

APPENDIX 1

AMENDMENTS CONSEQUENTIAL TO THE REVISED GUIDELINES ISSUED BY THE SC

Main Market Listing Requirements

CHAPTER 1 DEFINITIONS AND INTERPRETATION

PART A - DEFINITIONS

1.01 Definitions

In these Requirements, unless the context otherwise requires -

approved accounting standards		in relation to the Malaysian Accounting Standards Board (MASB), has the meaning given in section 2 of the Financial Reporting Act 1997, <u>but excluding the Malaysian Private Entities Reporting Standard or its equivalent.</u>
custodian		in relation to a Trust Account for a SPAC, means - <ol style="list-style-type: none"> a trust company registered under the Trust Companies Act 1949 or incorporated pursuant to the Public Trust Corporation Act 1995 and is in the List of Approved Trustees in relation to Unit Trust Funds issued by the SC<u>Guidelines on the Registration and Conduct of Capital Market Services Providers</u>; or a licensed bank or licensed investment bank as defined in the Financial Services Act 2013, which is independent of the SPAC's adviser and management team.
reporting accountants		means a firm of public accountants that is <u>a</u> registered <u>auditor</u> with the Audit Oversight Board and the <u>whose</u> registration has not been suspended.
Principal Adviser		has the meaning given in the SC's Principal Adviser Guidelines <u>means a person set out in the Approved List of Principal Advisers published on the SC's website.</u>
SC's Guidelines	Equity	includes any Practice Notes and any other documents issued by the SC in relation to the Guidelines.
Take-Overs and Mergers Code	and	means the Malaysian Code on Take-Overs and Mergers 2010 <u>2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisitions</u> , including any amendment that may be made from time to time.

[End of Amendments to Chapter 1]

CHAPTER 2 GENERAL

PART D - INFORMATION

2.19A Financial estimate, forecast and projection

- (1) Where a circular or any document submitted to the Exchange contains reference to financial estimate, forecast or projection, the listed issuer and its Principal Adviser (if appointed) must comply with Chapters ~~429~~ and ~~4310~~ in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information when preparing and disclosing such financial estimate, forecast or projection.
- (2) The listed issuer must also ensure that the external auditors or reporting accountants, as the case may be, review and report on the underlying accounting policies and assumptions relied on in the preparation of the financial estimate, forecast or projection in accordance with Chapters ~~429~~ and ~~4310~~ in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information.

[End of Amendments to Chapter 2]

CHAPTER 9 CONTINUING DISCLOSURE**PART I - PREPARATION OF ANNOUNCEMENTS****9.16 Content of press or other public announcement**

(1) The content of a press or other public announcement is as important as its timing. A listed issuer must ensure that each announcement -

(a) - (b) [no change];

(c) is balanced and fair. Thus, the announcement must avoid amongst others -

(i) - (iv) [no change];

(v) the presentation of financial estimate, forecast or projection without reasonable bases and assumptions. If any financial estimate, forecast or projection is released, it must be prepared in compliance with Chapters 429 and 4310 in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information. In addition, the underlying accounting policies and assumptions of the financial estimate, forecast or projection must be reviewed by the external auditors or reporting accountants, as the case may be, in accordance with Chapters 429 and 4310 in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information, except where the financial estimate, forecast or projection is required to be released on an immediate basis in response to a media report;

(vi) - (vii) [no change];

(d) - (f) [no change].

(2) - (4) [No change].

9.32 Standard of disclosure for circulars

(1) A listed issuer must ensure that any circular issued to the securities holders of the listed issuer -

(a) - (b) [no change];

(c) is balanced and fair. Thus, the circular must avoid amongst others -

(i) - (iii) [no change];

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- (iv) the presentation of financial estimate, forecast or projection without reasonable bases and assumptions, or without review by the external auditors or reporting accountants, as the case may be, of the underlying accounting policies and assumptions. If any financial estimate, forecast or projection is released, it must be prepared in compliance with Chapters 129 and 1310 in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information, and the underlying accounting policies and assumptions of the financial estimate, forecast or projection must be reviewed by the external auditors or reporting accountants, as the case may be, in accordance with Chapters 129 and 1310 in ~~Part I~~, Division 1, Part II of the SC's Prospectus Guidelines in relation to future financial information;

(v) - (vi) [no change];

(d) - (e) [no change].

(2) - (4) [No change].

[End of Amendments to Chapter 9]

CHAPTER 10 TRANSACTIONS

PART F - VERY SUBSTANTIAL TRANSACTION AND SIGNIFICANT CHANGE IN THE BUSINESS DIRECTION OR POLICY

10.11 Significant change in the business direction or policy of a listed issuer

- (1) Where a transaction will result in a significant change in the business direction or policy of the listed issuer, the listed issuer must first procure the SC's approval for the transaction and comply with the SC's Equity Guidelines.
- (2) The listed issuer must include the additional information set out in Part H of ~~Appendices~~Appendix 10A and 10B respectively, in the announcement of the transaction to the Exchange ~~and the circular issued to the shareholders or unit holders, as the case may be~~.
- (2A) ~~In relation to a SPAC undertaking a qualifying acquisition, in addition to the requirements in subparagraph (2) above, the SPAC must include the additional information set out in Part I of Appendix 10B, in the circular issued to its securities holders. [Deleted]~~
- (3) ~~The listed issuer must submit the circular referred to in subparagraphs (2) and (2A) above to the SC for comments and clearance before it issues the circular to its shareholders or unit holders. For the avoidance of doubt, any application in relation to the waiver or modification of the contents required of such a circular must be submitted directly to the SC for approval. [Deleted]~~

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

10.11A Major Disposal

- (1) - (2) [No change].
- (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 Schedule 2, Part III of the Take-Overs and Mergers Code Rules on Take-Overs, Mergers and Compulsory Acquisitions;
 - (b) - (c) [no change].
- (4) - (5) [No change].

APPENDIX 10A

Contents of announcement in relation to transactions

(paragraphs 10.06(1), 10.08(1), 10.08(11)(i) and (j), 10.11A(1)(c), 10.16 and 10.17)

Part H

Additional specific information to be included in relation to significant change in business direction or policy of a listed issuer

(paragraphs 10.11 & 10.14)

- (1) ~~A summary of the key audited financial data~~The following additional audited financial information of the assets or interests to be acquired for the past 3 to 5 financial years (depending on the profit ~~track record~~test or infrastructure project corporation test used for compliance with the SC's Equity Guidelines) or since the date of incorporation or commencement of operations, whichever is the later: ~~The financial data must include, but not be limited to, shareholders' funds and total borrowings.~~
- (a) basic and diluted earnings per share;
 - (b) total current assets and total current liabilities;
 - (c) total assets and total liabilities;
 - (d) net assets or net liabilities;
 - (e) issued capital and reserves;
 - (f) total borrowings;
 - (g) current ratio; and
 - (h) gearing ratio.
- (2) The ~~financial~~pro forma effects of the proposed acquisition or restructuring exercise on ~~proforma~~the net assets and gearing (based on the latest audited financial statements) of the listed issuer on completion of the acquisition or restructuring exercise.
- (3) For assets or interests which do not have any profitability track record (as in certain privatisation cases), the information must include, but not be limited to, the total cost needed to put on-stream the operation of the assets or interests and the proportion to be assumed or guaranteed by the listed issuer, the expected date on which profit contribution will accrue to the listed issuer and the expected returns to be derived, together with appropriate assumptions used.
- (4) If the transaction results in a change in the controlling shareholder of the listed issuer, or in relation to a listed business trust, a change in the controlling unit holder of the listed business trust or controlling shareholder of the trustee-manager for the listed business trust, a statement to that effect and the following information in respect of the new shareholder or unit holder:
- (a) the name;
 - (b) the date and place of incorporation;

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-
- (c) the names of directors and substantial shareholders or substantial unit holders and their respective shareholdings or unit holdings; and
 - (d) the principal business.
- (5) If the transaction results in a change in the board of directors of the listed corporation, the following information in respect of the new board of directors:
- (a) name and nationality; and
 - (b) occupation and qualification.
- (6) Background of the vendors who are substantial shareholders or substantial unit holders of the assets or interests to be acquired:
- (a) name;
 - (b) date and place of incorporation;
 - (c) principal activities;
 - (d) substantial shareholders or substantial unit holders and directors and their respective shareholdings or unit holdings.

APPENDIX 10B

Contents of circular to shareholders in relation to transactions
(paragraphs 10.07(1), 10.08(2)(a), 10.11A(1)(c), 10.16 and 10.17)

Part H

[Deleted]

~~Additional specific information to be included in relation to significant change in business direction or policy of a listed issuer
(paragraphs 10.11 and 10.14)~~

~~(1) The following statements to be stated on the cover page of the circular:~~

~~“The Securities Commission Malaysia has approved the proposal contained in this circular. The approval should not be taken to indicate that the Securities Commission Malaysia recommends the proposal or assumes responsibility for the correctness of any statement made or opinion or report expressed in this circular. The Securities Commission Malaysia has not, in any way, considered the merits of the proposal being tabled for shareholders’ or unit holders’ approval.”~~

~~“The Securities Commission Malaysia is not liable for any non-disclosure on the part of the issuer and takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this circular.”~~

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- ~~(2) If the transaction results in a change in the controlling shareholder(s) of the listed issuer, or in relation to a listed business trust, a change in the controlling unit holder of the listed business trust or controlling shareholder of the trustee-manager for the listed business trust, the following information in respect of the new controlling shareholder(s) or controlling unit holders, where applicable:~~
- ~~(a) the name;~~
 - ~~(b) the date and place of incorporation;~~
 - ~~(c) the names of directors and substantial shareholders or substantial unit holders and their respective shareholdings or unit holdings;~~
 - ~~(d) the common directorships and controlling shareholdings or controlling unit holdings in other listed issuers;~~
 - ~~(e) the principal business;~~
 - ~~(f) qualification and experience of the new controlling shareholder or controlling unit holder, if the new controlling shareholder or controlling unit holder is an individual; and~~
 - ~~(g) the new controlling shareholder(s)' or controlling unit holder(s)' interest in all other entities or businesses, principal activities of such entities or nature of such businesses. If a conflict of interests exists or likely to exist, to provide full disclosure of the nature and extent of the conflicts of interests or potential conflicts of interests, the parties to the conflicts, and measures taken for resolving, eliminating, or mitigating the situations of conflict of interests.~~
- ~~(3) If the transaction results in a change in the board of directors or senior management of the listed corporation, the following information in respect of the new board of directors or senior management, as the case may be:~~
- ~~(a) name and nationality;~~
 - ~~(b) occupation and qualification;~~
 - ~~(c) profile, including designation, function and business and management expertise; and~~
 - ~~(d) the new director's or senior management's interest in all other entities or businesses, principal activities of such entities or nature of such businesses. If a conflict of interests exists or likely to exist, to provide full disclosure of the nature and extent of the conflicts of interests or potential conflicts of interests, the parties to the conflicts, and measures taken for resolving, eliminating, or mitigating the situations of conflict of interests.~~
- ~~(4) Changes in the substantial shareholders or substantial unit holders in the assets or interests to be acquired over the past 3 years.~~
- ~~(5) Background of the vendors whom are substantial shareholders or substantial unit holders ("**Vendor**") of the assets or interests to be acquired, where applicable—~~
- ~~(a) name;~~
 - ~~(b) date and place of incorporation;~~
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-
- ~~(c) principal activities;~~
- ~~(d) substantial shareholders or substantial unit holders and directors of the Vendors and their respective shareholdings or unit holdings; and~~
- ~~(e) occupation, qualification and experience of the Vendors.~~
- ~~(6) A summary of the key audited financial data of the assets or interests to be acquired for the past 3 to 5 financial years based on audited financial statements (depending on the profit track record used for compliance with the SC's Equity Guidelines) or since the date of incorporation or commencement of operations, whichever is the later. The financial data must include, but not be limited to, the items mentioned in paragraph 28(k) of Part A above.~~
- ~~(7) An accountant's report on the unlisted entity to be acquired which must include the following:~~
- ~~(a) the statement of profit and loss and other comprehensive income (or its equivalent) in respect of each of the 3 to 5 financial years (depending on the profit track record used for compliance with the SC's Equity Guidelines) immediately preceding the last date to which the financial statements were made up; and~~
- ~~(b) the statement of financial position (or its equivalent) for each of the past 3 to 5 financial years (depending on the profit track record used for compliance with the SC's Equity Guidelines) immediately preceding the last date to which the financial statements were made up.~~
- ~~(8) The proforma consolidated statement of financial position together with the notes and the auditors' letter showing effects before and after the transaction based on the listed issuer's—~~
- ~~(a) published or announced audited financial statements for the latest financial period ended; or~~
- ~~(b) latest published or announced interim financial report which must be reviewed by external auditors.~~
- ~~Where an interim report referred to in subparagraph (b) above is used, a statement that the interim report has been reviewed by external auditors.~~
- ~~(9) For assets or interests which do not have any profitability track record (as in certain privatisation cases), the information must include, but not be limited to, the total cost needed to put on-stream the operation of the assets or interests and the proportion to be assumed or guaranteed by the listed issuer, the expected date on which the profit contribution will accrue to the listed issuer and the expected returns to be derived, together with the appropriate assumptions used. Information provided should be verified and confirmed by independent experts.~~
- ~~(10) Qualitative assessment of each asset/ interest to be acquired as follows:~~
- ~~(a) analysis of the quality of the products, services, applications, significant recent trends in demand and production, sales and inventory and state of the current order book;~~
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- ~~(b) product/services diversity, quality and whether deemed a necessity or luxury; level of gearing, liquidity and working capital requirements; market access, market share/ranking/ reputation; competitive advantage in terms of operations, technology, pricing, financing etc.; details of long term contracts, availability of resources, capability to diversify, sensitivity to economic downturn, business, operational, financial, and investment risks;~~
 - ~~(c) information of customer and supplier base including number of customers/ suppliers, length of relationship and dependency on major customers/ suppliers and mitigating factors;~~
 - ~~(d) description of industry/sector (including size), past and present performance, growth prospects, industry players and competition, demand/supply conditions, level of market saturation in terms of players and/or products, relevant laws and regulation governing the industry/sector.~~
- ~~(11) A thorough discussion and analysis of the business, financial conditions and prospects of the assets or interests to be acquired or where applicable, those of its group. Such discussion and analysis must contain, at the minimum, the information required under the section on Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects of Chapter 12 of the SC's Prospectus Guidelines.~~
- ~~(12) If the asset is infrastructure project asset/business or entities involved in infrastructure projects, to provide information as required under Chapter 19 of the SC's Prospectus Guidelines.~~

Part I

[Deleted]

~~Additional specific information to be included in relation to qualifying acquisition of a special purpose acquisition company~~

~~(paragraph 10.11)~~

- ~~(1) Details of all credit facilities entered into by the SPAC, and the proposed utilisation of funds. Details of the credit facility must include, amongst others, the salient terms of the facility and details of any security provided.~~
- ~~(2) Aggregate fair market value of the qualifying acquisition(s) in monetary terms and as a percentage of the aggregate amount then on deposit in the Trust Account net of any taxes payable.~~
- ~~(3) Terms and procedures of the liquidation distribution upon failure to meet the timeframe for the qualifying acquisition. This should also include the situation where the qualifying acquisition is approved by securities holders but fails to be completed on time.~~
- ~~(4) Voting options available to the securities holders in relation to the qualifying acquisition. In relation to the situation where the qualifying acquisition is approved and completed within 36 months from the date of listing of the SPAC on the Exchange, state:
 - ~~(a) the rights of the securities holders who vote against the qualifying acquisition;~~
 - ~~(b) the process for those who elect to exchange their securities for cash and the timeframe for payment; and~~~~

~~(c) the basis of computation for the pro rata entitlement of such securities holders.~~

~~(5) A brief explanation of the status of utilisation of proceeds raised from its initial public offering, compared with disclosure of the proposed utilisation in its prospectus, segregated between those placed in the Trust Account from those which are not, and must include the information prescribed in the following table:~~

	Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation		Explanations (if the deviation is 5% or more)
		RM'000	RM'000		RM'000	%	
	(i)						
	(ii)						
	(iii)						
	(iv)						
	(v)						
	Total						

~~(6) The external auditor's report on the review and verification of the information in paragraph 5 above.~~

~~(7) Details on whether the selection criteria or factors of the qualifying acquisition as disclosed in its prospectus have been met. If not, provide an explanation on any variations from such selection criteria or factors.~~

Part J

Additional specific information to be included in relation to Major Disposals (paragraph 10.11A(1)(c))

(1) - (2) [No change].

(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 Schedule 2, Part III of the Take-Overs and Mergers Code~~ Rules on Take-Overs, Mergers and Compulsory Acquisitions; and

(b) [no change].

(4) - (6) [No change].

[End of Amendments to Chapter 10]

CHAPTER 16 SUSPENSION, DE-LISTING AND ENFORCEMENT

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

16.06 Request for withdrawal

- (1) [No change].
- (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 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 Schedule 2, Part III of the Take-Overs and Mergers Code Rules on Take-Overs, Mergers and Compulsory Acquisitions;~~
 - (b) - (c) [no change].
- (3) [No change].

[End of Amendments to Chapter 16]

BURSA MALAYSIA SECURITIES BERHAD

PRACTICE NOTE 32

ADDITIONAL REQUIREMENTS FOR LISTED ISSUERS INVOLVED IN MOG ACTIVITIES

Details	Cross References
Effective date:	2 January 2018, 31 March 2018 (<i>paragraph 7.0 and 8.0 below</i>), <u>[1]</u>
	Paragraphs 9.56, 10.15 and 15.28

12.0 Competent person's report and competent valuer's report

12.1 A competent person's report or competent valuer's report must -

- (a) be prepared in accordance with an Acceptable Reporting Standard;
- (b) be addressed to the listed issuer;
- (c) state the Acceptable Reporting Standard adopted in preparing the report; and
- (d) comply with the disclosure requirements and contents of reports as prescribed in Chapter ~~19A17, Part 1,~~ Division 1, Part II of the SC's Prospectus Guidelines in relation to Specific Requirements For A Corporations with MOG Exploration or Extraction Assets.

[End of Proposed Amendments to Practice Note 32]

[End of Appendix 1]