

APPENDIX 2

AMENDMENTS CONSEQUENTIAL TO THE REVISED GUIDELINES ISSUED BY THE SC

ACE 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, but excluding the Malaysian Private Entities Reporting Standard or its equivalent.

reporting accountants means a firm of public accountants that is a registered auditor with the Audit Oversight Board and ~~the~~whose registration has not been suspended.

SC's Equity Guidelines includes any other documents issued by the SC in relation to the Guidelines.

significant change in the business direction or policy in relation to a listed corporation means -

(a) an acquisition of assets such that any one of the percentage ratios is 100% or more, except where the assets to be acquired are ~~the same as those of the existing~~in a business similar to the core business of the listed corporation;

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

For the purpose of this definition, “percentage ratios” means the figures, expressed as a percentage, resulting from each of the following computations:

(i) - (v) [no change].

Take-Overs and Mergers Code means the Malaysian Code on Take-Overs and Mergers ~~2010~~2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisitions, 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 corporation and its Sponsor or Adviser (if appointed), as the case may be, 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 corporation 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 4 SPONSORS**PART C - ADMISSION OF SPONSORS****4.03 Admission as a Sponsor**

- (1) Any person wishing to act as a Sponsor must -
- (a) be ~~an adviser who has been admitted to the Approved List of Principal Advisers Submitting Specific Corporate Proposals under the SC's Principal Adviser Guidelines~~ a person set out in the Approved List of Principal Advisers published on the SC's website;
 - (b) enter into an agreement with the Exchange, in the form of Appendix 4A, to accept the responsibilities of a Sponsor, to discharge those responsibilities at all times to the satisfaction of the Exchange and to comply with these Requirements and any other rules or regulations issued by the Exchange which are applicable to Sponsors; and
 - (c) satisfy such conditions as may be imposed by the Exchange.
- (2) [No change].

[End of Amendments to Chapter 4]

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 corporation 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 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].

9.31 Standard of disclosure for circulars

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

- (1) Where a transaction will result in a significant change in the business direction or policy of the listed corporation, the listed corporation and its Sponsor or Adviser, as the case may be, must include -

~~(a) additional information set out in Part H of Appendices 10A and 10B respectively, in the announcement of the transaction to the Exchange, the additional information set out in Part H of Appendix 10A; and~~

~~(b) in the circular issued to the shareholders, as the case may be, the information set out in Appendix 2A of the SC's Equity Guidelines.~~

~~(2) [Deleted]~~

~~(3) [Deleted]~~

~~(4) [Deleted]~~

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

10.11A Major Disposal

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

(3) (a) [No change].

(b) The independent adviser must, in relation to the Major Disposal -

- (i) comment as to whether the Major Disposal and its related proposals (if any) are fair and reasonable in so far as the shareholders 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;

(ii) - (iii) [no change].

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

APPENDIX 10A

Contents of announcement in relation to transactions

(Rules 10.06(1), 10.08(1) and 10.08(11)(i) and (j), and 10.11A(1)(c))

Part H

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

(Rule 10.11(1))

- (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 financial years 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 corporation 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 corporation, the expected date on which profit contribution will accrue to the listed corporation 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 corporation, a statement to that effect and the following information in respect of the new shareholder:
 - (a) the name;
 - (b) the date and place of incorporation;
 - (c) the names of directors and substantial shareholders and their respective shareholdings; and
 - (d) the principal business.

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- (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 of the assets or interests to be acquired:
- (a) name;
 - (b) date and place of incorporation;
 - (c) principal activities;
 - (d) substantial shareholders and directors and their respective shareholdings.

APPENDIX 10B

Contents of circular to shareholders in relation to transactions (Rules 10.07(1), 10.08(2)(b) and 10.11A(1)(c))

Part H

[Deleted]

~~Additional specific information to be included in relation to significant change in business direction or policy of a listed corporation (Rule 10.11(1))~~

- ~~(1) If the transaction results in a change in the controlling shareholder(s) of the listed corporation, the following information in respect of the new controlling shareholder(s), where applicable:~~
- ~~(a) the name;~~
 - ~~(b) the date and place of incorporation;~~
 - ~~(c) the names of directors and substantial shareholders and their respective shareholdings;~~
 - ~~(d) the common directorships and controlling shareholdings in other listed corporations;~~
 - ~~(e) the principal business;~~
 - ~~(f) qualification and experience of the new controlling shareholder, if the new controlling shareholder is an individual; and~~

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- ~~(g) — the new controlling shareholder(s)' interest in all other corporations or businesses, principal activities of such corporations 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.~~
- ~~(2) — 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;~~
- ~~(b) — occupation and qualification;~~
- ~~(c) — profile, including designation, function and business and management expertise; and~~
- ~~(d) — the new director's interest in all other corporations or businesses, principal activities of such corporations 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) — Changes in the substantial shareholders in the assets or interests to be acquired over the past 3 years.~~
- ~~(4) — Background of the vendors whom are substantial shareholders ("Vendor") of the assets or interests to be acquired, where applicable:~~
- ~~(a) — name;~~
- ~~(b) — date and place of incorporation;~~
- ~~(c) — principal activities;~~
- ~~(d) — substantial shareholders and directors of the Vendors and their respective shareholdings; and~~
- ~~(e) — occupation, qualification and experience of the Vendors.~~
- ~~(5) — A summary of the key audited financial data of the assets or interests to be acquired for the past 3 financial years, based on audited financial statements, 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 29(k) of Part A.~~
- ~~(6) — An accountant's report on the unlisted corporation to be acquired 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 financial years immediately preceding the last date to which the financial statements were made up; and~~
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- ~~(b) — the statement of financial position (or its equivalent) for each of the past 3 financial years immediately preceding the last date to which the financial statements were made up.~~
- ~~(7) — 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 corporation'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.~~
- ~~(8) — 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 corporation, the expected date on which the profit contribution will accrue to the listed corporation and the expected returns to be derived, together with the appropriate assumptions used. Information provided should be verified and confirmed by independent experts.~~
- ~~(9) — 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;~~
 - ~~(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, 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; and~~
 - ~~(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.~~
- ~~(10) — 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 in Chapter 12 of SC's Prospectus Guidelines.~~
- ~~(11) — If the asset is infrastructure project asset/business or corporations involved in infrastructure projects, to provide information as required under Chapter 19 of the SC's Prospectus Guidelines.~~

Part I**Additional specific information to be included in relation to Major Disposals**
(Rule 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 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 sub-Rule (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 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**GUIDANCE NOTE 15****LISTING PROCEDURES FOR INITIAL ADMISSION**

Details	Cross References
Effective date:	3 August 2009 Rules 3.02, 5.02, 8.18 and 15.03
Revision date:	22 September 2011, 3 January 2012, 1 April 2015, 13 July 2015, 2 January 2018, [1]

ANNEXURE GN15-A**PART B****Documents to be filed with a listing application**

(paragraph 3.1(b); paragraph 3.1(b) of Guidance Note 16; Rule 5.02(5) of the Listing Requirements)

(1) An applicant must file the following documents in support of a listing application:

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

(m) a declaration by the applicant or where it is an RTO, a declaration by the vendor of the assets or controlling shareholder of the vendor (if it is a corporation) that ~~it-~~(i) in the last 10 years, it has not been charged or convicted in a criminal proceeding nor is it named subject of a pending criminal proceeding;(ii) in the last 10 years, no judgment was entered against it, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on its part, involving a breach of law or regulatory requirement that relates to the capital market;(iii) in the last 10 years, it was not subject to any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on our part that relates to the capital market;(iv) it was not the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining it from engaging in any type of business practice or activity;

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- (v) it is not subject to any current investigation or disciplinary proceeding, or in the last 10 years, it has not been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency;
 - (v) no unsatisfied judgment was made against it; and
 - (vi) in the last 10 years, there was no petition under any insolvency laws filed (and not struck out) against it; or there was no petition under any bankruptcy or insolvency laws filed (and not struck out) against the person or any partnership in which the person was a partner or any corporation of which the person was a director or member of key senior management (if the vendor or controlling shareholder is an individual);
 - ~~(i) has never been charged with, convicted or compounded for any offence under securities laws, corporations laws or any other laws involving fraud or dishonesty in a court of law, for the last 10 years prior to the submission of the application; and~~
 - ~~(ii) has never had any action taken against it for any breach of the Listing Requirements or rules issued by the Exchange, for the past 5 years prior to the submission of the application;~~
 - (n) ~~confirmation declaration~~ by directors of the applicant, or where it is an RTO, ~~confirmation declaration~~ by directors of the listed corporation, directors of the acquiree corporation and directors of the vendor of the assets ~~and vendor of the assets (if it is an individual) that they -~~
 - (i) in the last 10 years, there was no petition under any bankruptcy or insolvency laws filed (and not struck out) against them or any partnership in which they were partners or any corporation of which they were directors or members of key senior management;
 - (ii) they have not been disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
 - (iii) in the last 10 years, they have not been charged or convicted in a criminal proceeding nor are they named subject of a pending criminal proceeding;
 - (iv) in the last 10 years, no judgment was entered against them, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on their part, involving a breach of law or regulatory requirement that relates to the capital market;
 - (v) in the last 10 years, they were not subject to any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on their part that relates to the capital market;
 - (vi) they were not the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining them from engaging in any type of business practice or activity;
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- ~~(vii) they are not subject to any current investigation or disciplinary proceeding, or in the last 10 years, they have not been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and~~
- ~~(viii) no unsatisfied judgments were made against them.~~
- ~~(i) are not undischarged bankrupts nor are they subject to any proceedings under bankruptcy laws;~~
- ~~(ii) have never been charged with, convicted for or compounded for any offence under securities laws, corporations laws or any other laws involving bribery, fraud or dishonesty in a court of law;~~
- ~~(iii) have never had any action taken against them for any breach of the Listing Requirements or rules issued by the Exchange, for the past 5 years prior to the submission of the application; and~~
- ~~(iv) have not been subjected to any inquiry or investigation by any government or regulatory authority or body for the past 5 years prior to the submission of the application;~~
- (nA) the following details of all existing and proposed substantial shareholders of the applicant and each of its existing or proposed subsidiary and associated companies:
- (i) for individuals, their NRIC/passport number, age and current address; and
- (ii) for corporations, their registration number and current address;
- (nB) the NRIC/passport number, current address and nationality of the directors, chief executive and key management of the applicant and its subsidiaries;
- (o) - (q) [no change].
- (2) [No change].

[End of Proposed Amendments to Guidance Note 15]

[End of Appendix 2]