ATTACHMENT

TABLE OF COMMENTS

 COMMENTS TO ISSUES RAISED IN CONSULTATION PAPER NO. 2/2015

PROPOSED REVIEW OF THE LISTING REQUIREMENTS RELATING TO -

DISCLOSURE AND CORPORATE GOVERNANCE REQUIREMENTS; AND

POST-LISTING DISCLOSURE OBLIGATIONS FOR MINERAL, OIL AND GAS LISTED ISSUERS

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| NAME OF RESPONDENT   | : |  |
| NAME OF COMPANY | : |  |
| CONTACT PERSON & CONTACT NUMBER | : |  |
| EMAIL ADDRESS | : |  |

| ISSUES | COMMENTS |
| --- | --- |
| PROPOSAL 1.1 |
|  | Do you agree with our proposal to mandate the disclosure of a statement containing the MD&A of the group’s business, operations and financial performance during the financial year, in the annual report [paragraph 4 of the Consultation Paper]? Please state the reasons for your views. |  |
|  | Do you agree with the proposed information to be included in the disclosure of MD&A statement [paragraph 8 of the Consultation Paper]? Is there any other key information that should be included in the MD&A statement? Please state the reasons for your views. |  |
|  | Do you agree with our proposal not to mandate disclosure of the Chairman’s Statement in the annual report and instead, give listed issuers the flexibility of providing the Chairman’s Statement in the annual report on a voluntary basis [paragraph 11 of the Consultation Paper]?Please state the reasons for your views. |  |
| PROPOSAL 1.2 |
|  | Do you agree with the proposal to enhance the disclosure on non-audit fees in the manner as set out in paragraph 14 of the Consultation Paper? Please state the reasons for your views. |  |
|  | Is the information required in paragraph 14 of the Consultation Paper appropriate and adequate? Is there any other information that should be included in the disclosure of non-audit fees?  |  |
| PROPOSAL 1.3 |
|  | Do you agree that a listed issuer must disclose the profile particulars for its key senior management in the annual report [paragraph 18 of the Consultation Paper]? Please state the reasons for your views. |  |
|  | Is the information required in paragraph 18 of the Consultation Paper appropriate and adequate? Is there any other information that should be included in the disclosure of the key senior management’s profile particulars?  |  |
|  | Do you agree with our proposal to refine the disclosure requirements on the particulars of directors and chief executive in the annual report [paragraph 20 of the Consultation Paper]?Please state the reasons for your views. |  |
| PROPOSAL 1.4 |
|  | Do you agree with the proposal to require a listed issuer to disclose in the annual report, the information as set out in paragraph 22 of the Consultation Paper for the chief executive (in addition to the directors as currently required under the LR)? Please state the reasons for your views. |  |
|  | Is the information required in paragraph 22 of the Consultation Paper appropriate and adequate? Is there any other information that should be included in the disclosures relating to the chief executive? |  |
| PROPOSAL 1.5 |
|  | Do you agree with our proposal to amend the disclosure requirement of directors’ remuneration in the manner as discussed in paragraph 26 of the Consultation Paper? Please state the reasons for your views. |  |
| PROPOSAL 1.6 |
|  | Do you agree with the proposed deletions in the annual report as set out in paragraph 27 of the Consultation Paper as follows:1. information relating to share buy-backs for the financial year [paragraph 27(a) of the Consultation Paper];
2. information on the amount of options or convertible securities issued by the listed issuer which are exercised during the financial year [paragraph 27(c) of the Consultation Paper];
3. a brief explanation on the depository receipt programme sponsored by the listed issuer [paragraph 27(d) of the Consultation Paper;
4. particulars of all sanctions and/or penalties imposed on the listed issuer and its subsidiaries, directors or management by the relevant regulatory bodies [paragraph 27(e) of the Consultation Paper];
5. information relating to a deviation and a reconciliation of the deviation [paragraph 27(i) of the Consultation Paper];
6. information on shortfall in the profit guarantee [paragraph 27(k) of the Consultation Paper]; and
7. statement by the audit committee in relation to the allocation of options or shares pursuant to a Share Issuance Scheme [paragraph 27(n) of the Consultation Paper].

Please state the reasons for your views. |  |
|  | Is there any other information which should be deleted from the annual report? Please provide your suggestions together with your reasons. |  |
| PROPOSAL 2.1 |
|  | Do you agree with the proposal that any vote of securities holders at any general meeting must be taken by poll [paragraph 38(a) of the Consultation Paper]? Please state the reasons for your views. |  |
|  | Do you agree that at least 1 independent scrutineer must be appointed to validate the votes cast at the general meeting [paragraph 38(b) of the Consultation Paper]? Please state the reasons for your views. |  |
|  | Do you agree that the name of the independent scrutineer must be announced together with the poll results immediately after the general meeting [paragraph 38(c) of the Consultation Paper]?Please state the reasons for your views.  |  |
| PROPOSAL 2.2 |
|  | Do you agree with the proposal to require listed issuers to publish its minutes of AGM onto its website as soon as practicable after the AGM [paragraph 44 of the Consultation Paper]?Please state the reasons for your views. |  |
| PROPOSAL 3.1 |
|  | Do you agree with the proposal to require **immediate announcement** of –1. material uncertainty related to going concern or any other emphasis of matter which highlights events that may affect the listed issuer’s ability to continue as going concern, as contained in the external auditor’s report, if any (in addition to any qualification) [paragraph 48(a) of the Consultation Paper]; and
2. full details of such qualification, material uncertainty related to going concern or other emphasis of matter which highlights events that may affect the listed issuer’s ability to continue as going concern including the following [paragraph 48(b) of the Consultation Paper]:
3. all key audit matters disclosed in the external auditors’ report;

(ii) steps taken or proposed to be taken to resolve the issues highlighted in the qualification, material uncertainty related to going concern or other emphasis of matter which highlights events that may affect the listed issuer’s ability to continue as going concern (if any); and(iii) the timeline for the steps referred to in paragraph (ii) above?Please state the reasons for your views. |  |
|  | Do you agree with the proposal to disclose the following matters in the **quarterly report** of a listed issuer (in addition to the disclosure of a qualification and the status of the matters giving rise to the qualification):1. a material uncertainty related to going concern or any other emphasis of matter which highlights events that may affect the listed issuer’s ability to continue as going concern, if the preceding annual financial statements contained such disclosures [paragraph 49(a) of the Consultation Paper]; and
2. the status of the following matters for the current quarter and financial year to date [paragraph 49(b) of the Consultation Paper]:
3. the matter(s) giving rise to the qualification, material uncertainty related to going concern or other emphasis of matter which highlights events that may affect the listed issuer’s ability to continue as going concern, including all key audit matters disclosed in the audit report; and
4. the steps taken (if any) to address the issues until such time when the issues are resolved?

Please state the reasons for your views. |  |
|  | Is there any other information that should be included or removed when the listed issuer makes the immediate announcement or disclosures in the quarterly reports above? |  |
| PROPOSAL 3.2 |
|  | Do you agree with the proposal to extend the function of the audit committee when it reviews the quarterly results and year-end financial statements i.e. by requiring the audit committee to also focus on significant financial reporting issues and judgments and how these matters are addressed [paragraph 52 of the Consultation Paper]?Please state the reasons for your views. |  |
|  | Is there any other function which you think the audit committee should perform arising from the international standards of auditing relating to key audit matters (ISA 701) and going concern (ISA 570 (Revised)) recently issued by the Malaysian Institute of Accountants? Please state the reasons for your views. |  |
|  | Do you agree with the proposal to require disclosure in the audit committee report of how the audit committee has met its responsibilities in discharging its functions and duties for the financial year [paragraph 54 of the Consultation Paper]? Please state the reasons for your views. |  |
| PROPOSAL 3.3 |
|  | Do you agree with the proposal to extend the Going Concern Prescribed Criteria[[1]](#footnote-2) to cover circumstances where the auditors have expressed a qualification on the listed issuer’s ability to continue as a going concern in the latest audited financial statements and the shareholders’ equity on the listed issuer on a consolidated basis is 50% or less of its issued and paid-up capital [paragraph 58 of the Consultation Paper]?Please state the reasons for your views. |  |
| PROPOSAL 5.1 |
|  | Do you agree with the proposed definition of a ‘mineral, oil and gas listed issuer’?Please state the reasons for your views. |  |
| PROPOSAL 5.2 |
|  | Do you agree with our proposal that the enhanced disclosure requirements should continue to apply to a listed issuer which has completed an acquisition of mineral or oil and gas assets or a corporation whose core business is in MOG exploration or extraction activities, if any one or more of the percentage ratios in relation to the acquisition is 25% or more at the time of transaction, regardless of the subsequent contribution of such activities to the listed issuer in terms of its total assets, revenue or operating expenses?Please state the reasons for your views. |  |
| PROPOSAL 5.3 |
|  | Do you have any comment on our proposal to require an MOG listed issuer to make immediate announcements on the additional items in new paragraph 9.57(1) and as set out in paragraph 67 above? Please state the reasons for your views. |  |
|  | In addition to the events set out in paragraph 9.57(1) of the Main LR, is there any other specific event which warrants an immediate announcement by an MOG listed issuer? |  |
| PROPOSAL 5.4 |
|  | Apart from the information set out in Part A of Appendix 9B of the Main LR, do you agree with our proposal to require the additional information in the quarterly reports of an MOG listed issuer as described in paragraph 74 above and set out in Part D of Appendix 9B? Please state the reasons for your views. |  |
|  | Apart from the information set out in Part A of Appendix 9C of the Main LR, do you agree with our proposal to require the additional information in the quarterly reports of an MOG listed issuer as described in paragraphs 74 and 75 above and set out in Part D of Appendix 9C? Please state the reasons for your views. |  |
|  | Do you agree with our proposal that the summary or update of mineral, oil and gas resources and reserves in the annual report would not require the support of a competent person’s report?Please state the reasons for your views.  |  |
| PROPOSAL 5.5 |
|  | In a transaction involving the acquisition or disposal of mineral or oil and gas assets or a corporation whose core business is in MOG activities, where the percentage ratio is 25% or more, the Exchange proposes to require a listed issuer to make an announcement, which should include the additional information as set out in Part J of Appendix 10A of Main LR and as described in paragraph 80 above. (a) Do you agree with our proposal to include the additional information as set out in Part J of Appendix 10A of Main LR in the announcement?(b) Apart from the proposed prescribed information as set out in Part J of Appendix 10A of Main LR, do you have any suggestion to enhance the disclosure by a listed issuer in such a transaction?Please state the reasons for your views. |  |
|  | In a transaction involving the acquisition or disposal of mineral or oil and gas assets or a corporation whose core business is in MOG activities, where the percentage ratio is 25% or more, the Exchange proposes to require a listed issuer to include the additional information in the circular to shareholders as set out in Part K of Appendix 10B of Main LR and as described in paragraphs 81 and 82 above. 1. Do you agree with our proposal to include the additional information as set out in Part K of Appendix 10B of Main LR in the circular to shareholders?
2. Apart from the proposed prescribed information as set out in Part K of Appendix 10B of Main LR, do you have any suggestion to enhance the disclosure by a listed issuer in such a transaction?

Please state the reasons for your views. |  |
| PROPOSAL 5.6 |
|  | Do you agree with the proposed enhanced disclosure obligations in relation to mineral exploration results and Mineral Reserves or Mineral Resources as described in paragraph 88 above? Please state the reasons for your views. |  |
|  | Do you agree with the proposed enhanced disclosure obligations in relation to oil and gas Reserves or oil and gas resources as described in paragraph 89 above? Please state the reasons for your views. |  |
|  | What other information and details do you think should be disclosed by an MOG listed issuer in relation to exploration results, mineral or oil and gas reserves and resources? |  |
|  | Do you have any other feedback or comments on the Proposed MOG Amendments? |  |

[End of Attachment]

1. The Going Concern Prescribed Criteria refers to the existing criterion in paragraph 2.1(e) of Practice Note 17 of the Main LR and paragraph 2.1(g) of Guidance Note 3 of the ACE LR where the auditors have expressed an emphasis of matter on the listed issuer’s ability to continue as a going concern in the listed issuer’s latest audited financial statements and the shareholder’s equity of the listed issuer on a consolidated basis is 50% or less of the issued and paid-up capital (excluding treasury shares) of the listed issuer. [↑](#footnote-ref-2)