

BURSA MALAYSIA SECURITIES BERHAD

PRACTICE NOTE NO. ~~16/2005~~

CASH COMPANIES

<u>Details</u>	<u>Cross References</u>
Effective date:	3 January 2005
Revision date:	3 August 2009
	Paragraphs 8.03, 16.02, 16.11

~~Issued in relation to paragraphs 8.14B, 16.02 and 16.09 of the Listing Requirements;~~

~~And~~

~~Pursuant to paragraphs 2.08 and 2.19 of the Listing Requirements.~~

1.0 Introduction

- 1.1 Paragraph ~~8.14B(1)~~8.03(2) of the Listing Requirements states that ~~a listed issuer that is considered a Cash Company~~ must comply with such requirements as may be prescribed by the Exchange.
- 1.2 ~~In this connection, this~~ This Practice Note sets out the disclosure obligations ~~requirements that must be complied with by~~ of a Cash Company.
- 1.3 ~~Nothing in this Practice Note shall be read to restrict the generality of paragraph 8.14B of the Listing Requirements.~~
- 1.4 ~~The provisions of this Practice Note are in amplification and not in derogation of the obligations of a listed issuer as contained in the Listing Requirements.~~

2.0 Disclosure obligations of a Cash Company

- 2.1 ~~A Cash Company must comply with the following disclosure requirements. A Cash Company must announce to the Exchange:-~~
- (a) immediately upon receipt of the Exchange's notice that it is a Cash Company ~~the Notice (as defined in paragraph 8.14B(2))~~ announce the following to the Exchange (hereinafter referred to as the "**Initial Announcement**"):-
- (i) that the listed issuer is a Cash Company;
 - (ii) ~~the obligations of a Cash Company's~~ obligations pursuant to this Practice Note;
 - (iii) the consequences of non-compliance with the aforesaid obligations; and

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- (iv) ~~the status of the Cash Company's proposal to acquire a new core business comply with the obligations set out in paragraph 8.14B(4)(a) of the Listing Requirements, or the status of its endeavours/steps to formulate such a proposal, whichever is applicable, or where neither a proposal nor any endeavour to formulate such a proposal has been undertaken, an appropriate negative statement to such effect;~~
 - (b) ~~announce the status of its proposal referred to in subparagraph (a)(iv) above and the number of months to the end of the relevant timeframes referred to in paragraph 3.4 or 3.2 below~~ 8.03(5)(a) of the Listing Requirements ("Monthly Announcement"), as may be applicable. The Cash Company must make the Monthly Announcement simultaneously with the announcement of its quarterly report pursuant to paragraph 9.22 of the Listing Requirements, and in any event, the Cash Company must make the Monthly Announcement not later than 2 months after the end of each quarter of a financial year, until further notice from the Exchange;
 - (c) ~~announce its compliance or non-compliance with a particular obligation imposed pursuant to this Practice Note on an immediate basis; and~~
 - (d) ~~announce details of the Pproposal as referred to in paragraph 8.14B(5) of the Listing Requirements which announcement must fulfill the requirements set out in paragraph 2.2 below (hereinafter referred to as "the Requisite Announcement"); and~~
 - (e) where the Cash Company fails to regularise its condition, the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by the Exchange.
- 2.2 ~~The Requisite Announcement must satisfy the following conditions:-~~
- (a) ~~the announcement must contain details of the Pproposal; and~~
 - (b) ~~include a timeline for the complete implementation of the Pproposal; and~~
 - (b)-(c) it must be announced by a corporate finance adviser that may act as a principal adviser under the Commission's Guidelines on Principal Advisers for Corporate Proposals the Cash Company's Principal Adviser.;
- 2.3 ~~A Cash Company must ensure that prior to the making of~~ Before a Cash Company makes the Requisite Announcement, it must ensure that all agreements to be entered into with third parties as part of the Pproposal, have been duly executed by all parties to such agreements.

~~3.0~~ **Obligation to Regularise**

- 3.1 ~~A Cash Company must submit a Proposal, as referred to in paragraph 8.14B(5) of the Listing Requirements, to the relevant Approving Authority as referred to in paragraph 8.14B(4)(a)(i) of the Listing Requirements for approval within 12 months from the date of the Initial Announcement.~~
- 3.2 ~~A Cash Company must also implement the Proposal within the timeframe stipulated by the relevant Approving Authority.~~

~~4.0~~ **Effective Date**

- 4.1 ~~This Practice Note takes effect on 3 January 2005.~~