



**QUESTIONS AND ANSWERS RELATING TO AMENDMENTS TO THE LISTING REQUIREMENTS FOR BURSA MALAYSIA SECURITIES BHD ("LR") AND THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD FOR MESDAQ MARKET ("MMLR") IN RELATION TO BONUS ISSUES ("AMENDMENTS")**

[FAQ issued: 29/5/2006]

- 1. ABC Bhd is considering a proposal to undertake a bonus issue. Based on its latest consolidated audited accounts, ABC Bhd has share premium of RM 100 million and revaluation reserves of RM 60 million. ABC Bhd however has accumulated losses of RM 180 million. Can ABC Bhd undertake a bonus issue?**

No, ABC Bhd cannot undertake a bonus issue as its accumulated losses exceed its reserves.

- 2. XYZ Bhd is considering a proposal to undertake a bonus issue. Based on its latest consolidated audited accounts, XYZ Bhd has share premium of RM 200 million and revaluation reserves of RM 250 million (assuming that the surplus does not arise from revaluation of land and buildings). XYZ Bhd has accumulated losses of RM 150 million. Can XYZ Bhd undertake a bonus issue?**

Yes, XYZ Bhd can undertake a bonus issue provided that the amount to be capitalised for the bonus issue does not exceed RM 300 million.