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**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 corporation, its directors or advisers in addition to other continuing listing obligations which have been set out in other Chapters of these Requirements.

**PART B – CONTINUING LISTING CRITERIA****8.02 Compliance with shareholding spread requirement**

- (1) A listed corporation must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. The Exchange may accept a percentage lower than the 25% threshold if it is satisfied that such lower percentage is sufficient for a liquid market in such shares.
- (2) Listed corporations which have shares listed on other stock exchange(s) may have these shares included for the purpose of computing the percentage of shareholding spread referred to in sub-Rule (1) above.
- (3) A listed corporation must immediately announce to the Exchange if it becomes aware that it does not comply with the required shareholding spread referred to in sub-Rule (1) above.
- (4) A listed corporation which fails to maintain the required shareholding spread referred to in sub-Rule (1) may request for an extension of time to rectify the situation in the manner as may be prescribed by the Exchange.
- (5) A listed corporation must furnish a schedule containing the information set out in Appendix 8E to the Exchange, upon completion of a take-over offer under the Take-Overs and Mergers Code.

*[Cross reference: Guidance Note 13]*

**8.03 Cash Companies**

- (1) A listed corporation whose assets on a consolidated basis, consist of 70% or more of cash or short term investments, or a combination of both ("**Cash Criterion**"), must immediately notify the Exchange of its condition in writing. The Exchange will determine whether such listed corporation should be considered a Cash Company. A listed corporation considered as a Cash Company by the Exchange will be notified by the Exchange.
- (2) A Cash Company must comply with such requirements as may be prescribed by the Exchange, failing which the Exchange may suspend the trading of listed securities of such listed corporation or de-list it, or both.

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- (3) For the purposes of sub-Rule (1) above, the following apply:
- (a) a listed corporation 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 corporations.
- (4) A Cash Company must place at least 90% of its cash and short-dated securities (including existing cash balance and the consideration arising from the disposal undertaken by the Cash Company) in an account opened with a financial institution licensed by Bank Negara Malaysia and operated by a custodian. Any interest generated by the monies held in the account must accrue to the account. For the purpose of this sub-Rule (4), “**custodian**” means any of the following who is independent of the Cash Company:
- (a) a trust company registered under the Trust Companies Act 1949 or incorporated pursuant to the Public Trust Corporation Act 1995 and is in the List of Registered Trustees in relation to Unit Trust Funds issued by the SC; or
  - (b) a licensed bank or licensed investment bank as defined in the Financial Services Act 2013.

The Cash Company must ensure that the amount in the above account is not withdrawn, except for the following purposes:

- (i) implementing a proposal to acquire a new core business approved by the Exchange; or
  - (ii) pro-rata distributions to shareholders pursuant to sub-Rule (9) below.
- (5) A Cash Company must comply with the following additional requirements:
- (a) regularise its condition in the following manner:
    - (i) submit a proposal to acquire a new core business, which is substantially comprehensive and will increase shareholder value, to the Exchange and obtain the Exchange’s approval to implement the proposal, within 12 months from the date it receives the notice referred to in sub-Rule (1) above;
    - (ii) appoint a Sponsor within 3 months from the date the listed corporation announces that it is a Cash Company and retain the said Sponsor until it is no longer considered as Cash Company by the Exchange under sub-Rule (8) below; and
    - (iii) implement its proposal within 6 months from the date the proposal is approved by the Exchange. However, for cases which involve court proceedings, a Cash Company has up to 12 months from the date the proposal is approved by the Exchange, to complete the implementation of the proposal;
  - (b) retain the services of a Sponsor for at least 3 full financial years after it is no longer considered as a Cash Company by the Exchange under sub-Rule (8) below. In this regard, the Sponsor referred to in sub-Rule (a)(ii) above must act as the Sponsor of the Cash Company for at least the first full financial year;

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- (c) provide such information as may be prescribed by the Exchange from time to time for public release; and
- (d) do such other acts or things as may be required by the Exchange.
- (6) The Exchange may suspend the trading of the Cash Company's listed securities if it fails to comply with any part of its obligations in sub-Rule (5)(a) above or if its proposal is rejected by the Exchange and the Exchange may de-list such Cash Company.
- (7) Sub-Rules (1) and (2) above are not applicable to the following listed corporations:
- (a) listed corporations whose activities are regulated by any written law relating to banking, finance corporations or insurance and are subject to supervision by Bank Negara Malaysia;
- (b) Participating Organisations;
- (c) infrastructure project corporations which have not completed their infrastructure project(s); and
- (d) such other category of listed corporations as may be prescribed by the Exchange.
- (8) For a Cash Company to be no longer considered a Cash Company, the Cash Company must—
- (a) complete the implementation of its proposal; and
- (b) submit an application to the Exchange to demonstrate that it is no longer a Cash Company, together with all the necessary documentary evidence.
- The fact that a Cash Company has ceased to trigger the Cash Criterion before it completes the implementation of its proposal, would not entitle it to be no longer considered as a Cash Company for the purpose of this sub-Rule.
- (9) A Cash Company must ensure that all moneys deposited, together with interests earned with the financial institution licensed by Bank Negara Malaysia and operated by a custodian under sub-Rule (4) above are distributed to its shareholders on a pro-rata basis as soon as practicable if the Cash Company –
- (a) fails to comply with any part of its obligations in sub-Rule (5)(a) above; or
- (b) does not intend to maintain its listing at any time after it receives the notice referred to in sub-Rule (1) above.

*[Cross reference: Guidance Notes 2 and 20]*

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**8.03A Level of operations**

- (1) A listed corporation must maintain an adequate level of operations to warrant continued trading or listing on the Official List.
- (2) The following are circumstances which indicate that a listed corporation may not have a level of operations that is adequate to warrant continued trading or listing on the Official List:
  - (a) the listed corporation has suspended or ceased –
    - (i) all of its business or its major business; or
    - (ii) its entire or major operations,for any reasons whatsoever including, amongst others, due to or as a result of -
    - (aa) the cancellation, loss or non-renewal of a licence, concession or such other rights necessary to conduct its business activities;
    - (bb) the disposal of the listed corporation's business or major business; or
    - (cc) a court order or judgment obtained against the listed corporation prohibiting the listed corporation from conducting its major operations on grounds of infringement of copyright of products etc; or
  - (b) the listed corporation has an insignificant business or operations. This is not applicable to a Sponsored Corporation during the Sponsorship Period.
- (3) Subject to sub-Rules (5) and (6) below, a listed corporation that triggers sub-Rules (2)(a) or (2)(b) above ("**affected listed corporation**") must comply with the following, failing which the Exchange may suspend the trading of listed securities of such listed corporation or de-list the listed corporation, or both:
  - (a) immediately announce to the Exchange of its condition and provide such information from time to time for public release in accordance with the disclosure obligations set out in paragraph 4.0 of Guidance Note 3, with the necessary modifications;
  - (b) regularise its condition by complying with the requirements set out in Rule 8.04(3) and paragraph 5.0 of Guidance Note 3, with the necessary modifications; and
  - (c) comply with such other requirements or do such other acts or things as may be prescribed or required by the Exchange.
- (4) Where the Exchange approves the regularisation plan of an affected listed corporation pursuant to sub-Rule (3)(b) above, such approval may be unconditional or subject to such conditions, as it deems fit. If the regularisation plan is rejected by the Exchange, the affected listed corporation may appeal against the decision of the Exchange within 30 days from the date of its rejection.
- (5) An affected listed corporation need not comply with the requirements set out in sub-Rule (3) above provided that -
  - (a) the affected listed corporation is able to demonstrate to the satisfaction of the Exchange that its remaining business is sustainable and has prospects, supported with appropriate justifications; and

- (b) in the view of the Exchange, its level of operations warrant continued trading or listing on the Official List.
- (6) An affected listed corporation intending to rely on sub-Rule (5) above must announce the following to the Exchange:
- (a) immediately upon the affected listed corporation triggering sub-Rules (2)(a) or (2)(b) above, a statement to that effect and that it has made an application to the Exchange pursuant to sub-Rule (5) above; and
- (b) immediately upon its receipt of the Exchange's decision on its application, the Exchange's decision and the conditions imposed (if any).
- (7) For the purposes of this Rule, unless the context otherwise requires –
- (a) in relation to sub-Rule (2)(a) above, "**major**" means such proportion that contributes or generates 70% or more of the listed corporation's revenue on a consolidated basis based on its latest annual audited or unaudited financial statements;
- (b) "**insignificant business or operations**" means business or operations which generates revenue on a consolidated basis that represents 5% or less of the share capital (excluding any redeemable preference shares and treasury shares) of the listed corporation ("**Capital**") based on its latest annual audited or unaudited financial statements.

For the purpose of computation, the following applies:

- (i) "**revenue on a consolidated basis**" comprises the revenue of the listed corporation, its subsidiaries, as well as revenue from the listed corporation's associated companies, calculated on a proportionate basis, based on the listed corporation's equity holding in the associated companies; and
- (ii) where there is/are a change/changes to the Capital in that financial year, the weighted average Capital for that financial year must be used. The weighted average Capital means the total amount of the Capital at the beginning of the financial year, adjusted by the amount of increase or reduction in the Capital during that financial year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the specific Capital is outstanding as a proportion of the total number of days in that financial year.

Example - Weighted Average of Capital for financial year ended 31 December 2xx1

		Share (excluding redeemable preference shares and treasury shares) (RM)
1 January 2xx1	Balance	10,000,000
1 June 2xx1	Issue of 5,000,000 new shares at RM1 each for cash	15,000,000
1 Dec 2xx1	Issue of 3,000,000 new shares at RM1 each for cash	18,000,000

Computation of weighted average:

$$(RM10,000,000 \times 151/365) + (RM15,000,000 \times 183/365) + (RM18,000,000 \times 31/365) \\ = RM13,186,301$$

[Cross reference: Guidance Notes 3 and 20]

#### 8.04 Financial condition

- (1) The financial condition of a listed corporation on a consolidated basis must, in the opinion of the Exchange, warrant continued trading or listing on the Official List.
- (2) The Exchange may prescribe certain criteria in relation to the financial condition of a listed corporation ("**Prescribed Criteria**"). When a listed corporation triggers any of the Prescribed Criteria ("**GN3 Company**") it must comply with such requirements as may be prescribed by the Exchange, failing which the Exchange may suspend the trading of listed securities of such listed corporation or de-list it or both.
- (3) A GN3 Company must comply with the following additional requirements:
  - (a) regularise its condition in the following manner:
    - (i) submit to the Exchange a regularisation plan and obtain the Exchange's approval to implement the plan within 12 months from the date the listed corporation announces that it is a GN3 Company;
    - (ii) appoint a Sponsor within 3 months from the date the listed corporation announces that it is a GN3 Company and retain the said Sponsor until it is no longer considered as a GN3 Company by the Exchange under sub-Rule (8) below; and
    - (iii) implement the regularisation plan within 6 months from the date the regularisation plan is approved by the Exchange. However, for cases which involve court proceedings, a GN3 Company has up to 12 months from the date the regularisation plan is approved by the Exchange, to complete the implementation of the regularisation plan;
  - (b) provide such information as may be prescribed by the Exchange from time to time for public release;
  - (c) retain the services of a Sponsor for at least 3 full financial years after it is no longer considered as a GN3 Company by the Exchange under sub-Rule (8) below. In this regard, the Sponsor referred to in sub-Rule (a)(ii) above must act as the Sponsor of the GN3 Company for at least the first full financial year; and
  - (d) do such other acts or things as may be required by the Exchange.
- (4) Where the Exchange approves the regularisation plan of a GN3 Company, such approval may be unconditional or subject to such conditions, as it deems fit. If the regularisation plan is rejected by the Exchange, the GN3 Company may appeal against the decision of the Exchange within 30 days from the date of its rejection.

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- (5) If a GN3 Company fails to comply with any part of its obligations under sub-Rule (3)(a) above within the timeframes permitted by the Exchange, the Exchange shall –
- (a) suspend the trading of the GN3 Company's listed securities on the 6<sup>th</sup> market day after the date of notification of suspension by the Exchange; and
  - (b) de-list such GN3 Company subject to the latter's right to appeal against the de-listing under sub-Rule (6) below.
- (6) Unless otherwise specified, a GN3 Company which intends to appeal against a de-listing under this Rule 8.04 must submit its appeal to the Exchange within 5 market days from the date of notification of de-listing by the Exchange.
- (7) Where an appeal against de-listing has been submitted to the Exchange, the Exchange shall stay the de-listing of the GN3 Company concerned pending consideration of the appeal. However, the Exchange shall suspend the trading of the GN3 Company's listed securities on the 6<sup>th</sup> market day after the date of notification of suspension by the Exchange even though the decision of the appeal may still be pending.
- (8) For a GN3 Company to be no longer considered a GN3 Company, the GN3 Company must –
- (a) complete the implementation of its regularisation plan; and
  - (b) submit an application to the Exchange to demonstrate that it is no longer a GN3 Company, together with all the necessary documentary evidence.

The fact that a GN3 Company has ceased to trigger the Prescribed Criteria before it completes the implementation of its regularisation plan, would not entitle it to be no longer considered as a GN3 Company for the purpose of this sub-Rule.

*[Cross reference: Guidance Notes 3 and 20]*

#### **8.05 Sponsor during the Sponsorship Period**

- (1) A listed corporation must comply with Rule 3.21 or Rule 3A.05, as the case may be, in securing and maintaining the services of a Sponsor or a replacement Sponsor.
- (2) The Exchange may at any time suspend the trading in the securities of a listed corporation which fails to comply with sub-Rule (1) above. If the suspension continues for more than 2 months, the Exchange may de-list the listed corporation from its Official List.

#### **8.06 Appointment of Adviser for proposals**

- (1) A listed corporation must engage the services of an Adviser where it undertakes such corporate proposal or activity prescribed by the Exchange to require the services of an Adviser.

*[Cross reference: Guidance Note 19]*

- (1A) A listed corporation transferred from the LEAP Market may engage the services of either an Adviser or the Recognised Approved Adviser which acted as its Joint Transfer Sponsor, where it undertakes a corporate proposal involving new issue of securities prescribed in Rule 6.02(4A) of these Requirements.
- (2) A listed corporation must ensure that the circular or document in respect of such corporate proposal is prepared and reviewed by its Adviser or Recognised Approved Adviser, as the case may be, before it is submitted to the Exchange for perusal.

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**PART C – OPERATIONAL MATTERS****8.07 Proxy forms**

A listed corporation must design its proxy forms in a manner which will allow a securities holder of the listed corporation appointing a proxy to indicate how he would like his proxy to vote in relation to each resolution.

**8.08 Audit for transfers and issue of securities**

A listed corporation must provide the Exchange, upon request, with an external auditor's confirmation to the effect that the transfers and issue of securities is in accordance with the requirements set out in Rules 6.10, 6.29, 6.46, 6.59 and 8.17, where applicable.

**8.09 Number of securities**

A listed corporation 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.

**8.10 Paper quality and watermark**

A listed corporation must ensure that the certificates are designed so that forgery and/or alterations are readily detectable. A listed corporation 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 the listed corporation, and such other additional security features as the Exchange may determine from time to time.

**8.11 Size of certificates**

A listed corporation 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.

**8.12 Submission of annual returns**

A listed corporation must submit to the Exchange returns as at 31<sup>st</sup> December of each calendar year within 2 months from the said date, which includes such information as may be prescribed by the Exchange from time to time by way of an electronic template provided by the Exchange.

**8.13 Change in classification**

- (1) Where there are circumstances to signify that a change in the classification of a listed corporation in a specific sector has taken place, the listed corporation 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 is subject to the approval of the Exchange. The Exchange may in its absolute discretion either maintain the classification or classify the listed corporation into such other sector as it deems fit.
- (2) Notwithstanding the absence of any notification from the listed corporation, the Exchange may, where the circumstances warrant the same, change the classification of a listed corporation to a sector which, in the opinion of the Exchange, is more appropriate for the listed corporation.

*[Cross reference: Guidance Note 1]*



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**PART D – SPONSORSHIP OF DEPOSITORY RECEIPTS****8.14 Sponsorship of depository receipts**

A listed corporation must not enter into an agreement with a depository bank to sponsor a depository receipt programme unless the following terms are incorporated in the said agreement:

- (a) the total number of custodians holding the listed corporation's securities for which the receipts are issued ("**underlying securities**") must not be more than 5;
- (b) the total number of underlying securities at any time must not be more than 5% of the total number of issued shares of the listed corporation;
- (c) the depository bank must provide to the listed corporation, information in respect of the depository receipts that will enable the listed corporation to comply with these Requirements; and
- (d) where there is more than one custodian bank appointed, the depository bank must 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 sub-Rule (b) above.

**8.15 Status reports on depository receipts**

- (1) A listed corporation which has entered into an agreement to sponsor a depository receipt programme must provide to the Exchange, for its information, every quarter of a calendar year, the following ("**status report**"):
  - (a) the number and names of the custodians holding the securities for which the depository receipts are issued; and
  - (b) the total number and percentage of the securities for which the depository receipts are issued against its total number of issued shares and a breakdown of the same in respect of the securities held by each custodian.
- (2) Where the status report shows that the limit referred to in Rule 8.14(b) above is exceeded, the Exchange will forward such report to the Depository, for its further action.

**PART E – OFFER FOR SALE****8.16 Renounceable offer for sale**

A listed corporation or an offeror, or both, in a renounceable offer for sale of securities listed or proposed to be listed on the Official List, must comply with the requirements of Rules 6.23, 6.24, 6.25, 6.27, 6.28 and 6.29 as if its offer for sale were the rights issue mentioned under those Rules.

**8.17 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 securities holders 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 corporation or offeror, or both must -

- (a) cause the securities to be credited into the securities accounts of the successful applicants or issue and/or allot securities, as the case may be;
- (b) despatch notices of allotment to the successful applicants; and
- (c) apply for the quotation of such securities (where applicable).

**PART F – DIRECTORS****8.18 Director's undertaking**

A listed corporation must ensure that every director of the listed corporation gives the Exchange not later than 14 days after his appointment, an undertaking in the form of as may be prescribed by the Exchange.

*[Cross reference: Annexures GN15-C and GN15-D of Guidance Note 15]*

**PART G – SHARE ISSUANCE SCHEME****8.19 Allocation under a Share Issuance Scheme**

- (1) A listed corporation must disclose to employees the criteria for allocation of options pursuant to a Share Issuance Scheme.
- (2) A listed corporation 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 sub-Rule (1) above, at the end of each financial year.
- (3) [Deleted]

**8.20 Termination of a Share Issuance Scheme**

- (1) A listed corporation may not terminate a Share Issuance Scheme before expiry unless -
  - (a) the bylaws of the scheme contain a provision empowering the listed corporation to do so.
  - (b) [deleted]
  - (c) [deleted]
- (2) [Deleted]
- (3) [Deleted]
- (4) [Deleted]

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- (5) A listed corporation which terminates a Share Issuance Scheme before its expiry must immediately announce to the Exchange –
- (a) the effective date of termination;
  - (b) the number of options exercised or shares vested; and
  - (c) the reasons for termination.

### 8.21 Implementation of a new Share Issuance Scheme

A listed corporation may implement more than 1 Share Issuance Scheme provided that the aggregate number of shares available under all the Share Issuance Schemes does not breach the limit stipulated in Rule 6.39.

### 8.22 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 Issuance Scheme within 1 year from the date of offer of such options.

## PART H – OTHERS

### 8.23 Material dilution

- (1) A listed corporation must obtain shareholder approval 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 corporation's equity interest in such principal subsidiary.
- (2) For the purpose of sub-Rule (1) above, “material dilution” means a percentage reduction amounting to 25% or more.

### 8.24 Material variations

- (1) A listed corporation must issue a circular to its shareholders and seek its shareholder approval if it proposes to make:
  - (a) a material change to the utilisation of proceeds raised by the listed corporation from its initial public offering or new issue of securities which has been approved by way of specific shareholder approval; or
  - (b) a material amendment, modification or variation to a proposal which has been approved by shareholders in general meeting.
- (2) For the purpose of sub-Rule (1) above -
  - (a) a change to the utilisation of proceeds is considered material if such change is 25% or more of the total proceeds raised; or
  - (b) 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 corporation in relation to such proposal.
- (3) Sub-Rule (1)(b) above does not apply to any amendment, modification or variation resulting from such direction or condition as may be imposed by the relevant authorities.

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**8.25 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 sub-Rule (2) below, a listed corporation or its subsidiaries not listed on any stock exchange may only -

- (a) lend or advance any money; or
- (b) guarantee, indemnify or provide collateral for a debt,

(“**provision of financial assistance**”) to or in favour of the following:

- (i) directors or employees of the listed corporation or its subsidiaries;
- (ii) persons to whom the provision of financial assistance -
  - (aa) is necessary to facilitate the ordinary course of business of the listed corporation or its subsidiaries; or
  - (bb) pursuant to the ordinary course of business of the listed corporation 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, associated companies or joint arrangements of the listed corporation, the listed corporation (in the case of the subsidiaries providing the financial assistance) or its immediate holding company which is listed.

For the purpose of this sub-Rule (iii), a “**joint arrangement**” has the meaning given to it under the approved accounting standards.

(2) Where a listed corporation or its subsidiaries provide financial assistance -

- (a) the board of directors of such listed corporation must ensure -
  - (i) that the provision of the financial assistance referred to in sub-Rule (1) above is fair and reasonable to the listed corporation and is not to the detriment of the listed corporation and its shareholders; and
  - (ii) where a listed corporation or its subsidiary lends or advances money in the ordinary course of business as a moneylender (“**moneylending company**” and “**moneylending operations**”), that the board of directors of the listed corporation 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 corporation, for different quantum of financial assistance granted by the moneylending company;
    - (cc) monitoring and control of credit risk; and

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- (dd) timely identification and administration of problem credits;
  - (b) where it is a related party transaction as defined in Rule 10.02, the listed corporation complies with the requirements of Rule 10.08 in addition to this provision;
  - (c) where the provision of financial assistance is to the associated company or the joint arrangement of the listed corporation, and the aggregate amount provided or to be provided at any time to each associated company or joint arrangement compared to the net tangible assets of the group is 5% or more, the listed corporation must issue a circular to its shareholders and seek shareholder approval in a general meeting, of such provision of financial assistance, unless the listed corporation complies with the requirements in sub-Rule (1)(ii) above, in which case, the requirement to issue a circular and seek shareholder approval is dispensed with;
  - (d) where shareholder approval is required pursuant to sub-Rules (b) or (c) above, the listed corporation must state in its circular, the proposed utilisation of the amount of the financial assistance; and
  - (e) in addition to the announcement as may be required by the Exchange, the listed corporation must announce the information set out in Appendix 8D 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.
- (3) 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 corporation 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 requests of the Exchange, including but not limited to the following information in relation to the 20 debtors of each moneylending company having the highest amount of outstanding loans and/or advances (“**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 a 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 the 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 SC.
- (4) Sub-Rules (1), (2) and (3) above do not apply to -
- (a) any provision of financial assistance provided to or in favour of the listed corporation or wholly owned subsidiaries of the listed corporation;

- (b) a corporation whose activities are regulated by any written law relating to banking, finance corporations or insurance and are subject to supervision by Bank Negara Malaysia or an equivalent foreign regulatory authority as the Exchange deems appropriate; or
- (c) [deleted]
- (d) share financing or share margin financing carried out by a listed corporation or its subsidiary not listed on any stock exchange which is a Participating Organisation.

[Cross reference: Guidance Note 4]

### 8.26 Listing of subsidiaries

A listed corporation must obtain shareholder approval if it wishes to list the securities of any of its subsidiaries on any stock exchange.

### 8.27 No alteration to or revocation of entitlement or books closing date after announcement of books closing date

- (1) Where an entitlement is subject to the relevant authorities' approval, a listed corporation must first procure such authorities' approval before fixing a books closing date.
- (2) Once the basis of an entitlement and the books closing date have been declared, a listed corporation must not make any subsequent alteration to or revocation of such entitlement or books closing date.

### 8.28 Declaration of dividend

- (1) Once the dividend has been declared or proposed to shareholders, a listed corporation must not make any subsequent alteration to the dividend entitlement.
- (2) A listed corporation 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.

### 8.28A Electronic payment of cash distributions

- (1) A listed corporation must pay all cash distributions to its securities holders by directly crediting the payments into the securities holders' bank accounts as provided to the Depository from time to time.
- (2) Where a listed corporation's securities holders have provided the relevant contact details to the Depository for the purposes of electronic notifications, the listed corporation must notify them electronically once the listed corporation has paid the cash distributions out of its account.
- (3) For the purpose of this Rule, "**cash distributions**" means cash payments made by a listed corporation in respect of its securities which are listed and quoted for trading on the Exchange, as prescribed by the Exchange from time to time which include -
  - (a) cash dividends;
  - (b) payments of interest or profit rates on debt securities or sukuk respectively;
  - (c) capital repayment; and

- (d) cash payments in lieu of odd lots arising from distributions in specie.

### 8.29 Notices of general meetings

- (1) A listed corporation 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 sub-Rule (1) above, a listed corporation must ensure that a notice convening an annual general meeting, where applicable, is 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.

### 8.30 Notice of maturity

The listed corporation must issue a notice of the maturity or expiry of any listed 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 1 month before the last conversion/exercise date or maturity date, whichever is the earlier.

### 8.31 Securities holder approval

- (1) If a transaction or corporate proposal requires securities holder approval pursuant to these Requirements, a listed corporation must not enter into or carry into effect such transaction or corporate proposal unless -
- (a) the entering into the transaction or corporate proposal is made subject to the securities holder approval; or
- (b) the carrying into effect of the transaction or corporate proposal has been approved by the securities holders.
- (2) Where the transaction or corporate proposal is a grant for the exercise of an option and shareholder approval is required pursuant to these Requirements, then -
- (a) in the case of an issue by the listed corporation or its subsidiaries, the shareholder approval 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 corporation or its subsidiaries, the shareholder approval must be obtained before an option is exercised.

### 8.31A Voting by poll

- (1) A listed corporation must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.
- (2) A listed corporation must appoint at least 1 scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the listed corporation or its related corporation, and must be independent of the person undertaking the polling process. If such scrutineer is interested in a resolution to be passed at the general meeting, the scrutineer must refrain from acting as the scrutineer for that resolution. For this purpose, “**officer**” has the meaning given in section 2 of the Companies Act.

**8.32 Accounting and other records**

A listed corporation must cause to be kept such accounting and other records as will sufficiently explain the financial position or operations of the listed corporation, including its subsidiaries.

**8.33 Lodgement of agreement**

Where any agreement has been entered into by a listed corporation or its subsidiaries in connection with any acquisition or disposal of assets or any transaction outside the ordinary course of business of a listed corporation or its subsidiaries, the listed corporation must make available for inspection a copy each of the relevant agreements at the listed corporation's registered office in Malaysia for a period of 3 months from the date of announcement.

**PART I - SPECIFIC CONTINUING OBLIGATIONS RELATING TO PRICE STABILIZATION MECHANISM****8.34 Responsibilities of a listed corporation for the purposes of stabilizing action**

- (1) A listed corporation must ensure that the stabilizing manager undertaking the stabilizing action on its behalf, maintains a register in accordance with subparagraph 10(a) of the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008, which 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 corporation must make available the register and all agreements relating to the market stabilization entered into by the listed corporation and stabilizing manager to the SC, Exchange or a person authorized in writing by the Exchange for inspection and must allow the SC, Exchange or a person authorized in writing by the Exchange to make copies or take extracts from the register or the agreements.
- (3) In addition to sub-Rule (1) above, the listed corporation must also ensure that the register is capable of being brought into Malaysia and made available for inspection by the SC, 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 is made available for inspection by the SC, Exchange or a person authorized in writing by the Exchange if –
  - (a) the listed corporation is listed both on the Exchange and an exchange outside Malaysia; and
  - (b) it has appointed a stabilizing manager to carry out stabilizing action on a stock market outside Malaysia.
- (4) For the purposes of this Rule, inspection includes making copies and taking extract from the register.

[End of Chapter]



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

1. Further details of individuals who are standing for election as directors (excluding directors standing for a re-election), namely the following:
  - (a) the name, age, gender, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director;
  - (b) the working experience and occupation;
  - (c) any other directorships in public companies and listed corporations;
  - (d) the details of any interest in the securities of the listed corporation and its subsidiaries;
  - (e) the family relationship with any director and/or major shareholder of the listed corporation;
  - (f) the nature and extent of any conflict of interest or potential conflict of interest, including interest in any competing business, that they have with the listed corporation or its subsidiaries; and
  - (g) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any; and
  - (h) a statement justifying the nomination of an individual as an independent director, and explaining why there is no other eligible candidate, if such individual had cumulatively served as an independent director of the listed corporation or any one or more of its related corporations for more than 12 years before and observed the requisite 3-year cooling off period.
2. A statement relating to general mandate for issue of securities in accordance with Rule 6.04(3) of these Requirements.

[End of Appendix]

Appendix 8B  
Contents of circular to terminate share scheme for employees

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APPENDIX 8B

[Deleted]

**Appendix 8C**  
**Information to be included in the register of a stabilizing manager**

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**APPENDIX 8C****Information to be included in the register of a stabilizing manager**

(Rule 8.34)

- (1) The name of the corporation whose securities are subject to stabilization action.
- (2) Details of the number of securities over allotted, name of lender, amount of securities 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 who will be conducting the stabilizing action (or equivalent, if any); and salient terms of all agreements relating to the market stabilization entered into by the listed corporation and stabilizing manager.
- (4) A daily breakdown of the transactions effected during the stabilizing period showing the total number of securities purchased each day and the purchase price per securities or the highest, lowest and average paid.

[End of Appendix]

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**APPENDIX 8D****Information to be included in announcement in relation to moneylending company**  
(Rule 8.25(2)(e))

- (1) The aggregate amount of outstanding loans and/or advances (“Loans”) given by the moneylending company setting out the following breakdown for secured and unsecured Loans:
  - (a) to corporations;
  - (b) to individuals;
  - (c) to corporations within the listed corporation group; and
  - (d) to related parties.
- (2) The total borrowings, setting out -
  - (a) the Loans given by any corporation within the listed corporation group to the moneylending company;
  - (b) the borrowings which are secured by any corporation within the listed corporation group in favour of the moneylending company; and
  - (c) other borrowings.
- (3) The aggregate amount of Loans in default which must include the movements in the Loans in default for the listed corporation and the group as follows:
  - (a) at the beginning of the year;
  - (b) classified as Loans in default during the financial year;
  - (c) reclassified as performing during the financial year;
  - (d) amount recovered;
  - (e) amount written off;
  - (f) Loans converted to securities;
  - (g) total and net Loans in default at the end of the year; and
  - (h) ratio of net Loans in default to net Loans or advances.

For this purpose, a Loan in default will be as determined by the listed corporation but must 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.

- (4) The top 5 Loans (with aggregation of Loans given to the same person or persons connected with each other), setting out (where applicable) -
  - (a) the facility type and limit;

**Appendix 8D**  
**Announcement by moneylending company**

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- (b) the amount outstanding and type;
- (c) whether security was provided and if provided, the value of the security;
- (d) whether the recipient of the Loans is a related party; and
- (e) the terms of repayment.

[End of Appendix]

**APPENDIX 8E**

**Information on equity structure of a listed corporation to be furnished to Exchange upon completion of a take-over offer**  
(Rule 8.02(5))

<b>Particulars</b>	<b>No. of shares</b>	<b>No. of shareholders</b>	<b>Percentage %</b>
<i>Share capital</i>			
<i>Less:</i>			
<i>Treasury shares</i>			
<i>Directors of the listed corporation and its subsidiaries</i>			
<i>Substantial shareholders of the listed corporation (except where such shareholder may be included as "public")</i>			
<i>Associates of directors or substantial shareholders of the listed corporation</i>	-----		
<i>Public shareholding</i>			

[End of Appendix]