

APPENDIX 1
AMENDMENTS TO THE MAIN LR

INDEPENDENT ADVISER'S ROLE IN RELATION TO A MAJOR DISPOSAL AND
VOLUNTARY WITHDRAWAL OF LISTING

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An Independent Adviser's Role in Relation to Major Disposal

CHAPTER 10 TRANSACTIONS

PART B – DEFINITIONS

10.02 Definitions

For the purpose of this Chapter, unless the context otherwise requires -

- (eA) “**Major Disposal**” means a disposal of all or substantially all of a listed ~~corporation's~~issuer's assets which may result in the listed ~~corporation~~issuer being no longer suitable for continued listing on the Official List;

PART F(A) – MAJOR DISPOSAL OF ASSETS RESULTING IN LISTED ~~CORPORATIONS~~ISSUERS NO LONGER SUITABLE FOR LISTING

10.11A Major Disposal

- (1) A listed ~~corporation-issuer~~ which intends to undertake a Major Disposal must:
- (a) appoint a main adviser, who is a Principal Adviser, before the terms of the Major Disposal are agreed upon;
 - (b) appoint an independent adviser who is a corporate finance adviser within the meaning of the SC's Principal Adviser Guidelines;
 - (c) include additional information set out in Part I of Appendix 10A and Part J of Appendix 10B respectively, in the announcement of the Major Disposal to the Exchange, and the circular issued to the shareholders or unit holders; and
 - (d) convene a general meeting and obtain shareholder or unit holder approval of at least 75% in value of the shareholders or unit holders present and voting either in person or by proxy at the meeting for such Major Disposal.
- (2) The main adviser must, in relation to the Major Disposal -
- (a) ensure that the Major Disposal complies with the relevant laws, regulations or guidelines, where applicable; and

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- (b) ensure full disclosure of all information required to be disclosed in the announcement and circular.
- (3) The independent adviser must, in relation to the Major Disposal –
- (a) comment as to whether the Major Disposal and its related proposals (if any) are fair and reasonable in so far as the shareholders or unit holders are concerned. Such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration in forming that opinion. In arriving at such opinion, the independent adviser should comply with the relevant provisions relating to an independent adviser's recommendation in Practice Note 15 – Independent Advice Circular issued by the SC pursuant to of Chapter 12 of the Guidelines on Contents of Applications Relating to Take-Overs and Mergers Code on Independent Adviser's Recommendation issued by SC;
- (b) advise the shareholders or unit holders on whether they should vote in favour of the Major Disposal and its related proposals (if any); and
- (c) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in subparagraphs (a) and (b) above.
- (4) If in the Exchange's opinion, an independent adviser is not independent, the Exchange may disallow such independent adviser to be appointed or continue to act as an independent adviser.

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APPENDIX 10B**Contents of circular to shareholders or unit holders in relation to transactions**
(paragraphs 10.07(1), 10.08(2)(a) and 10.11A(1)(c))**Part J****Additional specific information to be included in relation to Major Disposals**
(paragraph 10.11A(1)(c))

- (1) A statement by the board of directors stating whether the Major Disposal is fair and reasonable and in the best interest of the listed issuereorporation, together with the reasons and factors taken into consideration in forming that opinion.
- (2) A statement by the board of directors setting out the following:
 - (a) detailed description of the future plans of the listed corporationissuer;
 - (b) whether it is the listed corporation's issuer's intention to maintain its listing status;
 - (c) the intended application of the sale proceeds and the breakdown, including the timeframe for the full utilisation of proceeds; and
 - (d) implications of Practice Note 16, if applicable.
- (3) A separate letter by the independent adviser incorporating -
 - (a) its opinion as to whether the Major Disposal and its related proposals (if any) are fair and reasonable in so far as the shareholders or unit holders are concerned. Such opinion must set out the reasons for, the key assumptions made and the factors taken into consideration, in forming that opinion. In arriving at such opinion, the independent adviser should comply with the relevant provisions relating to an independent adviser's recommendation in Practice Note 15 – Independent Advice Circular issued by the SC pursuant to the of Chapter 12 of the Guidelines on Contents of Applications Relating to Take-Overs and Mergers Code on Independent Adviser's Recommendation, issued by SG; and
 - (b) its advice to the shareholders or unit holders on whether they should vote in favour of the Major Disposal and its related proposals (if any).
- (4) The independent advice circular must include the following:
 - (a) the industry and its outlook in which the listed corporationissuer has its core or major business activities;
 - (b) the prospects of the listed corporationissuer in light of its industry outlook and competition; and

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- (c) in the case of a securities exchange offer –
 - (i) the industry and its outlook in which the acquirer has its core or major business activities; and
 - (ii) the prospects of the acquirer in light of its industry's outlook and competition.
- (5) Where the consideration for the Major Disposal is by way of cash or partly in cash, a statement by the board of directors and commentary by the independent adviser as to whether the acquirer has sufficient financial resources to undertake the acquisition.
- (6) A statement by the board of directors on the listed ~~corporation's~~ issuer's intention to deal with its treasury shares and the impact of such dealing on the shareholders or unit holders' entitlement pursuant to the Major Disposal, if any.

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An Independent Adviser's Role in Relation to a Voluntary Withdrawal of Listing

CHAPTER 16 SUSPENSION, DE-LISTING AND ENFORCEMENT

PART C – WITHDRAWAL OF LISTING AND DE-LISTING BY THE EXCHANGE

16.06 Request for withdrawal

- (1) Subject to paragraph 16.07, a listed issuer may not request to withdraw its listing from the Official List, unless -
- (a) the listed issuer convenes a general meeting to obtain its shareholder or unit holder approval and a separate meeting for the approval of the holders of any other class of listed securities, if applicable and the circular sent to the shareholders or unit holders and the holders of any other class of listed securities includes the information set out in Part A of Appendix 16A. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Part A of Appendix 16A;
 - (b) the resolution for the withdrawal of its listing is approved by a majority in number representing three fourths in value of the shareholders or unit holders and holders of any other class of listed securities, if applicable, present and voting either in person or by proxy at the meetings and provided that such shareholders or unit holders and holders of any other class of listed securities who object to the withdrawal is not more than 10% of the value of the shareholders or unit holders and holders of any other class of listed securities present and voting either in person or by proxy. Where the constituent document of the listed issuer imposes a stricter condition in respect of the votes required to approve the withdrawal of listing, such stricter condition will apply in substitution of the foregoing provision;
 - (c) the shareholders or unit holders and holders of any other class of listed securities, if applicable, are offered a reasonable cash alternative or other reasonable alternative (“**exit offer**”); and
 - (d) the listed issuer appoints an independent adviser, which meets the approval of the independent directors, to advise and make recommendations for the consideration of the shareholders or unit holders and holders of any other class of listed securities, if applicable, in connection with the withdrawal of its listing as well as the fairness and reasonableness of the exit offer.
- (2) The independent adviser appointed pursuant to subparagraph (1)(d) above must -
- (a) comment as to whether the withdrawal of listing, as well as the exit offer are fair and reasonable in so far as the shareholders or unit holders and holders of any other class of listed securities are concerned. Such opinion must set out the reasons for, the key

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assumptions made and the factors taken into consideration in forming that opinion. In arriving at such opinion, the independent adviser should comply with the relevant provisions relating to an independent adviser's recommendation in Practice Note 15 – Independent Advice Circular issued by the SC pursuant to the Take-Overs and Mergers Code;

- (b) advise the shareholders or unit holders and holders of any other class of listed securities on whether they should vote in favour of the withdrawal of listing and exit offer; and
 - (c) take all reasonable steps to satisfy itself that it has a reasonable basis to make the comments and advice in subparagraphs (a) and (b) above.
- (3) If in the Exchange's opinion, an independent adviser is not independent, the Exchange may disallow such independent adviser to be appointed or continue to act as an independent adviser.

[End of Appendix 1]