
**QUESTIONS AND ANSWERS IN RELATION TO
BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS FOR THE MAIN MARKET
(As at 17 June 2009)**

TRANSITIONAL ARRANGEMENTS

Note:

For the purpose of this Questions and Answers, unless the context otherwise requires, the words and expressions defined in the Bursa Malaysia Securities Berhad Listing Requirements for the Main Market, when used in this Question and Answer, have the meanings given in the said Listing Requirements, and

–

“Bursa Securities” means Bursa Malaysia Securities Bhd;

“Existing LR” means Bursa Securities Listing Requirements for the Main and Second Board which are effective from 8 May 2009 until 2 August 2009;

“Main LR” means the Bursa Securities Listing Requirements for the Main Market, which come into effect on 3 August 2009; and

Any reference to the **“existing”** provision of a Practice Note means the Practice Note which is effective from 8 May 2009 until 2 August 2009.

Structured warrants

- 1. Can an issuer continue to undertake its market making activities on a voluntary basis instead of applying to Bursa Securities to be registered as a market maker?**

The market making framework introduced by Bursa Securities on 8 May 2009 will replace the voluntary market making currently practised in the market with effect from 8 May 2009. An issuer who is currently undertaking voluntary market making activities must be registered as a market maker by Bursa Securities if it intends to continue carrying out the market making activities for its structured warrants.

- 2. What is the time frame prescribed by Bursa Securities for an existing issuer who is undertaking voluntary market making activities to register as a market maker with Bursa Securities under the Existing LR?**

An existing issuer is given 3 months from 8 May 2009 to register as a market maker with Bursa Securities under the Existing LR.

**Questions & Answers
in relation to Transitional Arrangements**

Public shareholding spread

3. **In Bursa Securities' circular issued on 8 May 2009, compliance with minimum number of 1000 public shareholders holding not less than 100 shares each is waived with immediate effect. It was also stated that a listed issuer which does not comply with the minimum number of 1000 public shareholders need not apply for extension of time or waiver from Bursa Securities.**

X Bhd announced on 17 April 2009 that it did not comply with the minimum number of public shareholding spread requirement and was given an extension of time to comply with the same. Must X Bhd announce its deemed compliance with the public spread requirement after 8 May 2009?

Yes, X Bhd must announce that it is deemed to be in compliance with the public spread requirement pursuant to Bursa Securities' circular issued on 8 May 2009.

4. **Is the immediate waiver referred to in Question 3 above applicable to the compliance on the 25% public shareholding spread requirement?**

No, the waiver is only granted for compliance with the requirement on the minimum number of 1000 public shareholders holding not less than 100 shares each. Listed issuers must still meet the 25% public shareholding spread requirement.

5. **A Bhd has not complied with any of the requirements on the minimum percentage and numbers of public shareholders under paragraph 8.15 of the Existing LR. In view of the waiver granted in Question 3 above, does A Bhd need to continue making the quarterly announcement as required under the existing Practice Note 19? If yes, must A Bhd include in the announcement, the number of its public shareholders?**

Notwithstanding the immediate waiver to comply with the minimum number of 1000 public shareholders requirement, as A Bhd is not in compliance with the 25% public shareholding spread requirement, it must still make the quarterly announcement. However, since the minimum number of public shareholders requirement is no longer applicable, A Bhd need not disclose the number of its public shareholders as required in paragraphs 3.2(b) and 3.4 of the existing Practice Note 19 in its announcement.

Valuation

6. **What is the transitional requirement for submission of valuation report to Bursa Securities for transactions which are announced before 3 August 2009?**

All transactions which trigger the requirement for valuation report as stipulated under paragraph 10.04 of the Main LR and are announced before 3 August 2009 will have to submit the valuation report to Bursa Securities if the circular or draft circular is submitted to Bursa Securities for perusal on or after 3 August 2009.

Cash Companies

7. **ABC Bhd is classified by Bursa Securities as a Cash Company on 11 May 2009. Can ABC Bhd choose to regularise its condition under paragraph 8.03 of the Main LR and the Practice Note 16 which is coming into effect on 3 August 2009 (“Revised PN16 Framework”)?**

Yes, pursuant to paragraph 4.0 of Practice Note 29, ABC Bhd may choose to regularise its condition under the Revised PN16 Framework provided that it –

- (a) applies to Bursa Securities and obtains its approval for ABC Bhd to regularise its condition under the Revised PN16 framework; and
- (b) is still within the stipulated or extended timeframe granted by Bursa Securities to submit its plan to regularise its condition under paragraph 8.14B of the Existing LR.

PN17 Companies

8. **ABC Bhd triggers the Prescribed Criteria under Practice Note No. 17/2005 (“Existing PN17”) in February 2009 and is in the midst of formulating its regularisation plan.**

- (a) **Can ABC Bhd choose not to regularise its financial condition under the ambit of paragraph 8.14C of the Existing LR (“Existing PN17 Framework”) but submit a regularisation plan to Bursa Securities for approval under paragraph 8.04 of the Main LR and Practice Note 17 which will take effect on 3 August 2009 (“Revised PN17 Framework”)?**

Yes, pursuant to paragraph 4.0 of Practice Note 29, ABC Bhd may choose to regularise its condition under the Revised PN17 Framework provided that it –

- (i) applies to Bursa Securities and obtains its approval for ABC Bhd to regularize its financial condition under the Revised PN17 Framework; and
 - (ii) is still within the stipulated or extended timeframe granted by Bursa Securities to submit its plan to regularise its condition under the Existing PN17 Framework.
- (b) **Does ABC Bhd have 12 months from February 2009 to submit its regularisation plan as allowed under paragraph 8.04 of the Main LR?**

No, the submission timeframe applicable to ABC Bhd is still subject to paragraph 8.14C of the Existing LR, i.e. 8 months or such extended time approved by Bursa Securities.