

PERIOD FOR COMPLIANCE WITH THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET (“MMLR”) ISSUED ON 8 MAY 2006

Relevant provisions in the MMLR	Period for compliance
Chapter 3 – Admission requirements	Only applicable to applications made to Bursa Securities on or after 3 July 2006 .
Rule 3.11 – Undertaking from listed companies	<p>Only applicable to applicants / companies listed on or after 3 July 2006.</p> <p>Existing listed companies do not have to provide a new undertaking in the form of Appendix 3B of the MMLR where undertakings in the form of Appendix 2E had been given under the previous MMLR.</p>
Rule 3.11 – Confirmation letter from independent directors	All listed companies must ensure that every director who is or has been appointed as an independent director, gives Bursa Securities the letter confirming their independence as per the form in Appendix 3D of the MMLR by 2 September 2006 .
Rule 3.24 – Sponsorship period	Applicable to all listed companies with effect 3 July 2006 . Hence, the existing listed companies as at 3 July 2006 are only required to retain its Sponsor for at least 3 full financial years, subject however to the service contract with its Sponsor, if any.
Rules 6.12, 6.23 & 6.42 - Prescribed timeframe for allotment of securities, despatch of notices of allotment and application for quotation of securities.	Only applicable to applications for the listing of new issues of securities made to Bursa Securities on or after 3 July 2006 .
Chapter 7 – Articles of Association	<p>All listed companies will be required to amend their articles of association to comply with this Chapter no later than 2 July 2007.</p> <p>Notwithstanding the fact that the listed company may not have effected the changes to its articles of association by 2 July 2007, it must nevertheless still comply with the applicable provisions of Chapter 7 with effect 2 July 2007.</p>
Rule 7.26 – Election of Directors	<p>With respect to a contract between a managing director and a listed company entered into prior to 8 May 2006, the requirement need not be adhered to if such adherence would result in the listed company being in breach of the contract with the managing director.</p> <p>Where a managing director of a listed company does not retire in accordance with the requirement of Rule 7.26, the listed company must make disclosure in its annual report of this fact and the reasons thereof.</p>
Rule 8.02 – Submission of annual returns	All listed companies are required to submit their first annual return as at 31 December 2006 within 2

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	months therefrom ie. by 28 February 2007 .
Rule 8.03 & Guidance Note No. 1/2006 – Submission of proposed change in classification	Only applicable to any change after 8 May 2006 . Hence, the existing listed companies as at 8 May 2006 do not have to submit any proposal for classification.
Rules 8.15(1) & 8.15(4) – Continuing obligation to maintain public shareholding spread	All listed companies must ensure that their public shareholding spread complies with the minimum spread requirements under Rule 8.15 of the MMLR by 2 July 2007 .
Rules 8.21 & 8.22 – Requirements relating to an offer for sale	Only applicable to proposals submitted to Bursa Securities on or after 3 July 2006 .
Rule 8.29 – Requirement of shareholders' approval for material dilution	Only applicable to transactions or arrangements which are announced by the listed company on or after 3 July 2006 .
Rule 8.38 – Prescribed timeframe for issuance of circular	Only applicable to corporate proposals announced on or after 3 July 2006 .
Item (8)(b) of Appendix 9B – Disclosure on utilisation of proceeds	All listed companies must ensure that the quarterly reports issued after 3 July 2006 include the details prescribed in item (8)(b) of Appendix 9B.
Requirements relating to the contents of research reports under: <ul style="list-style-type: none"> - Rule 9.23 - Guidance Note No. 6/2006 (GN 6) 	All listed companies must ensure that research reports for financial years ending on or after 31 July 2006 comply with Rule 9.23 and GN 6 of the MMLR.
Rule 9.28 – Requirements relating to contents of annual report	All listed companies with financial years ending on or after 31 July 2006 must ensure that their annual reports comply with Rule 9.28 of the MMLR.
Requirements relating to signatory for statutory declaration for accounts under : <ul style="list-style-type: none"> - Rule 9.29 - Paragraphs 6.1, 7.1 & 7.2 of Guidance Note No. 9/2006 (GN 9) so far as it applies to signatory of statutory declaration in relation to accounts under Rule 9.29(c) 	All listed companies must ensure that the statutory declaration accompanying their annual audited accounts for the financial years ending on or after 30 June 2007 shall be signed by a person who fulfils the requirements of Rule 9.29 and GN 9 of the MMLR.
Appendix 10B & 10D of Chapter 10 – Contents of circulars to shareholders	Only applicable to circulars relating to transactions which are announced on or after 3 July 2006 .
Rules 10.08 – Requirements relating to procurement of shareholders' approval, appointment of independent adviser and main adviser	Only applicable to related party transactions which are announced on or after 3 July 2006 .

Relevant provisions in the MMLR	Period for compliance
<p>Rule 10.09 – Grace period for listed companies to procure their shareholders’ mandate for recurrent related party transactions that, prior to the MMLR, were not considered as related party transactions</p>	<p>In respect of related party transactions that are referred to under Rule 10.09(1) of the MMLR, all listed companies must ensure strict compliance with Rule 10.08 of the MMLR except where a general mandate is procured pursuant to Rule 10.09.</p> <p>As a transitional measure, in respect of recurrent transactions that prior to the MMLR were not considered as related party transactions but from the Effective Date are now considered recurrent related party transactions, listed companies are allowed to procure general mandate pursuant to Rule 10.09(1) of the MMLR, by the listed company’s first Annual General Meeting after 3 July 2006. Thereafter, listed companies that do not have such a general mandate, must strictly comply with the requirements of Rule 10.08 of the MMLR.</p>
<p>Rule 10.12 – Requirement of shareholders’ approval for diversification in operations</p>	<p>Only applicable to such transactions or arrangements which are announced on or after 3 July 2006.</p>
<p>Rule 15.02 – Board must consist of at least 2 or 1/3 independent directors, whichever is higher</p>	<p>All listed companies must comply with Rule 15.02 of the MMLR no later than 2 January 2007.</p>
<p>Rule 15.05(1) – Qualification of directors</p>	<p>All listed companies must comply with Rule 15.05 with effect 3 July 2006. Hence, all existing directors of listed companies who fall under Rule 15.05 must resign as director and must refrain from involvement in the management of the listed company, including in an advisory capacity.</p>
<p>Requirements relating to audit committee member having to fulfill requisite qualifications, under :</p> <ul style="list-style-type: none"> - Rule 15.09 - Paragraphs 6.1, 7.1 & 7.2 of Guidance Note No. 9/2006 (GN 9) so far as it applies to the audit committee member under Rule 15.09(c) 	<p>All listed companies must ensure that at least one of the audit committee members fulfils the requisite qualifications as prescribed under Rule 15.09 and GN 9 of the MMLR no later than 2 January 2007.</p>
<p>Rule 15.10 – Chairman of Audit Committee</p>	<p>All listed companies must comply with Rule 15.10 of the MMLR no later than 2 January 2007.</p>
<p>Rule 15.15 – Requirements of audit committee report</p>	<p>All listed companies with financial years ending on or after 31 July 2006 must ensure that their annual reports comply with Rule 15.15 of the MMLR.</p>
<p>Rule 15.18 – Quorum of audit committee</p>	<p>All listed companies must comply with Rule 15.18 of the MMLR no later than 2 January 2007.</p>
<p>Rule 15.23 – Review of statement of internal control by external auditors</p>	<p>All listed companies must ensure that annual reports for financial years ending on or after 30 June 2007 comply with Rule 15.26(b) and GN 11 (and thereby</p>

Relevant provisions in the MMLR	Period for compliance
<p>Rule 15.26(b) and GN 11 – Additional statements by the board of directors on the state of internal control</p>	<p>also ensure compliance with Rule 15.23) of the MMLR.</p> <p>However, all listed companies are encouraged to make the disclosures pursuant to the abovementioned requirements on a voluntary basis in respect of their annual report for the financial years ending before 30 June 2007.</p>
<p>Requirements relating to disclosure pursuant to the Code on Corporate Governance, under:</p> <ul style="list-style-type: none"> - Rule 15.25 - Guidance Note No. 11/2006 (GN 11) 	<p>All listed companies must ensure that annual reports for financial years ending on or after 30 June 2007 comply with Rule 15.25 and GN 11 of the MMLR.</p> <p>However, all listed companies are encouraged to make the disclosures pursuant to Rule 15.25 and GN 11 on a voluntary basis in respect of their annual report for the financial years ending before 30 June 2007.</p>