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**BURSA MALAYSIA SECURITIES BERHAD**
**PRACTICE NOTE 16****CASH COMPANIES**

Details		Cross References
Effective date:	3 January 2005	Paragraphs 8.03, 16.02, 16.11
Revision date:	3 August 2009, 1 January 2022	

**1.0 Introduction**

- 1.1 Paragraph 8.03(2) of the Listing Requirements states that a Cash Company must comply with such requirements as may be prescribed by the Exchange.
- 1.2 This Practice Note sets out the disclosure obligations of a Cash Company.

**2.0 Disclosure obligations of a Cash Company**

- 2.1 A Cash Company must announce to the Exchange -
- (a) immediately upon receipt of the Exchange's notice that it is a Cash Company ("**Initial Announcement**") -
- (i) that the listed issuer is a Cash Company;
  - (ii) the Cash Company's obligations pursuant to this Practice Note;
  - (iii) the consequences of non-compliance with the aforesaid obligations; and
  - (iv) the status of the Cash Company's proposal to acquire a new core business, or the status of its endeavours/steps to formulate such a proposal, whichever is applicable, or where neither a proposal nor any endeavour to formulate such a proposal has been undertaken, an appropriate negative statement to such effect;
- (b) announce the status of its proposal referred to in subparagraph (a)(iv) above and the number of months to the end of the relevant timeframes referred to in paragraph 8.03(5)(a) of the Listing Requirements ("**Monthly Announcement**"), as may be applicable. The Cash Company must make the Monthly Announcement simultaneously with the announcement of its quarterly report pursuant to paragraph 9.22 of the Listing Requirements. In any event, the Cash Company must make the Monthly Announcement not later than 2 months after the end of each quarter of a financial year, until further notice from the Exchange;
- (c) announce its compliance or non-compliance with a particular obligation imposed pursuant to this Practice Note on an immediate basis;

- (d) announce details of the proposal which announcement must fulfill the requirements set out in paragraph 2.2 below (“**Requisite Announcement**”); and
- (e) where the Cash Company fails to regularise its condition, the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by the Exchange.

2.2 The Requisite Announcement must -

- (a) contain details of the proposal;
- (b) include a timeline for the complete implementation of the proposal; and
- (c) be announced by the Cash Company’s Recognised Principal Adviser.

2.3 Before a Cash Company makes the Requisite Announcement, it must ensure that all agreements to be entered into with third parties as part of the proposal, have been duly executed by all parties to such agreements.