants shall also be on a “cum-entitlement basis”.
- (3) Any suspension in the trading of the underlying shares shall not preclude the warrant holder from exercising his rights.

[ End of Appendix ]

## **CHAPTER 6 NEW ISSUES OF SECURITIES**

### **PART A - GENERAL**

#### **6.01 Introduction**

- (1) This Chapter sets out the requirements that must be complied with by an applicant or a listed issuer, as the case may be, for any new issue of securities.
- (2) Additional requirements relating to issuance of securities pursuant to acquisitions are set out in Chapter 10.
- (3) For the purpose of Parts G and H of this Chapter, unless the context otherwise requires, a "listed issuer" shall include an "applicant".
- (4) For the purpose of this Chapter, unless the context otherwise requires:-
  - (a) a bonus issue of securities on a "stand-alone basis" means an issue which is:-
    - (i) not conditional upon any other corporate proposal; or
    - (ii) conditional upon another corporate proposal (other than a concurrent subdivision or consolidation of shares) which has been completed or become unconditional;
  - (b) a subdivision of shares on a "stand-alone basis" shall have the meaning given under subparagraph 13.04(3); and
  - (c) a consolidation of shares on a "stand-alone basis" shall have the meaning given under paragraph 13.14.

### **PART B - ADMISSION**

#### **6.02 Admission**

- (1) The Exchange will exercise discretion over the listing of new issues of securities on its Official List and may approve or reject applications for the listing of such new issues of securities, as it deems fit.
- (2) Where the Exchange approves an application for the listing of a new issue of securities, such approval may be unconditional or subject to such conditions, as it deems fit.
- (3) In granting approval for the listing of a new issue of securities by listed issuers, the Exchange considers amongst others, whether:-
  - (a) the approvals of the relevant authorities have been obtained;
  - (b) shareholders' approval is required under these Requirements;
  - (c) in the case of a significant change in the business direction or policy of a listed company, the requirements set out in Chapter 3 are met (where applicable); or
  - (d) the listed issuer is under consideration for possible de-listing under Chapter 16.

## **PART C - APPLICATION PROCEDURES AND ADMISSION PROCESS**

### **6.03 Procedures relating to listing of a new issue of securities**

- (1) Subject to paragraph 6.03A, the following procedures shall apply to the listing of a new issue of securities by a listed issuer, with the necessary modifications, as may be applicable:-
- (a) Listed issuer makes an immediate announcement to the Exchange upon the approval of the board of directors of the listed issuer being given for the new issue.
  - (b) Listed issuer submits an application to the Commission.
  - (c) Commission approves the issuance and listing of the securities.
  - (d) Listed issuer files with the Exchange a listing application for the new issue of securities together with supporting documents.
  - (e) Exchange grants approval-in-principle for the listing of the new issue of securities.
  - (f) Listed issuer obtains approval of its shareholders, if required.
  - (g) Listed issuer fixes relevant books closing and entitlement dates, where applicable and makes an immediate announcement to the Exchange with respect to such dates.
  - (h) Listed issuer allots and issues the securities.
  - (i) Listed issuer files with the Exchange an application for quotation together with supporting documents.
  - (j) Securities are admitted to the Official List and quoted on the Exchange 2 market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.
- (2) If the listed issuer fails to make an application to the Commission and/or the Exchange by the date specified in the announcement under subparagraph (1) above, it must make an immediate announcement informing the fact of such failure, the reasons therefor and when it expects to make the application.

### **6.03A Procedures relating to listing of a bonus issue of securities and listing of warrants or other convertibles securities arising therefrom**

The following procedures shall apply to the listing of:-

- (i) a bonus issue of securities by a listed issuer; and
- (ii) any issue of warrants or other convertible securities arising from adjustments due to the bonus issue (hereinafter referred to in this paragraph as "consequential securities"),

with the necessary modifications, as may be applicable:-

- (a) Listed issuer makes an immediate announcement to the Exchange upon the approval of the board of directors of the listed issuer being given for the bonus issue.
- (b) Listed issuer submits an application to the Commission for the issuance and listing of consequential securities, if any.

- (c) Commission approves the issuance and listing of the consequential securities.
- (d) Listed issuer files with the Exchange a listing application for the bonus issue and the consequential securities, if any, together with supporting documents.
- (e) Exchange grants approval for the listing and quotation of the bonus issue securities and consequential securities, if any.
- (f) Listed issuer obtains approval of its shareholders.
- (g) Listed issuer fixes the books closing date for the bonus issue and consequential securities, if any, and makes an immediate announcement to the Exchange on such date in accordance with paragraph 6.28.
- (h) Listed issuer allots and issues the securities. Where the bonus issue is on a stand-alone basis or conditional upon a concurrent subdivision or consolidation of shares, the listed issuer shall allot and issue the securities on the books closing date.
- (i) Listed issuer makes an announcement on the number of securities which will be listed and quoted.
- (j) Securities are admitted to the Official List and quoted on the Exchange. Where the bonus issue is on a stand-alone basis or conditional upon a concurrent subdivision or consolidation of shares, the bonus issue securities and consequential securities, if any, are admitted to the Official List and quoted on the Exchange on the next market day after the books closing date.

#### **6.04 Listing application for a new issue of securities and application for quotation**

- (1) A listed issuer must file with the Exchange a listing application for a new issue of securities which shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 6A, duly signed by the listed issuer; and
  - (b) the supporting documents specified in Part B of Appendix 6A.
- (2) Subject to subparagraphs 6.26(2) and 6.42A(2) below, a listed issuer must also file with the Exchange an application for quotation of a new issue of securities which shall be accompanied by the documents specified in Part C of Appendix 6A and such other documents as may be specified in the approval-in-principle granted by the Exchange.

#### **6.05 Unissued securities**

- (1) A listed issuer must apply for an approval-in-principle to list only that part of the share capital which has been issued and securities to be issued in connection with the listing application. If an additional unissued amount is reserved for subsequent issuance for a specific purpose, the listed issuer must apply for an approval-in-principle to add that amount to the Official List in the future for that specific purpose. A listed issuer must not apply for an approval-in-principle for the listing of any share capital which is not reserved for subsequent issuance for a specific purpose.
- (2) A listed issuer must submit an application for quotation for such reserved amount for which approval-in-principle has been granted pursuant to subparagraph (1) above, upon actual issuance of such amount in accordance with the provisions of this Chapter.

## **PART D - ANNOUNCEMENT AND CIRCULAR**

### **6.06 Announcement to the Exchange**

- (1) A listed issuer must ensure that the announcement to the Exchange relating to a proposed new issue of securities includes the information set out in Part A of Appendix 6B.
- (2) Where a listed issuer is undertaking an issuance and placement of securities in stages over a period of time, the listed issuer shall, upon placement of the securities, make an immediate announcement of the number and issue price of the securities.

### **6.07 Circular**

- (1) A listed issuer must ensure that the circular to be sent to the securities holders of the listed issuer to obtain the approval of the securities holders in respect of a new issue of securities includes the information set out in Part A of Appendix 6C.
- (2) The draft circular or in the case of a bonus issue, the printed circular must be submitted to the Exchange together with a checklist showing compliance with Part A of Appendix 6C.

## **PART E - OTHER GENERAL REQUIREMENTS**

### **6.08 Issue of securities**

A listed issuer must ensure that all new issues of securities for which listing is sought shall be by way of crediting the securities accounts of the allottees with such securities save and except where it is specifically exempted from compliance with section 38 of the Securities Industry (Central Depositories) Act 1991, in which event it shall so similarly be exempted from compliance with this provision. For this purpose, the listed issuer must notify the Depository of the names of the allottees and all such particulars required by the Depository, to enable the Depository to make the appropriate entries in the securities accounts of such allottees.

### **6.09 Allotment or issue of securities**

A listed issuer must not allot or issue securities until after it has filed with the Exchange a listing application for such new issue of securities and has been notified by the Exchange that such new issue of securities has been approved in principle for listing.

### **6.10 Issue of securities**

- (1) Subject to paragraph 6.11 and notwithstanding the existence of a resolution pursuant to section 132D of the Companies Act 1965, or in relation to a foreign corporation, a resolution of a similar nature pursuant to the relevant laws of the place of incorporation, a listed issuer must ensure that it shall not issue any shares or convertible securities if the nominal value of those shares or convertible securities, when aggregated with the nominal value of any such shares or convertible securities issued during the preceding 12 months, exceeds 10% of the nominal value of the issued and paid-up capital of the listed issuer, except where the shares or convertible securities are issued with the prior approval of the shareholders in general meeting of the precise terms and conditions of the issue.
- (2) In working out the number of shares or convertible securities that may be issued by a listed issuer, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised.

### **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 or pursuant to a back-to-back placement undertaken in compliance with the

Commission's Guidelines on the Offering of Equity and Equity-Linked Securities, 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 shareholder or chief executive officer").
- (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:-
- (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
  - (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,

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.

- (3) A listed issuer must ensure that the notice of meeting includes the following:-
- (a) the number of securities to be so allotted;
  - (b) the purpose of allotment;
  - (c) the precise terms and conditions of the allotment; and
  - (d) the identity and relationship of the persons connected with the director, major shareholder or chief executive officer, where applicable.
- (4) Except in the case of an issue of securities on a pro rata basis to shareholders and subject to subparagraph (1) 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:-
- (a) prior approval of the board of directors of the listed issuer must be obtained for the specific allotment to such persons;
  - (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
  - (c) an immediate announcement of the specific allotment to such persons must be made which includes the following:-
    - (i) the information prescribed in subparagraph (3) above; and



- (ii) 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.

#### **6.12 Allotment of securities, despatch of notices of allotment and application for quotation in respect of a public issue**

Where a listed issuer issues securities to the public, within 15 market days of the final applications date or such other period as may be prescribed by the Exchange, a listed issuer must:-

- (a) allot and/or issue securities;
- (b) despatch notices of allotment to the successful applicants; and
- (c) make an application for the quotation of such securities.

#### **6.13 (Deleted)**

#### **6.14 Document for issue of securities to be made overseas**

Where an issue of securities is to be made overseas and is supported by a prospectus or other public documents, a listed issuer must ensure that the prospectus or other public documents in English shall be lodged with the Exchange. Such documents shall be endorsed with "Specimen – For Information Only."

#### **6.15 Fees**

A listed issuer must pay to the Exchange:-

- (a) the processing fee for a listing application which involves a bonus issue and/or a share scheme for employees;
- (b) the Commission's Valuation Review Fee where its listing application involves a bonus issue arising from a revaluation of land and buildings; and
- (c) a listing fee where its listing application for a new issue of securities has been approved,

of such amount and in such manner as is specified in the Schedule of Fees and subparagraph 3.16(3) respectively.

### **PART F - REQUIREMENTS RELATING TO A RIGHTS ISSUE**

#### **6.16 Additional Requirements**

A listed issuer which intends to make a rights issue of securities must comply with the provisions in this Part in addition to those set out in Parts C, D and E of this Chapter, where applicable.

#### **6.17 Fixing of books closing date for a rights issue**

A listed issuer must not fix a books closing date to determine persons entitled to participate in a rights issue until:-

- (a) the issue and listing thereof have been approved by the Commission;

- (b) the approval of the shareholders in general meeting in respect of the rights issue has been obtained; and
- (c) the underwriting agreement has been executed.

#### **6.18 Notice of books closing date for a rights issue**

A listed issuer must ensure that the period from the making of its announcement of the books closing date for a rights issue to the books closing date is not less than 10 market days.

#### **6.19 A rights issue must be renounceable**

A listed issuer must ensure that a rights issue allows for renunciation in part of or in whole in favour of a third party at the option of the entitled security holders.

#### **6.20 Timetable for a rights issue**

- (1) A listed issuer must fix the closing date for the receipt of applications for and acceptance of the new securities to be issued pursuant to a rights issue (referred to in this Part F as "Rights Securities") at least 13 market days after the books closing date.
- (2) Appendix 6E illustrates the timeline for a rights issue.

#### **6.21 Announcements of important relevant dates of a rights issue**

- (1) A listed issuer shall, on the announcement of its books closing date for a rights issue, announce all the other important relevant dates relating to such rights issue at the same time as follows:-
  - (a) date for commencement of trading of the rights;
  - (b) date for despatch of abridged prospectus and subscription forms;
  - (c) date for cessation of trading of the rights;
  - (d) last date of acceptance;
  - (e) date for excess Rights Securities application;
  - (f) date for payment;
  - (g) date for announcement of final subscription result and basis of allotment of excess Rights Securities;
  - (h) listing date of the Rights Securities;
  - (i) whether the Rights Securities will be listed and quoted as the existing securities of the same class or will be separately quoted on the listing date. If the Rights Securities will be separately quoted on the listing date, to specify the entitlement that the holders of the Rights Securities will not be entitled to; and
  - (j) such other important dates as the listed issuer may deem appropriate.
- (2) A listed issuer shall undertake due care and diligence when making the announcement as set out in subparagraph (1) above. A listed issuer shall make an immediate announcement to the Exchange:-
  - (a) in the event of any change to the important relevant dates as announced pursuant to subparagraph (1) above; or

- (b) as soon as it becomes aware of any event that may result in the listed issuer being unable to comply with the important relevant dates as announced pursuant to subparagraph (1) above,

stating the change and reasons for such change.

#### **6.22 (Deleted)**

#### **6.22A Abridged Prospectus**

A listed issuer must give to the Exchange for public release, a copy of the abridged prospectus in respect of a rights issue duly registered by the Commission and lodged with the Registrar of Companies, at least 2 market days before the commencement of trading of the rights.

#### **6.23 Issue of notices of provisional allotment**

A listed issuer must issue to the persons entitled within 3 market days, or such other period as the Exchange may approve after the books closing date:-

- (a) the notices of provisional allotment; and
- (b) the rights subscription forms.

#### **6.24 Availability of rights subscription forms**

- (1) A listed issuer must make available sufficient copies of the rights subscription form at its registered office and share registrar's office to enable the acceptance of the rights.
- (2) A listed issuer must provide to each Participating Organisation a reasonable number of copies of the rights subscription form upon issue of the notices of provisional allotment and the rights subscription forms to the entitled persons.

#### **6.25 Allotment of securities, despatch of notices of allotment and application for quotation in respect of a rights issue**

Within 8 market days after the final applications closing date for a rights issue or such other period as may be prescribed or allowed by the Exchange, a listed issuer must:-

- (a) allot and issue the Rights Securities;
- (b) despatch notices of allotment to the allottees; and
- (c) make an application for the quotation of such Rights Securities.

### **PART G - REQUIREMENTS RELATING TO A BONUS ISSUE**

#### **6.26 Additional Requirements**

- (1) A listed issuer which intends to make a bonus issue of securities must comply with the provisions in this Part, in addition to those set out in Parts C, D and E of this Chapter, where applicable.
- (2) Subparagraph 6.04(2) above does not apply to a bonus issue of securities.

#### **6.26A Criteria for bonus issues**

- (1) A listed issuer intending to make a bonus issue of securities must ensure that the necessary reserves required for capitalisation of the bonus issue is unimpaired by losses on a consolidated basis, where applicable, based on the listed issuer's latest audited accounts as well as its latest quarterly report.

- (2) Where a listed issuer intends to make a bonus issue of securities which is not from its retained profits, the following requirements must be complied with:-
- (a) (Deleted)
  - (b) Where the bonus issue is to be made by way of the capitalisation of reserves arising from revaluation of assets:-
    - (i) only the surplus arising from revaluation of investments in subsidiaries or associated companies or land and buildings may be capitalised for the purpose of the bonus issue; and
    - (ii) where the surplus arising from revaluation of land and buildings is to be capitalised for the purpose of the bonus issue, at least 20% of the valuation amount of the revalued land and buildings which complies with subparagraphs 6.26B(1)(a) and (3), where applicable is to be retained in the revaluation reserves after the capitalisation for the bonus issue.
- (3) The available reserves for capitalisation based on the latest quarterly report must be confirmed by the reporting accountants or external auditors of the listed issuer, as the case may be, to be adequate to cover the entire bonus issue.

#### **6.26B Revaluation of land and buildings**

- (1) A listed issuer must ensure that:-
- (a) The revaluation of land and buildings referred to in paragraph 6.26A and the valuation report in respect of the revaluation must comply with the Commission's Guidelines on Asset Valuation which are in force from time to time; and
  - (b) It complies with all instructions, directives or conditions issued or imposed by the Commission in respect of the revaluation including any instruction to obtain a second opinion on the revaluation from a valuer appointed by the Commission at the expense of the listed issuer (referred to in this Chapter as "Second Opinion Valuation" and "the Second Opinion Valuer" respectively).
- (2) The listed issuer must submit simultaneously:-
- (a) 2 copies each of the valuation report in respect of the revaluation to the Commission and the Exchange respectively; and
  - (b) A cheque drawn to the order of the Securities Commission for the Commission's Valuation Review Fee to the Exchange (see the Schedule of Fees for the computation of the amount),
- via a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals (referred to in this Part as "the listed issuer's Adviser") except in the case of a Second Opinion Valuation which must be submitted by the Second Opinion Valuer.
- (3) Where a Second Opinion Valuation is obtained pursuant to subparagraph (1)(b), the listed issuer must adopt the lower of the 2 revaluation figures in complying with the provisions in this Part.
- (4) For the purpose of this Part, revaluation of land and buildings includes revaluation of an investment in a subsidiary or associated company by reason of the revaluation of land and buildings held by such subsidiary or associated company.

#### **6.26C Staggered implementation of a bonus issue**

- (1) A listed issuer may implement a bonus issue in stages over a period of time.
- (2) A listed issuer must ensure that the first announcement on the bonus issue includes the information set out in Part A of Appendix 6B, where applicable.
- (3) Subsequent announcements must be made before each books closing date pursuant to subparagraph 9.19(1) which shall include a statement that the listed issuer has adequate reserves to implement the bonus issue.

#### **6.26D Ranking of bonus issue securities**

The bonus issue securities shall rank pari passu in all respects with the existing securities of the same class upon listing.

#### **6.26E Listing application for a bonus issue**

A listed issuer must ensure that the listing application for a bonus issue referred to in paragraph 6.04 is submitted:-

- (a) by the listed issuer's Adviser; and
- (b) within 2 market days of the date of receipt of a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation, where applicable.

#### **6.27 Fixing of books closing date for a bonus issue**

A listed issuer must not fix a books closing date to determine persons entitled to participate in a bonus issue until:-

- (a) the approval-in-principle of the Exchange for the listing of the bonus issue has been obtained; and
- (b) the approval of the shareholders in general meeting in respect of the bonus issue has been obtained.

#### **6.28 Announcements in relation to a bonus issue of securities**

- (1) A listed issuer must ensure that the period from the making of its announcement of the books closing date for a bonus issue to the books closing date is not less than 10 market days.
- (2) A listed issuer shall in making an announcement of the books closing date include:-
  - (a) the maximum number of bonus issue securities which may be listed and quoted; and
  - (b) the date of listing and quotation. Where the bonus issue is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent subdivision or consolidation) and the date of listing and quotation (hereinafter referred to in this paragraph as "the Relevant Date") cannot be ascertained at this time, the listed issuer shall state that the Relevant Date is dependent upon the other corporate proposal being completed or becoming unconditional.
- (3) Where the bonus issue is on a stand-alone basis or is conditional upon a concurrent subdivision or consolidation, a listed issuer, shall, on the books closing date, make an announcement on the exact number of bonus issue securities which will be listed and quoted.

- (4) Where the bonus issue is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent subdivision or consolidation), immediately upon the other corporate proposal being completed or becoming unconditional and the listed issuer becoming aware of or ascertaining the Relevant Date, the listed issuer shall make an announcement on:-
- (a) the exact number of bonus issue securities which will be listed and quoted; and
  - (b) the Relevant Date, if not previously announced.

**6.29** (Deleted)

## **PART H - REQUIREMENTS RELATING TO A SHARE SCHEME FOR EMPLOYEES**

### **6.30 Additional Requirements**

A listed issuer which intends to issue shares pursuant to a share scheme for employees must comply with the provisions in this Part, in addition to those set out in Parts C, D and E of this Chapter, where applicable.

#### **6.30A Eligibility and allocation**

- (1) Subject to the provisions set out in subparagraphs (2) and (3) below and paragraph 6.31, the board of directors of the listed issuer may determine the eligibility and allocation criteria under a share scheme for employees.
- (2) The listed issuer must ensure that participation in the scheme is restricted to directors and employees of the listed issuer's group.
- (3) The listed issuer must also ensure that:-
  - (a) the aggregate allocation to directors and senior management must not exceed 50% of the total number of shares to be issued under the scheme; and
  - (b) the allocation to a director or employee who, either singly or collectively through persons connected with the director or employee, holds 20% or more of the issued and paid-up capital of the listed issuer, must not exceed 10% of the total number of shares to be issued under the scheme.
- (4) For the purpose of subparagraphs (2) and (3) above, unless the context otherwise requires:-
  - (a) "group" means the listed issuer and its subsidiaries which are not dormant; and
  - (b) "persons connected with an employee" shall have the meaning given in relation to persons connected with a director or major shareholder as defined in paragraph 1.01.

#### **6.30B Number of shares**

- (1) The listed issuer must ensure that the total number of shares to be issued under a share scheme for employees does not exceed 15% of its issued and paid-up capital at any one time.
- (2) For the purpose of subparagraph (1) above, where a listed issuer purchases its own shares or undertakes any other corporate proposal resulting in the total number of shares to be issued under the scheme exceeding 15% of its issued and paid-up capital, no further options shall be offered until the total number of shares to be issued under the scheme falls below 15% of its issued and paid-up capital.

### **6.30C Pricing**

The price payable for the shares under a share scheme for employees shall be:-

- (a) for an applicant implementing the scheme as part of its listing proposal, not less than the initial public offer price; or
- (b) for a listed issuer, based on the 5 day weighted average market price of the underlying shares at the time the option is offered, with a discount that does not exceed 10%.

### **6.30D Duration**

A listed issuer must ensure that a share scheme for employees shall be for a duration of not more than 10 years.

### **6.30E Adjustments**

A listed issuer must comply with the following as regards adjustments of price or number of shares to be issued under a share scheme for employees:-

- (a) A scheme may provide for adjustment of the subscription or option price or the number of shares (excluding options already exercised) under the scheme, in the event of a capitalisation issue, rights issue, bonus issue, consolidation or subdivision of shares, capital reduction or any other variation of capital;
- (b) Any adjustments made must be in compliance with the provisions for adjustment as provided in the bylaws of the scheme;
- (c) The issue of securities as consideration for an acquisition, pursuant to a special issue or private placement shall not be regarded as a circumstance requiring such adjustments; and
- (d) Adjustments other than on a bonus issue must be confirmed in writing either by the external auditors or the adviser of the listed issuer, which must be a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals.

### **6.30F Bylaws**

- (1) A listed issuer must ensure that the bylaws of a share scheme for employees include the provisions set out in Appendix 6F.
- (2) The listed issuer must submit the final copy of the bylaws of the share scheme to the Exchange together with a letter of compliance pursuant to paragraph 2.11 and a checklist showing compliance with Appendix 6F.

### **6.30G Listing application for a share scheme for employees**

A listed issuer must ensure that the listing application for a share scheme for employees referred to in paragraph 6.04 is submitted via a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals (referred to in this Part as "the listed issuer's Adviser").

### **6.30H Implementation**

- (1) The effective date for the implementation of the scheme shall be the date of full compliance with all relevant requirements in this Chapter including the following:-
  - (a) submission of the final copy of the bylaws of the scheme to the Exchange pursuant to paragraph 6.30F;

- (b) receipt of approval-in-principle for the listing of the shares to be issued under the scheme from the Exchange;
  - (c) procurement of shareholders' approval for the scheme;
  - (d) receipt of approval of any other relevant authorities, where applicable; and
  - (e) fulfilment of all conditions attached to the above approvals, if any.
- (2) The listed issuer's Adviser must submit a confirmation to the Exchange of full compliance pursuant to subparagraph (1) above stating the effective date of implementation together with a certified true copy of the relevant resolution passed by shareholders in general meeting.
- (3) The submission of the confirmation must be made no later than 5 market days after the effective date of implementation.

### **6.31 Share scheme for employees after listing**

- (1) A listed issuer must ensure that all schemes whether implemented by the listed issuer or its subsidiary, involving the issue of shares to employees comply with the following provisions:-
- (a) the scheme must be approved by the shareholders of the listed issuer in general meeting;
  - (b) the resolution must approve a specific scheme and refer either to the scheme itself or to a summary of its principal terms included in the circular which must contain all the provisions set out in Appendix 6F.
  - (c) unless the shares subject to the scheme are identical with other listed shares they must be separately designated;
  - (d) where directors of the listed issuer are trustees of the scheme or have an interest, direct or indirect, in the scheme, the circular must disclose that interest; and
  - (e) where the scheme is implemented by a subsidiary, the bylaws of such scheme must include the provisions set out in Appendix 6F.
  - (f) (Deleted)
  - (g) (Deleted)
  - (h) (Deleted)
- (2) Subparagraph (1) does not apply to:-
- (a) an applicant that is implementing a share scheme for employees as part of its listing proposal; and
  - (b) share schemes for employees implemented by subsidiaries of the listed issuer which are listed on the MESDAQ Market or a stock exchange deemed comparable by the Exchange.

### **6.32 Allotment of shares, despatch of notices of allotment and application for quotation in respect of a share scheme for employees**

Within 8 market days after the date of receipt of a notice of the exercise of the option together with the requisite payment or such other period as may be prescribed or allowed by the Exchange, a listed issuer must:-



- (a) allot and/or issue shares;
- (b) despatch a notice of allotment to the employee of the listed issuer; and
- (c) make an application for the quotation of such shares.

## **PART I - REQUIREMENTS RELATING TO AN ISSUE OF DEBT SECURITIES**

### **6.33 Requirements relating to debt securities**

- (1) A listed issuer which intends to list debt securities must comply with the provisions in this Part, in addition to those set out in Parts C, D, E and F of this Chapter, where applicable.
- (2) The provisions in this Part shall apply to the listing of redeemable preference shares in the same way as it would apply to debt securities.
- (3) In the case of debt securities which are convertible into shares, the listed issuer must also comply with the provisions in Part J where applicable, in addition to the provisions in this Part.

### **6.34 Holders of debt securities**

A listed issuer seeking a listing of its debt securities must have not less than 100 holders of such debt securities holding not less than one board lot of the debt securities each.

### **6.35 Listing application for debt securities and application for quotation**

A listed issuer must file with the Exchange a listing application for debt securities which shall consist of the following:-

- (a) the application which shall include the information set out in Part D of Appendix 6A, in addition to the information set out in Part A of Appendix 6A, subject to the necessary adaptations, duly executed by the listed issuer; and
- (b) the supporting documents specified in Part E of Appendix 6A, in addition to the supporting documents specified in Part B of Appendix 6A.

### **6.36 Announcement relating to an issue of debt securities**

A listed issuer must ensure that the announcement to the Exchange relating to a proposed issue of debt securities includes the information set out in Part B of Appendix 6B, in addition to the information set out in Part A of Appendix 6B.

## **PART J - REQUIREMENTS RELATING TO AN ISSUE OF WARRANTS OR OTHER CONVERTIBLE SECURITIES**

### **6.37 Requirements relating to warrants or other convertible securities**

A listed issuer which intends to issue warrants or other convertible securities must comply with the provisions in this Part, in addition to those set out in Parts C, D, E and F of this Chapter, where applicable.

### **6.38 Holders of warrants or other convertible securities**

A listed issuer seeking a listing of its warrants or other convertible securities must have not less than 100 holders of such securities holding not less than one board lot of the warrants or convertible securities each.

### **6.39 Listing application for warrants or other convertible securities and application for quotation**

A listed issuer must file a listing application for warrants or other convertible securities which shall consist of the following:-

- (a) the application which shall include the information set out in Part A of Appendix 6A, subject to the necessary adaptations, duly executed by the listed issuer; and
- (b) the supporting documents specified in Part F of Appendix 6A, in addition to the supporting documents specified in Part B of Appendix 6A.

### **6.40 Announcement relating to an issue of warrants or other convertible securities**

A listed issuer must ensure that the announcement to the Exchange relating to a proposed issue of warrants or other convertible securities, as the case may be, includes the information set out in Part C of Appendix 6B, in addition to the information set out in Part A of Appendix 6B.

### **6.41 Circular relating to an issue of warrants or other convertible securities**

- (1) A listed issuer must ensure that the circular to be sent to the securities holders of the listed issuer to obtain the approval of the securities holders in respect of an issue of warrants or other convertible securities, as the case may be, includes the information set out in Part B of Appendix 6C, in addition to the information set out in Part A of Appendix 6C.
- (2) The draft circular must be submitted to the Exchange together with a checklist showing compliance with Parts A and B of Appendix 6C.

### **6.42 Deed poll to comply with Requirements**

A listed issuer must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with the deed poll.

#### **6.42A Consequential securities**

- (1) Where a listed issuer intends to issue warrants or other convertible securities arising from adjustments due to an issue of securities or a subdivision or consolidation of shares (hereinafter referred to in this paragraph as “consequential securities” and “principal securities” respectively):-
  - (a) the consequential securities must be listed and quoted simultaneously with the principal securities; and
  - (b) a listed issuer must ensure that the period from the making of its announcement of the books closing date for the consequential securities to the books closing date is not less than 10 market days.
- (2) Where the consequential securities are due to:-
  - (a) a bonus issue of securities; or
  - (b) a subdivision or consolidation of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue;

the following shall be applicable:-

- (i) subparagraph 6.04(2) shall not apply;
  - (ii) a listed issuer shall in making an announcement of the books closing date include:-
    - (aa) the maximum number of consequential securities which may be listed and quoted; and
    - (bb) the date of listing and quotation; and
  - (iii) the listed issuer shall, on the books closing date, make an announcement on the exact number of consequential securities which will be listed and quoted.
- (3) Where the consequential securities are due to a bonus issue which is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent subdivision or consolidation):-
- (a) in relation to the announcement referred to in subparagraph 2(ii) above, if the date of listing and quotation (hereinafter referred to in this paragraph as “the Relevant Date”) cannot be ascertained at this time, the listed issuer shall state that the Relevant Date is dependent upon the other corporate proposal being completed or becoming unconditional;
  - (b) subparagraph 2(iii) shall not apply; and
  - (c) immediately upon the other corporate proposal being completed or becoming unconditional and the listed issuer becoming aware of or ascertaining the Relevant Date, the listed issuer shall make an announcement on:-
    - (i) the exact number of consequential securities which will be listed and quoted; and
    - (ii) the Relevant Date, if not previously announced.

#### **6.43 Notices of conversion or exercise**

A listed issuer must ensure that a notice of conversion or exercise in respect of convertible securities includes the following:-

- (a) the full title of the security;
- (b) the maturity date;
- (c) the conversion or exercise price;
- (d) the conversion or exercise period;
- (e) the mode of payment of the exercise price; and
- (f) the treatment of the security at maturity.

#### **6.44 Allotment of securities, despatch of notices of allotment and application for quotation in respect of conversion or exercise**

Within 8 market days after the date of receipt of a subscription form together with the requisite payment or such other period as may be prescribed or allowed by the Exchange, a listed issuer must:-

- (a) allot and/or issue the securities arising from the conversion or exercise of the convertible security;

- (b) despatch a notice of allotment to the holder of the convertible security; and
- (c) make an application for the quotation of such securities.

## **PART K - REQUIREMENTS RELATING TO REAL ESTATE INVESTMENT TRUSTS**

### **6.45 Requirements relating to real estate investment trusts**

- (1) Except paragraphs 6.10, 6.11 and Part H of this Chapter, the provisions in this Chapter also apply in relation to the listing of a new issue of units of a real estate investment trust, subject to such adaptations, where necessary.
- (2) A real estate investment trust must procure the Commission's approval for issuance and listing of new units before submitting a listing application to the Exchange.
- (3) Notwithstanding paragraph 6.26(2)(b)(ii) above, where a revaluation surplus is to be utilised for the issuance of bonus units by a real estate investment fund, up to 10% of the revalued amount must be retained in the revaluation reserves after the capitalisation for the bonus issue.

## **PART L - REQUIREMENTS RELATING TO EXCHANGE TRADED FUNDS**

### **6.46 Requirements relating to exchange traded funds**

- (1) In relation to an exchange traded fund, the provisions herein shall also apply to the listing of a new issue of units of an exchange traded fund, subject to such adaptations, where necessary.
- (2) A management company must file with the Exchange an application for listing and quotation in respect of all new units to be issued in connection with the application, which units had not been previously approved by the Exchange.
- (3) The application referred to in subparagraph (2) above shall consist of the following:-
  - (a) the application, in the form of Part A of Appendix 6A, duly signed by the management company; and
  - (b) the supporting documents specified in both Part B of Appendix 6A and Part C of Appendix 4H.

[ End of Chapter ]

## APPENDIX 6A

### Part A

#### **Contents of a listing application for a new issue of securities** (paragraphs 6.04(1)(a), 6.35(a) and 6.39(a))

- (1) Title Page showing:-
  - (a) the name of the listed issuer;
  - (b) the full title or designation of the securities proposed for listing;
  - (c) the date of application and formal request for listing, specifying the amount, par value and title of the securities proposed for listing, and whether the securities are fully paid;
  - (d) the names of the lead managers, co-managers, placement agent and underwriters (where applicable) and the commission payable to these parties; and
  - (e) the purpose of issuance;
- (2) A table showing the following:-
  - (a) the designation or title of each class of securities;
  - (b) the par value;
  - (c) the number of securities authorised by the memorandum and articles of association, number of securities issued and number of securities proposed for listing;
  - (d) the number of unissued securities reserved for issuance for any specific purpose, and purpose for which reserved or an appropriate negative statement; and
  - (e) the class, ranking and number of securities proposed for listing;
- (3) The directors' and major shareholders' shareholdings before and after the new issue;
- (4) A table showing the following for each issue or series of funded or long term debt of a listed issuer and its subsidiaries:-
  - (a) the full title (including interest rate and maturity date);
  - (b) the amount authorised by indenture;
  - (c) the amount issued to-date;
  - (d) the amount redeemed;
  - (e) the amount outstanding;
  - (f) the issue price;
  - (g) the date of payment of interest; and
  - (h) the date and terms of redemption.

If none, an appropriate negative statement;

- (5) The date(s) of meetings of directors (and shareholders if such is the case) at which the issuance of the securities for which listing is being applied for was authorised and the date of approval(s) of the relevant authorities;
- (6) A statement as to whether there has been any important development affecting the listed issuer or its business since the latest annual report of the listed issuer. If so, a description of such developments; and
- (7) In the case of a bonus issue:-
  - (a) Details of the reserves to be capitalised for the bonus issue.
  - (b) Where the bonus issue is to be made in stages over a period of time, relevant details of the same including:-
    - (i) The extended implementation period;
    - (ii) The basis of allotment;
    - (iii) The tentative books closing dates;
    - (iv) The effects of the bonus issue on share capital, net assets, reserves, earnings and dividends;
    - (v) A statement that the listed issuer has adequate reserves to cover the entire bonus issue;
    - (vi) A statement as to the potential price effects of the staggered implementation; and
    - (vii) The rationale/justification for the implementation of the bonus issue on a staggered basis.
- (8) In the case of acquisition to be satisfied wholly or partly by a new issue of securities, a statement whether the listed issuer complies with the public shareholding spread in paragraph 8.15(1) on completion of the acquisition and its plans to comply with paragraph 8.15(1), if applicable.

## **Part B**

### **Documents to be filed with a listing application for a new issue of securities**

(paragraphs 6.04(1)(b), 6.35(b) and 6.39(b))

- (1) A listed issuer must file the following documents in support of a listing application for a new issue of securities:-
  - (a) One copy of the circular, prospectus or abridged prospectus which is registered with the relevant authorities.
  - (b) A certified true copy of the relevant resolution passed by securities holders in general meeting.
  - (c) A letter from the listed issuer's adviser confirming all approvals of relevant authorities have been obtained.
  - (d) One copy each of all letters of approval from the relevant authorities.
  - (e) In the case of a bonus issue:-

- (i) a confirmation from the listed issuer's Adviser that the listed issuer has complied with paragraph 6.26A;
- (ii) a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation, where applicable; and
- (iii) a confirmation of the available reserves by the reporting accountants or external auditors as stipulated in subparagraph 6.26A(3), where applicable;
- (iv) the following undertakings:-
  - (aa) the return of allotment will be filed with the Registrar of Companies pursuant to the Companies Act, 1965 or in relation to a foreign corporation, that the relevant document showing its latest issued and paid-up capital will be filed with the relevant authority pursuant to the laws of the place of incorporation;
  - (bb) all notices of allotment will be issued and despatched to the entitled holders as expeditiously as possible and in any event, no later than 4 market days after the date of listing and quotation;
  - (cc) the new securities will rank pari passu in all respects with the existing securities of the same class;
  - (dd) all conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the securities will be met;
  - (ee) there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the securities including any order, injunction or any other directive issued by any court of law;
  - (ff) to immediately inform the Exchange upon becoming aware, after submission of the listing application, that the listed issuer has failed to meet any of the above undertakings referred to in subparagraphs (aa) to (dd) or of any circumstances or facts referred to in subparagraph (ee) above; and
- (v) a statement whether the bonus issue is conditional upon any other corporate proposal including:-
  - (gg) the details of such other corporate proposals; and

the estimated time frame for completion of the other corporate proposals.
- (f) In the case of a share scheme for employees:-
  - (i) A draft copy of the bylaws; and
  - (ii) A confirmation from the listed issuer's Adviser that the listed issuer has complied with the provisions set out in Part H, where applicable.
- (g) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the processing fee (see the Schedule of Fees for the computation of the amount),

where applicable, together with a copy of the details of the computation of the amount of listing fees payable.

- (h) One copy of the receipt from the Second Opinion Valuer evidencing full payment of the fees owing in relation to the Second Opinion Valuation, where applicable.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable or available.

## **Part C**

### **Documents to be filed with an application for quotation of a new issue of securities** (paragraph 6.04(2))

A listed issuer must file the following documents in support of an application for quotation of a new issue of securities:-

- (a) A confirmation from the listed issuer as to its latest issued and paid-up capital.
- (b) A confirmation that all notices of allotment have been issued and despatched to the entitled holders.
- (c) A confirmation from the listed issuer that the Depository is ready to credit the new securities to the accounts of the entitled holders, after receiving the allotment information for crediting of the new securities.
- (d) A cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees (see Schedule of Fees for computation of amount) together with a copy of the details of the computation of the amount of listing fees payable.
- (e) A confirmation from the adviser of whether the new issue of securities will be listed and quoted as the existing securities of the same class or will be separately quoted on the listing date. If the new issue of securities will be separately quoted on the listing date, to specify the entitlement that the holders of the new issue of securities will not be entitled to.
- (f) In the case of acquisitions to be satisfied wholly or partly by a new issue of securities, a letter of confirmation in the form of Appendix 6D.
- (g) A confirmation from the adviser that all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the securities have been met.
- (h) A confirmation from the adviser that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the securities including any order, injunction or any other directive issued by any court of law;
- (i) In the case of a bonus issue, a certified true copy of the relevant resolution passed by securities holders in general meeting; and
- (j) such other documents which are not / have not been submitted pursuant to Part B of Appendix 6A.

## **Part D**

### **Contents of a listing application for debt securities** (paragraph 6.35(a))



- (1) The full title of issue and ranking of the debt securities;
- (2) The title of instrument under which the debt securities were created or are proposed to be created;
- (3) The name of trustee;
- (4) The issue and maturity dates;
- (5) The amount authorised, amount issued to-date, amount retired, amount outstanding and amount proposed to be issued;
- (6) The interest rate and interest payment dates;
- (7) The method of redemption;
- (8) Whether the issue qualifies for any tax exemption;
- (9) The denominations issuable;
- (10) The manager and lead underwriter of the issue;
- (11) The method of distribution of the issue;
- (12) Whether bank guaranteed and if so, details of the amount guaranteed by the respective guarantor banks;
- (13) Whether secured and if so, details of such security; and
- (14) A summary of other material terms of issue.

#### **Part E**

##### **Supporting documents to be filed with a listing application for debt securities**

(paragraph 6.35(b))

- (1) A listed issuer must file the following additional documents in support of a listing application for debt securities:-
  - (a) One copy of the mortgage indenture, or equivalent instrument certified by the trustee.
  - (b) One copy of the duly executed trust deed.
  - (c) One specimen copy of the certificate of the debt security.
- (2) If any of the above documents are not filed because they are not applicable in any case, a listed issuer must submit a separate exhibit explaining why such documents are not applicable.

#### **Part F**

##### **Supporting documents to be filed with a listing application for warrants or other convertible securities**

(paragraph 6.39(b))

- (1) A listed issuer must file the following additional documents in support of a listing application for warrants or other convertible securities:-

- (a) One copy of the duly executed deed poll.
  - (b) One specimen copy of the certificate of the warrant or other convertible security, as the case may be.
  - (c) In relation to an issue of warrants or other convertible securities arising from adjustments due to a bonus issue, the documents referred to in subparagraphs (1)(e)(iv)(bb) to (ff) and 1(e)(v) of Part B of Appendix 6A.
  - (d) In relation to an issue of warrants or other convertible securities arising from adjustments due to a subdivision or consolidation which is on a stand-alone basis or conditional upon a concurrent bonus issue, the documents referred to in subparagraph (11) of Part A and Part B of Appendix 13C.
- (2) If any of the above documents are not filed because they are not applicable in any case, a listed issuer must submit a separate exhibit explaining why such documents are not applicable.

[ End of Appendix ]

## APPENDIX 6B

### Part A

#### **Contents of announcement in relation to a new issue of securities**

(paragraphs 6.06, 6.26C, 6.36 and 6.40)

- (1) The number, type and par value of securities to be issued;
- (2) The ranking of the new issue of securities;
- (3) Whether listing will be sought for the new issue of securities;
- (4) The issue price of the new issue of securities and the basis of determining the issue price;
- (5) The basis of allotment, where applicable;
- (6) The persons to whom the new issue of securities will be allotted/issued;
- (7) The gross proceeds from the issue of securities and a detailed statement with regard to the utilisation of such proceeds, where applicable;
- (8) The effect of the new issue of securities on:-
  - (a) the issued and paid-up capital;
  - (b) the net assets per share based on the latest consolidated audited accounts;
  - (c) the earnings per share of the group;
  - (d) the substantial shareholding structure;
  - (e) the dividend rate; and
  - (f) gearing, where applicable.
- (9) The approvals required for the new issue and the estimated time frame for submission of the application to the relevant authorities;
- (10) Whether the directors, major shareholders and/or persons connected with them have any interest, direct or indirect, in the issue;
- (11) The purpose of the new issue of securities;
- (12) In the case of a bonus issue or a two-call rights issue,
  - (a) the details of the reserves to be capitalised for the bonus issue or the second call of the two-call rights issue; and
  - (b) a statement that the reserves required for capitalisation of the bonus issue or the second call of the two-call rights issue complies with paragraph 6.26A(1) and the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities respectively; and
  - (c) where the bonus issue is to be made in stages over a period of time, relevant details of the same including:-
    - (i) The extended implementation period;
    - (ii) The tentative books closing dates;

- (iii) The effects of the bonus issue on reserves;
  - (iv) A statement that the listed issuer has adequate reserves to cover the entire bonus issue;
  - (v) A statement as to the potential price effects of the staggered implementation; and
  - (vi) The rationale/justification for the implementation of the bonus issue on a staggered basis; and
- (13) In the case of a share scheme for employees, the duration of the scheme, basis of determining the exercise price and eligibility.

## **Part B**

### **Contents of announcement in relation to an issue of debt securities**

(paragraph 6.36)

- (1) The interest rate and interest payment dates;
- (2) The issue and maturity dates;
- (3) The method of redemption;
- (4) Whether guaranteed or secured, and if so, details of such guarantee or security;
- (5) The rating of the issue; and
- (6) A summary of other material terms of issue.

## **Part C**

### **Contents of announcement in relation to an issue of warrants or other convertible securities**

(paragraph 6.40)

- (1) The conversion or exercise price and basis of determining the conversion or exercise price;
- (2) The conversion or exercise period;
- (3) The number of new securities that will be issued upon full exercise or conversion;
- (4) A summary of material terms of the issue; and
- (5) The use of future proceeds arising from the conversion or exercise.

[ End of Appendix ]

## APPENDIX 6C

### Part A

#### Contents of circular in relation to a new issue of securities

(paragraphs 6.07(1) and 6.41(1))

- (1) A heading drawing attention to the importance of the circular and advising holders of securities who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) (Deleted)
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the circular. In relation to an Exempt Circular, a statement that Bursa Malaysia Securities Berhad has not perused the circular prior to its issuance;
- (4) The purpose of the circular;
- (5) The particulars, terms and conditions of the issue and date on which the new issue of securities was announced;
- (6) The number, type and par value of the securities to be issued;
- (7) The issue price of the new issue of securities and the basis of determining the issue price;
- (8) The ranking of the new issue of securities and treatment of any fractions;
- (9) Whether listing will be sought for the new issue of securities;
- (10) The details of any other intended corporate exercise/scheme which have been announced but not yet completed prior to the printing of the circular and whether the new issue of securities is conditional upon such and/or any other corporate exercise/scheme;
- (11) The basis of allotment, where applicable;
- (12) The persons to whom the new issue of securities will be allotted/issued;
- (13) The reasons for and purposes of the new issue of securities;
- (14) A statement with regard to:-
  - (a) the gross proceeds of the new issue of securities;
  - (b) the proposed utilisation of the gross proceeds specifying amongst others:-
    - (i) if it is utilised to reduce borrowings, the amount of annual savings in interest payments and the total borrowings of the group as at the latest practicable date;
    - (ii) if it is for expansion of factory/office premises, the details thereof; or
    - (iii) if it is for investment purposes, the details of the investment;
  - (c) the estimated expenses of the new issue of securities; and

- (d) the time frame for full utilisation of the proceeds;
- (15) The effects of the new issue of securities on:-
- (a) the issued and paid-up capital;
  - (b) the net assets per share based on the latest consolidated audited accounts;
  - (c) the earnings per share of the group;
  - (d) the substantial shareholding structure;
  - (e) the dividend rate; and
  - (f) gearing, where applicable.
- (16) A statement as to whether the new issue of securities will be underwritten and the number and percentage of securities to be underwritten. Where the underwriting arrangements have been entered into, details of the underwriting arrangements, including:-
- (a) the name(s) of the underwriter(s);
  - (b) (Deleted)
  - (c) the underwriting commission and the party that will bear the same; and
  - (d) any provisions which may permit the underwriter(s) to withdraw from obligations pursuant to the underwriting agreement and/or terminate the underwriting agreement;
- (17) Where applicable, securities holders' undertakings stating the portion of the new issue of securities which the securities holders have given their written irrevocable undertaking to subscribe for their entitlement in full, including:-
- (a) the names of securities holders;
  - (b) the number and percentage of the existing issued and paid-up capital held by them in the listed issuer; and
  - (c) the number and percentage of securities entitled to under the new issue of securities;
- (18) The monthly highest and lowest market prices of the listed securities transacted for the 12 months preceding the date of the circular and the last transacted price immediately before the announcement of the new issue of securities and as at the latest practicable date prior to the printing of the circular;
- (19) The approvals required for the new issue of securities and dates on which such approvals were obtained and conditions of the approvals;
- (19A) The estimated time frame for completion of the new issue of securities;
- (20) Whether the new issue of securities is to a director, major shareholder and/or person connected with a director or major shareholder and if so, a statement that such person and also the director or major shareholder concerned, where the issue is to a person connected with a director or major shareholder, shall abstain from voting in respect of their direct and/or indirect shareholdings. Further, a statement that such interested director and/or major shareholder has/have undertaken that he/they shall ensure that the persons connected with him/them will abstain from voting on the resolution approving the issue at the general meeting. In the case of an interested

director, a statement that the interested director has abstained and/or will abstain from deliberating and voting on the relevant resolution at the board meeting;

- (21) In the case of a bonus issue or a two-call rights issue:-
- (a)
    - (i) The details of the reserves to be capitalised for the bonus issue or the second call of the two-call rights issue including the amount to be capitalised and the amount standing to the credit of such account;;
    - (ii) A statement that the available reserves have been confirmed by the external auditors, if applicable;
  - (b) A statement that the reserves required for capitalisation of the bonus issue or the second call of the two-call rights issue complies paragraph 6.26A(1) and the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities respectively;
  - (c) Where the reserves to be capitalised arise from a revaluation of land and buildings, the name of the independent registered valuer, and the date and method of valuation. Incorporate the valuation certificate which shall contain all particulars of and information on the property being valued and regard shall be had to the Commission's Guidelines on Asset Valuation as to the contents of the valuation certificate. Make available for inspection the valuation report and valuation certificate;
  - (d) Where a Second Opinion Valuation has been obtained, the figures for the original valuation and the Second Opinion Valuation;
  - (e) Where the bonus issue is to be made in stages over a period of time, relevant details of the same including:-
    - (i) The extended implementation period;
    - (ii) The tentative books closing dates;
    - (iii) The effects of the bonus issue on reserves;
    - (iv) A statement that the listed issuer has adequate reserves to cover the entire bonus issue;
    - (v) A statement drawing securities holders' attention to the staggered implementation of the bonus issue and the potential price effects of the staggered implementation; and
    - (vi) The rationale/justification for the implementation of the bonus issue on a staggered basis.
- (22) In the case of a share scheme for employees:-
- (a) the information set out in Appendix 6F; and
  - (b) where applicable, the rationale for extending participation in the share scheme to non-executive directors.
- (23) A statement by the board of directors excluding interested directors stating whether the issue is in the best interest 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;
- (24) Where voting is required, a recommendation from the board of directors excluding interested directors as to the voting action that securities holders should take;

- (25) In the case of a share scheme for employees, as an appendix, the bylaws of the scheme;
- (26) An appendix containing the following information:-
- (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed issuer and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed issuer or its directors, a statement:-
    - (i) that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (if applicable) in the form and context in which it is included; and
    - (ii) by the adviser or expert as to whether a conflict of interests exists or is likely to exist in relation to its role as an adviser or expert. For this purposes, "conflict of interests" means circumstances or relationships which affect or may affect the ability of the adviser or expert to act independently and objectively or where the adviser or expert has an interest in the outcome of the proposal which interferes or is likely to interfere with its independence and objectivity;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered into by the listed issuer and/or its subsidiaries within 2 years immediately preceding the date of the circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed issuer and/or any of its subsidiaries, including those pending or threatened against such companies. The following particulars shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit;
    - (iii) the names of the plaintiff(s) and defendant(s);
    - (iv) the estimate of the maximum exposure to liabilities;
    - (v) directors'/solicitors' opinion of the outcome; and
    - (vi) the status;
  - (e) a statement that from the date of the circular until the date of the general meeting the following documents (or copies thereof) may be inspected at the registered office of the listed issuer:-
    - (i) the memorandum and articles of association;



- (ii) the audited accounts of the listed issuer and/or group for the past 2 financial years and the latest unaudited results since the last audited accounts;
  - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular;
  - (iv) the letters of consent referred to in subparagraph (26)(b) above;
  - (v) the material contracts referred to in subparagraph (26)(c) above;
  - (vi) the relevant cause papers in respect of the material litigation referred to in subparagraph (26)(d) above;
  - (vii) the trust deed and/or deed poll (where applicable);
  - (viii) the profit estimate and/or forecast together with the auditors' letter thereon (if provided);
  - (ix) the pro forma consolidated balance sheet together with the auditors' letter thereon (if provided); and
  - (x) bylaws of the scheme, in the case of a share scheme for employees; and
- (27) Any other information which the securities holders and their professional advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

## **Part B**

### **Contents of circular in relation to warrants or other convertible securities**

(paragraph 6.41(1))

- (1) The maximum number of the underlying securities which would be issued on the exercise of the warrants or convertible securities;
- (2) The ranking of the securities arising from the exercise or conversion;
- (3) Whether listing will be sought for the securities that will be issued upon exercise or conversion;
- (4) The period during which the warrants or convertible securities may be exercised and the date when this right commences and expires;
- (5) The amount payable on the exercise of the warrants or convertible securities and the basis of determining the exercise or conversion price;
- (6) The rights of the holders on the liquidation of the listed issuer;
- (7) The arrangement for the adjustment in the subscription or purchase price and in the number of warrants or convertible securities in the event of alteration to the share capital of the listed issuer;
- (8) The rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the listed issuer;
- (9) Where the convertible securities have debt features:-

- (a) the interest rate and interest payment date(s);
  - (b) the method of redemption;
  - (c) whether guaranteed or secured; and if so, details of such guarantee or security; and
  - (d) the rating of the issue;
- (10) A summary of the material terms of the warrants or convertible securities; and
- (11) The proposed utilisation of proceeds arising from the exercise or conversion of warrants or convertible securities.

[ End of Appendix ]

**APPENDIX 6D**

**Letter of confirmation in respect of acquisitions satisfied wholly or partly by an issue of new securities**

(paragraph (f) Part C of Appendix 6A)

To:

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

[Name of listed issuer]

Confirmation in respect of acquisitions satisfied wholly or partly by issue of new securities

In connection with the application to Bursa Malaysia Securities Berhad (“the Exchange”) for the listing and quotation of additional ..... [number] new .....[securities]of ..... [par value] each in .....[name of listed issuer] on the Official List of the Exchange (“the Official List”) arising from .....[transaction] (“the transaction”), we wish to confirm as follows:-

- (1) that all conditions precedent contained in the agreement governing the transaction, save for the listing and quotation of the .....[number] new .....[securities] of .....[par value] each in .....[name of listed issuer] on the Official List, have been complied with. In confirming this, we have relied on the opinion from..... [name of legal firm] to that effect; and
- (2) that there has been no variation of whatsoever nature to the original agreement which was not disclosed to the relevant authorities, the shareholders and the Exchange.

Your faithfully

.....  
[Authorised signatory of the adviser]

Name:

Designation:

Date:

.....  
[Authorised signatory of the listed issuer]

Name:

Designation:

Date:

[ End of Appendix ]

## APPENDIX 6E

	Timeline for a rights issue (paragraph 6.20(2))	Time Limits	Market days(1)
1	Books closing date (B) to determine persons entitled to participate in the rights issue		B
2	Public release of the abridged prospectus in respect of the rights issue	2 market days before trading of rights commences	B + 1
3	<p>Listed issuer issues:-</p> <p>(a) the Provisional Allotment Letter (PAL) to the Depository and where applicable, entitled persons of securities which have been exempted from deposit with the Depository; and</p> <p>(b) the following to the entitled persons of deposited securities:-</p> <p>(i) the notices of provisional allotment; and</p> <p>(ii) the rights subscription forms.</p> <p>Trading of rights commences</p>	Within 3 market days after books closing date	B + 3
4	Cessation of trading of rights	5 market days before the last date of acceptance	B + 8
5	Closing date for receipt of applications for and acceptance of the rights	at least 13 market days after the books closing date	B + 13

Note:

- (1) The number of market days from the books closing date (B) is stated based on minimum or maximum periods allowed, as the case may be.

[ End of Appendix ]

## **APPENDIX 6F**

### **Contents of bylaws of a share scheme for employees**

(paragraph 6.30F)

- (1) The persons to whom shares may be issued under the scheme (“participants”) and the basis of determining the eligibility of participants.
- (2) The maximum number of options to be offered under the scheme.
- (3) The maximum entitlement for each class or category of participant (where applicable) and the maximum entitlement for any one participant (where applicable).
- (4) The amount payable on application or acceptance and the basis for determining the subscription or sale, or option price, the period in or after which payments or calls, or loans to provide the same, may be paid or called upon.
- (5) The time limit for the scheme.
- (6) The period during which the participants are debarred from disposing the shares so allotted, if applicable.
- (7) The voting, dividend, transfer and other rights, including those arising on a liquidation of the listed issuer or the subsidiary, as the case may be, attaching to the shares.
- (8) Formulas for adjustments to the subscription or option price or the number of shares (excluding options already exercised) under the scheme, in the event of a capitalisation issue, rights issue, bonus issue, consolidation or subdivision of shares, capital reduction and/or any other variation of capital;
- (9) A provision that the matters relating to items (1) to (8) above cannot be altered to the advantage of participants without shareholders' prior approval.

[ End of Appendix ]

## **CHAPTER 7 ARTICLES OF ASSOCIATION**

### **PART A - GENERAL**

#### **7.01 Introduction**

- (1) Parts B to N of this Chapter set out the provisions which an applicant or a listed company must ensure are contained in its articles of association.
- (2) Part O of this Chapter sets out the additional provisions which a closed-end fund must ensure are contained in its articles of association.

### **PART B - DEFINITIONS**

#### **7.02 Definitions**

For the purpose of this Chapter, unless the context otherwise requires, “company” means a company which is seeking a listing on the Official List or a listed company.

### **PART C - SUBSIDIARIES**

#### **7.03 (Deleted)**

### **PART D - CAPITAL**

#### **7.04 Issue of shares to directors**

No director shall participate in a share scheme for employees unless shareholders in general meeting have approved of the specific allotment to be made to such director.

#### **7.05 (Deleted)**

#### **7.06 Rights of other classes of shares**

The rights attaching to shares of a class other than ordinary shares shall be expressed.

#### **7.07 Power to issue further preference shares**

Whether the company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

#### **7.08 Rights of preference shareholders**

- (1) The holder of a preference share must be entitled to a right to vote in each of the following circumstances:-
  - (a) when the dividend or part of the dividend on the share is in arrears for more than 6 months;
  - (b) on a proposal to reduce the company's share capital;
  - (c) on a proposal for the disposal of the whole of the company's property, business and undertaking;
  - (d) on a proposal that affects rights attached to the share;
  - (e) on a proposal to wind up the company; and

- (f) during the winding up of the company.
- (2) (Deleted)
- (3) A holder of a preference share must be entitled to the same rights as a holder of an ordinary share in relation to receiving notices, reports and audited accounts, and attending meetings.

#### **7.09 Capital paid on shares in advance of calls**

Capital paid on shares in advance of calls shall not, whilst carrying interest, confer a right to participate in profits.

#### **7.10 Issue of new shares to members**

Subject to any direction to the contrary that may be given by the company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the directors may dispose of those shares or securities in such manner as they think most beneficial to the company. The directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the directors, be conveniently offered under this article.

### **PART E - FORFEITURE AND LIEN**

#### **7.11 Company's lien on shares and dividends**

The company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member.

#### **7.12 Sale of shares forfeited**

If any share is forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs.

### **PART F - TRANSFER AND TRANSMISSION**

#### **7.13 Transfers of securities**

The transfer of any listed security or class of listed security of the company, shall be by way of book entry by the Depository in accordance with the Rules of the Depository and, notwithstanding sections 103 and 104 of the Companies Act 1965, but subject to subsection 107C(2) of the Companies Act 1965 and any exemption that may be made from compliance with subsection 107C(1) of the Companies Act 1965, the company shall be precluded from registering and effecting any transfer of the listed securities.

#### **7.14 Transmission of securities**

- (1) Where:-

- (a) the securities of a company are listed on another stock exchange; and
- (b) such company is exempted from compliance with section 14 of the Securities Industry (Central Depositories) Act 1991 or section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules of the Depository in respect of such securities,

such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the other stock exchange, to the register of holders maintained by the registrar of the company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.

- (2) (Deleted)

## **PART G - MODIFICATION OF RIGHTS**

### **7.15 Modification of rights**

The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholders' rights, may only be made pursuant to a special resolution of the preference shareholders concerned, provided always that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths of the preference capital concerned within 2 months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

## **PART H - BORROWING**

### **7.16 Scope of directors' borrowing powers**

The scope of the borrowing powers of the board of directors shall be expressed.

## **PART I - MEETINGS**

### **7.17 Notices of meetings**

The notices convening meetings shall specify the place, day and hour of the meeting, and shall be given to all shareholders at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least 14 days' notice or 21 days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall be given by advertisement in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the company is listed.

### **7.18 Record of Depositors**

- (1) The company shall request the Depository in accordance with the Rules of the Depository, to issue a Record of Depositors to whom notices of general meetings shall be given by the company.
- (2) The company shall also request the Depository in accordance with the Rules of the Depository, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than 3 market days before the general meeting (hereinafter referred to as "the General Meeting Record of Depositors").



- (3) Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 (where applicable), a depositor shall not be regarded as a member entitled to attend any general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

## **PART J - VOTING AND PROXIES**

### **7.19 Voting rights of members**

Subject to paragraph 7.18 above, a member of the company shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the company have been paid.

#### **7.19A Voting rights on a show of hands**

On a resolution to be decided on a show of hands, a holder of ordinary shares or preference shares who is personally present and entitled to vote shall be entitled to 1 vote.

### **7.20 Voting right of proxy**

A proxy shall be entitled to vote on a show of hands on any question at any general meeting.

### **7.21 Voting rights of shares of different monetary denominations**

Where the capital of a company consists of shares of different monetary denominations, voting rights shall be prescribed in such a manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.

### **7.22 Appointment of at least one proxy**

Where a member of the company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the company standing to the credit of the said securities account.

## **PART K - DIRECTORS**

### **7.23 (Deleted)**

### **7.24 Directors' power to fill casual vacancies and to appoint additional directors**

Where provision is made for the directors to appoint a person as a director either to fill a casual vacancy, or as an addition to the board, any director so appointed shall hold office only until the next annual general meeting of the company, and shall then be eligible for re-election.

### **7.25 Remuneration of directors**

Fees payable to non-executive directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to executive directors may not include a commission on or percentage of turnover.

### **7.26 Increase in directors' remuneration**

Fees payable to directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.

### **7.27 Directors' interest in contracts**

A director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest.

### **7.28 Election of directors**

- (1) An election of directors shall take place each year.
- (2) All directors shall retire from office once at least in each 3 years, but shall be eligible for re-election.

### **7.29 Vacation of office of director**

The office of a director shall become vacant if the director becomes of unsound mind or bankrupt during his term of office.

### **7.30 Notice of intention to appoint director**

No person, not being a retiring director, shall be eligible for election to the office of director at any general meeting unless a member intending to propose him for election has, at least 11 clear days before the meeting, left at the registered office of the company a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the directors for election, 9 clear days' notice only shall be necessary, and notice of each and every candidature for election to the board of directors shall be served on the registered holders of shares at least 7 days prior to the meeting at which the election is to take place.

### **7.31 Power of managing director**

A managing director shall be subject to the control of the board of directors.

### **7.32 Proceedings in case of vacancies**

The remaining directors may continue to act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to the articles of the company, the remaining directors may, except in an emergency, act only for the purpose of increasing the number of directors to such minimum number, or to summon a general meeting of the company.

### **7.33 Appointment of alternate director**

A director may appoint a person approved by a majority of his co-directors to act as his alternate, provided that any fee paid by the company to the alternate shall be deducted from that director's remuneration.

### **7.34 Chairman's casting vote**

Where 2 directors form a quorum, the chairman of a meeting at which only such a quorum is present, or at which only 2 directors are competent to vote on the question at issue, shall not have a casting vote.

## **PART L – ACCOUNTS**

### **7.35 Presentation of accounts**

The interval between the close of a financial year of the company and the issue of the annual audited accounts, the directors' and auditors' reports shall not exceed 4 months.

## **PART M - WINDING-UP**

### **7.36 Distribution of assets in specie**

The basis on which shareholders will participate in a distribution of assets on a winding-up shall be expressed.

### **7.37 Liquidator's commission**

On the voluntary liquidation of the company, no commission or fee shall be paid to a liquidator unless it shall have been approved by shareholders. The amount of such payment shall be notified to all shareholders at least 7 days prior to the meeting at which the commission or fee is to be considered.

## **PART N - EFFECT OF THESE REQUIREMENTS**

### **7.38 Effect of the Listing Requirements**

- (1) Notwithstanding anything contained in these articles, if the Listing Requirements prohibit an act being done, the act shall not be done.
- (2) Nothing contained in these articles prevents an act being done that the Listing Requirements require to be done.
- (3) If the Listing Requirements require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
- (4) If the Listing Requirements require these articles to contain a provision and they do not contain such a provision, these articles are deemed to contain that provision.
- (5) If the Listing Requirements require these articles not to contain a provision and they contain such a provision, these articles are deemed not to contain that provision.
- (6) If any provision of these articles is or becomes inconsistent with the Listing Requirements, these articles are deemed not to contain that provision to the extent of the inconsistency.
- (7) For the purpose of this article, unless the context otherwise requires, "Listing Requirements" means the Listing Requirements of Bursa Malaysia Securities Berhad including any amendment to the Listing Requirements that may be made from time to time.

## **PART O - CLOSED-END FUNDS**

### **7.39 Amendment to investment policies and objectives**

Any amendment to a closed-end fund's investment policies and objectives shall be approved by the shareholders of the closed-end fund by way of a special resolution.

### **7.40 Management control**

A closed-end fund shall not, either on its own or in conjunction with any person, take legal or effective management control of its underlying investments.

### **7.41 Maximum holdings**

No shareholder of a closed-end fund shall hold more than 20% of the total issued and paid-up capital of a closed-end fund.

### **7.42 Prohibition against conduct of other business**

A closed-end fund shall not conduct any other business other than that of a closed-end fund.

## **PART P - AMENDMENTS TO THIS CHAPTER**

### **7.43 Amendments to this Chapter**

Where any amendment is made by the Exchange to the provisions of this Chapter, a company must make corresponding amendment(s) to its articles of association to reflect the said amendment unless its articles include the provision in paragraph 7.38 or its equivalent.

[ End of Chapter ]

## **CHAPTER 8 CONTINUING LISTING OBLIGATIONS**

### **PART A - GENERAL**

#### **8.01 Introduction**

This Chapter sets out the continuing listing obligations that must be complied with, amongst others, by a listed issuer, its directors or advisers in addition to other continuing listing obligations which have been set out in other Chapters of these Requirements.

### **PART B - DISCLOSURE TO THE EXCHANGE**

#### **8.02 Submission of semi-annual returns**

A listed issuer must submit to the Exchange returns as at 30<sup>th</sup> June and 31<sup>st</sup> December of each calendar year within 2 months from the said dates respectively, which include such information as may be prescribed by the Exchange from time to time by way of an electronic template provided by the Exchange.

#### **8.03 Change in classification**

- (1) Where there are circumstances to signify that a change in the classification of a listed issuer in a specific sector has taken place, the listed issuer must propose to the Exchange of the change in classification in such manner as may be prescribed by the Exchange. The proposed change in classification shall be subject to the approval of the Exchange. The Exchange may in its absolute discretion either maintain the classification or classify the listed issuer into such other sector as it deems fit.
- (2) Notwithstanding the absence of any notification from the listed issuer, the Exchange may, where the circumstances warrant the same, change the classification of a listed issuer to a sector which, in the opinion of the Exchange, is more appropriate for the listed issuer.

### **PART C - CERTIFICATES, TRANSFERS AND TRANSMISSIONS**

#### **8.04 Proxy forms**

A listed issuer must design its proxy forms in a manner which will allow a securities holder of the listed issuer appointing a proxy to indicate how he would like his proxy to vote in relation to each resolution.

#### **8.05 Audit for transfers and issue of certificates**

A listed issuer must provide the Exchange, upon request, with an external auditor's certificate to the effect that the issue of securities is in accordance with the requirements set out in paragraphs 6.25, 6.32, 6.44 and 8.20, where applicable

#### **8.06 Number of securities**

A listed issuer must ensure that the number of securities represented by a certificate is clearly shown in words and figures on the face of the certificate or in such other manner as may be approved by the Exchange.

#### **8.07 Paper quality and watermark**

A listed issuer must ensure that the certificates are designed so that forgery and/or alterations are readily detectable. A listed issuer must entrust the printing of securities certificates to recognised security printers and ensure that the paper for the securities is first class bond or

banknote paper containing a watermark of the printer or issuer, and such other additional security features as the Exchange may determine from time to time.

#### **8.08 Size of certificates**

A listed issuer must ensure that the certificates measure 8”X10” (including perforations) or such other size as may be determined by the Exchange from time to time.

### **PART D – DOCUMENTS**

#### **8.09 Draft circulars and other documents**

(1) A listed issuer or offeror in an offer for sale of listed securities must submit to the Exchange for perusal, one draft copy of all circulars and other documents proposed to be sent to the holders of listed securities, within a reasonable time prior to printing together with a checklist showing compliance with the relevant parts of these Requirements.

(1A) Subparagraph (1) above shall not apply to the following documents:-

- (a) an annual report;
- (b) any document to be sent to holders of listed securities in relation to a take-over by or in respect of a listed issuer excluding circulars to be issued by a listed issuer, proposing to undertake or undertaking a take-over, to its securities holders pursuant to Chapter 10 of these Requirements;
- (c) any document that is not prepared by the listed issuer or its advisers on its behalf; and
- (d) such other document as prescribed by the Exchange subject to such requirements as may be imposed by the Exchange.

(2) A listed issuer or offeror must not issue any of such documents referred to in subparagraph (1) above until the Exchange has confirmed in writing that it has no further comments thereon.

(3) Where an adviser is appointed by the listed issuer or offeror for the preparation and/or submission of the documents referred to in subparagraph (1) above to the Exchange, such adviser must also comply with subparagraphs (1) and (2) above.

#### **8.10 Quality of draft documents**

A person submitting to the Exchange a draft circular or other draft documents pursuant to paragraph 8.09 above must ensure that such documents are precise and complete. The Exchange reserves the right to return such documents which are incomplete or deemed unsatisfactory in the opinion of the Exchange.

#### **8.11 Standard of disclosure for circulars**

(1) A listed issuer must ensure that any circular issued to the securities holders of the listed issuer:-

- (a) is factual, clear, unambiguous, accurate, succinct and contains all such information as securities holders and their professional advisers would reasonably require and reasonably expect to find in a circular of that nature, for the purpose of making an informed decision;
- (b) is not false, misleading and/or deceptive;
- (c) is balanced and fair. Thus, the circular must avoid amongst others:-

- (i) the omission of important unfavourable facts, or the slighting of such facts (e.g. by “burying” them at the end of a press release);
  - (ii) the presentation of favourable possibilities as certain, or as more probable than is actually the case;
  - (iii) the representation with respect to any future performance, occurrence or matter (including the doing of, or the refusing to do, any act) without adequate justification (supported by proper bases and assumptions) or any reasonable grounds for making of such representation;
  - (iv) the presentation of revenue or profit estimates, forecasts or projections without sufficient qualification or sufficient factual basis, or without review by the external auditors of the accounting bases and calculations, and assumptions. If any revenue or profit estimate, forecast or projection is released, it must be prepared carefully, with a reasonable factual basis and be stated realistically, with appropriate assumptions and qualifications, so as to ensure that it is properly understood, and the accounting bases and calculations of the estimate, forecast or projection and the assumptions thereto must be reviewed by the external auditors;
  - (v) negative statements phrased so as to create a positive implication; e.g. “The company cannot now predict whether the development will have a materially favourable effect on its earnings” (creating the implication that the effect will be favourable even if not materially favourable), or “The company expects that the developments will not have a materially favourable effect on earnings in the immediate future” (creating the implication that the development will eventually have a materially favourable effect); and
  - (vi) use of promotional jargon calculated to induce investment or create interest in the securities of the listed issuer rather than to inform;
- (d) avoids over-technical language, and is expressed to the extent possible in language comprehensible to the layman; and
- (e) explains, if the consequences or effects of the information on the listed issuer's future prospects cannot be assessed, why this is so.
- (2) Where an adviser is appointed by the listed issuer for the preparation and/or submission of the circular to the Exchange, such adviser must also comply with subparagraph (1) above.
- (3) A listed issuer or its adviser does not commit a breach of subparagraphs (1) or (2) above, as the case may be, if such person proves that:-
- (a) he had made all enquiries as were reasonable in the circumstances; and
  - (b) after making such enquiries, he had reasonable grounds to believe and did believe until the issue of the circular that the circular did fulfil the requirements of subparagraph (1).
- (4) Where any circular referred to in subparagraph (1) above has been issued and the person referred to in subparagraphs (1) or (2) above subsequently becomes aware that the circular may not fulfil the requirements of subparagraph (1) above, the person shall forthwith notify the Exchange of the same.

## **8.12 Documents for overseas securities holders**

A listed issuer must ensure that all documents for overseas securities holders of listed issuers are forwarded by airmail or any speedier form of transmission.

### **8.13 Copies of documents to be supplied to the Exchange**

A listed issuer must supply the Exchange with 30 copies or any such number as the Exchange may determine from time to time of:-

- (a) all periodic and special reports, circulars, and all other documents released or issued by the listed issuer to the holders of any of the listed issuer's securities;
- (b) the annual audited accounts together with the auditors' and directors' reports and the printed annual report of the listed issuer and all documents required by law to be annexed thereto, as soon as issued; and
- (c) all proceedings of the annual general meeting where they contain information additional to that contained in the annual report.

## **PART E – CONTINUED LISTING CRITERIA**

### **8.14 (Deleted)**

#### **8.14A Saving and transitional provision**

The repeal of paragraphs 8.14, 8.16, Practice Note No 4/2001 (PN 4) and Practice Note No 10/2001 (PN 10) with effect from 3 January 2005 shall not in any way affect the obligations of the listed issuers which:-

- (a) triggered any of the criteria set out in paragraph 2.1 of PN 4; or
- (b) had been determined by the Exchange as having inadequate level of operations to warrant continued trading and/or listing on the Official List pursuant to PN 10,

prior to 3 January 2005 (collectively referred to as "Existing PN4 and PN10 Companies"). In this regard, Existing PN4 and PN10 Companies must continue to comply with their obligations under paragraphs 8.14, 8.16, PN4 and PN10, as the case may be. For the avoidance of doubt, if upon completion of implementation of its plan, the Existing PN4 Company triggers any of the criteria set out in paragraph 2.1 of PN17 as amended with effect from 5 May 2006, it must comply with the obligations set out in paragraph 8.14C and PN17 as amended with effect from 5 May 2006.

#### **8.14B Cash Companies**

- (1) A listed issuer that is considered a "Cash Company" by the Exchange must comply with such requirements as may be prescribed by the Exchange, failing which the Exchange may de-list such listed issuer.
- (2) A listed issuer whose assets on a consolidated basis, consist of 70% or more of cash or short term investments, or a combination of both, must immediately notify the Exchange of the same in writing (referred to as "the Cash Criterion" in this Part E). The Exchange will make a determination as to whether such listed issuer should be considered a Cash Company pursuant to subparagraph (1) above. A listed issuer considered as a Cash Company by the Exchange will be notified by the Exchange (referred to as "the Notice" in this Part E).
- (3) For the purposes of subparagraph (2) above, the following shall apply:-
  - (a) a listed issuer must, as a minimum requirement, make a determination as to whether it triggers the Cash Criterion when it disposes its assets or business on a group basis or prepares its financial statements or accounts; and



- (b) "short term investments" means investments which are by their nature readily realisable and intended to be held for 12 months or less including interests (equity or otherwise) in companies.
- (4) A Cash Company must comply with the following additional requirements:-
- (a) regularise its condition in the following manner:-
    - (i) submit a proposal to regularise its condition to the Commission, and the other relevant authorities, for approval (collectively referred to as the "Approving Authority" in this Part E) within such timeframe as may be stipulated by the Exchange; and
    - (ii) implement its proposal to regularise its condition within the timeframe stipulated by the relevant Approving Authority;
  - (b) provide such information as may be prescribed by the Exchange from time to time for public release; and
  - (c) do such other acts or things as may be required by the Exchange.
- (5) For the purpose of subparagraph (4)(a) above, a "proposal to regularise its condition" refers to a proposal that is substantive and falls within the ambit of section 212 of the CMSA (referred to as "the Proposal" in this Part E).
- (6) A Cash Company which fails to comply with subparagraph (4)(a) above or whose Proposal is rejected by the Approving Authority, may have its listed securities suspended and subsequently de-listing procedures commenced against the Cash Company.
- (7) Subparagraphs (1) and (2) above shall not be applicable to listed issuers whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia, Participating Organisations, closed-end funds, real estate investment trusts, exchange traded funds, infrastructure project companies which have not completed their infrastructure project(s) and such other category of listed issuers as may be stipulated by the Exchange. For the purpose of this subparagraph, "infrastructure project" shall be as defined in the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities.
- (8) Where a Cash Company has completed the implementation of its Proposal, it must submit an application to the Exchange together with all the necessary documentary evidence to show that it is no longer a Cash Company.

#### **8.14C Financial condition and level of operations**

- (1) The financial condition and level of operations of a listed issuer on a consolidated basis must, in the opinion of the Exchange, warrant continued trading and/or listing on the Official List, failing which the Exchange may de-list such listed issuer.
- (2) The Exchange may prescribe certain criteria in relation to the financial condition and level of operations of a listed issuer (referred to as "the Prescribed Criteria" in this Part E), the fulfilment of one or more of which would require the listed issuer (referred to as "the Affected Listed Issuer" in this Part E) to comply with the following additional requirements:-
  - (a) regularise its condition in the following manner (referred to as "the Obligation to Regularise" in this Part E):-
    - (i) submit a plan to regularise its condition to the Commission, and the other relevant authorities for approval, (collectively referred to as the

“Approving Authority” in this Part E) within such timeframe as may be stipulated by the Exchange (referred to as “Submission Timeframe” in this Part E); and

- (ii) implement its plan to regularise its condition within the timeframe stipulated by the relevant Approving Authority (referred to as “Implementation Timeframe” in this Part E),

(the Submission Timeframe and Implementation Timeframe shall be referred to collectively as “the Stipulated Timeframes” in this Part E);

- (b) provide such information as may be prescribed by the Exchange from time to time for public release; and
  - (c) do such other acts or things as may be required by the Exchange.
- (3) For the purpose of subparagraph (2)(a) above, a “plan to regularise its condition” refers to a plan that is substantive and falls within the ambit of section 212 of the CMSA (referred to as “the Regularisation Plan” in this Part E).
- (4) An Affected Listed Issuer which fails to comply with the Obligation to Regularise shall have all its listed securities suspended from trading on the 5<sup>th</sup> market day after expiry of the Submission Timeframe or Implementation Timeframe, as the case may be, and de-listing procedures shall be commenced against such Affected Listed Issuer.
- (5) Where an Affected Listed Issuer has submitted its Regularisation Plan to the Approving Authority for approval prior to the expiry of the Submission Timeframe but whose Regularisation Plan is rejected by the Approving Authority, the following shall apply:-
- (a) if the rejection takes place after the expiry of the Submission Timeframe, the Affected Listed Issuer shall have all its listed securities suspended from trading on the 5<sup>th</sup> market day after the Affected Listed Issuer’s announcement of the Approving Authority’s rejection and de-listing procedures shall be commenced against such Affected Listed Issuer; or
  - (b) if the rejection takes place prior to the expiry of the Submission Timeframe, the Affected Listed Issuer shall have all its listed securities suspended from trading on the 5<sup>th</sup> market day after expiry of the Submission Timeframe and de-listing procedures shall be commenced against such Affected Listed Issuer unless either:-
    - (i) the Affected Listed Issuer submits a new or revised Regularisation Plan to the Approving Authority for approval within the Submission Timeframe; or
    - (ii) the Affected Listed Issuer appeals against the rejection of the Approving Authority and the appeal is pending upon expiry of the Submission Timeframe.
- (6) In the case of an Affected Listed Issuer falling within the circumstances described under subparagraph (5)(b)(ii) above and the appeal lodged by the Affected Listed Issuer with the Approving Authority is unsuccessful, the Affected Listed Issuer shall have all its listed securities suspended from trading on the 5<sup>th</sup> market day after the Affected Listed Issuer’s announcement of the Approving Authority’s rejection of the appeal and de-listing procedures shall be commenced against such Affected Listed Issuer.
- (7) Where an Affected Listed Issuer has completed the implementation of its Regularisation Plan, it must submit an application to the Exchange together with all the necessary documentary evidence to show that it no longer triggers any of the Prescribed Criteria.

#### **8.14D Extension of time**

- (1) A Cash Company or Affected Listed Issuer must comply with the timeframes stated in paragraphs 8.14B or 8.14C above, as the case may be or such extension of time granted by the Exchange (the timeframes and extensions of time granted by the Exchange, if any, shall individually or collectively, as the context may require, be referred to in this Part E as “the Relevant Timeframes”).
- (2) A Cash Company or Affected Listed Issuer which intends to request for an extension of time referred to in subparagraph (1) above must do so not later than 15 days prior to the expiry of the Relevant Timeframes, failing which the Exchange will not consider such application. The Cash Company or Affected Listed Issuer, as the case may be, must make an immediate announcement to the Exchange of any extension of time granted in relation to such application.

#### **8.14E Saving and transitional provision**

The amendments to paragraphs 8.14B and 8.14C and Practice Notes No 16/2005 (PN16) and No 17/2005 (PN17) with effect from 5 May 2006 shall not in any way affect the obligations of the listed issuers which:-

- (a) had been considered a Cash Company pursuant to paragraph 8.14B; or
- (b) triggered any of the criteria set out in paragraph 2.1 of PN17,

prior to 5 May 2006 (collectively referred to as “Existing PN16 and PN17 Companies”) to comply with the provisions of paragraphs 8.14B and 8.14C, PN16 and PN17 prior to the amendments taking effect on 5 May 2006 (hereinafter referred to as “the Original PN16 and PN17 Framework”). In this regard, Existing PN16 and PN17 Companies must continue to comply with their obligations under the Original PN16 and PN17 Framework. For the avoidance of doubt, if upon completion of implementation of its Regularisation Plan, the Existing PN17 Company triggers any of the criteria set out in paragraph 2.1 of PN17 as amended with effect from 5 May 2006, it must comply with the obligations set out in paragraph 8.14C and PN17 as amended with effect from 5 May 2006.

#### **8.15 Compliance with shareholding spread requirement**

- (1) A listed issuer must ensure that at least 25% of its total listed shares are in the hands of a minimum of 1,000 public shareholders holding not less than 100 shares each. The Exchange may accept a percentage lower than 25% of the total number of listed shares if it is satisfied that such lower percentage is sufficient for a liquid market in such shares.
- (1A) For listed issuers which have shares listed on other stock exchange(s), shares listed on the other stock exchange(s) are included for the purpose of computing the 25% and 1,000 public shareholders referred to in subparagraph (1).
- (2) A listed issuer must inform the Exchange immediately if it becomes aware that it does not comply with the required shareholding spread referred to in subparagraph (1).
- (3) A listed issuer which fails to maintain the required shareholding spread referred to in subparagraph (1) may request for an extension of time to rectify the situation. Where no extension of time is granted by the Exchange, the Exchange may suspend trading in the securities of the listed issuer and/or de-list the listed issuer.
- (4) In the event the spread of shareholdings of a listed issuer is equal to or below 10% of the total number of listed shares, the Exchange may suspend trading in the securities of such listed issuer.
- (5) In relation to a take-over offer for the acquisition of the listed shares of a listed issuer pursuant to the Code as defined under Chapter 11 or corporate proposals undertaken by or in relation to a listed issuer, upon 90% or more of the listed shares of the said

listed issuer being held by a shareholder either singly or jointly with associates of the said shareholder, an immediate announcement must be made by the listed issuer. Upon such announcement, all the securities of the listed issuer may be suspended from trading and/or removed from the Official List of the Exchange.

- (6) Notwithstanding subparagraph (5) above, all the securities of the listed issuer shall be removed from the Official List of the Exchange:-
- (a) in relation to a take-over offer, upon announcement by the listed issuer pursuant to subparagraph (5) above unless the offeror has provided in the offer document:-
    - (i) its intention to maintain the listing status of the listed issuer and not to invoke the provisions under section 222 of the CMSA; and
    - (ii) detailed plans, the complete implementation of which would result in full compliance by the listed issuer with all the provisions of the Listing Requirements.
  - (b) in relation to corporate proposals, upon announcement pursuant to subparagraph (5) above that:-
    - (i) 100% of the listed shares of the said listed issuer are held by a shareholder either singly or jointly with the associates of the said shareholder; and
    - (ii) the corporate proposals do not include any plans duly approved by the shareholders of the listed issuer before the proposals were undertaken, the complete implementation of which would result in full compliance by the listed issuer with all the provisions of the Listing Requirements.
- (7) For the purpose of subparagraphs (5) and (6) above:-
- (i) “corporate proposals” shall include a proposal resulting in significant change in the business direction or policy of a listed company or a scheme of compromise, arrangement, amalgamation or reconstruction; and
  - (ii) “associates of the said shareholder” shall have the meaning given in relation to “associates of directors or shareholders” as set out in the definition “public” under paragraph 1.01.
- (8) Unless the context otherwise requires, the words or expressions used in this Part shall have the meanings given under section 216 of the CMSA and the Malaysian Code on Take-Overs and Mergers 1998.

**8.16** (Deleted)

**8.16A Compliance with issued and paid-up capital**

- (1) A listed issuer must ensure that its minimum issued and paid-up capital complies with paragraphs 3.04(1) and (2).
- (2) A listed issuer must inform the Exchange immediately if it becomes aware that it does not comply with subparagraph (1).
- (3) The Exchange may suspend trading in the securities of a listed issuer that does not comply with these provisions and de-list the said listed issuer.

## **PART F - SPONSORSHIP OF ADRs OR GDRs**

### **8.17 Sponsorship of ADRs or GDRs**

- (1) A listed issuer listed on the Main Board must not enter into an agreement with a depository bank to sponsor an American Depository Receipt (ADR) or a Global Depository Receipt (GDR) programme unless the following terms are incorporated in the said agreement:-
  - (a) the total number of custodians holding the listed issuer's securities for which the receipts are issued (referred to as the "the underlying securities" in this Part F) shall not be more than 5;
  - (b) the total number of underlying securities at any time shall not be more than 5% of the total issued and paid-up capital of the listed issuer;
  - (c) the depository bank shall provide to the listed issuer, information in respect of the ADR or the GDR that will enable the listed issuer to comply with these Requirements; and
  - (d) where there is more than one custodian bank appointed, the depository bank shall fix a limit for the number of securities to be held by each custodian so that the total number of securities held by all the custodians does not exceed the limit referred to in subparagraph (1)(b) above.
- (2) A listed company listed on the Second Board shall not sponsor an ADR or GDR programme in respect of its listed securities.

### **8.18 Status report on ADRs or GDRs**

- (1) A listed issuer listed on the Main Board which has entered into an agreement to sponsor an ADR or a GDR programme must provide to the Exchange, for its information, every quarter of a calendar year, the following (referred to as "the status report" in this Part F):-
  - (a) the number and names of the custodians holding the securities for which the ADRs or the GDRs are issued; and
  - (b) the total number and percentage of the securities for which the ADRs or GDRs are issued against its issued and paid-up capital and a breakdown of the same in respect of the securities held by each custodian.
- (2) Where the status report shows that the percentage of the securities for which the ADRs or GDRs are issued against its issued and paid-up capital exceeds the limit referred to in paragraph 8.17(1)(b) above, the Exchange shall forward such report to the Depository, for its further action.

## **PART G - OFFER FOR SALE**

### **8.19 Renounceable offer for sale**

A listed issuer and/or an offeror in a renounceable offer for sale of securities listed or proposed to be listed on the Official List must comply with the requirements of paragraphs 6.18, 6.20, 6.21, 6.23, 6.24 and 6.25 as if its offer for sale were the rights issue mentioned therein.

### **8.20 Allotment of securities and despatch of notices of allotment in respect of an offer for sale**

In respect of an offer for sale to the existing holders of listed securities or the public, of securities listed or proposed to be listed on the Official List as the case may be, within 15

market days of the final applications date or such other period as may be prescribed by the Exchange, a listed issuer and/or offeror must:-

- (a) cause the securities to be credited into the securities accounts of the successful applicants or allot and/or issue securities, as the case may be;
- (b) despatch notices of allotment to the successful applicants; and
- (c) make an application for the quotation of such securities (where applicable).

## **PART H - DIRECTORS**

### **8.21 Director's undertaking**

A listed issuer and an issuer of structured warrants must ensure that every director of the listed issuer or issuer, as the case may be, shall give the Exchange after this paragraph comes into force or his appointment, whichever is the later, and in any event not later than 14 days thereafter, an undertaking in the form of Appendices 3C, 4D, 4J or 5D, as may be appropriate.

## **PART H1 - SHARE SCHEMES FOR EMPLOYEES**

### **8.21A Allocation under a share scheme for employees**

- (1) A listed issuer must disclose to employees the criteria for allocation of options pursuant to a share scheme for employees.
- (2) A listed issuer must ensure that allocation of options pursuant to a scheme is verified by the audit committee, as being in compliance with the criteria referred to in subparagraph (1) above, at the end of each financial year.
- (3) A listed issuer must also ensure that a statement by the audit committee verifying such allocation is included in the annual report.

### **8.21B Termination of a share scheme for employees**

- (1) A listed issuer may not terminate a share scheme for employees prior to expiry unless:-
  - (a) The bylaws of the scheme contain a provision empowering the listed issuer to do so;
  - (b) The listed issuer obtains the prior approval of its shareholders; and
  - (c) The listed issuer obtains written consent of all option holders who have yet to exercise their options, whether partly or wholly.
- (2) A listed issuer must ensure that the circular sent to shareholders to obtain the approval of the shareholders in respect of the termination of a share scheme for employees includes the information set out in Appendix 8B.
- (3) The draft circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 8B.
- (4) In seeking the consent of the optionholders, the listed issuer must provide them with the information set out in Appendix 8B.

### **8.21C Implementation of a new share scheme for employees**

A listed issuer that has implemented a share scheme for employees, must not implement a new scheme unless the existing scheme has expired or been terminated in accordance with paragraph 8.21B.

#### **8.21D Restriction on dealings**

A non-executive director must not sell, transfer or assign shares obtained through the exercise of options offered to him pursuant to a share scheme for employees within 1 year from the date of offer of such options.

### **PART I - OTHERS**

#### **8.22 Material dilution**

- (1) A listed issuer must obtain the approval of its shareholders in a general meeting for the issue by its principal subsidiary, of shares or convertible securities or options that results or could potentially result in a material dilution of the listed issuer's equity interest in such principal subsidiary.
- (2) For the purpose of subparagraph (1) above, unless the context otherwise requires:-
  - (a) "a principal subsidiary" means a subsidiary which accounts for 25% or more of the latest audited consolidated profit after tax of the group or total assets employed of the group; and
  - (b) "a material dilution" means a percentage reduction amounting to 25% or more.

#### **8.22A Material variations**

- (1) Where a proposal has been approved by shareholders in general meeting and a listed issuer proposes to make a material amendment, modification or variation to such proposal, the listed issuer must issue a circular to its shareholders and seek its shareholders' approval of such material amendment, modification or variation.
- (2) For the purpose of subparagraph (1) above, an amendment, modification or variation is considered material if it can be reasonably expected to have a material effect on the decision of a holder of securities of the listed issuer in relation to such proposal.
- (3) Subparagraph (1) does not apply to any amendment, modification or variation resulting from such direction or condition as may be imposed by the relevant authorities.

#### **8.23 Provision of financial assistance**

- (1) Except as otherwise prohibited under the law or in relation to a foreign corporation, the relevant laws of the place of incorporation and subject to subparagraph (2) below, a listed issuer or its unlisted subsidiaries may only:-
  - (a) lend or advance any money; or
  - (b) guarantee, indemnify or provide collateral for a debt,(referred to as "provision of financial assistance" in this Part I) to or in favour of the following:-
  - (i) directors or employees of the listed issuer or its subsidiaries;
  - (ii) persons:-

- (aa) to whom the provision of financial assistance is necessary to facilitate; or
- (bb) pursuant to;

the ordinary course of business of the listed issuer or its subsidiaries such as the provision of advances to its sub-contractors or advances made to clients in the ordinary course of its moneylending business; or

- (iii) the subsidiaries or associated companies of the listed issuer, the listed issuer (in the case of the subsidiaries providing the financial assistance) or its immediate holding company which is listed.

(2) Where a listed issuer or its subsidiaries provide financial assistance, the following must be complied with:-

(a) the board of directors of such listed issuer must ensure:-

- (i) that the provision of the financial assistance referred to in subparagraph (1) above is fair and reasonable to the listed issuer and is not to the detriment of the listed issuer and its shareholders; and

- (ii) where a listed issuer and/or its subsidiary lends or advances money in the ordinary course of its business as a moneylender (hereinafter referred to as “moneylending company” and “moneylending operations”), that the board of directors of the listed issuer oversees the moneylending operations and the management of credit risk of the moneylending company including ensuring that adequate policies and procedures are put in place which must be reviewed regularly to enable:-

- (aa) maintenance of sound credit-granting standards;

- (bb) maintenance of a clear and defined credit approval process including a list of the approving party(ies), which must include the board of directors of the listed issuer, for different quantum of financial assistance granted by the moneylending company;

- (cc) monitoring and control of credit risk; and

- (dd) timely identification and administration of problem credits;

- (b) where it is a related party transaction as defined in paragraph 10.02, the listed issuer complies with the requirements of paragraph 10.08 in addition to this provision;

- (c) where the provision of financial assistance is to the associated company, and the aggregate amount provided or to be provided at any time to each associated company compared to the net tangible assets of the group is equal to or exceeds 5%, the listed issuer must issue a circular to its shareholders and seek its shareholders' approval in general meeting of such provision of financial assistance;

- (d) where shareholders' approval is required pursuant to subparagraphs (b) or (c) above, the listed issuer must state in its circular, the proposed utilisation of the amount of the financial assistance; and

- (e) In addition to the announcement required pursuant to paragraph 3.1 of Practice Note No. 11/2001 (if applicable), the listed issuer must announce the following information in relation to each moneylending company for each



quarter of its financial year, if any, not later than 7 market days after the end of each quarter of a financial year:-

- (i) the aggregate amount of outstanding loans and/or advances (hereinafter referred to as "Loans") given by the moneylending company setting out the following breakdown for secured and unsecured Loans:-
  - (aa) to companies;
  - (bb) to individuals;
  - (cc) to companies within the listed issuer group; and
  - (dd) to related parties.
- (ii) the total borrowings, setting out:-
  - (aa) the Loans given by any company within the listed issuer group to the moneylending company;
  - (bb) the borrowings which are secured by any company within the listed issuer group in favour of the moneylending company; and
  - (cc) other borrowings.
- (iii) the aggregate amount of Loans in default which must include the movements in the Loans in default for the listed issuer and the group as follows:-
  - (aa) at the beginning of the year;
  - (bb) classified as Loans in default during the financial year;
  - (cc) reclassified as performing during the financial year;
  - (dd) amount recovered;
  - (ee) amount written off;
  - (ff) Loans converted to securities;
  - (gg) total and net Loans in default at the end of the year; and
  - (hh) ratio of net Loans in default to net Loans or advances.

For this purpose, a Loan in default shall be as determined by the listed issuer but shall in any event, include a situation where the debtor has been in default of payment of either interest or principal sums or both for 3 months or more in respect of a Loan. In this regard, only Loans by a debtor to the moneylending company may be set off in ascertaining the outstanding Loans of the debtor to such company.

- (iv) the top 5 Loans (with aggregation of Loans given to the same person or persons connected with each other), setting out (where applicable):-
  - (aa) the facility type and limit;
  - (bb) the amount outstanding and type;
  - (cc) whether security was provided and if provided, the value of the security;
  - (dd) whether the recipient of the Loans is a related party; and
  - (ee) the terms of repayment.

(2A) Except as otherwise prohibited under the law or in relation to a foreign corporation, the relevant laws of the place of incorporation and without limiting the generality of Part D of Chapter 2:-

- (a) a listed issuer or its directors must give the Exchange any information, document or explanation that the Exchange requests for in relation to moneylending operations in accordance with the instructions or request of the Exchange, including but not limited to the following information in relation to the 20 debtors of each moneylending company having the highest

outstanding Loans (with aggregation of Loans granted to persons connected with each other):-

- (i) the names of the debtors and, in relation to each debtor, a statement as to whether the debtor is a related party;
  - (ii) the outstanding Loan amounts with aggregation of Loans granted to persons connected to each other, and the breakdown into principal and interest owing;
  - (iii) the salient terms of the outstanding Loans including the interest rate, terms as to repayment of interest and principal and the security provided; and
  - (iv) the length of default on interest and/or principal, if applicable; and
- (b) the Exchange may, at its absolute discretion, forward such information, document or explanation to the relevant authorities including the Commission.
- (3) Subparagraphs (1), (2) and (2A) above do not apply to:-
- (a) any provision of financial assistance provided to or in favour of the listed issuer or wholly owned subsidiaries of the listed issuer;
  - (b) a company whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia.
  - (c) a company which is registered as a scheduled institution with and supervised by Bank Negara Malaysia under the Banking and Financial Institutions Act 1989; or
  - (d) share financing or share margin financing carried out by a listed issuer or its unlisted subsidiary which is a Participating Organisation.

#### **8.24 Listing of subsidiaries**

A listed issuer must obtain the approval of its shareholders at a general meeting in order to list the securities of any of its subsidiaries on any stock exchange.

#### **8.25 Profit Forecast**

Where a profit forecast is provided by a listed issuer, and the said forecast is in respect of a financial year which has less than 3 months to run, the listed issuer must also provide the forecast for the next financial year.

#### **8.26 No alteration to or revocation of entitlement or books closing date after announcement of books closing date**

Once the basis of an entitlement and the books closing date have been declared a listed issuer must not make any subsequent alteration to or revocation of such entitlement or books closing date.

#### **8.27 Declaration of dividend**

- (1) Once the dividend has been declared, a listed issuer must not make any subsequent alteration to the dividend entitlement.
- (2) A listed issuer must ensure that all dividends are paid not later than 3 months from the date of declaration or the date on which approval is obtained in a general meeting, whichever is applicable.

#### **8.28 Notices of general meetings**

- (1) A listed issuer must ensure that all notices convening general meetings contain sufficient information to enable a member to decide whether to attend the meeting.
- (2) Without limiting the generality of subparagraph (1) above, a listed issuer must ensure that a notice convening an annual general meeting shall, where applicable, be accompanied by a statement which includes the information set out in Appendix 8A.
- (3) Any notice of a general meeting called to consider special business must be accompanied by an explanatory note which contains the necessary information to enable a member to make an informed decision. Such explanatory note must include the effect of any proposed resolution in respect of such special business.

### **8.29 Notice of maturity**

Subject to paragraph 5.11B, the listed issuer must issue a notice of the maturity/expiry of any listed debt security or convertible security to its holders and advertise a summary of the same in at least one nationally circulated Bahasa Malaysia or English daily newspaper not less than one month prior to the last conversion/exercise date or maturity date, whichever is the earlier.

### **8.30 Issuance of circular**

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:-

- (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
- (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

### **8.31 Accounting and other records**

A listed issuer must cause to be kept such accounting and other records as will sufficiently explain the financial position or operations of the listed issuer, including its subsidiaries.

### **8.32 Lodgement of agreement**

Where any agreement has been entered into by a listed issuer and/or its subsidiaries in connection with any acquisition or disposal of assets or any transaction outside the ordinary course of business of a listed issuer and/or its subsidiaries, the listed issuer must make available for inspection a copy each of the relevant agreements at the listed issuer's registered office for a period of 3 months from the date of announcement.

### **8.33 Fees**

- (1) A listed issuer must pay to the Exchange an annual listing fees of such amount as specified in the Schedule of Fees annually in advance and not later than 31st January each year. Such payment shall be accompanied with a copy of the details of the computation of the amount of the annual listing fee payable.
- (2) A listed issuer must pay to the Exchange a perusal fee of such amount as may be determined by the Exchange from time to time, for the perusal of documents.
- (3) All payments must be made by cheques drawn to the order of Bursa Malaysia Securities Berhad.

**8.33A** (Deleted)

## **PART J - SPECIFIC CONTINUING OBLIGATIONS RELATING TO CLOSED-END FUNDS**

### **8.34 Provision of information by Managers**

The Managers must submit to the Exchange any information relating to the closed-end fund, that the Exchange requests for and in accordance with the instructions or request of the Exchange.

**PART K** (Deleted)

**8.35** (Deleted)

**8.36** (Deleted)

**8.36A** (Deleted)

## **PART L - SPECIFIC CONTINUING OBLIGATIONS RELATING TO REAL ESTATE INVESTMENT TRUSTS**

### **8.37 Distribution to be made in respect of real estate investment trusts**

Where a distribution is to be made to unit holders, the management company must make such distribution within 2 months after the books closing date.

### **8.38 Application of other Chapters**

The provisions of Chapters 10 and 15 do not apply to a real estate investment trust except for paragraphs 15.03 and 15.06 to 15.09 which shall apply to the directors of the management company of the real estate investment trust.

### **8.38A Submission of circulars to Bursa**

- (1) When a real estate investment trust proposes to undertake a proposal which involves new issue of units or enter into a transaction which requires unit holders' approval under the Commission's Guidelines on Real Estate Investment Trusts, the real estate investment trust must submit to the Exchange for perusal, 1 draft copy of all circulars and other documents proposed to be sent to its unit holders within a reasonable time before printing together with a checklist showing compliance with the relevant parts of these Requirement.
- (2) A real estate investment trust must include the information set out in Appendix 6B or Appendix 10B as may be applicable, in its circulars for the proposal or transaction referred to in subparagraph (1) above.

## **PART M - SPECIFIC CONTINUING OBLIGATIONS RELATING TO EXCHANGE TRADED FUNDS**

### **8.39 Distribution to be made in respect of exchange traded funds**

Where a distribution is to be made to unit holders, the management company must make such distribution within 2 months after the books closing date.

### **8.40 Application of other Chapters**

The provisions of Chapter 15 do not apply to an exchange traded fund except for paragraphs 15.03 and 15.06 to 15.09 which shall apply to the directors of the management company of the exchange traded fund.

## **PART N – SPECIFIC CONTINUING OBLIGATIONS RELATING TO PRICE STABILIZATION MECHANISM**

### **8.41 Responsibilities of a listed issuer for the purposes of stabilizing action**

- (1) A listed issuer undertaking stabilizing actions must ensure that the register maintained by the stabilizing manager in accordance with subparagraph 10(a) of the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008, contains the information set out under Appendix 8C and that any changes to the information in the register be updated on a daily basis.
- (2) The listed issuer must make available the register and all agreements relating to the market stabilization made by the listed issuer and stabilizing manager to the Commission, Exchange or a person authorized in writing by the Exchange for inspection and must allow the Commission, Exchange or a person authorized in writing by the Exchange to make copies or take extracts from the register or the agreements.
- (3) Where a listed issuer is a foreign corporation, or a Malaysian company listed on both the Exchange and an exchange outside Malaysia, and a stabilizing manager outside Malaysia has been appointed to carry out any activities in respect of the securities of that foreign corporation or securities of that Malaysian company listed on both the Exchange and an exchange outside Malaysia, for the purposes of preventing or minimizing any reduction in the market price of such securities traded on a stock market outside Malaysia, such listed issuer must ensure that a register—
  - (a) contains information set out under Appendix 8C; and
  - (b) the register is capable of being brought into Malaysia and be made available for inspection by the Commission, Exchange or a person authorized in writing by the Exchange or where such register is not capable of being brought into Malaysia, a certified true copy of the register must be made available for inspection by the Commission, Exchange or a person authorized in writing by the Exchange.
- (4) For the purposes of this subparagraph, inspection includes making copies and taking extract from the register.

[ End of Chapter ]

## **APPENDIX 8A**

### **Contents of statement accompanying notices of annual general meetings (paragraph 8.28(2))**

- (1) (Deleted)
- (2) (Deleted)
- (3) (Deleted)
- (4) Further details of individuals who are standing for election as directors, namely the following:-
  - (a) the name, age, 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 of public companies;
  - (d) the details of any interest in the securities of the listed issuer and its subsidiaries;
  - (e) the family relationship with any director and/or major shareholder of the listed issuer;
  - (f) any conflict of interest that they have with the listed issuer; and
  - (g) the list of convictions for offences within the past 10 years other than traffic offences, if any.

[ End of Appendix ]

## **APPENDIX 8B**

### **Contents of circular to shareholders for approval** (paragraph 8.21B)

- (1) The rationale for termination of the scheme;
- (2) A statement by the board of directors stating whether the termination is in the best interests of the listed issuer, and where a director disagrees with such statement, a statement by such director setting out the reasons and factors taken into consideration in forming that opinion; and
- (3) Any other information that would justify the termination of the scheme.

[ End of Appendix ]

## **APPENDIX 8C**

### **Information to be included in the register**

(paragraph 8.41)

- (1) The name of the issuer whose securities are subject to stabilization action;
- (2) Details of the number of shares overallocated, name of lender, amount of shares borrowed and price of the relevant securities and total amount of option exercised;
- (3) The names and addresses of the person appointed as a stabilizing manager, contact person, name of the Participating Organisation and the Capital Markets Services Representative's License holder that will be conducting the stabilizing action (or equivalent, if any); and salient terms of all agreements relating to the market stabilization made by the listed issuer and stabilizing manager;
- (4) A daily breakdown of the transactions effected during the stabilizing period showing the total number of shares purchased each day and the purchase price per share or the highest, lowest and average paid.

[ End of Appendix ]



## **CHAPTER 9 CONTINUING DISCLOSURE**

### **PART A - GENERAL**

#### **9.01 Introduction**

- (1) This Chapter sets out the continuing disclosure requirements that must be complied with, amongst others, by a listed issuer, its directors or advisers.
- (2) The disclosure requirements set out in this Chapter consist of the following:-
  - (a) Corporate Disclosure Policy of the Exchange (Parts B to H);
  - (b) Preparation of announcements (Part I);
  - (c) Immediate disclosure requirements (Part J);
  - (d) Periodic disclosure requirements (Part K); and
  - (e) Disclosure requirements for specific listed issuers (Part L).
- (3) Continuing disclosure is the timely and accurate disclosure of all material information by a listed issuer to the public.
- (4) Continuing disclosure ensures a credible and responsible market in which participants conduct themselves with the highest standards of due diligence and investors have access to timely and accurate information to facilitate the evaluation of securities.

### **PART B - CORPORATE DISCLOSURE POLICY**

#### **9.02 Corporate Disclosure Policy**

- (1) A listed issuer must, in accordance with these Requirements, disclose to the public all material information necessary for informed investing and take reasonable steps to ensure that all who invest in its securities enjoy equal access to such information.
- (2) A listed issuer must adhere to the following 6 specific policies concerning disclosure, which are as follows:-
  - (a) Immediate disclosure of material information (Part C);
  - (b) Thorough public dissemination (Part D);
  - (c) Clarification, confirmation or denial of rumours or reports (Part E);
  - (d) Response to unusual market activity (Part F);
  - (e) Unwarranted promotional disclosure activity (Part G); and
  - (f) Insider trading (Part H).

### **PART C - IMMEDIATE DISCLOSURE OF MATERIAL INFORMATION**

#### **9.03 Disclosure of material information**

- (1) A listed issuer must make immediate public disclosure of any material information, except as set out in paragraph 9.05 below.

- (2) Information is considered material, if it is reasonably expected to have a material effect on:-
- (a) the price, value or market activity of any of the listed issuer's securities; or
  - (b) the decision of a holder of securities of the listed issuer or an investor in determining his choice of action.
- (3) Without limiting the generality of subparagraph (2) above, material information may include information which:-
- (a) concerns the listed issuer's assets and liabilities, business, financial condition or prospects;
  - (b) relates to dealings with employees, suppliers, customers and others;
  - (c) relates to any event affecting the present or potential dilution of the rights or interests of the listed issuer's securities; or
  - (d) relates to any event materially affecting the size of the public holding of its securities.

#### **9.04 Examples of events which may require immediate disclosure**

The following are some examples of events which may require immediate disclosure by the listed issuer:-

- (a) the entry into a joint venture agreement or merger;
- (b) the acquisition or loss of a contract, franchise or distributorship rights;
- (c) the introduction of a new product or discovery;
- (d) a change in management;
- (e) the borrowing of funds;
- (f) the commencement of or the involvement in litigation and any material development arising therefrom;
- (g) the commencement of arbitration proceedings or proceedings involving alternative dispute resolution methods and any material development arising therefrom;
- (h) the purchase or sale of an asset;
- (i) a change in capital investment plans;
- (j) the occurrence of a labour dispute or disputes with sub-contractors or suppliers;
- (k) the making of a tender offer for another company's securities;
- (l) the occurrence of an event of default on interest and/or principal payments in respect of loans;
- (m) a change in general business direction;
- (n) a change of intellectual property rights;
- (o) the entry into a memorandum of understanding; or
- (p) the entry into any call or put option or financial futures contract.

### **9.05 Withholding of material information**

- (1) A listed issuer may, in exceptional circumstances, temporarily refrain from publicly disclosing material information, provided that complete confidentiality is maintained. Where material information is withheld, the listed issuer must refrain from delaying disclosure for an unreasonable period of time since it is unlikely that confidentiality can be maintained beyond a short period of time.
- (2) The exceptional circumstances where disclosures can be withheld are limited and constitute an infrequent exception to the normal requirement of immediate public disclosure. In cases of doubt, the presumption must always be in favour of disclosure.
- (3) The following are some exceptional circumstances where disclosure may be temporarily withheld:-
  - (a) when immediate disclosure would prejudice the ability of the listed issuer to pursue its corporate objectives. Public disclosure of a plan to acquire certain real estate for example, could result in an increase in the listed issuer's cost of the desired acquisition or could prevent the listed issuer from carrying out the plan at all. In such circumstances, if the unfavourable result to the listed issuer outweighs the undesirable consequences of non-disclosure, disclosure may properly be deferred to a more appropriate time;
  - (b) when the facts are in a state of flux and a more appropriate moment for disclosure is imminent. Occasionally, corporate developments give rise to information which, although material, is subject to rapid change. If the situation is about to stabilise or resolve itself in the near future, it may be proper to withhold public announcement until a firm announcement may be made, since successive public announcements concerning the same subject but based on changing facts may confuse or mislead the public rather than enlighten it. In the course of a successful negotiation for the acquisition of another company, for example, the only information known to each party at the outset may be the willingness of the other to hold discussions. Shortly thereafter, it may become apparent to the parties that it is likely an agreement can be reached. Finally, an agreement in principle may be reached on specific terms. In such circumstances a listed issuer need not issue a public announcement at each stage of the negotiations, describing the current state of constantly changing facts but may await agreement in principle on specific terms. If, on the other hand, progress in the negotiations should stabilise at some other point, disclosure should then be made if the information is material; or
  - (c) where company or securities laws may restrict the extent of permissible disclosure before or during a public offering of securities or a solicitation of proxies.

### **9.06 Maintaining confidentiality**

- (1) Whenever material information is being temporarily withheld, a listed issuer must ensure that the strictest confidentiality is maintained.
- (2) The listed issuer should limit the number of people with access to the material information and ensure the security of all confidential documents.
- (3) Notwithstanding paragraph 9.05, in the event that material information is or is believed to have been inadvertently disclosed to third parties or where the material information has become generally available through the media or otherwise, the listed issuer must make an immediate announcement to the Exchange of the information.

### **9.07 Monitoring of market activity and making of announcements**

During a period where information is withheld, the market activity of the listed issuer's securities must be closely monitored. The listed issuer must make an immediate announcement to the Exchange of the information withheld, in the following circumstances:-

- (a) unusual market activity in the listed issuer's securities which signifies that a "leak" of the information may have occurred;
- (b) rumours or reports concerning the information have appeared; or
- (c) where the listed issuer learns that there are signs that insider trading may be taking place.

## **PART D - THOROUGH PUBLIC DISSEMINATION**

### **9.08 Thorough public dissemination**

- (1) A listed issuer must release material information to the public in a manner designed to obtain its fullest possible public dissemination.
- (2) A listed issuer must ensure that no disclosure of material information is made on an individual or selective basis to analysts, shareholders, journalists or other persons unless such information has previously been fully disclosed and disseminated to the public. In the event that material information is inadvertently disclosed on the occasion of any meetings with analysts, shareholders, journalists or others, it must be publicly disseminated as promptly as possible.
- (3) There may be limited circumstances where selective disclosure of material information is necessary, for example where the listed issuer is undertaking a corporate exercise or to facilitate a due diligence exercise. In such circumstances, the listed issuer must ensure that the disclosure is restricted to only relevant persons and the strictest confidentiality is maintained.
- (4) Disclosures of material information can often be made after the market closes. If the disclosure is made immediately before or during trading hours, the Exchange may impose a temporary halt or suspension in trading of the listed issuer's securities. Such a temporary halt or suspension provides an opportunity for the dissemination and evaluation of the information released.
- (5) Any public disclosure of material information must be made by an announcement first to the Exchange or simultaneously to the Exchange, the press and newswire services. For the avoidance of doubt, a listed issuer must not release any material information to the media even on an embargoed basis until it has given the information to the Exchange.

## **PART E - CLARIFICATION, CONFIRMATION OR DENIAL OF RUMOURS OR REPORTS**

### **9.09 Clarification, confirmation or denial of rumours or reports**

- (1) Whenever a listed issuer becomes aware of any rumour or report, true or false, that contains material information, the listed issuer must make due enquiry and immediately publicly clarify, confirm or deny the rumour or report.
- (2) For the purpose of subparagraph (1), the listed issuer must publicly clarify any rumour or report which is in any form whatsoever and howsoever including that by word-of-mouth and not limited to an article or otherwise, published in a newspaper, newswire, magazine, a broker's market report or any other publication.

### **9.10 Response to rumour or report**

- (1) In the case of a rumour or report containing erroneous material information which has been circulated, the listed issuer must immediately make an announcement to the Exchange denying or clarifying the rumour or report and setting forth facts sufficient to support the denial or to clarify any misleading aspects of the rumour or report. A reasonable effort must be made to bring the announcement to the attention of the particular group that initially distributed it. In the case of an erroneous newspaper article, for example, this should be done by sending a copy of the announcement to the newspaper's financial editor, or in the case of an erroneous broker's market report, by sending a copy to the broker responsible for the report.
- (2) In the case of a rumour or report containing material information that is correct, an announcement setting forth the facts must be prepared for public release, which shall include but not be limited to, an indication of the state of negotiations or of corporate plans in the rumoured area. Such announcements are essential even if the matter has yet to be presented to the listed issuer's board of directors for consideration.
- (3) In the case of a rumour or report predicting future sales, earnings or other quantitative data, no response from the listed issuer is ordinarily required. However, if such a report is manifestly based on or contains erroneous information, or is wrongly attributed to the listed issuer, the listed issuer must respond promptly to the supposedly factual elements of the rumour or report as required under paragraphs 9.09 and 9.10. In addition, the listed issuer must include in the announcement a statement to the effect that the listed issuer itself has made no such prediction and currently knows of no facts that would justify making such a prediction.

## **PART F - RESPONSE TO UNUSUAL MARKET ACTIVITY**

### **9.11 Unusual market activity**

- (1) Where unusual price movement, trading activity, or both (referred to as "unusual market activity" in this Chapter) occurs, the listed issuer must immediately undertake a due enquiry to seek the cause of the unusual market activity in its securities. The listed issuer must consider in particular whether there is any information concerning the listed issuer which would account for the unusual market activity that:-
  - (a) has recently been publicly disclosed;
  - (b) has not been publicly disclosed (in which case the unusual market activity may signify that a "leak" has occurred); or
  - (c) is the subject matter of a rumour or report.
- (2) If the listed issuer determines that the unusual market activity results from material information that has already been publicly disclosed pursuant to these Requirements, generally no further announcement is required, although, if the unusual market activity indicates that such information may have been misinterpreted, the listed issuer must issue a clarifying announcement to the Exchange.
- (3) If the unusual market activity results from a "leak" of previously undisclosed information, the information in question must be publicly disclosed by the listed issuer in accordance with these Requirements.
- (4) If the unusual market activity results from a rumour or report, the listed issuer must comply with paragraphs 9.09 and 9.10.
- (5) Finally, if the listed issuer is unable to determine the cause of the unusual market activity, the listed issuer must make a public announcement to the effect that there have been no undisclosed developments which would account for the unusual market activity.

## **PART G - UNWARRANTED PROMOTIONAL DISCLOSURE ACTIVITY**

### **9.12 Promotional disclosure activity**

- (1) A listed issuer must refrain from promotional disclosure activity in any form whatsoever or howsoever which may mislead investors or cause unwarranted price movement and activity in a listed issuer's securities.
- (2) Such activity includes news releases, public announcements, predictions, reports or advertisements which are:-
  - (a) not justified by actual developments concerning a listed issuer;
  - (b) exaggerated;
  - (c) flamboyant;
  - (d) overstated; or
  - (e) over-zealous.

### **9.13 Hallmarks of promotional disclosure activity**

Although the distinction between legitimate public relations activities and such promotional disclosure activity is one that must necessarily be drawn from the facts of a particular case, the following are frequent hallmarks of promotional activity:-

- (a) a series of public announcements unrelated in volume or frequency to the materiality of actual developments concerning a listed issuer;
- (b) announcement of products still in the development stage with unproven commercial prospects;
- (c) promotions and expense-paid trips, or the seeking out of meetings or interviews with analysts and financial writers, which could have the effect of unduly influencing the market activity in the listed issuer's securities and are not justified in frequency or scope by the need to disseminate information about actual developments concerning the listed issuer;
- (d) press releases or other public announcements of a one-sided or unbalanced nature; and
- (e) listed issuer's or product advertisements which in effect promote the listed issuer's securities.

## **PART H - INSIDER TRADING**

### **9.14 Prohibitions under the law**

- (1) All listed issuers and parties who may be regarded as insiders must be fully aware of the provisions of the CMSA and the Companies Act 1965.
- (2) For the purpose of this Part, "insider" shall have the meaning given under section 188 of the CMSA.

### **9.15 Prohibition from trading**

- (1) Insiders must not trade on the basis of material information which is not known to the investing public.
- (2) Deleted

- (3) Deleted.

## **PART I - PREPARATION OF ANNOUNCEMENTS**

### **9.16 Content of press or other public announcement**

- (1) The content of a press or other public announcement is as important as its timing. A listed issuer must ensure that each announcement:-
- (a) is factual, clear, unambiguous, accurate, succinct and contains sufficient information to enable investors to make informed investment decisions;
  - (b) is not false, misleading and/or deceptive;
  - (c) is balanced and fair. Thus, the announcement must avoid amongst others:-
    - (i) the omission of material facts;
    - (ii) the omission of material unfavourable facts, or the slighting of such facts (e.g. by “burying” them at the end of a press release);
    - (iii) the presentation of favourable possibilities as certain, or as more probable than is actually the case;
    - (iv) the representation with respect to any future performance, occurrence or matter (including the doing of, or the refusing to do, any act) without adequate justification (supported by proper bases and assumptions) or any reasonable grounds for making of such representation;
    - (v) the presentation of revenue or profit estimate, forecast or projection without sufficient qualification, assumptions or factual basis. If any revenue or profit estimate, forecast or projection is released, it must be prepared carefully, with a reasonable factual basis and be stated realistically, with appropriate assumptions and qualifications, so as to ensure that it is properly understood. In addition, the accounting bases and calculations of the estimate, forecast or projection and the assumptions thereto must be reviewed by the external auditors except where the revenue or profit estimate, forecast or projection is required to be released on an immediate basis;
    - (vi) negative statements phrased so as to create a positive implication; e.g. “The company cannot now predict whether the development will have a materially favourable effect on its earnings” (creating the implication that the effect will be favourable even if not materially favourable), or “The company expects that the developments will not have a materially favourable effect on earnings in the immediate future” (creating the implication that the development will eventually have a materially favourable effect); or
    - (vii) the use of promotional jargon calculated to induce investment or create interest in the securities of the listed issuer rather than to inform;
  - (d) avoids over-technical language, and is expressed to the extent possible in language comprehensible to the layman;
  - (e) explains, if the consequences or effects of the information on the listed issuer's future prospects cannot be assessed, why this is so; and

- (f) explains, in relation to an announcement on internal targets, that the information disclosed are merely internal management targets or aspirations set to be achieved by the listed issuer and not an estimate, forecast or projection.
- (2) Where an adviser is appointed by the listed issuer for submission of the announcement to the Exchange, such adviser must also comply with subparagraph (1) above.
- (3) A listed issuer or its adviser does not commit a breach of subparagraphs (1) or (2) above, as the case may be, if such person proves that:-
  - (a) he had made all enquiries as were reasonable in the circumstances; and
  - (b) after making such enquiries, he had reasonable grounds to believe and did believe until the submission of the announcement that the announcement did fulfil the requirements of subparagraph (1).
- (4) Where any announcement referred to in subparagraph (1) above has been submitted to the Exchange and the person referred to in subparagraphs (1) or (2) above subsequently becomes aware that the announcement may not fulfil the requirements of subparagraph (1) above, the person shall forthwith notify the Exchange of the same.

#### **9.17 Preparation of press or public announcement**

A listed issuer must comply with the following requirements in respect of its obligation to make disclosure of information under these Requirements:-

- (a) since skill and experience are important to the preparation and editing of press or public announcements, the Exchange requires that the listed issuer identify an individual or limited group of individuals within the listed issuer who are familiar with the requirements of the Exchange, as well as any applicable requirements of the securities laws to undertake the responsibility for disclosure on a continuing basis. As a press or public announcement must usually be prepared and released as quickly as possible, the individual or group charged with this assignment must be able to handle problems that arise suddenly and unexpectedly; and
- (b) every announcement must be reviewed by a company official familiar with the matters about which disclosure is to be made.

#### **9.18 Summary of salient points**

- (1) All lengthy announcements to the Exchange should preferably be prefaced by a summary of salient points.
- (2) Where a summary is provided, the listed issuer must ensure that:-
  - (a) the summary shall be in a form suitable for immediate dissemination by the Exchange; and
  - (b) the summary is clear and is an accurate reflection of the announcement.

### **PART J - IMMEDIATE DISCLOSURE REQUIREMENTS**

#### **9.19 Immediate announcements to the Exchange**

A listed issuer must make immediate announcements to the Exchange upon the occurrence of the following events. This requirement is in addition to the requirements to make announcements to the Exchange which are imposed under this Chapter and elsewhere in these Requirements, and are not exhaustive:-



- (1) any intention to fix a books closing date and the reason therefor, stating the books closing date, which shall be at least 10 market days after the date of announcement to the Exchange;
- (2) any recommendation or declaration of a dividend or distribution. The announcement shall include the rate and amount per share and date of payment which shall be within one month from the books closing date. Where a dividend or distribution is not taxable in the hands of shareholders, this shall be stated in the announcement to the Exchange and on the dividend or distribution advice to shareholders. Where there is a variation in an interim or a final dividend or distribution for the corresponding period in the previous year, the directors shall state the reasons for the variation at the time of the recommendation or declaration;
- (3) any recommendation or decision that a dividend will not be declared;
- (4) any change in the terms of a debt security or a convertible security;
- (5) any re-organisation of the group structure of the listed issuer;
- (6) any general meeting (other than a meeting convened to pass a special resolution or an annual general meeting), at least 14 days before such meeting is held, and in the case of a meeting convened to pass a special resolution or to hold an annual general meeting, at least 21 days before such meeting is held;
- (7) all resolutions put to a general meeting of a listed issuer and immediately after such meeting whether or not the resolutions were carried;
- (8) any call to be made upon any of the partly paid share capital of the listed issuer;
- (9) any change of address or telephone number and/or facsimile number of the registered office of the listed issuer or of any office at which the register of securities of the listed issuer is kept;
- (10) any proposed change of name of the listed issuer;
- (11) any change in the financial year end of the listed issuer;
- (12) any change in the composition of the board of directors. An announcement to the Exchange on the appointment of directors shall include the information contained in Part A of Appendix 9A;
- (13) any change in the composition of the audit committee of the listed issuer. An announcement to the Exchange on the appointment of audit committee members must state whether the appointees are independent directors;
- (14) any change in the chief executive officer of the listed issuer. An announcement to the Exchange on the appointment of a chief executive officer shall include the information contained in Part B of Appendix 9A;
- (15) any change in the company secretary or external auditors of the listed issuer;
- (16) any proposed alteration of the memorandum of association or articles of association of the listed issuer;
- (17) any notice relating to substantial shareholding which the listed issuer has received;
- (18) any notice referred to in section 135(1) of the Companies Act 1965 which the listed issuer has received in relation to the listed issuer's securities listed on the Exchange;
- (19) any commencement of winding-up proceedings or winding-up order made against the listed issuer or any of its subsidiaries or major associated companies.

“Commencement of winding-up” shall have the meaning given under sections 219 and 255 of the Companies Act 1965. An announcement pertaining to the winding-up shall include the information contained in Part C of Appendix 9A;

- (20) the appointment of a receiver, manager or receiver and manager, liquidator or special administrator or such other person of a similar capacity over the listed issuer, any of its subsidiaries or major associated companies or any part of the properties of the listed issuer, any of its subsidiaries or major associated companies. An announcement pertaining to the appointment of a receiver, manager or receiver and manager or such other person of a similar capacity shall include the information contained in Part D of Appendix 9A. In respect of the appointment of the special administrator, the announcement shall include the information contained in Part E of Appendix 9A;
- (21) the procurement of a court order restraining proceedings against a listed issuer or any of its subsidiaries or major associated companies under section 176 of the Companies Act 1965. An announcement pertaining to the restraining order shall include the information contained in Part F of Appendix 9A;
- (22) any transaction requiring an announcement to be made under Chapter 10 of these Requirements;
- (23) any acquisition (including subscription) of shares in another company or any other event which results in such company becoming a subsidiary of the listed issuer;
- (24) any disposal of shares in another company or any other event which results in such company ceasing to be a subsidiary of the listed issuer;
- (25) any acquisition (including subscription) of shares in another listed issuer or any other event which results in the holding being 5% or more of the issued and paid-up capital of that listed issuer;
- (26) any disposal of shares in another listed issuer or any other event which results in the holding falling below 5% of the issued and paid-up capital of that listed issuer;
- (27) any proposed issue or offer of securities by the listed issuer;
- (28) any scheme of compromise, arrangement, amalgamation or reconstruction;
- (29) any variation of the rights attaching to a class of securities of the listed issuer;
- (30) the level of subscription in relation to an issue or offer of securities by the listed issuer;
- (30A) the decision to allocate excess securities in relation to a rights issue by the listed issuer and the basis of such allocation;
- (31) any change to the utilisation of proceeds raised by the listed issuer from the issuance of securities that deviates by 5% or more from the original utilisation of proceeds;
- (32) a subdivision of shares or consolidation by the listed issuer;
- (33) any deviation of 10% or more between the profit after tax and minority interest stated in a profit estimate, forecast or projection previously announced or disclosed in a public document and the announced unaudited accounts, giving an explanation of the deviation and the reconciliation thereof;
- (34) any deviation of 10% or more between the profit/loss after tax and minority interest stated in the announced unaudited accounts and the audited accounts, giving an explanation of the deviation and the reconciliation thereof;

- (34A) any circumstances or development which are likely to materially affect the results or outcome of any prospects, revenue or profit estimate, forecast, projection or internal targets of the listed issuer previously announced or disclosed in a public document, giving an explanation of the possible outcome arising from such circumstances or development on the prospects, revenue or profit estimate, forecast, projection or internal targets of the listed issuer;
- (35) any qualification in an external auditors' report giving full details of such qualification;
- (36) a call of securities for redemption by the listed issuer;
- (37) any listing of any part of the securities of a listed issuer or any of its subsidiaries on any other stock exchange, stating which other stock exchange;
- (38) any material information or financial documents that is released to or lodged with any other stock exchange or other regulator which is available to the public;
- (39) any change of control in the listed issuer;
- (40) any agreement to sponsor an American Depository Receipt (ADR) or a Global Depository Receipt (GDR) programme. The announcement shall include the information contained in Part G of Appendix 9A;
- (41) any material amendment of the terms of the agreement for the sponsorship of an ADR or a GDR programme, or the termination thereof, stating the reasons and consequences of the termination;
- (42) any discovery of mineralisation or hydrocarbons by a listed issuer or its subsidiaries whose activities include exploration for natural resources stating whether any of the figures or estimates in the discovery have been verified by a geologist, or other expert, and if so, particulars of the geologist or expert;
- (43) any pending litigation or occurrence of circumstances of a material nature in which the listed issuer being a mining, plantation or timber company or any of its subsidiaries may be involved which may affect its income derived from title to or possession of any of its properties, licences or concessions from governmental authorities;
- (44) any valuation which has been conducted on the non-current assets of the group, where the revaluation surplus or deficit will be incorporated in the financial statements of the listed issuer. Such announcement shall be made upon the listed issuer's board approving the incorporation of the revaluation surplus or deficit in the financial statements of the listed issuer and shall include the information contained in Part H of Appendix 9A. A copy each of the valuation reports must be made available for inspection at the listed issuer's registered office for a period of 3 months from the date of announcement;
- (45) any material development to corporate proposals previously announced, including the following:-
  - (a) variation of terms, including any extension of time agreed to or granted by the relevant party to the transaction;
  - (b) lapse of any timeframe stipulated under the agreement for the performance of certain obligations;
  - (c) submission of the proposal and any variation to regulatory authorities for approval;
  - (d) receipt of any decision from regulatory authorities, stating amongst others, conditions imposed or reasons for rejection, where applicable;

- (e) submission of any application to the regulatory authorities for variation of conditions;
- (f) lapse of timeframe imposed by the relevant regulatory authorities, within which the corporate proposal must be completed and the submission of any application for extension of time to complete implementation of the corporate proposal; and
- (g) termination or completion of the corporate proposal.

## **9.20 Announcement of corporate proposals**

A listed issuer must ensure that an immediate announcement to the Exchange with respect to the following types of corporate proposals is made by a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals ("the Adviser"):-

- (a) any corporate proposals which require the Commission's approval; or
- (b) any corporate proposals which require the appointment of the Adviser pursuant to the various guidelines issued by the Commission from time to time or under these Requirements.
- (c) (Deleted)
- (d) (Deleted)

## **9.21 Dealings in quoted securities**

- (1) A listed issuer must make an immediate announcement to the Exchange in respect of purchases or sales of securities quoted on the Exchange or any other stock exchange (referred to as "quoted securities" in this Part J) entered into by the listed issuer or any of its subsidiaries, resulting in the purchases or sales consideration when aggregated with any other purchases or sales, respectively within the preceding 12 months (excluding such purchase or sale which has been previously announced by the listed issuer pursuant to this paragraph), being equal to or exceeding 5% of the listed issuer's latest audited consolidated net assets. The announcement shall include the following:-
  - (a) the aggregate purchase or sale consideration within the preceding 12 months which have not been previously announced and such amount as a percentage of the latest audited consolidated net assets of the listed issuer;
  - (b) the total cost, book value and market value of all investments in quoted securities as at the date of the announcement; and
  - (c) any profit or loss arising from the sales in quoted securities during the current financial year.
- (2) Subparagraph (1) above does not apply to:-
  - (a) a closed-end fund;
  - (b) a company whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia;
  - (c) a Participating Organisation;
  - (d) purchases or sales in an existing subsidiary or associated company of the listed issuer; or

- (e) an exchange traded fund.

## **PART K - PERIODIC DISCLOSURES**

### **9.22 Quarterly report**

- (1) A listed issuer must give the Exchange for public release, an interim financial report that is prepared on a quarterly basis (hereinafter referred to as “quarterly report”) , as soon as the figures have been approved by the board of directors of the listed issuer, and in any event not later than 2 months after the end of each quarter of a financial year.
- (2) The listed issuer must ensure that the quarterly report fulfils the following requirements:-
  - (a) the quarterly report must include the information set out in Part A of Appendix 9B and any other information as may be required by the Exchange; and
  - (b) if a change in the financial year is proposed by a listed issuer, such listed issuer must consult the Exchange as to the period to be covered by the quarterly report.

### **9.23 Submission of annual audited accounts and annual report**

A listed issuer must ensure that the issuance of the annual audited accounts and annual report by a listed issuer shall be as follows:-

- (a) the annual report shall be issued to the listed issuer’s shareholders and given to the Exchange within a period not exceeding 6 months from the close of the financial year of the listed issuer; and
- (b) the annual audited accounts together with the auditors’ and directors’ reports shall, in any case, be given to the Exchange for public release, within a period not exceeding 4 months from the close of the financial year of the listed issuer unless the annual report is issued within a period of 4 months from the close of the financial year of the listed issuer.

### **9.23A Issuance of annual report in CD-ROM**

Without prejudice to other provisions relating to issuance of annual reports, a listed issuer may issue its annual report in CD-ROM to its shareholders provided it complies with the following:-

- (a) the listed issuer must provide a printed copy of its annual report to its shareholder upon the shareholder’s request, whether verbal or written;
- (b) the listed issuer must designate a person to attend to the shareholders’ requests as stated in subparagraph (1) above;
- (c) the listed issuer must ensure that a hard copy of the annual report is forwarded to the shareholder requesting the same within 4 market days from the date of receipt of the request;
- (d) the listed issuer must designate person(s) to answer queries from shareholders relating to the use of the CD-ROM;
- (e) together with the CD-ROM annual report, the listed issuer must issue hard copies of the notice of the annual general meeting, the proxy form and the following documents to its shareholders:-
  - (i) a note containing the following statement or information:-

- (aa) the listed issuer shall forward a hard copy of the annual report to the shareholder within 4 market days from the date of receipt of the verbal or written request; and
  - (bb) the listed issuer's web-site and e-mail address, name(s) of designated person(s) attending to shareholders' requests and queries and contact number(s); and
- (ii) a request form to enable the shareholder to request for the annual report in hard copy, with the particulars of the listed issuer's facsimile number and mailing address.

#### **9.24 Annual audited accounts in consolidated form**

A listed issuer must prepare the annual audited accounts on a consolidated basis.

#### **9.25 Disclosure in annual report**

- (1) A listed issuer must set out separately in its annual report, the items set out in Part A of Appendix 9C.
- (2) Unless otherwise specified in Part A of Appendix 9C, the information provided pursuant to Part A of Appendix 9C must be information made up to a date not earlier than 6 weeks from the date of the notice of the annual general meeting in the annual report of the listed issuer.

#### **9.26 Suspension and/or de-listing for failure to comply**

- (1) A listed issuer must comply with the timeframes stated in paragraphs 9.22 and 9.23 above or such extension of time granted by the Exchange (the timeframes and extensions of time granted by the Exchange, if any, shall individually or collectively, as the context may require, be referred to in this Part K as "the Relevant Timeframes").
- (2) A listed issuer which intends to request for the extension of time referred to in subparagraph (1) above must do so not later than 15 days prior to the expiry of the Relevant Timeframes, failing which the Exchange will not consider such application. The listed issuer must make an immediate announcement to the Exchange of any extension of time granted in relation to such application.
- (3) If a listed issuer fails to issue its quarterly report, annual audited accounts or annual report, as the case may be, (referred to in this Part K either individually or collectively, as the context may require, as "the outstanding Financial Statements") on or before the expiry of the Relevant Timeframes, it must:-
  - (a) make an immediate announcement to the Exchange on the date of expiry of the Relevant Timeframes on its failure to issue the outstanding Financial Statements on or before the expiry of the Relevant Timeframes including the reasons for such failure; and
  - (b) announce the status of the issuance of the outstanding Financial Statements on or before the last market day of each month following the date of expiry of the Relevant Timeframes until the issuance of the outstanding Financial Statements;

which shall, in addition, include the information contained in Part I of Appendix 9A.

- (4) If a listed issuer fails to issue the outstanding Financial Statements within 3 months from the expiry of the Relevant Timeframes (the last day of this 3 month period shall hereinafter be referred to in this Part K as "the Suspension Deadline"), in addition to any enforcement action that the Exchange may take, the Exchange shall suspend

trading in the securities of such listed issuer. The suspension shall be effected on the market day following the expiry of the Suspension Deadline and shall be uplifted on the market day following the issuance of the outstanding Financial Statements unless otherwise determined by the Exchange.

- (5) A listed issuer which fails to issue the outstanding Financial Statements on or before the 7<sup>th</sup> day prior to the expiry of the Suspension Deadline (the 7<sup>th</sup> day prior to the expiry of the Suspension Deadline shall hereinafter be referred to in this Part K as “the Said Day”) must make an immediate announcement to the Exchange on the Said Day or in the event that the Said Day is not a market day, on the market day preceding the Said Day. Such announcement shall include the information contained in Part J of Appendix 9A.
- (6) If a listed issuer fails to issue the outstanding Financial Statements within 6 months from the expiry of the Relevant Timeframes, in addition to any enforcement action that the Exchange may take, de-listing procedures shall be commenced against such listed issuer.
- (7) For the purposes of this paragraph, “issue” means give to the Exchange for public release and/or issue to shareholders as provided under paragraph 9.22 or 9.23, as the case may be.

#### **9.27 Statutory declaration in relation to accounts**

A listed issuer must ensure that the director or person primarily responsible for the financial management of the listed issuer, as the case may be, who signs the statutory declaration pursuant to section 169(16) of the Companies Act 1965 (referred to as the “signatory” in this Part K) satisfies the following requirements:-

- (a) the signatory is a member of the Malaysian Institute of Accountants; or
- (b) if the signatory is not a member of the Malaysian Institute of Accountants, the signatory must have at least 3 years’ working experience and:-
  - (i) must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
  - (ii) must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- (c) the signatory fulfils such other requirements as prescribed or approved by the Exchange.

#### **9.28 Memorandum of understanding**

A listed issuer must make immediate announcements to the Exchange on the status of any memorandum of understanding that has been entered into between the listed issuer and a third party and which has been previously announced at least once every quarter or more regularly, upon the occurrence of a material change, whichever is earlier.

### **PART L - DISCLOSURE REQUIREMENTS FOR SPECIFIC LISTED ISSUERS**

#### **9.29 Mining, plantation and timber companies**

A listed issuer in the business of mining, plantation or timber, must make an immediate announcement to the Exchange of the production figures for each month not later than the end of the subsequent month.

### **PART L1 - INFRASTRUCTURE PROJECT COMPANIES**

### **9.30 Immediate announcement by an infrastructure project company**

An infrastructure project company must make an immediate announcement to the Exchange of any substantial variance in the earnings and cash flow projections which may have an adverse impact on its earning prospects at any time during the period of construction of the infrastructure project and 3 years after operating pre-tax profits are generated.

### **9.31 Quarterly report of an infrastructure project company**

An infrastructure project company must give the Exchange for public release quarterly progress reports on its infrastructure project not later than 2 months after the end of each quarter of a financial year.

## **PART L2 - CLOSED-END FUNDS**

### **9.32 Notification of change in policies and objectives by a closed-end fund**

A closed-end fund must make an immediate announcement to the Exchange of any proposal to change its investment policies and objectives.

### **9.33 Annual report of a closed-end fund**

The annual report and accounts of a closed-end fund shall include the additional information set out in Part B of Appendix 9C.

### **9.34 Quarterly report of a closed-end fund**

A closed-end fund must give the Exchange for public release, a quarterly report pursuant to paragraph 9.22 which shall also include the additional information set out in Part B of Appendix 9B, and any other information as may be required by the Exchange.

### **9.35 Weekly disclosure by a closed-end fund**

A closed-end fund must, in addition, give the Exchange for public release its net asset value per share on a weekly basis.

## **PART L3 (Deleted)**

**9.36** (Deleted)

**9.37** (Deleted)

**9.38** (Deleted)

**9.39** (Deleted)

**9.40** (Deleted)

**9.41** (Deleted)

## **PART L4 - REAL ESTATE INVESTMENT TRUSTS**

### **9.42 Immediate announcements to the Exchange for release**

(1) In addition to the requirements set out in this Chapter, a management company must immediately announce to the Exchange the following events:

- (a) any change in the control of the management company or the trustee;



- (b) any proposed change in the general character or nature of the trust;
  - (c) any intention to renew, vary or terminate the trust;
  - (d) any change or proposed change of the trustee or management company;
  - (e) a valuation which has been carried out on the assets of the trust, stating whether the valuation is subject to the approval of the Commission. A copy each of the valuation reports must be made available for inspection at the management company's office for a period of 3 months;
  - (f) any proposal which will result in the borrowings (including borrowings through issuance of debt securities) exceeding 50% of the total asset value of the fund and the reason for the proposal;
  - (g) any event which will significantly affect the underlying value of the assets of the trust.
  - (h) any change in the name of the management company or trustee;
  - (i) any change or proposed change in the rate of management fee or trustee fee;
  - (j) any material modification to the deed of trust;
  - (k) any material change to the investment objectives set out for the trust;
  - (l) any change in the composition of the investment committee;
  - (m) any acquisition or disposal of real estates, single-purpose companies or real estate-related assets, where the value of consideration is 25% or more of the fund's total asset value; or
  - (n) any related party transaction.
- (2) For the purposes of subparagraph (1) above, the terms "**real estates**", "**single-purpose companies**", "**real estate-related assets**", "**total asset value**" and "**related party transaction**" have the same meanings given in the Commission's Guidelines on Real Estate Investment Trusts.

#### **9.42A Quarterly reports of a real estate investment trust**

- (1) A management company of a real estate investment trust must announce to the Exchange an interim financial report of the real estate investment trust for each of the first three quarters of its financial year ("**REIT Quarterly Report**") immediately after the figures are available, but in any event, not later than 2 months after the quarter ends.
- (2) The management company need not comply with paragraph 9.22(2)(a) of these Requirements in preparing the REIT Quarterly Report. Instead, the management company must ensure that the REIT Quarterly Report complies with the following provisions from Schedule B of the Commission's Guidelines on Real Estate Investment Trusts and include any other information as may be required by the Exchange:
  - (a) Paragraphs 9 – 11 relating to manager's report with the exception of paragraphs 11(b), (h) and (p); and
  - (b) Paragraphs 19 – 22 relating to financial statements.

- (3) Where there is a change in the financial year proposed by a management company, such management company must consult the Exchange as to the period to be covered by the REIT Quarterly Report.

#### **9.43 Annual reports and distribution statements of a real estate investment trust**

- (1) A management company must also issue annual reports that includes annual audited financial statements together with the auditors' and management company's reports of the real estate investment trust and forward them to the Exchange and unit holders within 2 months after the end of the period to which they relate.
- (2) A management company need not comply with paragraph 9.25(1) of these Requirements in preparing the annual report of the real estate investment trust. Instead, a management company must ensure that the contents of the annual report of the real estate investment trust comply with the requirements relating to annual reports of the fund as stipulated under the Commission's Guidelines on Real Estate Investment Trusts,
- (3) A management company must forward every distribution statement to the unit holders and the Exchange accompanied by a report as to the state of the trust which includes the information in Part B of Appendix 9D.

### **PART L5 - EXCHANGE TRADED FUNDS**

#### **9.44 Announcements to the Exchange for release**

- (1) Except for the indicative optimum portfolio value (IOPV) per unit of the fund, which must be announced on a real-time or near real time basis, a management company of an exchange traded fund must announce to the Exchange the following information on a daily basis:-
  - (a) the net asset value (NAV) per unit of the fund; and
  - (b) the number of units in circulation.
- (2) For the purpose of subparagraph (1) above, the terms "indicative optimum portfolio value" and "net asset value" shall have the meaning given under the Commission's Guidelines on Exchange Traded Funds.

#### **9.45 Immediate announcements to the Exchange for release**

In addition to the requirements set out in this Chapter, a management company of an exchange traded fund must make immediate announcements to the Exchange of the following events:-

- (a) any change or proposed change of the trustee or management company;
- (b) any change in the control of the management company or the trustee;
- (c) any change in the name of the management company or the trustee;
- (d) any change or proposed change in the rate of management fee or trustee fee;
- (e) any proposed change in the general character or nature of the fund;
- (f) any intention to renew, vary or terminate the fund;
- (g) any intention to apply to the Commission to increase the size of the fund;
- (h) any material modification to the deed of the fund;

- (i) any material change to the investment objectives set out for the fund;
- (j) any change or proposed change to the constituents and weightings of the index basket;
- (k) any change or proposed change of the market makers; and
- (l) any change in the methodology for compiling or calculating the index.

**9.46 Annual reports of an exchange traded fund**

A management company must also issue annual reports of the exchange traded fund and forward them to the Exchange and unit holders within 2 months after the end of the period to which they relate.

[ End of Chapter ]

## **APPENDIX 9A**

### **Part A**

#### **Contents of announcement in relation to the appointment of a director**

(paragraph 9.19(12))

- (a) The name, age, 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 of public companies;
- (d) any family relationship with any director and/or major shareholder of the listed issuer;
- (e) any conflict of interest that he has with the listed issuer; and
- (f) the details of any interest in the securities of the listed issuer or its subsidiaries.

### **Part B**

#### **Contents of announcement in relation to the appointment of a chief executive officer**

(paragraph 9.19(14))

- (a) The name, age, nationality and qualification;
- (b) working experience;
- (c) any other directorships of public companies.
- (d) any family relationship with any director and/or major shareholder of the listed issuer;
- (e) where the chief executive officer is not a director of the listed issuer, whether the appointee has any conflict of interest with the listed issuer or its subsidiaries; and
- (f) the details of any interest in the securities of the listed issuer or its subsidiaries.

### **Part C**

#### **Contents of announcement in relation to winding-up proceedings**

(paragraph 9.19(19))

- (a) The date of the presentation of the winding-up petition and the date the winding-up petition was served on the listed issuer, its subsidiary or major associated company, as the case may be;
- (b) the particulars of the claim under the petition, including the amount claimed for under the petition and the interest rate;
- (c) the details of the default or circumstances leading to the filing of the winding-up petition against the listed issuer, its subsidiary or major associated company, as the case may be;
- (d) where winding-up is commenced against a subsidiary, a confirmation as to whether the subsidiary is a major subsidiary;
- (e) where winding-up is commenced against a subsidiary or major associated company, the total cost of investment in such subsidiary or major associated company;

- (f) the financial and operational impact of the winding-up proceedings on the group;
- (g) the expected losses, if any arising from the winding-up proceedings; and
- (h) the steps taken and proposed to be taken by the listed issuer in respect of the winding-up proceedings.

#### **Part D**

##### **Contents of announcement in relation to the appointment of a receiver, manager or receiver and manager or person of similar capacity**

(paragraph 9.19(20))

- (a) The date of appointment;
- (b) the details of the company which is under the receiver, manager or receiver and manager or other person of similar capacity;
- (c) where the appointment is in respect of a subsidiary, a confirmation as to whether the subsidiary is a major subsidiary;
- (d) the net book value of the affected assets;
- (e) the details of the events leading to the appointment of the receiver, manager or receiver and manager or other person of similar capacity;
- (f) the financial and operational impact of the aforesaid appointment on the group, if any;
- (g) the expected losses, if any, arising from the aforesaid appointment; and
- (h) the steps taken or proposed to be taken by the listed issuer in respect of the aforesaid appointment.

#### **Part E**

##### **Contents of announcement in relation to the appointment of a special administrator**

(paragraph 9.19(20))

- (a) The date of appointment;
- (b) the particulars of the special administrator;
- (c) the details of the events leading to the appointment of the special administrator;
- (d) the terms of reference of the special administrator;
- (e) the financial and operational impact of the aforesaid appointment on the group, if any;
- (f) the effect of the appointment on the business operations of the listed issuer;
- (g) the steps taken or proposed to be taken by the listed issuer in respect of the appointment of the special administrator; and
- (h) the role of the board of directors in light of the appointment of the special administrator.

#### **Part F**

##### **Contents of announcement in relation to a restraining order**

(paragraph 9.19(21))

- (a) The date of commencement and duration of the court order;
- (b) the details of the events leading to the grant of the court order;
- (c) the financial and operational impact on the group, if any; and
- (d) the details of the proposed scheme.

## **Part G**

### **Contents of announcement in relation to American Depository Receipts (ADRs) or Global Depository Receipts (GDRs)**

(paragraph 9.19(40))

- (a) The number and names of the custodians holding the securities for which the ADRs or the GDRs are issued;
- (b) the total number and percentage of the securities for which the ADRs or GDRs are issued against the issued and paid-up capital of the listed issuer and a breakdown of the same in respect of the securities held by each custodian;
- (c) the name of the depository bank;
- (d) the stock market in which the ADRs or GDRs are traded (if applicable); and
- (e) any other material term.

## **Part H**

### **Contents of announcement in relation to valuation on non-current assets**

(paragraph 9.19(44))

- (a) The purpose of the valuation;
- (b) (Deleted)
- (c) the revaluation surplus or deficit as the case may be;
- (d) the effect of the revaluation surplus or deficit on the net assets per share of the group;
- (e) the name of the valuers;
- (f) the date of valuation; and
- (g) the value placed on the asset by the valuer.

## **Part I**

### **Information on delay in the issuance of quarterly reports, annual audited accounts or annual report**

(paragraph 9.26(3))

- (a) The tentative timeline in respect of the steps taken or proposed to be taken to achieve the issuance of the outstanding quarterly report, annual audited accounts or annual report, as the case may be, and the status of compliance with such timeline;

- (b) The expected date of issuance of the outstanding documents referred to in subparagraph (a) above; and
- (c) The consequences of non-compliance with the listed issuer's obligations under paragraph 9.22 or 9.23 above, subject to any extension of time granted by the Exchange, including the possibility of suspension and/or de-listing.

## **Part J**

### **Information on the suspension in view of a delay in the issuance of quarterly reports, annual audited accounts or annual report** (paragraph 9.26(5))

- (a) A statement that the listed issuer has not issued its quarterly report, annual audited accounts or annual report, as the case may be, as at the date of the announcement;
- (b) The reasons for failing to issue the outstanding documents referred to in subparagraph (a) above within the Relevant Timeframes;
- (c) Whether the listed issuer is able to issue the outstanding documents referred to in subparagraph (a) above on or before the expiry of the Suspension Deadline; and
- (d) That trading in the securities of the listed issuer will be suspended on the market day following the expiry of the Suspension Deadline and shall only be uplifted, unless otherwise determined by the Exchange, on the market day following the issuance of the outstanding documents referred to in subparagraph (a) above.

[ End of Appendix ]

## APPENDIX 9B

### Part A

#### Quarterly report

(paragraphs 9.22(2)(a), 9.34 and 9.43(1))

#### Notes

1. A review of the performance of the company and its principal subsidiaries, setting out material factors affecting the earnings and/or revenue of the company and the group for the current quarter and financial year-to-date.
2. An explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.
3. A commentary on the following:-
  - (a) the prospects, including the factors that are likely to influence the company's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter; and
  - (b) the company's progress to achieve the revenue or profit estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document and steps taken or proposed to be taken to achieve the revenue or profit estimate, forecast, projection or internal targets;
4. A statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved.
5. An explanatory note for any (only applicable to the final quarter for companies which have previously announced or disclosed a profit forecast or profit guarantee in a public document):-
  - (a) variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%);
  - (b) shortfall in the profit guarantee received by the company (if any) and steps taken to recover the shortfall;
6. A breakdown of tax charge and an explanation of the variance between the effective and statutory tax rate for the current quarter and financial year-to-date.
7. The amount of profits/(losses) on any sale of unquoted investments and/or properties respectively for the current quarter and financial year- to-date.
8. The following particulars of any purchase or disposal of quoted securities other than securities in existing subsidiaries and associated companies by all companies except closed-end funds, a company whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia, Participating Organisations and such other companies as may be exempted by the Exchange:-
  - (a) total purchase consideration and sale proceeds of quoted securities for the current quarter and financial year-to-date and profit/loss arising therefrom;
  - (b) investments in quoted securities as at the reporting period:-
    - (i) at cost;



(ii) at carrying value/book value; and

(iii) at market value.

9. (a) The status of corporate proposals announced but not completed at the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report.

(b) Where applicable, a brief explanation of the status of utilisation of proceeds raised from any corporate proposal, which shall include the information prescribed in the following table:-

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation		Explanations
	RM'000	RM'000		Amount RM'000	%	
(i)						
(ii)						
(iii)						
(iv)						
(v)						
Total						

10. The group borrowings and debt securities as at the end of the reporting period:-

(a) whether secured or unsecured, and a breakdown between secured and unsecured, if applicable;

(b) breakdown between short term and long term borrowings; and

(c) whether denominated in foreign currency, and a breakdown of the debt/borrowings in each currency, if applicable.

11. A summary of off balance sheet financial instruments by type and maturity profile at the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report, including the following information:-

(a) the face or contract amount (or notional principal amount if there is no face or contract amount); and

(b) the nature and terms, including at minimum, a discussion of:-

(i) the credit and market risk of those instruments;

(ii) the cash requirement of those instruments; and

(iii) the related accounting policies.

12. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date which shall be made up to a date not earlier than 7 days from the date of issue of the quarterly report.

13. Dividend: To be completed if a decision regarding dividend has been made. (State whether dividend amount is before tax, net of tax or tax exempt and if before tax or net of tax, state the tax rate):-

(a) (i) an interim/final ordinary dividend has/has not been declared/recommended;

(ii) the amount per share.....sen;

- (iii) the previous corresponding period.....sen;
    - (iv) the date payable.....; and
    - (v) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at .....dd/mm/yyyy; and
  - (b) the total dividend for the current financial year..... sen.
14. To disclose the following in respect of earnings per share: -
- (a) the amount used as the numerator in calculating basic and diluted earnings per share and a reconciliation of those amounts to the net profit or loss for the reporting period; and
  - (b) the weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share, and a reconciliation of these denominators to each other.
15. Where the audit report of the company's preceding annual financial statements was qualified, disclosure of the qualification and the current status of the matter(s) giving rise to the qualification for the current quarter and financial year to date.

## **Part B**

### **Contents of quarterly report of closed-end funds**

(paragraph 9.34)

- (1) The net asset value per share calculated in accordance with the Commission's Guidelines for Public Offerings of Securities of Closed-end Funds; and
- (2) The extent to which the closed-end fund has invested in:-
  - (a) securities listed on other stock exchanges;
  - (b) investments in other investment vehicles;
  - (c) investment in securities of unlisted companies; and
  - (d) derivatives.

[ End of Appendix ]

## **APPENDIX 9C**

### **Part A**

#### **Contents of annual report**

(paragraph 9.25)

- (1) The address, telephone and facsimile numbers of the registered office;
- (2) The address, telephone and facsimile numbers of each office at which a register of securities is kept;
- (3) The particulars of each director in the listed issuer including the following information:-
  - (a) the name, age, 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 he was first appointed to the board;
  - (d) the details of any board committee to which he belongs;
  - (e) any other directorship of public companies;
  - (f) any family relationship with any director and/or major shareholder of the listed issuer;
  - (g) any conflict of interest that he has with the listed issuer;
  - (h) the list of convictions for offences within the past 10 years other than traffic offences, if any; and
  - (i) the number of board meetings attended in the financial year;
- (4) Name of the chief executive officer and where the chief executive officer is not a director, the following particulars:-
  - (a) the name, age, nationality and qualification;
  - (b) working experience;
  - (c) the date he was first appointed to the listed issuer;
  - (d) the details of any interest in the securities of the listed issuer or its subsidiaries;
  - (e) any directorship of public companies;
  - (f) any family relationship with any director and/or substantial shareholder of the listed issuer;
  - (g) any conflict of interest that he has with the listed issuer; and
  - (h) the list of convictions for offences within the past 10 years other than traffic offences, if any;
- (5) The name of the company secretary;

- (6) The audit committee report in respect of the financial year required under paragraph 15.16;
- (7) The Chairman's statement which represents the collective view of the board of directors setting out a balanced summary which includes the following:-
  - (a) a brief description of the industry trend and development;
  - (b) a discussion and analysis of the group's performance during the year and the material factors underlying its results and financial position. It should emphasise trends and identify significant events or transactions during the year under review; and
  - (c) the prospects of the listed issuer;
- (8) A statement relating to corporate governance in respect of the financial year required under paragraph 15.26;
- (9) A responsibility statement in respect of the annual audited accounts required under paragraph 15.27(a);
- (10) A statement on internal control in respect of the financial year required under paragraph 15.27(b);
- (11) The remuneration of directors of the listed issuer for the financial year and in the following manner:-
  - (a) the aggregate remuneration of directors with categorisation into appropriate components (e.g. directors' fees, salaries, percentages, bonuses, commission, compensation for loss of office, benefits in kind based on an estimated money value) distinguishing between executive and non-executive directors; and
  - (b) the number of directors whose remuneration falls in each successive band of RM50,000 distinguishing between executive and non-executive directors;
- (12) The total number of board meetings held during the financial year;
- (13) Where applicable, a brief explanation of the status of utilisation of proceeds raised from any corporate proposal;
- (14) The information required under paragraph 12.24 in respect of share buybacks for the financial year;
- (15) The amount of options, warrants or convertible securities issued by the listed issuer which are exercised during the financial year;
- (16) A brief explanation on the ADR or GDR programme sponsored by the listed issuer, including the following:-
  - (a) the number and names of the custodians holding the securities for which the ADRs or the GDRs are issued;
  - (b) the total number and percentage of the securities for which the ADRs or GDRs are issued against its issued and paid-up capital and a breakdown of the same in respect of the securities held by each custodian;
  - (c) the name of the depository bank; and
  - (d) the stock market in which the ADRs or GDRs are traded (if applicable);

- (17) Particulars of all sanctions and/or penalties imposed on the listed issuer and its subsidiaries, directors or management by the relevant regulatory bodies;
- (18) The amount of non-audit fees incurred for services rendered to the listed issuer or its subsidiaries for the financial year by the listed issuer's auditors, or a firm or company affiliated to the auditors' firm;
- (19) Where the results for the financial year differ by 10% or more from any profit estimate, forecast or projection or unaudited results previously made or released by the listed issuer for that period, an explanation of the difference and a reconciliation thereof;
- (20) Any shortfall in the profit guarantee received by the listed issuer in the financial year as compared with the profit guarantee (if any) and steps taken to recover the shortfall;
- (21) Particulars of material contracts of the listed issuer and its subsidiaries, involving directors' and major shareholders' interests, either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year, providing the following particulars in respect of each such contract:-
  - (a) the date;
  - (b) the parties;
  - (c) the general nature;
  - (d) the consideration passing to or from the listed issuer or any other company in the group;
  - (e) the mode of satisfaction of the consideration; and
  - (f) the relationship between the director or major shareholder and the contracting party (if the director or major shareholder is not the contracting party).

If no such material contract has been entered into, a statement to that effect;

- (22) Where the above contract relates to a loan, the following particulars in respect of each loan:-
  - (a) the names of the lender and the borrower;
  - (b) the relationship between the borrower and the director or major shareholder (if the director or the major shareholder is not the borrower);
  - (c) the purpose of the loan;
  - (d) the amount of the loan;
  - (e) the interest rate;
  - (f) the terms as to payment of interest and repayment of principal; and
  - (g) the security provided;
- (23) A statement indicating the date of such statement and setting out:-
  - (a) the names of the substantial shareholders (excluding bare trustees) and their direct and deemed interests stating the number and percentage of shares in which they have an interest as shown in the register of substantial shareholders of the listed issuer;

- (b) a statement showing the direct and deemed interests of each director (including number and percentage) in the listed issuer, or in a related corporation, appearing in the register maintained under section 134 of the Companies Act 1965;
- (c) the number of holders of each class of equity securities and any convertible securities and the voting rights attaching to each class;
- (d) a distribution schedule of each class of equity securities and any convertible securities setting out the number of holders and percentage in the following categories:-

%	No. of Holders	Holdings	Total	Holdings
		less than 100		
		100 to 1,000 shares		
		1,001 to 10,000 shares		
		10,001 to 100,000 shares		
		100,001 to less than 5% of issued shares		
		5% and above of issued shares		
		—————		100%

- (e) the names of the 30 securities account holders having the largest number of securities from each class of equity securities and convertible securities according to the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person) and the number and percentage of equity securities and convertible securities of each class held. In the case of securities account holders which are authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991, information in the account qualifier field of the securities account must also be stated;
- (24) A statement regarding the revaluation policy on landed properties in respect of the financial year;
  - (25) Particulars of each property of the listed issuer or its subsidiaries which net book value is 5% or more of the consolidated total assets of the listed issuer as at the end of the financial year (hereinafter referred to as the "material properties"). In the event the number of the material properties is less than 10, particulars of the top 10 properties in terms of highest net book value (inclusive of the material properties) as at the end of the financial year. Particulars of such properties to be set out as follows as at the end of the financial year:
    - (a) the address of each property;
    - (b) in respect of each property:-
      - (i) a brief description (e.g. land or buildings, approximate areas, etc);
      - (ii) the existing use (e.g. shops, offices, factories, residential, etc);
      - (iii) the tenure (i.e. freehold, or leasehold and if leasehold, the date of expiry of the lease);
      - (iv) the approximate age of the buildings;
      - (v) the net book value; and
      - (vi) where revaluation has been carried out, the date of last revaluation and if none, the date of acquisition.
  - (26) A statement by the audit committee in relation to the allocation of options pursuant to a share scheme for employees as required under paragraph 8.21A;

- (27) A breakdown of the options offered to and exercised (if any) by non-executive directors pursuant to a share scheme for employees in respect of the financial year in tabular form as follows:-

Name of director	Amount of options offered	Amount	of	options exercised
------------------	---------------------------	--------	----	-------------------

- 1.
- 2.
- 3.

Total

- (28) A statement by the board of directors containing a brief description on the type of training that the directors have attended for the financial year. Where any of the directors have not attended any training during the financial year, to state the reasons thereof for each director;
- (29) A description of the corporate social responsibility activities or practices undertaken by the listed issuer and its subsidiaries or if there are none, a statement to that effect; and
- (30) A statement relating to the internal audit function of the listed issuer, i.e. whether the internal audit function is performed in-house or is outsourced and the costs incurred for the internal audit function in respect of the financial year.

## **Part B**

### **Contents of annual reports and accounts of closed-end funds**

(paragraph 9.33)

- (1) A detailed statement of its investment objectives and policies and the manner in which those policies have been carried into effect (where applicable);
- (2) The gross revenue of the closed-end fund, to be divided separately to show at least the interest, dividends, profit/loss on the sale of investments and any item of revenue amounting to 5% or more of the gross revenue;
- (3) The initial service charges, management fees or any other fees paid to the Managers to be shown separately under gross expenses of the closed-end fund;
- (4) Generally, a disclosure of the composition of the investment portfolio of the closed-end fund, giving separately in respect of all investments:-
  - (a) a reasonable description of the business;
  - (b) the number of securities owned;
  - (c) the costs; and
  - (d) if unlisted, the fair value, as agreed by the Managers and the board of directors of the closed-end fund and if listed, the market value thereof;
- (5) With respect to all unlisted investments and all other investments with a value exceeding 5% of the closed-end fund's gross assets, in addition, the following:-
  - (a) the dividends or other income received during the year from such investments (indicating any abnormal dividends);
  - (b) the relevant performance ratios; and
  - (c) the net assets attributable to the investment;

- (6) An analysis of any provision for diminution in value of investments, naming the investments against which provision has been made and stating for each investment:-
  - (a) the costs;
  - (b) the provisions made; and
  - (c) the book value;
- (7) An analysis of realised and unrealised surpluses, stating separately profits and losses as between listed and unlisted investments;
- (8) The total number of transactions in securities entered into during the reporting period, together with the total brokerage paid or accrued during the reporting period;
- (9) The number of securities (if any) held by the Managers and family members of Managers (where applicable) or by other funds managed by the Managers, at the balance sheet date of the accounts; and
- (10) Sales and purchases of investments into and from the closed-end fund, where the Managers acted as principals.

**Part C**

(Deleted)

[ End of Appendix ]



## **APPENDIX 9D**

### **Part A**

(Deleted)

### **Part B**

#### **Contents of distribution statements of real estate investment trust**

(paragraph 9.43(3))

- (1) The total gross and net income per unit for the period before charging management fees;
- (2) The net amount per unit (after allowing for charges and adjustments) recommended to be distributed to unit holders out of profits or reserves, together with the gross equivalent attributable to the distribution period; and
- (3) The amount to be carried to reserves.

[ End of Appendix ]

## **CHAPTER 10 TRANSACTIONS**

### **PART A - GENERAL**

#### **10.01 Introduction**

This Chapter sets out the requirements that must be complied with in respect of transactions entered into by a listed issuer or its subsidiaries.

### **PART B - DEFINITIONS**

#### **10.02 Definitions**

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

- (a) "acquisition or disposal of assets" shall include an option to acquire or dispose of assets;
- (b) "assets" shall include securities and businesses;
- (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 6 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 issuer, its subsidiary or holding company;
- (d) "financial assistance" shall include:-
  - (i) lending or advancing of money;
  - (ii) guaranteeing, indemnifying or providing collateral for a debt; or
  - (iii) forgiving a debt, releasing or neglecting to enforce a financial obligation of another, or assuming the financial obligations of another;
- (e) "joint venture" means a contractual arrangement between 2 or more parties to undertake a specific business project subject to joint control in which the parties meet the costs of the project and receive a share of any resulting output;
- (f) "major shareholder" includes any person who is or was within the preceding 6 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;
- (g) (Deleted)
- (h) "percentage ratios" means the figures, expressed as a percentage, resulting from each of the following calculations:-
  - (i) the value of the assets which are the subject matter of the transaction, compared with the net assets of the listed issuer;
  - (ii) net profits (after deducting all charges and taxation and excluding extraordinary items) attributable to the assets which are the subject matter of the transaction, compared with the net profits of the listed issuer;
  - (iii) the aggregate value of the consideration given or received in relation to the transaction, compared with the net assets of the listed issuer;

- (iv) the equity share capital issued by the listed issuer as consideration for an acquisition, compared with the equity share capital previously in issue;
  - (v) the aggregate value of the consideration given or received in relation to the transaction, compared with the market value of all the ordinary shares of the listed issuer;
  - (vi) the total assets which are the subject matter of the transaction compared with the total assets of the listed issuer;
  - (vii) in respect of joint ventures, business transactions or arrangements, the total project cost attributable to the listed issuer compared with the total assets of the listed issuer or in the case where a joint venture company is incorporated as a result of the joint venture, the total equity participation of the listed issuer in the joint venture company (based on the eventual issued capital of the joint venture company) compared with the net assets of the listed issuer. The value of the transaction should include shareholders' loans and guarantees to be given by the listed issuer; or
  - (viii) the aggregate original cost of investment of the subject matter of the transaction divided by the net assets of the listed issuer, in the case of a disposal and where the acquisition of the subject matter took place within last 5 years;
- (i) "related party transaction" means a transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party;
  - (j) "transaction", in relation to:-
    - (i) Part D of this Chapter, means the acquisition or disposal of assets by a listed issuer or its subsidiaries but excludes transactions of a revenue nature in the ordinary course of business;
    - (ii) Part E of this Chapter, includes:-
      - (aa) the acquisition, disposal or leasing of assets;
      - (bb) the establishment of joint ventures;
      - (cc) the provision of financial assistance;
      - (dd) the provision or receipt of services; or
      - (ee) any business transaction or arrangement entered into, by a listed issuer or its subsidiaries; and
    - (iii) Parts D and E of this Chapter, excludes transactions entered into between a listed issuer (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiary.
  - (k) "value of the consideration" shall include any liability to be assumed.

## **PART C - VALUATION AND INFORMATION**

### **10.03 Basis of valuation**

- (1) For the purpose of determining the value of the assets referred to in paragraph 10.02(h)(i), the following shall apply:-

- (a) in an acquisition of equity interest in a company which would not result in such equity interest being accounted for using the equity method, the value thereof is to be assessed by reference to the cost of investment;
  - (b) in an acquisition of equity interest in a company which would result in:-
    - (i) such equity interest being accounted for using the equity method; or
    - (ii) such company being included in consolidation in the preparation of accounts (hereinafter referred to in this paragraph as "consolidation");the value thereof is to be assessed by reference to the book value of the net assets represented by such equity interest;
  - (c) in a disposal of equity interest in a company where prior to the disposal such equity interest was not accounted for using the equity method, the value thereof is to be assessed by reference to the carrying amount of the investment;
  - (d) in a disposal of equity interest in a company where prior to the disposal:-
    - (i) such equity interest was accounted for using the equity method; or
    - (ii) such company was included in consolidation;the value thereof is to be assessed by reference to the book value of the net assets represented by such equity interest; or
  - (e) in any acquisition of assets other than equity interest, the value of such assets shall be assessed by reference to the consideration. In the case of any disposal of assets other than equity interest, the value of such assets shall be assessed by the consideration or the net book value of those assets, whichever is greater.
- (1A) For the purposes of determining the net profits attributable to the assets referred to in paragraph 10.02(h)(ii) in relation to:-
- (a) an acquisition of equity interest in a company which would not result in such equity interest being accounted for using the equity method, the net profits thereof is to be assessed by reference to the dividend income derived from such investment based on the last financial year end of such company;
  - (b) a disposal of equity interest of a company where, prior to the disposal such equity interest was not accounted for using the equity method, the net profits thereof is to be assessed by reference to the dividend income derived from such investment based on the last financial year end of such company.
- (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 on which the terms of the transaction were agreed upon.
- (3) For the purpose of computation of indicators of materiality (including the percentage ratios) in this Chapter, the following shall apply:-
- (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 or announced audited accounts of the listed issuer or audited consolidated accounts of the listed issuer, if the listed issuer has subsidiaries;
  - (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 a copy of the external auditors' review report is furnished to the Exchange;

- (c) the listed issuer may use the total assets, net assets, net book value of assets included in the balance sheet in its latest published or announced interim financial report provided that the report has been reviewed by the listed issuer's external auditors and a copy of the external auditors' review report is furnished to the Exchange;
  - (d) the listed issuer may use the net profits based on the unaudited 12 months results provided that the results have been reviewed by the listed issuer's external auditors and a copy of the external auditors' review report is furnished to the Exchange; and
  - (e) the figures used must, in the case of cost of investment or carrying amount of the investment referred to in subparagraph (1) above, be based on:-
    - (i) the latest published or announced audited accounts of the listed issuer or audited consolidated accounts of the listed issuer, if the listed issuer has subsidiaries; or
    - (ii) the latest published or announced interim financial report of the listed issuer provided that the report has been reviewed by the listed issuer's external auditors and a copy of the external auditors' review report is furnished to the Exchange.
- (4) In the case of an acquisition or disposal by the grant or exercise of an option, the consideration for the acquisition or disposal is the total of the issue price of the option and its exercise price.
- (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.
- (5) In circumstances where any one of the percentage ratios produces an anomalous result or where the percentage ratios are inappropriate to the sphere of the activity of the listed issuer, or for any other reason that the Exchange deems fit, the Exchange may:-
- (a) disregard the results or percentage ratio; and/or
  - (b) substitute or apply other relevant indicators of size.
- (6) The calculation set out in subparagraph 10.02(h)(v) is only applicable in respect of:-
- (a) transactions involving consideration in the form of listed equity shares; or
  - (b) transactions where all the other percentage ratios produce anomalous results or are inapplicable.
- (7) In relation to any acquisition or disposal of equity interest in a company, the calculation set out in subparagraph 10.02(h)(vi) is only applicable where:-
- (a) the acquisition would result in:-
    - (i) such equity interest being accounted for using the equity method; or
    - (ii) such company being included in consolidation; or
  - (b) prior to the disposal:-
    - (i) such equity interest was accounted for using the equity method; or

- (ii) such company was included in consolidation.
- (8) For the purposes of this paragraph, unless the context otherwise requires, the following words or expressions shall when used herein, have the meanings given under the approved accounting standards of the Malaysian Accounting Standards Board:-
- (a) equity method;
  - (b) carrying amount; and
  - (c) consolidation.

## **PART D - ACQUISITIONS AND DISPOSALS**

### **10.04 Requirements in the case of transactions exceeding 5%**

- (1) For a transaction where any one of the percentage ratios is equal to or exceeds 5%, as soon as possible after terms of the transaction have been agreed, the listed issuer must make an immediate announcement to the Exchange of such transaction which announcement shall include the information set out in Appendix 10A.
- (2) The listed issuer must also furnish the Exchange, in a separate letter, the percentage ratios applicable to such transaction.
- (3) Subparagraphs (1) and (2) do not apply to a transaction where the value of the consideration given or received in relation to the transaction is less than RM 250,000.

### **10.05 Transactions exceeding 15%**

- (1) For a transaction where any one of the percentage ratios is equal to or exceeds 15%, in addition to the requirements of paragraph 10.04, the listed issuer must send a copy of the announcement referred to in paragraph 10.04 to the shareholders of the listed issuer for information not later than 10 market days after the date of the announcement.
- (2) Subparagraph (1) does not apply to a transaction where the value of the consideration given or received in relation to the transaction is less than RM 250,000.

### **10.06 Transactions exceeding 25%**

- (1) For a transaction where any one of the percentage ratios is equal to or exceeds 25%, in addition to the requirements of paragraph 10.04, the listed issuer must obtain the approval of its shareholders in general meeting of the transaction and ensure that the circular to the shareholders includes the information set out in Appendix 10B.
- (2) The draft circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 10B.
- (3) Subparagraphs (1) and (2) do not apply to a transaction where the value of the consideration given or received in relation to the transaction is less than RM 250,000.

### **10.07 Requirements in the case of transactions 5% and below**

In the case of a transaction where the percentage ratio is less than 5%:-

- (a) if the consideration is satisfied in cash or unquoted securities and if it is not a related party transaction, no announcement of the transaction is required. If, however, the listed issuer wishes to make the information available, an announcement should also be given to the Exchange which shall include:-

- (i) the details of the consideration;
  - (ii) the particulars of the transaction; and
  - (iii) a statement that the directors, major shareholders and/or person connected with them have no interests, direct or indirect, in the transaction; or
- (b) if the purchase consideration is satisfied wholly or partly in securities for which listing is being sought, the listed issuer must furnish the Exchange with an announcement as required in paragraph 10.04.

## **PART E - RELATED PARTY TRANSACTIONS**

### **10.08 Related party transactions**

- (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 where any one of the percentage ratios is equal to or exceeds 0.25% except where:-
- (a) the value of the consideration given or received in relation to the transaction is less than RM 250,000; or
  - (b) in relation to recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of a listed issuer or its subsidiaries as defined under paragraph 10.09 and Practice Note No. 12/2001.
- (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:-
- (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;
  - (b) the shareholders' approval of the transaction must be sought in general meeting; and
  - (c) an independent adviser, which shall be a corporate finance adviser, must be appointed.
- (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:-
- (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;
  - (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
  - (c) advise minority shareholders on whether they should vote in favour of the transaction.

- (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:-
- (a) a main adviser, which shall be a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals, 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 main adviser to:-
    - (i) ensure that such transaction:-
      - (aa) is carried out on fair and reasonable terms and conditions, and not to the detriment of minority shareholders of the listed issuer; and
      - (bb) complies with the relevant laws/regulations/ guidelines, where applicable;
    - (ii) ensure full disclosure of all information required to be disclosed in the announcement and circular; and
    - (iii) confirm to the Exchange 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
  - (b) an independent adviser, which shall be a corporate finance adviser, 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:-
    - (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;
    - (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
    - (iii) advise minority shareholders on whether they should vote in favour of the transaction.
- (5) The Exchange has the discretion not to allow an independent adviser to continue to act or be appointed as an independent adviser if, in its opinion, the adviser is deemed not to be independent.
- (6) A director with any interest, direct or indirect, (referred to as "the interested director" in this Part E) must abstain from board deliberation and voting on the relevant resolution in respect of the related party transaction.
- (7) In a meeting to obtain shareholders' approval:-
- (a) the interested director, major shareholder or person connected with a director or major shareholder with any interest, direct or indirect (referred to as "the interested major shareholder" or "the interested person connected with a director or major shareholder" in this Part E); and
  - (b) 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 transaction. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transaction.

(8) An interested director in a related party transaction, must inform the board of directors of the listed issuer or its subsidiary, as the case may be, of the details of the nature and extent of his interest, including all matters in relation to the proposed transaction that he is aware or should reasonably be aware of, which is not in the best interest of the listed issuer or its subsidiary, as the case may be.

(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:-

(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

(b) a person connected with the interested director or interested major shareholder;

the listed issuer is exempted from:-

(i) issuing a circular to shareholders;

(ii) obtaining shareholders’ approval of the transaction in general meeting; and

(iii) appointing a main adviser and independent adviser, as the case may be;

provided that the board of directors of the listed issuer :-

(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 issuer and is in the best interests of the listed issuer.

(8B) Subparagraphs (2), (3), (4) and (8A) do not apply to a related party transaction where the value of the consideration given or received in relation to the transaction is less than RM250,000.

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

(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;

(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;

(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:-

(i) shareholdings in the other person which is less than 1% other than via the listed issuer; and

- (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;
- (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;
- (e) the provision or receipt of financial assistance or services, upon normal commercial terms and in the ordinary course of business, from a company whose activities are regulated by any written law relating to banking, finance companies or insurance and are subject to supervision by Bank Negara Malaysia;
- (f) directors fees and remuneration, and employment remuneration.
- (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:-
  - (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 subparagraph:-

- (i) "goods" shall exclude securities;
- (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;
- (iii) "Exempted Transactions" means the following:-
  - (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
  - (bb) such other types of transactions that may be prescribed by the Exchange from time to time;
- (h) the entry into or renewal of tenancy of properties of not more than 3 years, the terms of which are supported by an independent valuation;
- (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;
- (j) a contract that is awarded by way of a public tender:-
  - (i) in relation to the listed awardee 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

- (ii) in relation to the successful listed bidder or its subsidiaries provided that:-
  - (aa) the awarder is listed or is a subsidiary of a listed issuer;
  - (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
  - (cc) an immediate announcement is made by the listed bidder which announcement shall include the information set out in Appendices 10A and 10C;
- (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;
- (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;
- (m) a transaction between the listed issuer or any of its subsidiaries and another person where there are no other interested relationships except for:-
  - (i) common major shareholders; or
  - (ii) a person connected with a major shareholder being a major shareholder of the other person,

provided that the following conditions are satisfied:-

- (aa) the major shareholder and/or the person connected with the major shareholder is/are not the largest shareholder of the listed issuer;
- (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;
- (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
- (dd) the major shareholder is:-
  - (A) a statutory institution who is managing funds belonging to contributors or investors who are members of the public;
  - (B) as closed end funds, unit trust or investment funds (but excluding an investment holding company); or
  - (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;

- (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;
- (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; or
- (p) Subscription to or acquisition by a listed issuer or its unlisted subsidiaries of debt securities and/or redeemable preference shares issued by or on behalf of the Government of Malaysia, Bank Negara Malaysia and/or a State Government.

#### **10.09 Recurrent related party transactions of a revenue nature**

- (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:-
  - (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;
  - (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 where the aggregate value is equal to or exceeds the applicable prescribed threshold under paragraph 2.1 of PN12/2001;
  - (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
  - (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.
- (2) Where a listed issuer has procured a shareholders' mandate pursuant to subparagraph (1) above, the provisions of paragraph 10.08 shall not apply.

## **PART F - REVERSE TAKE-OVERS**

### **10.10 Reverse take-overs**

- (1) Where a transaction is a very substantial acquisition or a reverse take-over, the announcement to the Exchange and circular to be made or issued, as the case may be, by a listed issuer, shall include additional information set out in Part F of Appendices 10A and 10B, respectively.
- (2) (Deleted)

## **PART G - OTHER REQUIREMENTS**

### **10.11 Aggregation of transactions**

- (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.
- (2) Without prejudice to the generality of subparagraph (1) above, transactions which may be aggregated in accordance with that subparagraph include the following:-
  - (a) transactions entered into with the same party or with parties connected with one another;
  - (b) transactions involving the acquisition or disposal of securities or interests in one particular company/asset; or
  - (c) transactions involving the acquisition or disposal of various parcels of land contiguous to each other.

### **10.12 Diversification in operations carried on by a listed issuer**

- (1) A listed issuer must obtain its shareholders' approval in general meeting for any transaction or business arrangement which might reasonably be expected to result in either:-
  - (a) the diversion of 25% or more of the net assets of the listed issuer to an operation which differs widely from those operations previously carried on by the listed issuer; or
  - (b) the contribution from such an operation of 25% or more of the net profits of the listed issuer.

In assessing the extent of diversification or the amount of contribution to the net profits, consideration should be taken of any associated transactions or loans effected or intended and of contingent liabilities or commitments.

- (2) For the purpose of subparagraph (1) above, 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 and the total percentage ratio of assets allocated for the diversification is equal to or exceeds 25%.

[ End of Chapter ]

## **APPENDIX 10A**

### **Contents of announcement in relation to transactions**

(paragraphs 10.04(1) and 10.08(1))

#### **Part A**

##### **General information to be included, where applicable, in announcement of transactions**

- (1) The details of the transaction including particulars of the assets being acquired or disposed of;
- (2) A description of the business carried on;
- (3) The aggregate value of the consideration, explaining how this was arrived at and will be satisfied, including the terms of any arrangement for payment on a deferred basis. If it was based on net assets, the year the net assets was taken into consideration, quantifying the net assets and stating whether it was based on audited accounts;
- (4) The financial information on the assets which are the subject matter of the transaction, including but not limited to, net profits attributable to assets and net assets or net book value of the assets;
- (5) The effect of the transaction on the listed issuer, which includes the effect of the transaction on the earnings per share, net assets per share, gearing, share capital and substantial shareholders' shareholding of the listed issuer;
- (6) In the case of a disposal:-
  - (a) the expected gains or losses arising from the transaction;
  - (b) where the sale consideration is to be satisfied in cash the intended application of the sale proceeds and the breakdown thereof, and details of the purchaser;
  - (c) where shares or other securities are intended to form part of the consideration:-
    - (i) the number, type and par value of securities to be issued;
    - (ii) the ranking of the securities;
    - (iii) the issue price and the basis of determining the issue price;
    - (iv) a statement as to whether such securities are to be sold or retained;
    - (v) the principal activities and issued and paid-up capital of the company in which the securities are or will be held; and
    - (vi) the names of the directors and substantial shareholders of the company in which the securities are or will be held;
  - (d) particulars of all liabilities to be assumed by the purchaser arising from the transaction; and
  - (e) the original cost of investment and the date of such investment; and
  - (f) If the disposal is expected to result in the listed issuer falling within the ambit of PN16 and/or PN17, a statement to that effect;
- (7) In the case of an acquisition:-

- (a) where the consideration is to be satisfied in whole or in part by an issue of securities of the listed issuer:-
  - (i) the number, type and par value of securities to be issued;
  - (ii) the ranking of the securities;
  - (iii) whether listing will be sought for the securities;
  - (iv) the issue price and the basis of determining the issue price;
  - (v) if the vendor is a company, the name and principal activity of the vendor and names of its directors and substantial shareholders; and
  - (vi) if the vendor is an individual, the name of the vendor;
- (b) where the purchase consideration is to be satisfied by cash, the source of funding, the breakdown thereof and details of the vendor;
- (c) particulars of all liabilities, including contingent liabilities and guarantees to be assumed by the listed issuer, arising from the transaction; and
- (d) the original cost of investment to the vendor and the date of such investment;
- (8) Where the consideration is in the form of equity share capital, the weighted average market price for the equity share capital for the 5 market days prior to the date on which the terms of the transaction were agreed upon;
- (9) Whether the transaction is subject to the approval of shareholders and the relevant government authorities and the estimated time frame for submission of the application to the relevant authorities;
- (10) Whether the directors and/or major shareholders and/or persons connected with a director or major shareholder have any interest, direct or indirect, in the transaction and the nature and extent of their interests;
- (11) The rationale for the transaction including any benefit which is expected to accrue to the listed issuer as a result of the transaction;
- (12) The salient features of the agreement and valuation report, if any, and the time and place where such documents may be inspected;
- (13) The date on which the terms of the transaction were agreed upon;
- (14) A statement by the board of directors, excluding interested directors stating whether the transaction is 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;
- (15) The prospects of the assets, businesses or interests to be acquired;
- (15A) The risks in relation to the transaction including risk factors of the assets, businesses or interests to be acquired;
- (15B) If the transaction results in a change in the controlling shareholder of the listed issuer, a statement to that effect and the following information in respect of the new shareholder:
  - (a) the name;
  - (b) the date and place of incorporation;

- (c) the names of directors and substantial shareholders and their respective shareholdings; and
  - (d) the principal business;
- (16) The estimated time frame for the completion of the transaction;
- (17) A statement whether the intended transaction has departed from the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities;
- (17A) Where any one of the percentage ratios is equal to exceeds 15%, the following information must be included:-
- (a) Where a feasibility report in relation to the transaction has been prepared, the name of the expert who prepared the report and a brief conclusion of the report. To state the time and place where such report may be inspected;
  - (b) The estimated additional financial commitment required of the company in putting the assets/businesses acquired on-stream;
  - (c) For depleting or specialised businesses, such as timber concessions and oil and gas businesses, information on the reserves, extraction rates and returns;
  - (d) Where another company is acquired or disposed of, or where shares or other securities in another company are to be received as consideration for a disposal, the following information in respect of the other company in an appendix:-
    - (i) the general nature of business conducted by the company and its subsidiaries including principal products manufactured or services rendered and principal markets for the products or services;
    - (ii) the audited financial information (past 5 years or since incorporation, whichever is later) and the latest interim results, if available, stating turnover, profit before tax and profit after tax and minority interest;
    - (iii) where there is any material fluctuation in turnover or profits in any of the years, the explanation therefor; and
- (18) Any other information which is necessary to enable an investor to make an informed investment decision.

## **Part B**

### **Additional specific information to be included in relation to joint-ventures**

- (1) The details of the joint-venture partners;
- (2) The breakdown of the total capital and investment outlay in the joint-venture;
- (3) The eventual issued and paid-up capital of the joint-venture company;
- (4) The number, type and par value of the shares. Where there is more than one type of shares or securities issued, the following:-
  - (a) the differences between the different types of shares;
  - (b) whether convertible; if so, the rate and period thereof;
  - (c) whether redeemable; if so, the rate and period thereof; and



- (d) the tenure;
- (5) The equity interest held and to be held by the respective parties;
- (6) The name of the joint-venture company;
- (7) The source(s) of funds for financing the investment in the joint-venture company, and the breakdown thereof; and
- (8) If no joint-venture company will be set up, the terms of cost and profit sharing and the estimated total cost of project.

### **Part C**

#### **Additional specific information to be included in relation to acquisitions or disposals of property or land or companies whose main investments or interests are in properties or land**

- (1) A description of each property including:-
  - (a) the postal address or identification (lot, title number, relevant mukim, district and state) of the property;
  - (b) a brief description (e.g. whether land or building, approximate area, etc);
  - (c) the existing and proposed use (e.g. shops, offices, factories, residential, etc.). If currently let out or is proposed to be let out, the details of the rentals and the rental income or expected rental income per month or per annum. If the property to be disposed is currently used as a factory, the effect of a disposal on the operations;
  - (d) the approximate age of the buildings;
  - (e) the terms of the tenure; if leasehold, the expiry date of the lease;
  - (f) whether any valuation was carried out on the property or land; if so, the name of the independent registered valuer, date and method of valuation and quantification of the market value;
  - (g) the net book value based on latest audited accounts; and
  - (h) the encumbrances, if any;
- (2) If the land acquired or disposed of is an estate or plantation, the following:-
  - (a) the size;
  - (b) the location;
  - (c) the tenure; if leasehold, the date of expiry of the lease;
  - (d) the present and future usage;
  - (e) the type of estate or plantation;
  - (f) the maturity of the trees;
  - (g) the production for the past 5 years; and

- (h) a quantification of the market value of the plantation as appraised by the independent registered valuer, if applicable;
- (3) Where the properties consist of buildings, the following:-
- (a) (Deleted)
  - (b) (Deleted)
  - (c) the amount of lettable space;
  - (d) the amount of lettable space available for letting and the occupancy; and
  - (e) the percentage of occupancy; and
- (4) Where the property or land is in the process of being developed or is intended to be developed, the following additional details:-
- (a) the details of development potential, i.e name of the project, type of development - residential, industrial or commercial, number of units in respect of each type of development;
  - (b) the total development cost;
  - (c) the expected commencement and completion date(s) of development;
  - (d) the expected profits to be derived;
  - (e) the stage or percentage of completion;
  - (f) the sources of funds to finance the development cost; and
  - (g) whether relevant approvals for the development have been obtained and date(s) obtained.

#### **Part D**

##### **Additional specific information to be included in relation to acquisitions or disposals of construction companies**

- (1) A description of the current projects undertaken by the company – type of construction, name of the project, owner of the project, and value;
- (2) The expected commencement and completion date(s) of construction; and
- (3) The contract value of the recent major projects completed and current projects on hand.

#### **Part E**

##### **Additional specific information to be included in relation to foreign acquisitions where any one of the percentage ratios is equal to or exceeds 25%**

- (1) The financial and other relevant information pertaining to the companies and/or assets to be acquired including a summary of the key audited financial data of the assets, businesses or interests to be acquired for the past 5 financial years or since the date of incorporation or commencement of operations, whichever is later. The financial data shall include, but not be limited to, turnover, pre-tax profit, after-tax profit, shareholders' funds and total borrowings. For depleting or specialised assets or businesses such as timber concessions and oil and gas businesses, information on the breakdown of assets or inventories, reserves, extraction rates and returns;

- (1A) Where the acquisition is that of the securities of a foreign company, the dividend policy of the company;
- (2) The effects on resultant foreign equity ownership of the listed issuer on completion of the proposed acquisition;
- (3) (Deleted)
- (4) The specific investment risks involved in the proposed acquisitions and the appropriate course of action that will be developed to reduce or manage the risks; and
- (5) The policies on the foreign investments and repatriation of profits of the host country.

## **Part F**

### **Additional specific information to be included in relation to very substantial acquisitions and reverse take-overs**

(paragraph 10.10(1))

- (1) A summary of the key audited financial data of the assets, businesses or interests to be acquired for the past 5 financial years or since the date of incorporation or commencement of operations, whichever is later. The financial data shall include, but not be limited to, turnover, pre-tax profit, after-tax profit, shareholders' funds and total borrowings;
- (2) The financial effects on proforma net assets (based on the latest audited accounts) of the listed company on completion of the acquisition or restructuring exercise; and
- (3) For assets or businesses or interests which do not have any profitability track record (as in certain privatisation cases), the information shall include, but not be limited to, the total cost needed to put on-stream the operation of the assets, businesses or interests and the proportion to be assumed or guaranteed by the listed issuer, the expected date on which profit contribution will accrue to the listed issuer and the expected returns to be derived.

[ End of Appendix ]

## **APPENDIX 10B**

### **Contents of circular to shareholders in relation to transactions**

(paragraphs 10.06(1) and 10.08(2)(a))

#### **Part A**

#### **General information to be included, where applicable, in the circular to shareholders in relation to transactions**

- (1) If voting or other action is required, a heading drawing attention to the importance of the document and advising holders of securities who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) (Deleted)
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the circular. In relation to an Exempt Circular, a statement that Bursa Malaysia Securities Berhad has not perused the circular prior to its issuance;
- (4) The purpose of the circular;
- (5) The date on which terms of the transaction were agreed upon and the date on which the transaction and any revision thereto was announced;
- (6) The particulars of the transaction, including a description of the company or assets to be acquired or disposed of, as the case may be;
- (7) The salient features of the agreement relating to the transaction;
- (7A) The details of any other intended corporate exercise/scheme which have been announced but not yet completed prior to the printing of the circular and whether the transaction is conditional upon such and/or any other corporate exercise/scheme;
- (8) The financial and other relevant information pertaining to the transaction, including but not limited to, net profits attributable to the assets and net assets or net book value of the assets;
- (9) The total consideration, together with the basis of arriving at the consideration. If it was based on net assets, the year the net asset was taken into consideration, quantifying the net assets and stating whether it was based on audited accounts;
- (10) How the consideration will be satisfied including the terms of any arrangement for payment on a deferred basis;
- (11) The effects of the transaction on the share capital, earnings per share, net assets per share, gearing, substantial shareholders and their respective shareholdings (on a group basis, where applicable);
- (12) If the transaction results in a change in the controlling shareholder of the listed issuer, the following information in respect of the new shareholder:-
  - (a) the name;
  - (b) the date and place of incorporation;
  - (c) the names of directors and substantial shareholders and their respective shareholdings;

- (d) the common directorships and controlling shareholdings in other listed issuers; and
  - (e) the principal business;
- (13) In the case of an acquisition:-
- (a) where the consideration is to be satisfied in whole or in part by an issue of securities of the listed issuer:-
    - (i) the number, type and par value of securities to be issued;
    - (ii) the ranking of the securities;
    - (iii) the issue price and the basis of determining the issue price;
    - (iv) if the vendor is a company, the name and principal activity of the vendor and names of its directors and substantial shareholders;
    - (v) if the vendor is an individual, the name of the vendor; and
    - (vi) the highest and lowest prices of such securities as transacted on the Exchange for the preceding 12 months including the last transacted price prior to the announcement on the transaction and on the latest practicable date prior to the printing of the circular;
  - (b) where the purchase consideration is to be satisfied wholly or partly by cash, the source(s) of funding, the breakdown thereof and details of the vendor;
  - (c) a statement as to whether the company and/or assets will be acquired free from encumbrances;
  - (d) the particulars of all liabilities, including contingent liabilities and guarantees to be assumed by the listed issuer arising from the acquisition; and
  - (e) the original cost of investment to the vendor and the date of such investment;
- (14) In the case of a disposal:-
- (a) the expected gains or losses from the disposal;
  - (b) where the sale consideration is to be satisfied in cash, the intended application of the sale proceeds and the breakdown thereof and details of the purchaser. If sale proceeds are to be used for reducing bank borrowings, the quantification of the total bank borrowings of the group as at the latest practicable date prior to printing of the circular and the savings in interest payment or expense per annum arising from the repayment. If the proceeds are to be used for reinvestment, details of the investments. If these have not yet been identified, a statement of how the proceeds will be utilised in the meantime, pending identification of the investments;
  - (c) where shares or other securities are intended to form part of the consideration:-
    - (i) the number, type and par value of securities to be issued;
    - (ii) the ranking of the securities;
    - (iii) whether listing will be sought for the securities;
    - (iv) the issue price and the basis of determining the issue price;
    - (v) a statement as to whether such securities are to be sold or retained;
    - (vi) the principal activities and issued and paid-up capital of the company in which the securities are or will be held; and
    - (vii) the names of the directors and substantial shareholders of the company in which the securities are or will be held;
  - (d) the original cost of investment and the date of such investment;

- (e) particulars of all liabilities to be assumed by the purchaser arising from the transaction; and
  - (f) if the disposal is expected to result in the listed issuer falling within the ambit of PN16 and/or PN17, a statement to that effect;
- (15) The rationale for the transaction including any benefit which is expected to accrue to the listed issuer as a result of the transaction;
- (16) Where a feasibility report in relation to the transaction has been prepared, the name of the expert who prepared the report and a brief conclusion of the report. Incorporate the letter from the expert, and make available for inspection the report and letter;
- (16A) The prospects of the assets, businesses or interests to be acquired;
- (17) The risks in relation to the transaction including risk factors of the assets, businesses or interests to be acquired;
- (18) The estimated additional financial commitment required of the company in putting the assets/businesses acquired on-stream;
- (19) The estimated time frame for completion of the transaction;
- (20) The valuation of the assets as at the latest practicable date, if applicable, and the name of the independent registered valuers;
- (21) For depleting or specialised businesses, such as timber concessions and oil and gas businesses, information on the breakdown of assets/inventories, reserves, extraction rates and returns;
- (22) Whether the transaction is subject to the approval of shareholders and the relevant government authorities, and the conditions imposed;
- (23) Whether the directors and/or major shareholders and/or persons connected with a director or major shareholder have any interest, direct or indirect, in the transaction and the nature and extent of their interests;
- (24) A statement by the board of directors, excluding interested directors, stating whether the transaction is 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;
- (25) Where voting is required, a recommendation from the directors, excluding interested directors, as to the voting action shareholders should take;
- (26) Where another company is acquired or disposed of, or where shares or other securities in another company are to be received as consideration for a disposal, the following information in respect of the other company in an appendix:-
- (a) the date and place of incorporation;
  - (b) the authorised and issued and paid-up capital;
  - (c) the number, type and par value of the shares making up the share capital. Where there is more than one type of shares or securities in issue, the following:-
    - (i) the differences between the different types of securities;
    - (ii) whether convertible; if so, the rate and period thereof;
    - (iii) whether redeemable; if so, the rate and period thereof; and
    - (iv) the tenure;

- (d) the changes in the share capital since incorporation;
  - (e) the following details of its subsidiaries and associated companies:-
    - (i) the name,
    - (ii) the date and place of incorporation;
    - (iii) the issued and paid-up capital;
    - (iv) the percentage of effective interest of the company; and
    - (v) the principal activities;
  - (f) a brief history of the company or business since inception and if reorganised as a result of merger, consolidation or reorganisation, similarly the history of the predecessor companies;
  - (g) the general nature of business conducted by the company and its subsidiaries including principal products manufactured or services performed; size and location of the factories; principal markets for the products and raw materials; percentage of sales broken down between domestic and foreign; annual production capacity and output for the past 5 years and if significant, the amount spent on and number of persons employed in research and development;
  - (h) the type of businesses or assets owned;
  - (i) the directors' and substantial shareholders' shareholdings;
  - (j) the audited profit and dividend record (past 5 years or since incorporation, whichever is later) and the latest interim results, if available, stating:-
    - (i) the turnover;
    - (ii) the profit before tax and exceptional items;
    - (iii) the exceptional items;
    - (iv) the profit before tax;
    - (v) the taxation;
    - (vi) the profit after tax before extraordinary items;
    - (vii) the extraordinary items;
    - (viii) the profit after tax and extraordinary items;
    - (ix) the earnings per share; and
    - (x) the dividend rate;
  - (k) where there is any material fluctuation in turnover or profits in any of the years, the explanation therefor; and
  - (l) the latest audited accounts together with the notes and the auditors' report (not required if accountant's report is provided);
- (27) Where the percentage ratio is equal to or exceeds 50%, a directors' report on the unlisted company to be acquired;
- (28) Where the percentage ratio is equal to or exceeds 100%, proforma consolidated balance sheets together with the notes and the auditors' letter showing effects before and after the transaction based on the listed issuer's:-
- (a) published or announced audited accounts for the latest financial year ended; or
  - (b) latest published or announced interim financial report which must be reviewed by external auditors.

Where an interim report referred to in subparagraph (b) above is used, a statement that the interim report has been reviewed by external auditors;

- (29) An appendix containing the following information:-
- (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed issuer and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed issuer or its directors, a statement:-
    - (i) that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (if applicable) in the form and context in which it is included; and
    - (ii) by the adviser or expert as to whether conflict of interests exists or is likely to exist in relation to its role as an adviser or expert. For this purposes, "conflict of interests" means circumstances or relationships which affect or may affect the ability of the adviser or expert to act independently and objectively or where the adviser or expert has an interest in the outcome of the proposal which interferes or is likely to interfere with its independence and objectivity;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered into by a listed issuer, any of its subsidiaries, the company to be acquired or disposed of and the company whose shares or convertible securities are to be issued as consideration for the disposal by the listed issuer within 2 years immediately preceding the date of the circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed issuer, any of its subsidiaries, the company to be acquired or disposed of and the company whose shares or convertible securities are to be issued as consideration for the disposal by the listed issuer including those pending or threatened against such companies. The following information shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit,
    - (iii) the names of the plaintiff(s) and defendant(s),
    - (iv) the estimate, of the maximum exposure to liabilities;
    - (v) the directors/solicitors' opinion of the outcome; and
    - (vi) the status;
  - (e) a statement that for a period from the date of the circular to the date of the extraordinary general meeting, or in the case of an information circular, for a period of 2 weeks following the publication of the information circular the following documents (or copies thereof) in respect of the listed issuer, the company which is the subject of the transaction, and the company whose shares or convertible securities are to be issued as consideration for the disposal by the listed issuer, where applicable, may be inspected at the registered office of the listed issuer:-
    - (i) the memorandum and articles of association;



- (ii) the audited accounts for each of the 2 financial years preceding the publication of the circular and the latest unaudited results since the last audited accounts;
  - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular;
  - (iv) the letters of consent referred to in subparagraph 29(b) above;
  - (v) the material contracts referred to in subparagraph 29(c) above; and
  - (vi) the relevant cause papers in respect of material litigation referred to in subparagraph 29(d) above; and
- (30) Any other information which the security holders and their professional advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

## **Part B**

### **Additional specific information to be included in circular to shareholders in relation to joint-ventures**

- (1) The details of the joint-venture partners;
- (2) The authorised and current issued and paid-up capital;
- (3) The terms of the joint-venture agreement;
- (4) The breakdown of the total capital and investment outlay in the joint-venture;
- (5) The eventual issued and paid-up capital of the joint-venture company;
- (6) The number, type, par value of the shares making up the share capital. Where there is more than one type of shares or securities issued, the following:-
  - (a) the differences between the different types of shares;
  - (b) whether convertible; if so, the rate and period thereof;
  - (c) whether redeemable; if so, the rate and period thereof; and
  - (d) the tenure;
- (7) The equity interest held by the respective parties;
- (8) The name of the joint-venture company;
- (9) The source(s) of funds for financing the investment in the joint-venture company, and the breakdown thereof; and
- (10) If no joint-venture company will be set up, the terms of cost and profit sharing and the estimated total cost of project.

## **Part C**

### **Additional specific information to be included in relation to acquisitions or disposals of properties or land or companies with interest in properties or land**

- (1) A description of each landed property including:-
  - (a) the postal address or identification (lot, title number, relevant mukim, district and state) of the property;

- (b) a brief description (e.g. whether land or building, approximate area, etc);
  - (c) the existing and proposed use (e.g. shops, offices, factories, residential, or vacant etc.); if currently let out or is proposed to be let out, the details of the rentals and the rental income or expected rental income per month or per annum. If the property to be disposed is currently used as a factory, the effect of a disposal on the operations;
  - (d) the approximate age of the buildings;
  - (e) the terms of the tenure; if leasehold, the expiry date of the lease;
  - (f) whether any valuation was carried out on the properties or land. If so, the name of the independent registered valuer, and the date and method of valuation. Incorporate the valuation certificate which shall contain all particulars of and information on the property being valued and regard shall be had to the Commission's Guidelines on Asset Valuations as to the contents of the valuation certificate. Make available for inspection the valuation report and valuation certificate;
  - (g) a quantification of the market value of the properties or land as appraised by the independent registered valuer;
  - (h) the net book value based on the latest audited accounts; and
  - (i) the encumbrances, if any;
- (2) If the land acquired or disposed of is an estate or plantation, the following:-
- (a) the size;
  - (b) the location;
  - (c) the tenure; if leasehold, the date of expiry of the lease;
  - (d) the present and future usage;
  - (e) the type of estate or plantation;
  - (f) the maturity of the trees;
  - (g) the production for the past 5 years;
  - (h) the profit contribution or revenue and expense account of the estate for the past 5 years;
  - (i) whether any valuation was carried out on the estate or plantation. If so, the name of the independent registered valuer, and the date and method of valuation. Incorporate the valuation certificate which shall contain all particulars of and information on the property being valued and regard shall be had to the Commission's Guidelines on Asset Valuations as to the contents of the valuation certificate. Make available for inspection the valuation report and valuation certificate; and
  - (j) a quantification of the market value of the plantation as appraised by the independent registered valuer;
- (3) Where the assets to be acquired or disposed of consist of buildings the following:-
- (a) (Deleted)

- (b) (Deleted)
  - (c) the number of storeys, gross built-up and net lettable or useable areas;
  - (d) the area to be self-occupied and let out respectively;
  - (e) the percentage of occupancy; and
  - (f) where the existing rent renewal clauses provide for renewal of the rates on terms other than market rates, the details of such terms of renewal, terms of tenancies and any other matter which materially affect the value of the properties;
- (4) Where the properties or land is in the process of being or is intended to be developed, the following additional details:-
- (a) the details of development potential, i.e name of the project, type of development - residential, industrial or commercial, number of units in respect of each type of development;
  - (b) the total development cost;
  - (c) the expected commencement and completion date(s) of development;
  - (d) the expected profits to be derived;
  - (e) the stage or percentage of completion;
  - (f) the sources of funds to finance the development cost;
  - (g) whether relevant approvals for the development have been obtained and date(s) obtained;
  - (h) whether for sale or rental. If for sale, the percentage of sales or number of units sold to-date. If for rental, the expected rental income per annum; and
  - (i) whether planning consent has been obtained and if so, whether there are any conditions attached to such consent.

#### **Part D**

##### **Additional specific information to be included in relation to acquisitions or disposals of construction companies**

- (1) A description of current projects undertaken by the company - type of construction, name of the project, owner of the project, location of the project and value;
- (2) The expected commencement and completion date(s) of construction of projects on hand or in progress; and
- (3) A description of recent major projects completed - date of commencement and completion of construction, type of construction, contract value and project owner.

#### **Part E**

##### **Additional specific information to be included in relation to foreign acquisitions where any one of the percentage ratios is equal to or exceeds 25%**

- (1) Where the acquisition is that of the securities of a foreign company, the dividend policy of the company;

- (2) The effects on resultant foreign equity ownership of the listed issuer on completion of the proposed acquisition;
- (3) The specific investment risks involved in the proposed acquisitions and the appropriate course of action that will be developed to reduce or manage the risks;
- (4) The expert's report on policies on the foreign investments, taxation and repatriation of profits of the host country;
- (5) Where an accountant's report is required pursuant to Part F, the report, must be prepared by a firm of public accountants registered in Malaysia, in accordance with approved accounting standards of the Malaysian Accounting Standards Board;
- (6) A valuation report on the foreign assets proposed to be acquired prepared by a qualified valuer, the appointment of which complies with the Commission's Guidelines on Asset Valuation in relation to the appointment of valuer for valuation of foreign property assets;
- (7) The expert's report, prepared by industry experts, on the fairness of the total purchase consideration for the foreign securities or assets proposed to be acquired; and
- (8) A legal opinion from a reputable law firm on:-
  - (a) the ownership of title to the securities or assets in the foreign jurisdiction;
  - (b) the enforceability of agreements, representations and undertakings given by foreign counter-parties under relevant laws of domicile; and
  - (c) other relevant legal matters.

## **Part F**

### **Additional specific information to be included in relation to very substantial acquisitions and reverse take-overs**

(paragraph 10.10(1))

- (1) A summary of the key audited financial data of the assets of business or interests to be acquired for the past 5 financial years or since the date of incorporation or commencement of operations, whichever is later. The financial data shall include, but not be limited to, shareholders' funds and total borrowings;
- (2) An accountant's report on the unlisted company to be acquired and a proforma balance sheet of the group as reorganised; and
- (3) For assets, businesses or interests which do not have any profitability track record (as in certain privatisation cases), the information shall include, but not be limited to, the total cost needed to put on-stream the operation of the assets, businesses or interests and the proportion to be assumed or guaranteed by the listed issuer, the expected date on which the profit contribution will accrue to the listed issuer and the expected returns to be derived, together with the appropriate assumptions used. Information provided should be verified and confirmed by independent experts.

[ End of Appendix ]

## **APPENDIX 10C**

### **Additional contents of announcement in relation to related party transactions** (paragraph 10.08(1))

- (1) If the transaction requires the prior approval of shareholders, a statement that the director, major shareholder and/or person connected with a director or major shareholder, which have any interest, direct or indirect, in the transaction will abstain from voting in respect of their direct and/or indirect shareholdings. Where the person connected with a director or major shareholder has interest, direct or indirect, in the transaction, a statement that the director or major shareholder concerned will also abstain from voting in respect of his direct and/or indirect shareholdings. Further, a statement that such interested director and/or major shareholder has/have undertaken that he/they shall ensure that the persons connected with him/them will abstain from voting on the resolution approving the issue at the general meeting. In the case of an interested director, a statement that the interested director has abstained and/or will abstain from deliberating and voting on the relevant resolution at the board meeting; and
- (2) If the listed issuer is required to appoint an independent adviser, a statement explaining the role of the independent adviser.
- (3) In relation to a transaction which falls within paragraph 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.

[ End of Appendix ]

## **APPENDIX 10D**

### **Part A**

#### **Additional contents of circular to shareholders in relation to related party transactions** (paragraph 10.08(2)(a))

- (1) The interested parties' direct and indirect shareholdings in the listed issuer;
- (2) A statement that the interested directors have abstained and/or will abstain from board deliberation and voting on the relevant resolution;
- (3) A statement that the director, major shareholder and/or person connected with a director or major shareholder, which have any interest, direct or indirect, in the transaction will abstain from voting in respect of their direct and/or indirect shareholdings. Where the person connected with a director or major shareholder has interest, direct or indirect, in the transaction, a statement that the director or major shareholder concerned will also abstain from voting in respect of his direct and/or indirect shareholdings. Further, a statement that such interested director and/or major shareholder has/have undertaken that he/they shall ensure that the persons connected with him/them will abstain from voting on the resolution approving the issue at the general meeting; and
- (4) A separate letter by an independent adviser incorporating:-
  - (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
  - (b) advice to minority shareholders on whether they should vote in favour of the transaction.

### **Part B**

#### **Contents of circular to shareholders for shareholders' mandate** (paragraph 10.09(1)(c))

- (1) The class of related party with whom the transaction will be carried out;
- (2) The nature of the transaction contemplated under the mandate;
- (3) The rationale for, and the benefit to, the listed issuer or its subsidiary transacting with the related party; and
- (4) The methods or procedures on which transaction prices will be determined.

[ End of Appendix ]

## **CHAPTER 11 TAKE-OVERS AND MERGERS**

### **PART A - GENERAL**

#### **11.01 Introduction**

- (1) This Chapter sets out the disclosure requirements that must be complied with in relation to a take-over of a listed company.
- (2) Where an offeror is not a listed company but makes a take-over offer on a listed company or any of its subsidiaries, the offeror shall comply with the relevant requirements in this Chapter.

### **PART B - DEFINITIONS**

#### **11.02 Definitions**

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

- (a) the words or expressions defined in the Malaysian Code on Take-Overs and Mergers 1998 and section 216 of the CMSA shall when used herein, have the meanings given thereunder; and
- (b) “the Code” means the Malaysian Code on Take-Overs and Mergers 1998.

### **PART C - GENERAL REQUIREMENTS**

#### **11.03 Secrecy during discussion stage**

Where discussions are ongoing between a listed company and a company, person or group which may lead to an offer being made, the directors, officers and professional advisers of both parties must do everything possible to maintain secrecy in order to avoid disturbance in the price level of the shares.

#### **11.04 Immediate announcement of notice of take-over offer**

Where a person sends a written notice of a take-over offer in relation to securities or voting shares which are listed pursuant to subsection 12(2) or paragraph (a) of subsection 12(3) of the Code, such person must make an immediate announcement to the Exchange of such notice. The said announcement shall include the information set out in Part A of Appendix 11A.

#### **11.05 Immediate announcement of notice received**

Where a listed company receives a notice of intention to make a take-over offer, the directors must make an immediate announcement to the Exchange of such notice. The said announcement shall include the information set out in Part B of Appendix 11A.

#### **11.06 Documents to be sent to all classes of securities**

An offeree must send to all holders of other classes of shares and convertible securities of the company, whether or not such securities are covered by the take-over offer, a copy of all documents which it is required by law to be sent to the holders of the shares and convertible securities subject to the take-over offer.

#### **11.07 Announcements of dealings by offeror etc during offer period**

- (1) Subject to subparagraph (2) below, the following persons must make immediate announcements to the Exchange of the total number and price of all voting shares in the offeror and the offeree which are dealt in for their own account during the offer

period, not later than 12.00 p.m. on the market day following the date of the relevant transaction:-

- (a) the offeror, the offeree and all persons acting in concert with the offeror;
  - (b) a substantial shareholder of the offeree or in the case of a securities exchange offer, a substantial shareholder of the offeror. For the purpose of this paragraph, a "substantial shareholder" means a person who has an interest or interests in one or more voting shares of the company and the nominal amount of that voting share, or the aggregate of the nominal amount of those voting shares, is not less than 5% of the aggregate of the nominal amounts of all the voting shares of the company;
  - (c) any chief executive, a director or an officer of the offeror or offeree who occupies or acts in a senior managerial position in the offeror or offeree, by whatever name called and whether or not he is a director;
  - (d) a person who is a connected person in relation to persons referred to in subparagraphs (a), (b) or (c); and
  - (e) a person who is accustomed to act in accordance with directions or instructions of the persons referred to in subparagraphs (a), (b), (c) or (d).
- (2) All dealings in voting shares in the offeror or the offeree made by a connected person for the account of investment clients who are not themselves connected persons must be disclosed to the Exchange but this shall not be for public release and such announcements must be marked "Not for Public Release Unless Approved by the Commission".

#### **11.08 Announcement of acceptances**

An offeror must make an immediate announcement to the Exchange of the total number of voting shares to which the take-over offer relates:-

- (1) for which acceptances of the take-over offer have been received after the posting of the offer document by the offeror to offeree shareholders;
- (2) held by the offeror and all persons acting in concert with the offeror at the time of posting of the offer document to offeree shareholders; and
- (3) acquired or agreed to be acquired during the offer period,

and should specify the percentages of the relevant classes of share capital represented by these figures before 9.00 a.m. following the day on which the take-over offer is closed, becomes or is declared unconditional as to acceptances, revised or extended, whichever is earlier.

### **PART D - ADDITIONAL REQUIREMENTS**

#### **11.09 (Deleted)**

#### **11.10 Equity structure to be furnished to Exchange upon completion of take-over**

Upon completion of the take-over offer of a listed company, the listed company must, in addition to complying with paragraph 8.15(1), furnish a schedule of the listed company's securities to the Exchange in the following format:-

<i>Particulars</i>	<i>No of shares</i>	<i>No of shareholders</i>	<i>Percentage %</i>
<i>Issued</i>			



*and paid-up capital*

*Less:*

*Directors of the listed  
company and  
its subsidiaries and/or  
associated companies*

*Substantial  
shareholders of  
the listed company  
(except  
where such  
shareholder may  
be included as  
“public”)*

*Associates of  
directors or substantial  
shareholders of the  
listed company*

*Shareholders  
holding less than  
100 shares*                    -----

*Public shareholdings*

#### **11.11 Offeror to announce plans and intentions with regard to the offeree**

Where an unlisted company, person or group submits a take-over offer for the acquisition of a listed company's securities, upon the announcement by the offeror that he has obtained sufficient acceptances and that he holds directly or indirectly more than 50% of the offeree's securities, the offeror must make an immediate announcement to the Exchange, of his plans and intentions with regard to the offeree and any other information that the Exchange considers necessary.

#### **11.12 Requirements of Chapter 10 on acquisitions to be complied with**

Where an offeror is a listed company the requirements of Chapter 10 must be complied with.

**11.13** (Deleted)

**11.14** (Deleted)

**11.15** (Deleted)

**11.16** (Deleted)

[ End of Chapter ]

## **APPENDIX 11A**

### **Part A**

#### **Contents of announcement in relation to a notice of a take-over offer**

(paragraph 11.04)

- (1) The identity of the proposed offeror and all persons acting in concert with the proposed offeror;
- (2) The terms and conditions of the take-over offer;
- (3) The type and total number of voting shares of the company:-
  - (a) which has been acquired, held or controlled directly or indirectly by the proposed offeror or any person acting in concert with the proposed offeror;
  - (b) in respect of which the proposed offeror or any person acting in concert with the proposed offeror have received an irrevocable undertaking from other holders of voting shares to which the take-over relates to accept the take-over offer; and
  - (c) in respect of which the proposed offeror or any person acting in concert with the proposed offeror has an option to acquire;
- (4) The details of any existing or proposed agreement, arrangement or understanding relating to voting shares referred to in paragraph (3) between the proposed offeror or any person acting in concert with the proposed offeror and the holders of the voting shares to which the take-over relates; and
- (5) The conditions of the take-over offer, including conditions relating to acceptances, listing and increase of capital.

### **Part B**

#### **Contents of announcement in relation to the receipt of notice of intention to make a take-over offer**

(paragraph 11.05)

- (1) All the information disclosed to the board of directors of the offeree in the written notice that it has received under subsection 12(2) or paragraph (a) of subsection 12(3) of the Code; and
- (2) A statement whether the board of directors of the offeree is seeking an alternative person to make a take-over offer of its voting shares.

[ End of Appendix ]

**APPENDIX 11B**

(Deleted)

**APPENDIX 11C**

(Deleted)

## **CHAPTER 12 SHARE BUY-BACKS**

### **PART A - GENERAL**

#### **12.01 Introduction**

This Chapter sets out the requirements that must be complied with by a listed company in respect of the purchase of the listed company's own shares.

### **PART B - DEFINITIONS**

#### **12.02 Definitions**

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

- (a) "treasury shares" shall have the meaning given under subsection 67A(3A)(b) of the Companies Act 1965; and
- (b) "on the market" transactions means transactions made through the Automated Trading System ("ATS") of the Exchange and shall exclude "Direct Business" transactions as defined in the Rules of the Exchange.

### **PART C - GENERAL REQUIREMENTS**

#### **12.03 Authorisation**

A listed company must not purchase its own shares unless the shareholders of the listed company have given an authorisation to the directors of the listed company to make such purchase(s) by way of ordinary resolution which has been passed at a general meeting and subject to the provisions of section 67A of the Companies Act 1965 and Part IIIA of the Companies Regulations 1966.

#### **12.04 On the market transactions**

A listed company must ensure that any purchase by a listed company of its own shares and/or resale of its treasury shares is effected only on the market of the Exchange.

#### **12.05 Announcement of intention to propose a share buyback**

A listed company must make an immediate announcement to the Exchange of any decision by the board of directors of the listed company to submit to shareholders a proposal for the company to be authorised to purchase its own shares.

#### **12.06 Circular to shareholders for purchase of own shares**

- (1) A listed company seeking authorisation from its shareholders to purchase its own shares other than by way of a renewal of an existing authorisation, must issue a circular to its shareholders that complies with the requirements of subparagraph (3) below.
- (2) A listed company that is renewing its existing authorisation must either issue:-
  - (a) a statement accompanying its notice of general meeting (hereinafter referred to as "Share Buy-back Statement"), in substitution of the circular; or
  - (b) a circular, as referred to in subparagraph (1) above.

Where a listed company issues a Share Buy-back Statement, it must ensure that such Statement complies with the requirements of subparagraph (4) below.

- (3) Without limiting the generality of paragraph 8.11, the listed company must ensure that the circular referred to under subparagraph (1) above includes the information set out in Part A of Appendix 12A and all such information concerning the proposed purchase as shareholders and their professional advisers would reasonably require and would reasonably expect to find in the circular for the purposes of making an informed assessment as to the merits of approving the proposed purchase and the extent of the risks involved in doing so.
- (4) The listed company must ensure that the Share Buy-back Statement includes the information set out in Part B of Appendix 12A and all such information concerning the proposed purchase as shareholders and their professional advisers would reasonably require and would reasonably expect to find in the Share Buy-back Statement for the purposes of making an informed assessment as to the merits of approving the proposed purchase and the extent of the risks involved in doing so.
- (5) The printed circular or Share Buy-back Statement, as the case may be, must be submitted to the Exchange together with a checklist showing compliance with Parts A or B of Appendix 12A respectively.

#### **12.07 Contents of ordinary resolution for share buy-back**

- (1) A listed company must ensure that the ordinary resolution required under paragraph 12.03 above for a listed company to purchase its own shares includes the information set out in Appendix 12B.
- (2) The printed resolution must be submitted to the Exchange together with a checklist showing compliance with Appendix 12B.
- (3) Any authority conferred by such resolution may only continue to be in force until:-
  - (a) the conclusion of the first annual general meeting of the listed company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
  - (b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first.

#### **12.08 Announcement of outcome of general meeting**

A listed company must make an immediate announcement to the Exchange of the outcome of the general meeting called to consider the proposed purchase of its own shares on the Exchange immediately following such meeting.

#### **12.09 Maximum limit**

A listed company must not purchase its own shares or hold any of its own shares as treasury shares if this results in the aggregate of the shares purchased or held exceeding 10% of its issued and paid-up capital.

### **PART D - SOURCE OF FUNDS AND CONSIDERATION**

#### **12.10 Source of funds**

- (1) A listed issuer must ensure that the proposed purchase(s) of its own shares is made wholly out of retained profits and/or the share premium account of the listed company.
- (2) For the purpose of calculating the total amount of retained profits and/or share premium available for effecting a buy back, the listed company is not permitted to use the amount of retained profits and share premium available on a group basis.

#### **12.11 Types of funds**

For the purpose of paragraph 12.10 above, there are no restrictions on the types of funds which can be utilised so long as the buy back is backed by an equivalent amount of retained profits and/or share premium. The use of borrowings as a funding source is entirely within the ambit envisaged by this Chapter.

### **PART E - DECLARATION OF SOLVENCY**

#### **12.12 Declaration of solvency**

A listed company must ensure that a solvency declaration is lodged with the Exchange by the directors of the listed company as follows:-

- (a) where it is incorporated under the Companies Act 1965, in accordance with section 67A of the Companies Act 1965 and Part IIIA of the Companies Regulations 1966; or
- (b) where it is a foreign corporation, a declaration in the form and manner prescribed under Part IIIA of the Companies Regulations 1966 subject to the necessary modifications.

#### **12.13 Execution of solvency declaration**

- (1) The solvency declaration must be signed and dated by the majority of the directors.
- (2) If any director, whether or not that director signed the declaration, is of the opinion that it is likely that the listed company will not remain solvent at the time of the relevant purchase(s), the director must immediately notify the board of directors of the listed company in writing and lodge a copy of such notice with the Exchange and the giving of such notice shall revoke the validity of the earlier solvency declaration.

### **PART F - ADDITIONAL REQUIREMENTS**

#### **12.14 Public shareholding**

A listed company must not purchase its own shares on the Exchange if that purchase(s) will result in the listed company being in breach of paragraph 8.15(1).

**12.14A** (Deleted)

#### **12.15 Minimum issued capital**

A listed company must not exercise its rights under Section 67A of the Companies Act 1965, Part IIIA of the Companies Regulations 1966 or this Chapter if it will result in the issued and paid-up share capital of the listed company falling below the prescribed minimum provided under paragraph 3.04 or such other amount as may be determined by the Exchange from time to time.

#### **12.16 Appointment of stockbroker**

A listed company intending to purchase its own shares and/or resell treasury shares on the Exchange may appoint up to 2 Participating Organisations for that purpose. The listed company must ensure that all dealing(s) in its own shares/treasury shares are made through the aforesaid Participating Organisations only.

#### **12.17 Notice of appointment of stockbroker**

A listed company must lodge a notice of the appointment of the Participating Organisations concerned with the Exchange immediately and the listed company must open one securities account in its own name with such Participating Organisations designated as "Share Buy-Back Account" which must solely be used for the purchase of its own shares and/or resale of treasury shares.

#### **12.18 Purchase price**

A listed company may only purchase its own shares on the Exchange at a price which is not more than 15% above the weighted average market price for the shares for the 5 market days immediately prior to the purchase.

#### **12.19 Resale price**

A listed company may only resell treasury shares on the Exchange at:-

- (a) a price which is not less than the weighted average market price for the shares for the 5 market days immediately prior to the resale; or
- (b) a discounted price of not more than 5% to the weighted average market price for the shares for the 5 market days immediately prior to the resale provided that:-
  - (i) the resale takes place no earlier than 30 days from the date of purchase; and
  - (ii) the resale price is not less than the cost of purchase of the shares being resold.

#### **12.20 Notification of purchase**

A listed company must make an immediate announcement to the Exchange of any purchase(s) of its own shares no later than 6.30 p.m. on the day the purchase is made. The announcement shall include the information set out in Part A of Appendix 12C.

#### **12.21 Notification of resale**

A listed company must make an immediate announcement to the Exchange of any resale(s) of its treasury shares no later than 6.30 p.m. on the day the resale is made. The announcement shall include the information set out in Part B of Appendix 12C.

#### **12.22 Notification of cancellation**

A listed company must make an immediate announcement to the Exchange of any cancellation of its shares or treasury shares no later than 6.30 p.m. on the day the cancellation is made. The announcement shall include the information set out in Part C of Appendix 12C.

#### **12.23 Exercise of powers**

- (1) A listed company and its directors in exercising the power to purchase a listed company's own shares and/or resell treasury shares, are subject, at all times, to all such obligations imposed on them under the law, including without limitation, the provisions of Part V of the CMSA.



- (2) In exercising its power to purchase its own shares and/or resell treasury shares, a listed company must not engage in speculative trading activities in relation thereto.

**12.24 Information to be included in annual reports**

A listed company shall include in its annual report, information with respect to purchase of its own shares as set out in Appendix 12D.

**12.25 Status of purchased shares**

All shares which are purchased by the listed company shall be automatically de-listed upon their cancellation by the listed company.

[ End of Chapter ]

## **APPENDIX 12A**

### **Part A**

#### **Contents of circular in relation to a share buy-back**

(paragraph 12.06(1))

- (1) A heading drawing attention to the importance of the circular and advising holders of shares who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) (Deleted)
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the document;
- (4) A statement with regard to the reasons for the proposed purchase;
- (5) The maximum number or percentage of shares to be acquired;
- (6) The total maximum amount of funds to be allocated for the proposed purchase or otherwise a basis, other than reference to any person's discretion or opinion, or a formula to determine the maximum fund that is to be allocated;
- (7) The amount of retained profits and share premium based on the latest audited accounts and the latest management accounts (where applicable);
- (8) The number of shares held directly and indirectly by the directors and substantial shareholders;
- (9) The source of funds for the purpose of the proposed purchase including, where applicable, details relating to financing for the proposed purchase, the repayment capabilities of the listed company and the impact on its cash flow;
- (10) The direct and indirect interests of the directors and substantial shareholders and any person connected with the directors and/or substantial shareholders in the proposed purchase of shares or resale of treasury shares;
- (11) Both the potential advantages and disadvantages of the proposed purchase to the listed company and its shareholders respectively;
- (12) Any material financial effect on the listed company or group if the proposed purchase(s) were to be carried out in full at any time during the proposed authorised period (such as the working capital of the listed company as compared with the position disclosed in the most recent published or announced audited accounts);
- (13) A statement as to the consequences of the proposed purchase on the listed company and its shareholders with regard to the Malaysian Code on Take-Overs and Mergers 1998 or in relation to a foreign corporation, the relevant laws of the place of incorporation in respect of take-overs and mergers;
- (14) The details of any purchase made in the preceding 12 months giving the date of each purchase and the purchase price per share or the highest, lowest and average prices paid and total consideration paid for such purchase(s);
- (15) The details of number of shares currently held as treasury shares and of any resale of treasury shares made in the preceding 12 months giving the date of each resale and the resale price per share or the highest, lowest and average resale prices and total consideration received for such resale(s);

- (16) The details of any cancellation of shares made in the preceding 12 months;
- (17) The details of the highest and lowest prices at which the relevant shares were traded on the Exchange for the preceding 12 months and the last transacted price on the latest practicable date prior to printing the circular;
- (18) Whether it is the proposed intention of the directors to retain the shares as treasury shares or cancel them, or both, the rationale for the alternatives chosen and, if available, information as to the percentage or number of shares purchased which are to be retained and/or cancelled;
- (19) The public shareholding spread of the listed company, as at the latest practicable date;
- (20) A statement by the board of directors whether the proposal is in the best interest of the listed company;
- (21) A recommendation from the board of directors as to the voting action that shareholders should take;
- (22) An appendix containing the following information:-
  - (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed company and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed company or its directors, a statement that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (where applicable) in the form and context in which it is included;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered into by the listed company and/or its subsidiaries within 2 years immediately preceding the date of the circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed company and/or any of its subsidiaries, including those pending or threatened against such companies. The following particulars shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit;
    - (iii) the names of the plaintiff(s) and defendant(s);
    - (iv) the estimate of the maximum exposure to liabilities;
    - (v) directors'/solicitors' opinion of the outcome; and
    - (vi) the status;
  - (e) a statement that for a period of not less than 2 weeks following the publication of the circular, the following documents (or copies thereof) may be inspected at the registered office of the listed company:-
    - (i) the memorandum and articles of association;

- (ii) the audited accounts of the listed company/group for the past 2 financial years and the latest unaudited results since the last audited accounts;
  - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular;
  - (iv) the letters of consent referred to in subparagraph (22)(b) above;
  - (v) the material contracts referred to in subparagraph (22)(c) above; and
  - (vi) the relevant cause papers in respect of material litigation referred to in subparagraph (22)(d) above; and
- (23) Any other information concerning the proposed purchase as shareholders and their professional advisers would reasonably require and would reasonably expect to find in the circular for the purposes of making an informed assessment as to the merits of approving the proposed purchase and the extent of the risks involved in doing so.

## **Part B**

### **Contents of Share Buy-back Statement**

(paragraph 12.06(4))

- (1) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the document;
- (2) A statement with regard to the reasons for the proposed purchase;
- (3) The amount of retained profits and share premium based on the latest annual audited accounts and the latest management accounts (where applicable);
- (4) The source of funds for the proposed purchase, including where applicable, details relating to financing for the proposed purchase, the repayment capabilities of the listed company and the impact on its cash flow;
- (5) The direct and indirect interests of the directors and substantial shareholders and any person connected with the directors and/or substantial shareholders in the proposed purchase of shares or resale of treasury shares;
- (6) Both the potential advantages and disadvantages of the proposed purchase to the listed company and its shareholders respectively;
- (7) Any material financial effect on the listed company or group if the proposed purchase(s) were to be carried out in full at any time during the proposed authorised period (such as the working capital of the listed company as compared with the position disclosed in the most recent published or announced audited accounts);
- (8) A statement as to the consequences of the proposed purchase on the listed company and its shareholders with regard to the Malaysian Code on Take-Overs and Mergers 1998 or in relation to a foreign corporation, the relevant laws of the place of incorporation in respect of take-overs and mergers;
- (9) A statement referring its shareholders to the relevant parts of its annual report where information on purchases made by the listed company of its own shares in the last financial year, is set out;
- (10) The public shareholding spread of the listed company, as at the last practicable date;
- (11) A statement by the board of directors whether the proposal is in the best interest of the listed company;

- (12) A recommendation from the board of directors as to the voting action that shareholders should take; and
- (13) Any other information concerning the proposed purchase as shareholders and their professional advisers would reasonably require and would reasonably expect to find in the Share Buy-back Statement for the purposes of making an informed assessment as to the merits of approving the proposed purchase and the extent of the risks involved in doing so.

[ End of Appendix ]

## **APPENDIX 12B**

### **Contents of ordinary resolution in relation to a share buy-back**

(paragraph 12.07(1))

- (1) The total number or percentage and description of the shares which the listed company is authorised to purchase on the Exchange;
- (2) The dates on which the authority conferred by the resolution will commence and determine;
- (3) The maximum funds to be allocated by the listed company for the purpose of purchasing its own shares or a basis, other than reference to any person's discretion or opinion, or a formula to determine the maximum fund that is to be allocated; and
- (4) Whether the shares are proposed to be cancelled or retained as treasury shares, or both and, if available, information as to percentage or number of shares purchased which are to be retained and/or cancelled.

[ End of Appendix ]

## **APPENDIX 12C**

### **Part A**

#### **Contents of announcement in relation to shares purchased** (paragraph 12.20)

- (1) The date of purchase;
- (2) The description of shares purchased;
- (3) The number of shares purchased;
- (4) The price of each share or, where relevant, the highest and lowest price paid;
- (5) The total consideration paid;
- (6) The number of shares purchased retained in treasury;
- (7) The number of shares purchased which are proposed to be cancelled;
- (8) The cumulative net outstanding treasury shares at the date of notification, where applicable; and
- (9) Where all or any of the shares are proposed to be cancelled, the adjusted share capital.

### **Part B**

#### **Contents of announcement in relation to resale of shares** (paragraph 12.21)

- (1) The date of resale;
- (2) The description of shares resold;
- (3) The number of shares resold;
- (4) The resale price of each share or, where relevant, the highest and lowest resale price sold;
- (5) The total consideration received; and
- (6) The cumulative net outstanding treasury shares at the date of notification, where applicable.

### **Part C**

#### **Contents of announcement in relation to cancellation of shares** (paragraph 12.22)

- (1) The number of shares cancelled;
- (2) The date of cancellation; and
- (3) The outstanding and paid-up capital of the listed company after cancellation.

[ End of Appendix ]

## **APPENDIX 12D**

### **Disclosure in annual report in relation to share buy-back** (paragraph 12.24)

- (1) A monthly breakdown of purchase(s) of its own shares made during the financial year showing the number of shares purchased each month and the purchase price per share or the highest, lowest and average price paid, and the total consideration paid for such purchase(s);
- (2) A monthly breakdown of resale(s) of its treasury shares during the financial year showing the number of treasury shares resold each month and the resale price of each share, or the highest, lowest and average resale price and the total consideration received for such resale(s);
- (3) The details of the shares retained as treasury shares during the financial year; and
- (4) The details of shares cancelled during the financial year.

[ End of Appendix ]



## **CHAPTER 13 ARRANGEMENTS AND RECONSTRUCTIONS**

### **PART A - GENERAL**

#### **13.01 Introduction**

This Chapter sets out the requirements that must be complied by a listed company which intends to undertake a scheme of compromise, arrangement, amalgamation, or reconstruction.

### **PART B - SCHEMES OF COMPROMISE, ARRANGEMENT, AMALGAMATION AND RECONSTRUCTION**

#### **13.02 Immediate announcements**

- (1) A listed company which is undertaking a scheme of compromise, arrangement, amalgamation or reconstruction (referred to as “the proposed Scheme” in this Part B) must make an immediate announcement to the Exchange of the proposed Scheme. An immediate announcement must also be made to the Exchange of the information set out in Appendix 13A as and when the same becomes available.
- (2) A listed company must also make an immediate announcement to the Exchange of any material development in the proposed Scheme.

#### **13.03 Contents of explanatory statement/circular**

- (1) A listed company must ensure that any explanatory statement/circular required by Part VII of the Companies Act 1965 to be given to the holders of securities of the listed company includes the information set out in Appendix 13B.
- (2) The draft explanatory statement/circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 13B.

### **PART C – SUBDIVISION OF SHARES**

#### **13.04 Application of Part C**

- (1) A listed Issuer which intends to subdivide its shares (referred to in this Part as “the Listed Issuer”) must comply with all the provisions of this Part C.
- (2) Approval by the Exchange pursuant to paragraph 13.05(1) is not required in respect of a Listed Issuer that intends to undertake a subdivision of its shares as part of a restructuring proposal which falls within the ambit of section 212 of the CMSA (hereinafter referred to as “the Restructuring Proposal”), including an Existing PN4 or PN10 Company as referred to under paragraph 8.14A or a Listed Issuer that falls within the ambit of Practice Note No 16/2005 (hereinafter referred to as “PN16”) and Practice Note No 17/2005 (hereinafter referred to as “PN17”). The Listed Issuer that has obtained the approval of the Commission for the Restructuring Proposal must comply with all requirements of this Part C except for paragraphs 13.05 and 13.06.
- (3) For the purpose of this Part, unless the context otherwise requires, a subdivision on a “stand-alone basis” means a subdivision which is:-
  - (i) not conditional upon any other corporate proposal; or
  - (ii) conditional upon another corporate proposal (other than a concurrent bonus issue of securities) which has been completed or become unconditional.

#### **13.05 Application to subdivide shares**

- (1) The Listed Issuer must file with the Exchange an application which shall include the information set out in Part A of Appendix 13C and in addition, where the proposed subdivision is on a stand-alone basis or conditional upon a concurrent bonus issue, Part B of Appendix 13C. The application must be filed no later than 1 month from the date of the Listed Issuer's announcement pertaining to the proposed subdivision.
- (2) The Exchange will exercise discretion over the approval for the subdivision of Listed Issuer's shares and may approve or reject applications for the subdivision of such shares by Listed Issuers, as it deems fit.
- (3) Where the Exchange approves an application for the subdivision of shares by the Listed Issuer, such approval may be unconditional or subject to such conditions, as it deems fit.
- (4) Where the proposed subdivision is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue), the Listed Issuer which has obtained approval for subdivision of shares must file with the Exchange an application for quotation of the subdivided shares, which shall be accompanied by the documents specified in Part C of Appendix 13C and such other documents as may be specified in the approval-in-principle granted by the Exchange.

#### **13.06 Criteria for subdivision of shares**

The Listed Issuer must comply with the following:-

- (a) the Listed Issuer's share price adjusted for the subdivision of shares shall not be less than RM0.50 based on the daily closing price of the Listed Issuer's shares during the 3-month period before the application date;
- (b) the issued and paid-up capital of the Listed Issuer must be unimpaired by losses on a consolidated basis, where applicable, based on the Listed Issuer's latest audited accounts as well as its latest quarterly report;
- (c) the Listed Issuer is not an Existing PN4 or PN10 Company as referred to under paragraph 8.14A;
- (d) the Listed Issuer must not fall within the ambit of PN 16;
- (e) the Listed Issuer must not fall within the ambit of PN 17; and
- (f) the subdivided shares must rank pari passu in all respects with each other.

#### **13.07 Procedures relating to subdivision of shares which is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue)**

The following procedures shall apply to a subdivision of shares by the Listed Issuer which is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue), with the necessary adaptations, as may be applicable:-

- (a) Listed Issuer makes an immediate announcement to the Exchange upon the approval of the Listed Issuer's board of directors being given for the subdivision.
- (b) Listed Issuer submits application to the Exchange for the subdivision of shares.
- (c) Listed Issuer obtains approval of the Exchange for the subdivision of shares.
- (d) Listed Issuer obtains approval of its shareholders.
- (e) Listed Issuer makes an immediate announcement to the Exchange of the books closing date and issues notices of subdivision of shares to its security holders. The

trading in the shares of the Listed Issuer shall be suspended 3 clear market days before the books closing date.

- (f) Listed Issuer issues subdivided shares.
- (g) Listed Issuer files with the Exchange an application for quotation together with supporting documents.
- (h) The subdivided shares are listed and quoted on the Exchange 2 market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.

**13.07A Procedures relating to subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue**

The following procedures shall apply to a subdivision of shares by the Listed Issuer which is on a stand-alone basis or conditional upon a concurrent bonus issue, with the necessary adaptations, as may be applicable:-

- (a) Listed Issuer makes an immediate announcement to the Exchange upon the approval of the Listed Issuer's board of directors being given for the subdivision.
- (b) Listed Issuer submits application to the Exchange for the subdivision of shares.
- (c) Listed Issuer obtains approval of the Exchange for the subdivision of shares.
- (d) Listed Issuer obtains approval of its shareholders.
- (e) Listed Issuer makes an immediate announcement to the Exchange of the books closing date and the date of listing and quotation of the subdivided shares.
- (f) Listed Issuer issues subdivided shares.
- (g) Listed Issuer makes an announcement to the Exchange on the books closing date on the number, type and par value of shares to be subdivided on such date.
- (h) The subdivided shares are listed and quoted on the Exchange on the next market day following the books closing date.

**13.08 Convertible securities**

- (1) Where a Listed Issuer has previously procured approval-in-principle for the listing of shares arising from the exercise or conversion of its convertible securities (referred to in this Part as "the conversion shares"), no further application for approval-in-principle need be made by the Listed Issuer under paragraph 6.04(1) for listing of conversion shares that are adjusted as a result of subdivision of shares undertaken by the Listed Issuer.
- (2) Where a Listed Issuer intends to issue warrants or other convertible securities arising from adjustments due to a subdivision of shares (hereinafter referred to in this paragraph as "consequential securities"), the Listed Issuer shall comply with the provisions of Part J of Chapter 6, where applicable, in addition to those set out in this Chapter.

**13.09 Announcement to the Exchange**

- (1) The Listed Issuer must ensure that the announcement to the Exchange relating to the proposed subdivision includes the information set out in Appendix 13D.
- (2) In relation to a subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue, a Listed Issuer shall:-

- (a) in making an announcement of the books closing date include the date of listing and quotation of the subdivided shares; and
- (b) on the books closing date, make an announcement on the number, type and par value of the shares to be subdivided.

#### **13.10 Circular and notices of subdivision of shares**

- (1) The Listed Issuer must ensure that the circular to be sent to its shareholders to obtain shareholder approval for the proposed subdivision includes the information set out in Appendix 13E.
- (2) The Listed Issuer must ensure that the notices of subdivision of shares to be issued to its security holders includes the information set out in Appendix 13F.
- (3) The draft circular and notice of subdivision of shares must be submitted to the Exchange together with a checklist showing compliance with Appendices 13E and 13F respectively.
- (4) Subparagraph (2) above does not apply to a subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue.

#### **13.11 Fixing of books closing date for subdivision of shares**

The Listed Issuer must not fix a books closing date for the purpose of subdividing its shares until:-

- (a) the proposed subdivision has been approved by the Exchange; and
- (b) the approval of the shareholders in general meeting in respect of the proposed subdivision has been obtained.

#### **13.12 Allotment of securities, despatch of notices of allotment and application for quotation in respect of subdivided shares**

- (1) Within 4 market days of the books closing date for the proposed subdivision or such other period as may be prescribed by the Exchange, a Listed Issuer must:-
  - (a) issue subdivided shares;
  - (b) despatch notices of allotment of subdivided shares to the shareholders; and
  - (c) make an application for the quotation of the subdivided shares.
- (2) Subparagraph (1) above does not apply to a subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue.

#### **13.13 Fees**

The Listed Issuer who submits an application for subdivision of its shares must pay to the Exchange a processing fee of such amount as is specified in the Schedule of Fees.

### **PART D – CONSOLIDATION OF SHARES**

#### **13.14 Application of Part C**

- (1) The following provisions of Part C shall apply to consolidation of shares:-
  - (a) subparagraphs 13.04(2) and (3);
  - (b) paragraph 13.05 except that the application shall include the information set out in paragraphs (1) to (5) and (8) to (11) of Part A of Appendix 13C;

- (c) subparagraph 13.06(f); and
  - (d) paragraphs 13.07, 13.07A, 13.08, 13.09, 13.10, 13.11 and 13.12.
- (2) For the purposes of this paragraph, all references to subdivision of shares in relation to the provisions referred to in subparagraph (1) above shall mean consolidation of shares.
- 13.15** Deleted
- 13.16** Deleted
- 13.17** Deleted
- 13.18** Deleted

[ End of Chapter ]

## **APPENDIX 13A**

### **Contents of announcement in relation to the proposed Scheme** (paragraph 13.02(1))

- (1) The date of the restraining order (where applicable);
- (2) The duration of the restraining order (where applicable);
- (3) A list of companies (listed company and its subsidiaries) which are involved in the proposed Scheme;
- (4) The details of the proposed Scheme;
- (5) All steps proposed to be taken for the completion of the proposed Scheme;
- (6) The effects of the proposed Scheme, including the effect on:-
  - (a) where applicable, the group structure before and after the proposed Scheme;
  - (b) the share capital;
  - (c) the substantial shareholding structure;
  - (d) the net assets per share and the earnings per share of the group; and
  - (e) the gearing position;
- (7) The approvals required from the relevant authorities and the conditions imposed by such authorities (if any);
- (8) The details of the interests of the directors, major shareholders and/or persons connected with them in the proposed Scheme; and
- (9) Where applicable, the details of the transferee company which shall include but not be limited to the history and business of the operation.

[ End of Appendix ]

## **APPENDIX 13B**

### **Contents of explanatory statement/circular in relation to the proposed Scheme** (paragraph 13.03(1))

- (1) A heading drawing attention to the importance of the document and advising holders of securities who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) (Deleted)
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the explanatory statement/circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the document;
- (4) The purpose of the document;
- (5) The date of the restraining order (where applicable);
- (6) The duration of the restraining order (where applicable);
- (7) A list of the companies (listed company and its subsidiaries) which are involved in the proposed Scheme;
- (8) The details of the proposed Scheme;
- (9) All steps proposed to be taken for the completion of the proposed Scheme;
- (10) The effects of the proposed Scheme, including the effect on:-
  - (a) where applicable, the group structure before and after the proposed Scheme;
  - (b) the share capital;
  - (c) the substantial shareholding structure;
  - (d) the net assets per share and the earnings per share of the group; and
  - (e) the gearing position;
- (11) The approvals required from the relevant authorities and the conditions imposed by such authorities (if any);
- (12) The details of the interests of the directors, major shareholders and/or persons connected with them in the proposed Scheme;
- (13) Where applicable, the details of the transferee company which shall include but not be limited to:-
  - (a) the history and business of the operation;
  - (b) the share capital;
  - (c) the information on directors, substantial shareholders and their shareholdings in the transferee;
  - (d) the details of its subsidiaries and associated companies;
  - (e) the details of its profit and dividend record; and

- (f) the accountants' report on the transferee company and the companies to be acquired;
- (14) A statement by the board of the directors as to whether the proposed Scheme is in the best interests of the listed company;
- (15) Where voting is required, a recommendation from the board of directors as to the voting action that securities holders should take;
- (16) An appendix containing the following information:-
  - (a) a responsibility statement by the directors that the explanatory statement/circular has been seen and approved by the directors of the listed company and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the explanatory statement/circular misleading;
  - (b) where a person is named in the explanatory statement/circular as having advised the listed company or its directors, a statement that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (where applicable) in the form and context in which it is included;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business), entered into by the listed company and/or its subsidiaries and the transferee (where applicable) within 2 years immediately preceding the date of the explanatory statement/circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and the mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed company and/or any of its subsidiaries and the transferee (where applicable) including those pending or threatened against such companies. The following particulars shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit;
    - (iii) the names of the plaintiff(s) and defendant(s);
    - (iv) the estimate of the maximum exposure to liabilities;
    - (v) directors'/solicitors' opinion of the outcome; and
    - (vi) the status;
  - (e) a statement that from the date of the explanatory statement/circular to the date of meeting, the following documents (or copies thereof) in respect of the listed company and the transferee, where applicable, may be inspected at the registered office of the listed company:-
    - (i) the memorandum and articles of association;
    - (ii) the audited accounts of the listed company/group and transferee (where applicable) for the past 2 financial years preceding the publication of the explanatory statement/circular and the latest unaudited results since the last audited accounts;
    - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the explanatory statement/circular; and
    - (iv) the letters of consent referred to in subparagraph (16)(b) above;



- (v) the material contracts referred to in subparagraph (16)(c) above; and
  - (vi) the relevant cause papers in respect of the material litigation referred to in subparagraph (16)(d) above; and
- (17) Any other information which the securities holders and their professional advisers would reasonably expect to find in an explanatory statement/circular of that nature for the purpose of making an informed decision.

[ End of Appendix ]

## **APPENDIX 13C**

### **Part A**

#### **Contents of an application for subdivision of shares**

(paragraph 13.05(1))

- (1) Title Page showing:-
  - (a) the name of the Listed Issuer;
  - (b) the full title or designation of the Listed Issuer's existing shares and shares proposed for subdivision;
  - (c) the date of application and formal request for subdivision, specifying the amount, par value and the title of the shares after the subdivision, and whether the shares are fully paid; and
  - (d) the purpose of subdivision;
- (2) A table showing before and after the subdivision, the following:-
  - (a) the designation or title of each class of shares;
  - (b) the par value;
  - (c) the number of shares authorised by the memorandum and articles of association and number of shares issued;
  - (d) the number of unissued shares reserved for issuance for any specific purpose, and purpose for which reserved or an appropriate negative statement; and
  - (e) the ranking of the shares;
- (3) The details of the proposed subdivision;
- (4) The details of approvals from the other relevant authorities in relation to the proposed subdivision, if applicable;
- (5) A confirmation from the Listed Issuer that the proposed subdivision of shares is allowed under its articles of association;
- (6) A confirmation from the Listed Issuer that it complies with paragraph 13.06;
- (7) (Deleted)
- (8) The dates of meeting of directors and shareholders at which the subdivision of shares was authorised and the date of approval(s) of the relevant authorities;
- (9) A statement as to whether there has been any important development affecting the Listed Issuer or its business since the latest annual report of the Listed Issuer. If so, a description of such development;
- (10) The expected timeframe for completion of the proposed subdivision; and
- (11) A statement whether the subdivision is conditional upon any other corporate proposal including:-
  - (a) the details of such other corporate proposals; and
  - (b) the estimated timeframe for completion of the other corporate proposals.

## **Part B**

### **Additional contents of an application for subdivision of shares which is on a stand-alone basis or conditional upon a concurrent bonus issue (paragraph 13.05(1))**

The following documents:-

- (1) An undertaking that the subdivided shares will rank pari passu in all respects with each other.
- (2) An undertaking that all notices of allotment will be issued and despatched to the shareholders as expeditiously as possible and in any event, no later than 4 market days after the date of listing and quotation of the subdivided shares.
- (3) An undertaking that all conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the subdivided shares will be met.
- (4) An undertaking that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the subdivided shares including any order, injunction or any other directive issued by any court of law.
- (5) An undertaking to immediately inform the Exchange upon becoming aware, after submission of the application, that the listed issuer has failed to meet any of the above undertakings referred to in subparagraphs (1) to (3) or of any circumstances or facts referred to in subparagraph (4) above.

## **Part C**

### **Contents of an application for quotation of subdivided shares where the subdivision is not on a stand-alone basis or is conditional upon another corporate proposal (other than a concurrent bonus issue) (paragraph 13.05(4))**

- (1) The number, type and par value of the existing and proposed subdivided shares;
- (2) A confirmation that all notices of allotment have been issued and despatched to the shareholders;
- (3) A confirmation from the listed issuer that the Depository is ready to credit the subdivided shares to the accounts of the shareholders, after receiving the allotment information for crediting of the subdivided shares;
- (4) A confirmation that the subdivided shares will rank pari passu in all respects with each other;
- (5) A certified true copy of the relevant resolution passed by shareholders in general meeting;
- (6) Deleted
- (7) A confirmation that all conditions imposed by the relevant authorities, if any, which are required to be met prior to the listing and quotation of the subdivided shares have been met; and
- (8) A confirmation that that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the subdivided shares including any order, injunction or any other directive issued by any court of law.

[ End of Appendix ]

## **APPENDIX 13D**

### **Contents of announcement in relation to a proposed subdivision of shares** (paragraph 13.09)

- (1) The number, type and par value of the existing and proposed subdivided shares;
- (2) The ranking of the proposed subdivided shares;
- (3) The reasons for and purpose of the proposed subdivision;
- (4) The details of the proposed subdivision;
- (5) The effect of the proposed subdivision on:-
  - (a) the issued and paid-up capital and shares to be issued pursuant to existing share option schemes or shares to be issued pursuant to the exercise and/or conversion of existing convertible securities;
  - (b) the net assets per share based on the latest consolidated audited accounts;  
and
  - (c) the earnings per share of the group;
- (6) The approvals required for the proposed subdivision of shares and the estimated time frame for submission of the application to the relevant authorities; and
- (7) Whether a suspension will be imposed on the trading of the shares in view of the proposed subdivision.

[ End of Appendix ]

## **APPENDIX 13E**

### **Contents of circular in relation to a proposed subdivision of shares**

(paragraph 13.10(1))

- (1) A heading drawing attention to the importance of the circular and advising holders of shares who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the circular;
- (3) The purpose of the circular;
- (4) The reasons for and purposes of the proposed subdivision of shares;
- (5) The details of the proposed subdivision and date on which the proposed subdivision of shares was announced;
- (6) The number, type and par value of the existing and proposed subdivided shares;
- (7) The Listed Issuer's share price adjusted for the subdivision and the basis of determining the price;
- (8) The ranking of the proposed subdivided shares and treatment of any fractions;
- (9) The details of any other intended corporate exercise/scheme which have been announced but not yet completed prior to the printing of the circular;
- (10) The effects of the proposed subdivision on:-
  - (a) the issued and paid-up capital and shares to be issued pursuant to existing share option schemes or shares to be issued pursuant to the exercise and/or conversion of existing convertible securities;
  - (b) the net assets per share based on the latest consolidated audited accounts; and
  - (c) the earnings per share of the group;
- (11) The expected timeframe for completion of the proposed subdivision;
- (12) The monthly highest and lowest market prices of the listed shares transacted for the 12 months preceding the date of the circular and the last transacted price immediately before the announcement of the subdivision of shares and as at the latest practicable date prior to the printing of the circular;
- (13) The approvals required for the proposed subdivision of shares and dates on which such approvals were obtained and conditions of the approvals;
- (14) A statement by the board of directors stating whether the exercise is in the best interest of the Listed Issuer;
- (15) A recommendation from the board of directors as to the voting action that shareholders should take;
- (16) An appendix containing the following information:-
  - (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the Listed Issuer and that they collectively and

individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;

- (b) where a person is named in the circular as having advised the Listed Issuer or its directors, a statement that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (if applicable) in the form and context in which it is included; and
  - (c) a statement that from the date of the circular until the date of the general meeting the following documents (or copies thereof) may be inspected at the registered office of the Listed Issuer:-
    - (i) the memorandum and articles of association;
    - (ii) the audited accounts of the Listed Issuer and/or group for the past 2 financial years and the latest unaudited results since the last audited accounts;
    - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular; and
    - (iv) the letters of consent referred to in subparagraph (16)(b) above; and
- (17) Any other information which the shareholders and their professional advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

[ End of Appendix ]

## **APPENDIX 13F**

### **Notice of subdivision of shares**

(paragraph 13.10(2))

- (1) A heading drawing attention to the importance of the notice and advising holders of shares who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the notice, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the notice;
- (3) The purpose of the notice;
- (4) The details of the proposed subdivision and date on which the proposed subdivision of shares was announced;
- (5) The approvals required for the proposed subdivision of shares and dates on which such approvals were obtained and conditions of the approvals;
- (6) The number, type and par value of the existing and subdivided shares;
- (7) The time and date on which the Listed Issuer's shares will be suspended from trading;
- (8) The details relating to the books closing date, including last date and time for transfer, deposit and purchase of shares (where applicable);
- (9) The details relating to the crediting of the subdivided shares;
- (10) The details relating to allotment of the subdivided shares and the submission of application for quotation of the subdivided shares; and
- (11) A responsibility statement by the directors that the notice has been seen and approved by the directors of the Listed Issuer and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the notice misleading.

[ End of Appendix ]



## CHAPTER 14 DEALINGS IN SECURITIES

### PART A - GENERAL

#### 14.01 Introduction

This Chapter sets out the requirements that must be complied with by a listed issuer, its directors and principal officers in relation to dealings by its directors and principal officers in the securities of such listed issuer and other listed issuers.

### PART B - DEFINITIONS

#### 14.02 Definitions

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

- (a) "closed period" means any of the periods stipulated in subparagraphs 14.04(a) and (b);
- (b) "dealing" includes any one or more of the following actions, whether undertaken as principal or as agent:-
  - (i) acquiring or disposing of securities or any interest in securities; or
  - (ii) subscribing for or underwriting securities;
  - (iii) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into:-
    - (aa) any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
    - (bb) any agreement for or with a view to subscribing for or underwriting securities; or
    - (cc) any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the values of securities; and
  - (iv) granting, accepting, acquiring, disposing of, exercising or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities;
- (c) "deal" shall be construed in accordance with the meaning of "dealing" as defined above;
- (d) "one full market day" excludes the day on which an announcement is made. Therefore, for the purposes of paragraph 14.08(b), regardless of what time the Exchange receives an announcement on a given day, dealings can only commence after one full market day from the day on which the announcement is made;
- (e) "price-sensitive information" means information that "on becoming generally available would or would tend to have a material effect on the price or value of securities" as referred to in section 185 of the CMSA;
- (f) "principal officer", in relation to a listed issuer, includes the chief executive officer who is not a director, the chief financial officer or any other employee who has access or is privy to price-sensitive information in relation to the listed issuer; and

(g) "securities" means the securities of any listed issuer.

## **PART C - APPLICATION**

### **14.03 Application**

The requirements in this Chapter apply to the following categories of dealings:-

- (a) dealings in the securities of a listed issuer by the following categories of persons:-
  - (i) a director of the listed issuer; and
  - (ii) a principal officer of the listed issuer; and
- (b) dealings in the securities of other listed issuers by the following categories of persons:-
  - (i) a director of a listed issuer; and
  - (ii) a principal officer of a listed issuer,

when by virtue of his position as such director or principal officer, he is in possession of price-sensitive information in relation to such securities.

## **PART D - RESTRICTIONS**

### **14.04 General restriction on dealings**

Subject to paragraph 14.06 below, the directors and principal officers referred to in paragraph 14.03 (referred to as "affected persons" in this Chapter) must not engage in dealings during the following closed periods:-

- (a) during the period commencing from the time information is obtained, up to the date of announcement to the Exchange of a matter that involves price-sensitive information in relation to the securities concerned; and
- (b) during the period commencing from one month prior to the targeted date of announcement to the Exchange of a listed issuer's quarterly results, up to the date of announcement of the quarterly results.

### **14.05 Possession of price sensitive information**

Notwithstanding paragraph 14.04 above, affected persons must not deal in securities as long as they are in possession of price-sensitive information.

## **PART E - EXEMPTIONS**

### **14.06 Exemptions**

The following categories of dealings are exempted from the restrictions in paragraphs 14.04 and 14.05:-

- (a) the exercise of options or rights under an employee share or share option scheme;
- (b) the exercise of warrants;
- (c) the conversion of convertible securities;

- (d) the acceptance of entitlements under an issue or offer of securities, where such issue or offer is made available to all holders of a listed issuer's securities or to all holders of a relevant class of its securities, on the same terms;
- (e) the undertaking to accept, or the acceptance of a take-over offer; and
- (f) the undertaking to accept, or the acceptance of securities as part of a merger by way of a scheme of arrangement.

#### **14.07 Subsequent dealings**

For the avoidance of doubt, it is hereby stated that subsequent dealings in any securities obtained as a result of the dealings stated in paragraph 14.06 are not exempted from the restrictions in paragraphs 14.04 and 14.05.

### **PART F - PROCEDURES FOR DEALINGS**

#### **14.08 Procedure for dealings during closed periods**

Notwithstanding the provisions of paragraph 14.04, affected persons may deal in securities during a closed period subject to such affected persons complying with the following conditions:-

- (a) prior to the proposed dealing, an immediate announcement must be made by the affected person to the Exchange. The announcement shall state, amongst other things:-
  - (i) the affected person's current holdings of securities in the listed issuer whose securities are the subject of a proposed dealing, (referred to as the "affected company" in this Part); and
  - (ii) the affected person's intention to deal in the securities of the affected company during a closed period;
- (b) the proposed dealing can only be effected after one full market day of the announcement being made pursuant to subparagraph 14.08(a) above;
- (c) an immediate announcement must be made to the Exchange by the affected person, not later than one full market day following the dealing. The announcement shall state, amongst other things:-
  - (i) the date on which the dealing occurred;
  - (ii) the consideration for the dealing; and
  - (iii) the number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in the affected company;
- (d) the affected person must give notice of the dealing in writing to the company secretary of the affected company within one full market day after the dealing has occurred. The notice shall contain all such information as was given in the announcement made pursuant to subparagraph (c) above;
- (e) a listed issuer must maintain a proper record of all notices received by it pursuant to subparagraph (d) above; and
- (f) the company secretary of a listed issuer must, at each meeting of the board of directors, table a summary of dealings notified to the listed issuer since the last board meeting.

#### **14.09 Procedure for dealings outside closed periods**

Where an affected person deals in the securities of his own listed issuer outside closed periods, the affected person, the listed issuer and the company secretary of the listed issuer must comply with the following requirements:-

- (a) the affected person must, within 14 days after the dealing has occurred, give notice of the dealing in writing to the company secretary of the affected company and the affected company must make an immediate announcement to the Exchange of such dealing. The notice and announcement shall include the information set out in paragraph 14.08(c);
- (b) the listed issuer must maintain a proper record of all notices received by it pursuant to subparagraph (a) above; and
- (c) the company secretary of the listed issuer must, at each meeting of the board of directors, table a summary of dealings notified to the listed issuer since the last board meeting.

[ End of Chapter ]

## **CHAPTER 15 CORPORATE GOVERNANCE**

### **PART A - GENERAL**

#### **15.01 Introduction**

This Chapter sets out the requirements that must be complied with by a listed issuer and its directors with regard to corporate governance.

### **PART B - DIRECTORS**

#### **15.02 Composition of the board of directors**

- (1) A listed issuer must ensure that at least 2 directors or 1/3rd of the board of directors of a listed issuer, whichever is the higher, are independent directors.
- (2) If the number of directors of the listed issuer is not 3 or a multiple of 3, then the number nearest 1/3rd shall be used.
- (3) In the event of any vacancy in the board of directors, resulting in non-compliance with subparagraph (1) above, a listed issuer must fill the vacancy within 3 months.

#### **15.03 Undertaking and letter by directors**

- (1) A person who is a director of a listed issuer at the time this paragraph comes into force or is appointed as a director of a listed issuer thereafter, must give to the Exchange immediately after this paragraph comes into force or his appointment, whichever is the later, and in any event not later than 14 days thereafter, an undertaking in the form of Appendix 3C in respect of that listed issuer.
- (2) A person who is appointed as an independent director must give to the Exchange immediately after this paragraph comes into force or his appointment, whichever is the later, and in any event not later than 14 days thereafter, a letter in the form of Appendix 3D.

#### **15.04 Rights of directors**

Unless otherwise provided by or subject to any applicable laws or these Requirements, a listed issuer must ensure that every director has the right to the resources, whenever necessary and reasonable for the performance of his duties, at the cost of the listed issuer and in accordance with a procedure to be determined by the board of directors, including but not limited to:-

- (a) obtaining full and unrestricted access to any information pertaining to the listed issuer;
- (b) obtaining full and unrestricted access to the advice and services of the company secretary; and
- (c) obtaining independent professional or other advice.

#### **15.05 Qualification, vacation of office and removal of directors**

- (1) A listed issuer must ensure that no person is appointed or allowed to act as a director of the issuer or be involved whether directly or indirectly in the management of the issuer, including acting in an advisory capacity in relation to the issuer, if he:-
  - (a) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a company;

- (b) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence, involving fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
- (c) has been convicted by a court of law of an offence under the securities laws or the Companies Act 1965,

within a period of 5 years from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.

- (2) For the purpose of subparagraph (1) above, "securities laws" means the CMSA, the Securities Industry (Central Depositories) Act 1991 and the Securities Commission Act 1993.
- (3) The office of a director shall become vacant if the director:-
  - (a) becomes of unsound mind;
  - (b) becomes bankrupt;
  - (c) is absent from more than 50% of the total board of directors' meetings held during a financial year; or
  - (d) is convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences set out in subparagraphs (1)(a), (b) or (c) above.
- (4) For the purposes of subparagraph (3)(c) above, if a director is appointed after the commencement of a financial year, then only the board of directors' meetings held after his appointment will be taken into account.
- (5) Where a director is removed from office, the listed issuer must forward to the Exchange a copy of any written representations made by the director in question at the same time as copies of such representations are sent to members of the listed issuer under section 128(3)(b) of the Companies Act 1965, unless copies of such representations need not be sent out by reason of the circumstances specified in section 128(4) of the Companies Act 1965.

#### **15.06 Restriction on directorships**

- (1) A director of an applicant or a listed issuer must not hold more than 25 directorships in companies, of which:-
  - (a) the number of directorships in listed issuers shall not be more than 10; and
  - (b) the number of directorships in companies other than listed issuers shall not be more than 15.
- (2) For the purpose of this paragraph, "companies" means companies incorporated under or corporations registered as foreign companies under the Companies Act 1965, regardless of whether such companies are public or private companies or whether they are listed companies or not.

#### **15.07 Method of computation**

For the purposes of paragraph 15.06 above, a director of an applicant or a listed issuer must comply with the method of calculation of number of directorships prescribed by the Exchange.

#### **15.08 (Deleted)**

#### **15.09 Directors' training**

- (1) A director of a listed issuer must ensure that he attends such training programmes as may be prescribed by the Exchange from time to time.
- (2) The Exchange considers continuous training for directors of listed issuers as important to enable the directors to effectively discharge their duties. In this respect, the board of directors of a listed issuer must on a continuous basis, evaluate and determine the training needs of its directors. The subject matter of training must be one that aids the director in the discharge of his duties as a director. The board of directors must disclose in the annual report of the listed issuer whether its directors have attended training for the financial year. Where any of its directors have not attended any training during the financial year, the board of directors must state the reasons thereof in the annual report for each director.

## **PART C - AUDIT COMMITTEE**

### **15.10 Composition of the audit committee**

- (1) A listed issuer must appoint an audit committee from amongst its directors which fulfils the following requirements:-
  - (a) the audit committee must be composed of no fewer than 3 members;
  - (b) all the audit committee members must be non-executive directors, with a majority of them being independent directors; and
  - (c) at least one member of the audit committee:-
    - (i) must be a member of the Malaysian Institute of Accountants; or
    - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-
      - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
      - (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
    - (iii) fulfils such other requirements as prescribed or approved by the Exchange.
- (2) A listed issuer must ensure that no alternate director is appointed as a member of the audit committee.

### **15.11 Chairman of the audit committee**

The members of an audit committee shall elect a chairman from among their number who shall be an independent director.

### **15.12 Written terms of reference**

An audit committee must have written terms of reference which deal with its authority and duties.

### **15.13 Functions of the audit committee**

Without limiting the generality of paragraph 15.12 above, a listed issuer must ensure an audit committee shall, amongst others, discharge the following functions:-

- (1) review the following and report the same to the board of directors of the listed issuer:-

- (a) with the external auditor, the audit plan;
  - (b) with the external auditor, his evaluation of the system of internal controls;
  - (c) with the external auditor, his audit report;
  - (d) the assistance given by the employees of the listed issuer to the external auditor;
  - (e) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
  - (f) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
  - (g) the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on:-
    - (i) changes in or implementation of major accounting policy changes;
    - (ii) significant and unusual events; and
    - (iii) compliance with accounting standards and other legal requirements;
  - (h) any related party transaction and conflict of interest situation that may arise within the listed issuer or group including any transaction, procedure or course of conduct that raises questions of management integrity;
  - (i) any letter of resignation from the external auditors of the listed issuer; and
  - (j) whether there is reason (supported by grounds) to believe that the listed issuer's external auditor is not suitable for re- appointment; and
- (2) recommend the nomination of a person or persons as external auditors.

#### **15.14 Attendance of other directors and employees**

A listed issuer must ensure that other directors and employees attend any particular audit committee meeting only at the audit committee's invitation, specific to the relevant meeting.

#### **15.15 Procedure of audit committee**

An audit committee may regulate its own procedure, in particular:-

- (a) the calling of meetings;
- (b) the notice to be given of such meetings;
- (c) the voting and proceedings of such meetings;
- (d) the keeping of minutes; and
- (e) the custody, production and inspection of such minutes.

#### **15.16 Audit committee report**



- (1) A listed issuer must ensure that its board of directors prepare an audit committee report at the end of each financial year that complies with subparagraphs (2) and (3) below.
- (2) The audit committee report must be clearly set out in the annual report of the listed issuer.
- (3) The audit committee report shall include the following:-
  - (a) the composition of the audit committee, including the name, designation (indicating the chairman) and directorship of the members (indicating whether the directors are independent or otherwise);
  - (b) the terms of reference of the audit committee;
  - (c) the number of audit committee meetings held during the financial year and details of attendance of each audit committee member;
  - (d) a summary of the activities of the audit committee in the discharge of its functions and duties for that financial year of the listed issuer; and
  - (e) a summary of the activities of the internal audit function or activity.

#### **15.17 Reporting of breaches to the Exchange**

Where an audit committee is of the view that a matter reported by it to the board of directors of a listed issuer has not been satisfactorily resolved resulting in a breach of these Requirements, the audit committee must promptly report such matter to the Exchange.

#### **15.18 Rights of the audit committee**

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

- (a) have authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties;
- (c) have full and unrestricted access to any information pertaining to the listed issuer;
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- (e) be able to obtain independent professional or other advice; and
- (f) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the listed issuer, whenever deemed necessary.

#### **15.19 Quorum of an audit committee**

In order to form a quorum in respect of a meeting of an audit committee, the majority of members present must be independent directors.

#### **15.20 Retirement and resignation**

In the event of any vacancy in an audit committee resulting in the non-compliance of subparagraphs 15.10(1) above, a listed issuer must fill the vacancy within 3 months.

#### **15.21 Review of the audit committee**

The board of directors of a listed issuer must review the term of office and performance of an audit committee and each of its members at least once every 3 years to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference.

## **PART D - AUDITORS**

### **15.22 External auditors**

A listed issuer must appoint a suitable accounting firm to act as its external auditors, and amongst others, the factors to be considered for the appointment are the adequacy of the experience and resources of the firm and the persons assigned to the audit.

### **15.23 Removal or resignation of external auditors**

Where external auditors are removed from office or give notice to the listed issuer of their desire to resign as external auditors of listed issuer, the listed issuer must forward to the Exchange a copy of any written representations or written explanations of the resignation made by the external auditors at the same time as copies of such representations or explanations are submitted to the Registrar of the Companies pursuant to section 172A of the Companies Act 1965.

### **15.24 Review of statements**

A listed issuer must ensure that the external auditors review a statement made by the board of directors of a listed issuer pursuant to subparagraph 15.27(b) below, with regard to the state of internal control of the listed issuer and report the results thereof to the board of directors of the listed issuer.

### **15.25 Right to request for meeting**

Upon the request of the external auditor, the chairman of the audit committee shall convene a meeting of the committee to consider any matter the external auditor believes should be brought to the attention of the directors or shareholders.

## **PART E - CORPORATE GOVERNANCE DISCLOSURE**

### **15.26 Disclosure pursuant to the Code**

A listed issuer must ensure that its board of directors makes the following statements in relation to its compliance with the Malaysian Code on Corporate Governance in its annual report:-

- (a) a narrative statement of how the listed issuer has applied the principles set out in Part 1 of the Malaysian Code on Corporate Governance to their particular circumstances; and
- (b) a statement on the extent of compliance with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code on Corporate Governance which statement shall specifically identify and give reasons for any areas of non-compliance with Part 2 and the alternatives to the Best Practices adopted by the listed issuer, if any.

### **15.27 Additional statements by the board of directors**

A listed issuer must ensure that its board of directors makes the following additional statements in its annual report:-

- (a) a statement explaining the board of directors' responsibility for preparing the annual audited accounts; and

- (b) a statement about the state of internal control of the listed issuer as a group.

**PART F – INTERNAL AUDIT**

- 15.28** (1) A listed issuer must establish an internal audit function which is independent of the activities it audits.
- (2) A listed issuer must ensure its internal audit function reports directly to the audit committee.

[ End of Chapter ]

**APPENDIX 15A**

(Deleted)

## **CHAPTER 16 TRADING HALT, SUSPENSION, WITHDRAWAL, DE-LISTING AND ENFORCEMENT**

### **PART A - GENERAL**

#### **16.01 Introduction**

This Chapter sets out the following:-

- (a) the requirements that must be complied with by a listed issuer in respect of voluntary suspension and withdrawal by the listed issuer from the Official List; and
- (b) the powers of the Exchange with regard to:-
  - (i) trading halt, suspension and de-listing of a listed issuer or any class of its listed securities by the Exchange; and
  - (ii) enforcement of these Requirements.

### **PART B - TRADING HALT AND SUSPENSION**

#### **16.02 Suspension of trading imposed by the Exchange**

- (1) The Exchange may at any time suspend the trading of any class of the listed securities of a listed issuer in any of the following circumstances:-
  - (a) in the event of any substantial corporate exercise or capital restructuring of a listed issuer;
  - (b) in the event of a conversion exercise of singly quoted shares to shares which are separately quoted on the Official List;
  - (c) where, in the opinion of the Exchange, it is necessary or expedient in the interest of maintaining an orderly and fair market in securities traded on the Exchange;
  - (d) in any circumstances as provided in these Requirements;
  - (e) in the event of any breach of these Requirements by a listed issuer;
  - (f) upon notice by the Commission to the Exchange that in its opinion a listed issuer has breached or has failed to comply with any provision of the CMSA, the Securities Industry (Central Depositories) Act 1991, the Securities Commission Act 1993 or the Commission's Guidelines on the Offering of Equity and Equity-Linked Securities, or that it is necessary or expedient in the public interest and where it would be for the protection of investors;
  - (g) in the event of maturity of a listed debt security, warrant, convertible security or structured warrant; or
  - (h) upon the suspension of the trading of such securities listed on another stock exchange; or
  - (i) where the Exchange deems it appropriate for some other reason.
- (2) The Exchange shall notify the Commission of any decision to suspend the trading of any class of the listed securities of a listed issuer pursuant to subparagraphs (1)(c), (e) or (h) above.

#### **16.03 Voluntary suspension**

The Exchange may at any time, at its discretion, suspend trading of the listed securities of a listed issuer at the request of the listed issuer.

### **16.03A Trading Halt**

Without prejudice to the powers of the Exchange under paragraph 16.02, the Exchange may at any time, halt the trading of the listed securities of a listed issuer upon release of a material announcement by the listed issuer.

## **PART C - WITHDRAWAL OF LISTING AND DE-LISTING BY THE EXCHANGE**

### **16.04 Withdrawal of listing**

- (1) The Exchange may grant a listed issuer's request for withdrawal from the Official List.
- (2) The Exchange shall notify the Commission of any decision to approve a request for withdrawal from the Official List.

### **16.05 Request for withdrawal**

A listed issuer may not request to withdraw its listing from the Official List, unless:-

- (a) the listed issuer convenes a general meeting to obtain the approval of its shareholders and a separate meeting for the approval of the holders of any other class of listed securities, if applicable and the circular sent to the shareholders and the holders of any other class of listed securities includes the information set out in Part A of Appendix 16A. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Part A of Appendix 16A;
- (b) the resolution for the withdrawal of its listing is approved by a majority in number representing three fourths in value of the shareholders and holders of any other class of listed securities, if applicable, present and voting either in person or by proxy at the meetings and provided that such shareholders and holders of any other class of listed securities who object to the withdrawal is not more than 10% of the value of the shareholders and holders of any other class of listed securities present and voting either in person or by proxy. Where the constituent document of the listed issuer imposes a stricter condition in respect of the votes required to approve the withdrawal of listing, such stricter condition shall apply in substitution of the foregoing provision;
- (c) the shareholders and holders of any other class of listed securities, if applicable, are offered a reasonable cash alternative or other reasonable alternative (referred to as "the exit offer" in this Chapter); and
- (d) the listed issuer appoints an independent adviser, which meets the approval of the independent directors, to advise and make recommendations for the consideration of the shareholders and holders of any other class of listed securities, if applicable, in connection with the withdrawal of its listing as well as the fairness and reasonableness of the exit offer.

### **16.06 Application for withdrawal**

A listed issuer intending to withdraw its listing from the Official List must file with the Exchange an application which shall include the information set out in Part B of Appendix 16A.

### **16.07 Additional requirements**

The Exchange may at its discretion impose any additional condition for the withdrawal of any listed issuer from listing on the Official List.

### **16.08 Withdrawal of other securities**

Where a listed issuer applies to withdraw its ordinary shares from the Official List, such application shall be deemed to apply to the withdrawal of other classes of securities issued by the listed issuer and listed on the Official List.

### **16.09 De-listing by the Exchange**

- (1) The Exchange may at any time de-list a listed issuer or any class of its listed securities from the Official List in any of the following circumstances:-
  - (a) where the listed issuer fails to comply with these Requirements, subject to consultation with the Commission;
  - (b) in other circumstances as provided under paragraphs 8.14A, 8.14B or 8.14C, 8.15(3), 8.15(5) or 9.26, whereupon the Exchange shall notify the Commission of the same;
  - (c) upon the de-listing of the listed issuer or the de-listing of such securities on another stock exchange; or
  - (d) where in the opinion of the Exchange, circumstances exist which do not warrant the continued listing of a listed issuer or any class of its listed securities, subject to consultation with the Commission, except where the de-listing is due to:-
    - (i) the maturity or expiry of a class of securities;
    - (ii) a winding up order being made against a listed issuer;
    - (iii) where a structured warrant has been fully exercised prior to expiry or maturity; or
    - (iv) such other circumstances as may be approved by the Commission.
- (2) The Exchange shall de-list a listed issuer in circumstances provided under paragraph 8.15(6) or pursuant to a directive, requirement or condition imposed by the Commission whereupon the Exchange shall notify the Commission of the same.
- (3) For the purpose of subparagraph 1(a) above, failure to comply with these Requirements shall exclude failure to comply with paragraphs 8.14A, 8.14B, 8.14C, 8.15 or 9.26.

## **PART D - ENFORCEMENT**

### **16.10 Breach by subsidiaries**

A breach of these Requirements by any one of the subsidiaries of a listed issuer shall be deemed a breach of these Requirements by the listed issuer.

### **16.11 Breach by directors**

A director of a listed issuer must not:-

- (a) cause, aid or abet a breach of these Requirements by such listed issuer; or
- (b) permit, either knowingly or where he had reasonable means of obtaining such knowledge, a listed issuer to commit a breach of these Requirements.

### **16.12 Provision of information by directors**

Where a listed issuer makes an enquiry with any one of its directors for the purpose of making a disclosure pursuant to these Requirements, such director must provide information promptly to the listed issuer that:-

- (a) is clear, unambiguous and accurate;
- (b) does not contain any material omission; and
- (c) is not false or misleading.

#### **16.13 Attendance before the Exchange**

The directors, officers, employees or advisers of a listed issuer, management company, trustee or any other person to whom these Requirements are directed must, if so required by the Exchange, attend personally before the Board, any committee or officer(s) of the Exchange to provide any document, information and/or explanation for any purpose deemed appropriate by the Exchange and the Exchange may record statements from such persons.

#### **16.14 Power to obtain documents**

The Exchange may, for investigation purposes:-

- (a) by notice in writing require an applicant, a listed issuer, management company, trustee or its directors, officers, employees or advisers, or any other person to whom these Requirements are directed, to produce for inspection any documents, books, papers, registers, records or accounts (whether recorded in documentary or electronic form) (referred to collectively as "Information" in this Part D) that are held by the person concerned or to which the person concerned has control or access over;
- (b) inspect and make copies of, or take notes from, such Information;
- (c) retain such Information for such periods as the Exchange deems fit; or
- (d) disclose or forward such Information to such authorities as the Exchange deems fit.

#### **16.15 Listed issuer to ensure compliance**

Where a direction is issued or an obligation is placed on an officer or other employee of an applicant or a listed issuer under these Requirements, such applicant or listed issuer must ensure that such officer or employee complies with the said direction or obligation.

#### **16.16 Breach of these Requirements**

- (1) In the event of any breach of these Requirements by any applicant, listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed, the Exchange may take or impose such actions or penalties as it considers appropriate.
- (2) The Exchange shall notify the Commission of any decision to take or impose any action or penalty referred to in paragraph 16.17 below except where the decision is made in consultation with the Commission.

#### **16.17 Types of actions or penalties**

- (1) Without prejudice to any of the powers granted to the Exchange under any written law in relation to the enforcement of these Requirements, the types of action or penalty that the Exchange may take or impose for a breach of these Requirements include any one or more of the following:-
  - (a) in relation to applicants, listed issuers, management companies or trustees:-



- (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the listed issuer to rectify the non-compliance, which direction shall remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;
  - (vii) non-acceptance of applications or submissions, with or without conditions imposed (after consultation with the Commission);
  - (viii) imposition of condition(s) on the delivery or settlement of trades entered into in respect of the listed issuer's securities;
  - (ix) suspension of trading of the listed securities of a listed issuer;
  - (x) de-listing of a listed issuer or any class of its listed securities; or
  - (xi) any other action which the Exchange may deem appropriate.
- (b) in relation to directors or officers of an applicant or a listed issuer or any other person to whom these Requirements are directed:-
- (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the person in default to rectify the non-compliance, which direction shall remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;
  - (vii) imposition of a moratorium on or prohibition of dealings in the listed issuer's and/or other listed securities by the relevant director, officer or other person; or
  - (viii) any other action which the Exchange may deem appropriate.
- (c) in relation to advisers:-
- (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the adviser to rectify the non-compliance, which direction shall remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;

- (vii) non-acceptance of applications or submissions, with or without conditions imposed (after consultation with the Commission); or
  - (viii) any other action which the Exchange may deem appropriate.
- (2) Where an applicant, a listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed, has failed to comply with a direction or pay any fine imposed by the Exchange under subparagraph (1) above, the Exchange may impose additional actions or penalties as specified in subparagraph (1) on such persons. Such additional actions or penalties may include, without limitation, the imposition of additional fines in such manner as the Exchange deems fit (e.g. additional fines on a daily basis until the full amount due is paid to the Exchange) or suspension of trading or de-listing of securities in the case of a listed issuer.

#### **16.18 Cumulative actions or penalties**

The imposition of any one or more of the actions or penalties set out in paragraph 16.17 does not preclude the Exchange from later taking or imposing such further actions or penalties, as stipulated under paragraph 16.16, against an applicant, a listed issuer, management company, trustee or its directors, officers, advisers or any other person to whom these Requirements are directed, as the Exchange thinks fit on the same facts or further facts, including de-listing, in the case of a listed issuer.

#### **16.19 Other rights**

The exercise of the powers in paragraphs 16.16 and 16.17 does not in any way prejudice the other rights of the Exchange against an applicant, a listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed.

#### **16.20 Confirmation by Exchange**

The confirmation given by the Exchange that it has no further comments on any document that is submitted to the Exchange for perusal pursuant to these Requirements shall not preclude the Exchange from taking enforcement action against the listed issuer and/or its advisers in the event of any failure by such listed issuer and/or its advisers to comply with these Requirements pertaining to the form and content of the said document.

#### **16.21 Notification by Exchange**

The Exchange may, at any time, and in its absolute discretion, refer the conduct of any applicant, listed issuer, management company, trustee or its directors, officers, advisers or any other person to whom these Requirements are directed, to any relevant authority, without giving notice to such persons.

#### **16.22 Committee or sub-committee to decide**

The Exchange shall appoint a committee or sub-committee or officer(s) of the Exchange or Exchange Holding Company to discharge the exercise of its powers under paragraphs 16.16 and 16.17.

#### **16.23 Rights of person**

The person who is the subject of enforcement proceedings by the Exchange may request for an oral hearing before the Exchange, make submissions and procure the attendance of witnesses to answer the case made against him by the Exchange.

[ End of Chapter ]

## APPENDIX 16A

### Part A

#### Contents of circular in relation to withdrawal of listing

(paragraph 16.05(a))

- (1) A heading drawing attention to the importance of the circular and advising holders of securities who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- (2) (Deleted)
- (3) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the circular;
- (4) The reasons and facts concerning the withdrawal of securities of the listed issuer;
- (5) The opinion of the board of directors in respect of the withdrawal;
- (6) A letter of opinion of the independent adviser in connection with the withdrawal of the securities of the listed issuer as well as the fairness and reasonableness of the exit offer by way of an appendix; and
- (7) An appendix containing the following information:-
  - (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed issuer and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed issuer or its directors, a statement that such adviser or expert has given and has not withdrawn its written consent to the inclusion of the adviser's or expert's name and/or letter (where applicable) in the form and context in which it is included;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered into by the listed issuer and/or its subsidiaries within 2 years immediately preceding the date of the circular. The following particulars shall be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction thereof;
  - (d) a statement of all material litigation, claims or arbitration involving the listed issuer and/or any of its subsidiaries, including those pending or threatened against such companies. The following particulars shall be disclosed:-
    - (i) the background;
    - (ii) the date of the suit;
    - (iii) the names of the plaintiff(s) and defendant(s);
    - (iv) the estimate of the maximum exposure to liabilities;
    - (v) directors'/solicitors' opinion of the outcome; and
    - (vi) the status;

- (e) a statement that from the date of the circular to the date of the general meeting the following documents (or copies thereof) may be inspected at the registered office of the listed issuer:-
  - (i) the memorandum and articles of association;
  - (ii) the audited accounts of the listed issuer/group for the past 2 financial years and the latest unaudited results since the last audited accounts;
  - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular;
  - (iv) the letters of consent referred to in subparagraph 7(b) above;
  - (v) the material contracts referred to in subparagraph 7(c) above; and
  - (vi) the relevant cause papers in respect of the material litigation referred to in subparagraph 7(d) above; and
- (8) Any other information which the shareholders and holders of any other class of listed securities and their professional advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

## **Part B**

### **Contents of application for withdrawal** (paragraph 16.06)

- (1) The full and detailed reasons for the withdrawal;
- (2) The board resolution for the withdrawal;
- (3) The confirmation that the approval of any other relevant authority, if required, has been obtained;
- (4) The confirmation that the listed issuer has obtained approval of its shareholders and the holders of any other class of listed securities, if applicable, in accordance with paragraph 16.05; and
- (5) Any other information or explanation as may be required by the Exchange.

[ End of Appendix ]

## **SCHEDULE OF FEES (subject to change from time to time)**

### **1. Introduction**

- 1.1 For the purposes of computing the listing fees set out under this Schedule, unless otherwise stated, the market value of the security:
- (a) In the case of initial or additional listing fees:
    - (i) shall be based on the issue or offer price of the securities or where there is more than one issue or offer price, the average issue or offer price; or
    - (ii) where there is no issue or offer price:
      - (aa) shall be based on the last traded price on the first day of listing; or
      - (bb) such other valuation as may be determined by the Exchange.
  - (b) In the case of annual listing fees, subject to subparagraph (c) below:
    - (i) shall be based on the last traded price on the last market day of the calendar year;
    - (ii) where the securities are suspended on such market day, the last traded price prior to suspension; or
    - (iii) such other valuation as may be determined by the Exchange.
  - (c) In the case of the first annual listing fee payable by an applicant whose listing application has been approved, the market value of the security shall be computed in accordance with subparagraph (a) above.
- 1.2 The Exchange reserves the right to add to, vary or delete any of the fees from the Schedule from time to time, as it deems fit.
- 1.3 Any late payment of fees shall result in late payment charges calculated based on 10% per annum on daily rest basis.
- 1.4 No refund of any fees paid will be allowed except in relation to the Commission's Valuation Review Fee as may be determined by the Commission.
- 1.5 Paragraphs 2.2 and 5.2 below shall not apply to an issue of additional shares arising from a corporate proposal where there is no change in the total market value of that class of listed shares, such as a bonus issue, subdivision or consolidation.

### **2. Listing fees for shares**

#### **2.1 Initial listing fees**

0.01% of the total market value of the issued capital of the listed issuer is payable for initial listing, subject to a minimum fee of RM20,000 and a maximum fee of RM200,000.

## 2.2 Additional listing fees

0.01% of the total market value of the additional shares listed is payable for additional listing, subject to a minimum fee of RM10,000 and a maximum fee of RM100,000.

## 2.3 Annual listing fees

0.0025% of the total market value of the issued capital of the listed issuer is payable as annual listing fees, subject to a minimum fee of RM20,000 and a maximum fee of RM100,000.

## 3. Listing fees for convertible debt securities and non-convertible debt securities

### 3.1 Initial listing fees

0.0025% of the total market value of the securities listed is payable for initial listing, subject to a minimum fee of RM2,500 and a maximum fee of RM10,000.

### 3.2 Additional listing fees

No additional listing fee is payable.

### 3.3 Annual listing fees

A fixed fee of RM2,000 (for each class of securities) is payable as annual listing fees.

## 3A. Listing fees for sukuk or debt securities under an Exempt Regime

### 3A.1 Initial listing fees

A fixed fee of RM3,000 (for each issuance or programme, as the case may be) is payable as initial listing fees.

### 3A.2 Additional listing fees

No additional listing fee is payable.

### 3A.3 Annual listing fees

A fixed fee of RM2,000 (for each issuance or programme, as the case may be) is payable as annual listing fees.

## 4. Listing fees for convertible equity securities

### 4.1 Initial listing fees

0.0025% of the total market value of the securities listed is payable for initial listing, subject to a minimum fee of RM10,000 and a maximum fee of RM200,000.

### 4.2 Additional listing fees

No additional listing fee is payable.

### 4.3 Annual listing fees

## 4A Listing fees for Structured Warrants

### 4A.1 Initial listing fees

0.0025% of the total market value of the securities listed is payable for initial listing, subject to a minimum fee of RM10,000 and a maximum fee of RM50,000.

4A.2 Additional listing fees

No additional listing fee is payable.

4A.3 Annual listing fees

A fixed fee of RM500 per month of listing

**5. Listing fees for trust units**

5.1 Initial listing fees

A fixed fee of RM25,000 (for each class of securities) is payable as initial listing fees.

5.2 Additional listing fees

0.005% of the total market value of the additional units listed is payable for additional listing, subject to a minimum fee of RM5,000 and a maximum fee of RM25,000.

5.3 Annual listing fees

0.00125% of the total market value of the units listed is payable as annual listing fees, subject to a minimum fee of RM2,000 and a maximum fee of RM5,000.

**6. Listing fees for exchange traded funds**

6.1 Initial listing fees

A fixed fee of RM25,000 (for each fund) is payable as initial listing fees.

6.2 Additional listing fees

0.005% of the total market value of the increase in fund size is payable for additional listing, subject to a minimum fee of RM5,000 and a maximum fee of RM25,000.

For the purposes of paragraph 6.2, "fund size" refers to the size of the fund that has been approved for listing by the Exchange.

6.3 Annual listing fees

0.00125% of the total market value of the units listed is payable as annual listing fees, subject to a minimum fee of RM2,000 and a maximum fee of RM5,000.

**7. Perusal fees**

For the perusal of documents, e.g. circulars, notices and reporting thereon, the Exchange will charge fees as determined from time to time.

**8. Processing fees for subdivision of shares**

For the processing of applications for subdivision of shares, a listed issuer must pay RM10,000 upon submission of the application.

**9. Processing of listing applications in relation to bonus issues and/or share schemes for employees**

Processing fee for:-

- (a) Bonus issues:

RM5,000 + 0.005% of the issued and paid-up capital to be listed subject to a maximum amount of RM 300,000.

- (b) Share scheme for employees:  
RM3,000.

**10. The Commission's Valuation Review Fee**

For the Commission's review of valuation reports pursuant to paragraph 6.26B, the fees, as determined by the Commission, are as follows:-

- (a) Where the total market value of the land and buildings is less than RM 1 million:  
RM 3,000.
- (b) Where the total market value of the land and buildings is RM 1 million and more:  
RM 3,000 + 0.01% of the total market value of the land and buildings subject to a maximum amount of RM 100,000.
- (c) Where the valuation report forms part of a submission to the Commission pursuant to section 212 of the CMSA and is being or has been reviewed by the Commission in connection thereto, the Commission's Valuation Review Fee is not applicable.
- (d) Where a Second Opinion Valuation is obtained, the Commission's Valuation Review Fee will be based on the lower of the 2 revaluation figures.

**10A. Charges for advertisement of securities prescribed (Paragraph 3.15A)**

Advertisement charges incurred or to be incurred by the Exchange pursuant to section 14(2) of the Securities Industry (Central Depositories) Act 1991 as notified by the Exchange.

- 11.** No refund of any fees paid will be allowed except in relation to the Commission's Valuation Review Fee as may be determined by the Commission.