

---

**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 ~~companies~~corporations, their directors, officers, advisers, ~~Sponsors and~~ or any other person to whom these Requirements are directed.

**2.02 Objective of ~~MESDAQ~~ACE Market**

The principal objective of the ~~MESDAQ~~ACE Market is to:-

- (a) ~~provide an avenue for allow local and foreign corporations from all business sectors high-growth companies to raise access the capital market under a sponsor-driven framework; and~~
- (b) ~~promote technology intensive industries and hence assist in developing a science and technology base for Malaysia through indigenous research development.~~

**2.03 Purpose of these Requirements**

The purpose of these Requirements is to set out the requirements that must be complied with by all applicants, listed ~~companies~~corporations, their directors, officers, advisers, ~~Sponsors~~ 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, or both.

**2.04 General principles**

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

- (1) all applicants ~~shall~~will be of a certain ~~minimum size, quality and have a record of operations of adequate duration;~~
- (2) investors and the public ~~shall~~will be kept fully informed by the listed ~~companies~~corporations of all facts or information that might affect their interests and in particular, full, accurate and timely disclosure ~~shall~~will 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 the listed ~~companies~~corporations;
- (3) all holders of securities ~~shall~~will be treated fairly and equitably;
- (4) directors, officers, ~~and~~ advisers ~~and Sponsors~~ of listed ~~companies shall~~corporations will maintain the highest standards of integrity, accountability, corporate governance and responsibility; and
- (5) directors of listed ~~companies shall~~corporations will act in the interests of the listed companycorporation 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 ~~companies~~corporations.

---

**PART B – APPLICATION OF THESE REQUIREMENTS****2.05 Obligation to comply**

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

**2.06 Spirit of these Requirements**

~~A person shall observe the spirit and intention as well as the precise wording of these Requirements. In circumstances which are not explicitly covered by these Requirements, the spirit of these Requirements shall apply.~~

These Requirements will 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.

**2.07 Waivers and modifications**

- (1) The Exchange requires strict compliance with these Requirements.
- (2) Notwithstanding sub-Rule (1) above, the Exchange may at any time, waive or modify compliance with a Requirement or any 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.

**2.08 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.

**2.09 Guidance Notes**

- (1) The Exchange may, from time to time, issue Guidance Notes subject to the approval of the ~~SCC~~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 Guidance Notes from time to time.
- (3) A listed ~~company~~corporation, its directors, officers, advisers, ~~Sponsors~~ or any other person to whom these Requirements are directed ~~shall~~must comply with Guidance Notes issued pursuant to this Rule in the same manner as these Requirements. For the avoidance of

doubt, unless the context otherwise requires, directions and requirements contained in the Guidance Notes are in clarification of and not in derogation of any obligations of persons to whom these Requirements or the Guidance Notes apply.

- (4) Unless otherwise defined in the Guidance Notes or the context otherwise requires, words or expressions defined in these Requirements, when used in the Guidance Notes, have the same meaning as in these Requirements.

## PART C - DOCUMENTS TO COMPLY WITH THESE REQUIREMENTS

### 2.10 Documents to comply with these Requirements

- (1) An applicant or a listed ~~company~~corporation 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~~to the said documents,
- complies with these Requirements.
- (2) A listed ~~company~~corporation 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 documents; and
  - (b) the approvals of the relevant authorities are obtained (where applicable).

### 2.11 Timing of submission

An applicant or a listed ~~company~~corporation must ensure that the said documents and/or any amendment ~~to the said documents 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.

### 2.12 Letters of compliance

- (1) A listed ~~company~~corporation must submit a letter of compliance together with the said documents and any amendment ~~to the said documents thereto~~.
- (2) A letter of compliance is a letter written to the Exchange which confirms that the provisions of the said documents 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~~must be written by a person with legal qualifications, except as 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 ~~company's~~corporation's advisers; and

- (b) in the case of an amendment to an articles of association, by the listed ~~company~~corporation's advisers or its company secretary.

*[Cross reference: Guidance Note 15, Guidance Note 16]*

## PART D – INFORMATION

### 2.13 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 ~~company~~corporation or its advisers or ~~Sponsors~~ to be through an electronic medium as directed by the Exchange and in a manner determined by the Exchange.
- (3) An applicant, a listed ~~company~~corporation or its advisers or ~~Sponsors~~ 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.

### 2.14 Giving the Exchange information

An applicant, a listed ~~company~~corporation, its directors, officers, employees, advisers, ~~Sponsors~~ 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.

### 2.15 Submission of information

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

### 2.16 Documents forwarded to the Exchange

- (1) ~~—All documents forwarded to the Exchange shall~~will 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) ~~—Sub-Rule (1) above does not apply to documents produced for inspection of the Exchange pursuant to Rule 16.14.~~

### 2.17 Verification of report or information

The Exchange may, at its discretion, instruct or direct an applicant or a listed ~~company~~corporation to appoint an independent adviser or expert at the expense of such applicant or listed ~~company~~corporation 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 ~~company~~corporation and to submit the results of such verification to the Exchange directly.

**2.18 Contents of statement, information or document**

- (1) An applicant, a listed ~~company~~ corporation, an adviser, ~~a Sponsor~~ or a director of an applicant or a listed ~~company~~ corporation must ensure that any application, proposal, 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 ~~company~~ corporation, an adviser, ~~a Sponsor~~ or a director of an applicant or a listed ~~company~~ corporation does not commit a breach of sub-Rule (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 sub-Rule (1) above.
- (3) Where any statement, information or document referred to in sub-Rule (1) above has been presented, submitted or disclosed to the Exchange and the person referred to in sub-Rule (1) above subsequently becomes aware that the statement, information or document may not fulfil the requirements of sub-Rule (1) above, the person ~~shall~~ must ~~forthwith~~ immediately notify the Exchange of the same.
- (4) For the avoidance of doubt, in the case of an announcement to the Exchange or a circular or an announcement to the Exchange, Rules ~~8.14 or 9.16 or 9.31~~ 9.16 shall apply respectively, in substitution of sub-Rules (1) to (3) above.

**2.17A19 Indemnity**

- (1) Where the Exchange publishes, ~~releases~~ or disseminates any statement, information or document for or on behalf of an applicant or listed ~~company~~ corporation pursuant to these Requirements or otherwise, the Exchange ~~shall~~ will not be responsible to check the accuracy, completeness or adequacy of any of the contents of such statement, information or document, and ~~shall~~ will 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 ~~company~~ corporation or an adviser or director of an applicant or listed ~~company~~ corporation ~~shall~~ must 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 ~~company~~ corporation.

---

**PART E – LISTING FEES AND OTHER CHARGES****2.20 Fees**

An applicant, a listed corporation, a Sponsor and an Adviser must pay to the Exchange such fees and charges set out in the Schedule of Fees which are applicable to them, in the amount and manner specified in the Schedule of Fees.

**PART EF - ADVISERS****2.1921 Undertaking by adviser**

- (1) An adviser who presents, submits or discloses an application, a circular or any other document to the Exchange ~~intending to act on~~ behalf of an applicant or a listed ~~company~~ corporation, other than an Adviser a Sponsor (referred to as “the said adviser” in this Part E), 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 the ~~said~~ adviser on behalf of an applicant or a listed ~~company~~ corporation where such adviser has not lodged with the Exchange an undertaking referred to in sub-Rule (1) above.
- (3) The acceptance by the Exchange of the undertaking referred to in sub-Rule (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 G – OTHER PERSON PRIMARILY RESPONSIBLE FOR LISTED CORPORATIONS****2.22 Undertaking by a person responsible for a listed corporation**

- (1) Where a person, pursuant to a Court order or otherwise, is appointed to take possession or control over all or major assets of, or becomes responsible for the management of a listed corporation (“Controlling Person”), the listed corporation must ensure and the Controlling Person must give, the Exchange an undertaking in the form of Appendix 2B to comply with these Requirements.
- (2) A Controlling Person must -
  - (a) provide the Exchange any information, document or explanation that the Exchange requests for in accordance with the instructions or request of the Exchange; and
  - (b) comply with any instruction, directive or condition issued by the Exchange and within such time as may be specified by the Exchange.
- (3) A Controlling Person must not -
  - (a) cause, aid or abet a breach of these Requirements by a listed corporation referred to in sub-Rule (1) above; or
  - (b) permit, either knowingly or where he had reasonable means of obtaining such knowledge, such listed corporation to commit a breach of these Requirements.

---

**PART FH - OTHERS****2.2023 Instructions or directives issued by the Exchange**

- (1) The Exchange may, from time to time, issue any instruction or directive to or impose any condition on an applicant, a listed ~~company~~ corporation, its directors, officers, employees, advisers, ~~Sponsors~~ 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) Where the Exchange has issued any instruction or directive or imposed any condition referred to in sub-Rule (1) above, the Exchange has all the rights and powers to do all acts necessary to enforce and give effect to the instruction, directive or condition.

**2.2124 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 ~~company~~ corporation to appoint a special auditor to review or investigate the affairs of the listed ~~company~~ corporation, or any of its subsidiaries, or both as the Exchange may direct. Any cost incurred as a result of the appointment of the special auditor ~~shall~~ must be borne by the listed ~~company~~ corporation.
- (2) For the purpose of this Rule, a special auditor means any auditor other than the statutory auditor of the listed ~~company~~ corporation appointed pursuant to the Companies Act 1965 or in relation to a foreign corporation, pursuant to the relevant laws of the place of incorporation.

**2.2225 Conduct**

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

**2.2326 Notices by the Exchange**

- (1) All notices or written communications required to be sent by the Exchange to a listed ~~company~~ corporation or its adviser or ~~Sponsor~~ under these Requirements ~~shall~~ will be sent to the registered office or the last known address of the listed ~~company~~ corporation or its adviser or ~~Sponsor~~, as the case may be, as contained in the records of the Exchange.
- (2) All notices or written communications required to be sent by the Exchange to a director under these Requirements ~~shall~~ will 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.
- (3) Where any notice or written communication is required to be sent by the Exchange under these Requirements, such notice or written communication ~~shall~~ will 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.
- (4) Notwithstanding sub-Rule (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~~ will be deemed received immediately.

**2.27 Issuance of new securities in foreign currency**

- (1) An issue of securities by a listed corporation will be quoted in Ringgit or such other foreign currency as may be allowed by the Exchange.
- (2) A listed corporation 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.

**PART GJ - AMENDMENTS TO THESE REQUIREMENTS****2.2428 Amendments to these Requirements**

The Exchange ~~shall have~~has 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~~will be binding on an applicant, listed ~~company~~corporation, its directors, officers, advisers, ~~Sponsors~~ or any other person to whom these Requirements are directed.

**PART HJ – EXCHANGE HOLDING COMPANY AND THE EXCHANGE****2.2529 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~~will be deemed to ~~allow~~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 ~~company~~corporation, its directors, officers, advisers or any 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 sub-Rule (1) above.

**2.2630 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~~will 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.

---

**PART ~~IK~~ – CONCLUSION****2.2731 Conclusion**

These Requirements provide that any statement, information or document presented, submitted or disclosed pursuant to these Requirements ~~shall~~must be clear, unambiguous, accurate and ~~shall~~must not contain any material omission or be false or misleading.– Under this full disclosure approach, investors, rather than the Exchange, will have the responsibility for evaluating the merits and risks of investing in a particular security. This approach places the onus of evaluating the disclosed information on the investor.

[End of Chapter]

---

**APPENDIX 2A****Undertaking by an adviser**  
(Rule 2.49~~21~~(1))

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with ~~the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market ("the Exchange")~~

In consideration of ~~the Exchange~~ Bursa Malaysia Securities Berhad ("**Bursa Securities**") allowing us to act as advisers for applicants seeking listing on the Official List of ~~the Exchange~~ Bursa Securities or listed ~~companies~~ corporations, WE .....[name of adviser] having a #registered address/place of business at ..... ~~HEREBY UNDERTAKE AND AGREE to comply with the Bursa Securities ACE Market Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market which shall, including any amendment as may be in force made from time to time, insofar as the same shall~~ apply to us as advisers.

The term "adviser", "applicant", "listed ~~company~~ corporation" and "Official List" shall have the meanings given under ~~the Bursa Securities ACE Market Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market.~~

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 ]

Appendix 2B

Undertaking by a person responsible for the management of a listed corporation

---

**APPENDIX 2B****Undertaking by a person responsible for the management of a listed corporation**  
**(Rule 2.22(1))**

To

Bursa Malaysia Securities Berhad  
Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

Compliance with ACE Market Listing Requirements

#I/We, .....[name and NRIC/Company No.], am a  
.....[position/designation] of .....[name(s) of listed corporation(s)]  
("Company(ies)") which # has/have been admitted to and is currently listed on the Official List of  
Bursa Malaysia Securities Berhad ("**Bursa Securities**").

In consideration of Bursa Securities allowing the continued listing of the Company(ies) on the Official  
List, #I/We, UNDERTAKE AND AGREE to comply with Bursa Securities ACE Market Listing  
Requirements, including any amendment as may be made from time to time, in so far as the same  
apply to #me/us.

Yours faithfully

.....

Name:

Designation:

Date:

# Delete as appropriate

[ End of Appendix ]