

## EQUITY GUIDELINES

### SUMMARY OF KEY AMENDMENTS ISSUED ON 19 JANUARY 2017

The following table provides a summary of the key amendments to the *Equity Guidelines* which was issued on 19 January 2017:

<b>PART A: MOG RELATED AMENDMENTS</b>		
Changes in relation to the introduction of the policy for the admission of mineral, oil and gas exploration and extraction corporations or assets to the Main Market of Bursa Malaysia Securities Bhd.		
<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
<b>Chapter 2: Definitions and Interpretation</b>		
Paragraph 2.01	Paragraph 2.01	Definitions of "competent person", "competent person's report", "competent valuer", "competent valuer's report", "Contingent Resources", "Indicated Resources", "mineral", "mineral reporting standards", "Modifying Factors", "MOG", "MOG assets", "MOG corporation", "MOG reporting standards", "MOG resources", "MOG valuation standards", "O&G", "O&G reporting standards" and "recognised professional organisation" inserted. Definition of "real estate" amended.
<b>Chapter 5: Equity Offerings and Listings</b>		
-	Paragraphs 5.04A and 5.04B	New paragraphs inserted to provide clarification on an MOG corporation.

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
Paragraph 5.08(a)	Paragraph 5.08(a)	Amended to insert the working capital requirements for an MOG corporation.
-	Paragraph 5.17A	New paragraph inserted to clarify no offer for sale of securities is allowed as part of the listing proposal for an MOG corporation granted relief.
-	Paragraph 5.29(c)	New paragraph inserted to clarify the moratorium requirements for an MOG corporation granted relief.
Paragraphs 5.30 and 5.31	Paragraphs 5.30 and 5.31	Amended to insert requirements for an MOG corporation.
-	Paragraphs 5.37A and 5.37B	New paragraphs inserted to prescribe additional requirements for the listing of an MOG corporation.
<b>Chapter 6: Special Purpose Acquisition Company</b>		
-	Paragraph 6.13B	New paragraph inserted to require at least one independent director with the appropriate MOG exploration or extraction experience or expertise at the point of listing.
-	Paragraph 6.38A	New paragraph inserted to prescribe additional requirements for acquisition of MOG assets.
<b>Chapter 7: Back-door listings and reverse take-overs</b>		
-	Paragraphs 7.04A to 7.04D	New paragraphs inserted to prescribe additional requirements for acquisition of assets which would result in MOG exploration or extraction activities contributing 50% or

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
		more of the enlarged group's total assets, revenue, operating expenses or after-tax profit.
Paragraph 7.05(a)	Paragraph 7.05(a)	Amended to insert the working capital requirements in relation to MOG assets.
-	Paragraph 7.19(c)	New paragraph inserted to clarify the moratorium requirements where relief has been granted.
<b>Chapter 9: Submission of Proposals</b>		
-	Paragraphs 9.08A and 9.08B	New paragraphs inserted to prescribe submission requirements for competent person's reports and competent valuer's reports.
<b>Chapter 10: Implementation of Proposals</b>		
Paragraph 10.09	Paragraph 10.09	Amended to exclude relief granted in relation to MOG corporation and assets.
-	<b>Appendix 5: Requirement for Competent Person and Competent Valuer</b>	New appendix inserted to prescribe the requirements for a competent person and competent valuer.
-	<b>Guidance 3: Guidance to paragraphs 5.37A(a), 6.38A(b) and 7.04A(a) – Adequate portfolio of resources</b>	New Guidance inserted to provide clarification on adequate portfolio of resources.

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
-	<b>Guidance 4: Guidance to paragraphs 5.37A(b)(ii), 6.38A(c)(ii) and 7.04A(b)(ii) – Control over MOG assets</b>	New Guidance inserted to provide clarification on control over MOG assets.
-	<b>Guidance 5: Guidance to paragraphs 5.37A(c), 6.38A(d) and 7.05(a) – Working capital requirements</b>	New Guidance inserted to provide clarification on working capital requirements.
-	<b>Guidance 6: Guidance to paragraphs 5.37A(e), 5.37A(f), 6.38A(f), 7.04A(c) – Expertise of external auditors and reporting accountants</b>	New Guidance inserted to provide clarification on expertise of external auditors and reporting accountants.
-	<b>Guidance 7: Guidance to paragraphs 5.37B(b), 6.38A(g)(ii) and 7.04C(ii) – Sufficient funds to undertake plans</b>	New Guidance inserted to provide clarification on the scope to demonstrate sufficiency of funds.
-	<b>Guidance 9: Guidance to Appendix 5 – Recognised professional organisations</b>	New Guidance inserted to provide clarification on recognised professional organisations.

**PART B: NON-MOG RELATED AMENDMENTS  
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<b>PART B: NON-MOG RELATED AMENDMENTS</b>
<b>General amendments</b>
1) Removal of paragraphs which are repetition of the provisions in the <i>Capital Market and Service Act 2007</i> (CMSA) 2) Removal of Practice Notes and replaced with Guidance 3) Changes in general layout and editorial amendments including streamlining of terminologies to enhance clarity and consistency

<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
<b>Chapter 5: Equity Offerings and Listings</b>	<b>Chapter 1: Introduction</b>	
Paragraph 5.12	Paragraph 1.08	Existing paragraph removed as issues of securities undertaken as part of a proposal have been incorporated in Chapter 1.
<b>Chapter 7: Back-door Listings and Reverse Take-overs</b>	<b>Chapter 1: Introduction</b>	
Paragraph 7.15	Paragraph 1.08	Existing paragraph removed as issues of securities undertaken as part of a proposal have been incorporated in Chapter 1.
<b>Practice Note 6: Issued pursuant to Chapter 6</b>	<b>Chapter 1: Introduction</b>	

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
Paragraphs 1 to 3	Paragraphs 1.10 to 1.12	Existing paragraphs removed as consultation with the SC has been incorporated in Chapter 1.
<b>Chapter 1: Introduction</b>		
Paragraph 1.10	Paragraph 1.13	Amended to clarify the circumstances when the SC may grant relief from the requirements.
-	Paragraph 1.14	New paragraph inserted to provide clarification on the purpose of the Guidance.
<b>Chapter 2: Definitions and Interpretation</b>		
Paragraph 2.01	Paragraph 2.01	Definition of "approved accounting standards", "Audit Oversight Board" and "audited financial statements" inserted. Definition of "significant change in the business direction or policy of a listed corporation" amended.
<b>Chapter 5: Equity Offerings and Listings</b>		
Paragraphs 5.02(a)(ii) and 5.02(b)(ii)	-	Existing paragraph removed as requirement is no longer required with inserted definition of "audited financial statements".
Paragraph 5.02(a)(iii)	Paragraph 5.02(a)(ii)	Amended to reflect inserted definition of "audited financial statements".
-	Paragraph 5.06A	New paragraph inserted to require person responsible for the financial function of the business to have been

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
		employed for at least six months.
<b>Practice Note 5: Issued pursuant to Chapter 5 (Chain listing requirements)</b>	<b>Chapter 5: Equity Offerings and Listings</b>	
Paragraphs 1 and 2	Paragraphs 5.09(d)(ii) to (iv) and 5.09(f) to (h)	Existing paragraph removed as requirements have been incorporated in Chapter 5.
<b>Chapter 5: Equity Offerings and Listings</b>		
Paragraph 5.29	Paragraph 5.29	Amended to require moratorium to be placed on securities of the applicant held by promoters and an application to be made to the SC for the lifting of moratorium, once conditions for such lifting have been met.
Paragraph 5.43	-	Existing paragraph removed as requirement is no longer required and incorporated into the <i>Prospectus Guidelines</i>
Paragraph 5.43	-	Existing paragraph removed as requirement is no longer required by way of the reporting accountant who must be registered with the Audit Oversight Board.
Paragraph 5.49	Paragraph 5.49	Amended to require at least two resident directors, one of which must be a member of the audit committee.
<b>Practice Note 6: Issued pursuant to Chapter 6</b>	<b>Chapter 6: Special Purpose Acquisition Company</b>	

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
Paragraphs 5 to 41 and 16 to 21	Paragraphs 6.03A, 6.03B, 6.09, 6.13A, 6.14A, 6.14B, 6.14C, 6.16, 6.21A, 6.21B, 6.24A, 6.25(b), 6.31A, 6.33A and 6.34	Existing paragraph removed as requirements have been incorporated in Chapter 6.
<b>Practice Note 3: Issues pursuant to Chapter 7</b>	<b>Chapter 7: Back-door listings and reverse take-overs</b>	
Paragraphs 1 to 6, 8 and 9	Paragraphs 7.01A(a) to (f), (h) and (i)	Existing paragraphs removed as requirements have been incorporated in Chapter 7.
Paragraph 7	Paragraph 7.01A(g)	Existing paragraph removed as requirement have been amended and incorporated in Chapter 7 to automatically apply.
<b>Chapter 8: Transfer of Listings</b>		
Paragraph 8.01(a)(ii)	Paragraph 8.01(a)(ii)	Amended to reflect inserted definition of "audited financial statements".
<b>Chapter 1: Introduction</b>	<b>Chapter 9: Submission of Proposals</b>	
Paragraph 1.13	Paragraph 9.02A	Existing paragraph removed as clarification on return of applications has been incorporated in Chapter 9.
<b>Chapter 9: Submission of Proposals</b>		
Paragraphs 9.04, 9.05 and 9.07	-	Existing paragraphs removed as requirements have been incorporated in Chapters 5, 6 and 7.



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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
<b>Appendix 1: Content of Application for Equity Offerings and Listings</b>		
Paragraph 2(b)(iii)	-	Existing paragraph removed as introductory document is no longer applicable.
Paragraph 2(e)	Paragraph 2(e)	Amended to limit information submitted to the SC.
Paragraph 3	Paragraph 3	Amended as introductory document is no longer applicable.
-	Paragraph 2(j)	New paragraph inserted to submit required information to the SC.
<b>Appendix 2: Content of Application for Back-door Listings and Reverse Take-over</b>	<b>Appendix 2: Content of Application for Proposals which would result in a Significant Change in the Business Direction or Policy of a Listed Corporation</b>	Amended to clarify that Appendix 2 is applicable to qualifying acquisition proposals undertaken by a SPAC.
Paragraph 2(a)	Paragraph 2(a)	Amended to reflect definition of "significant change in the business direction or policy of a listed corporation".
-	Paragraph 2(h)	Amended to submit required information to the SC.
<b>Practice Note 4: Issued pursuant to Chapters 5, 6 and 7</b>	<b>Appendix 4: Placement of Securities</b>	Existing practice note removed as requirements have been incorporated in Appendix 4.
Paragraph 6	Paragraph 6	Amended to allow list of placees and confirmation to be submitted as soon as practicable but in any case, no later than three market days after the listing.

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
<b>Schedule 1: Declaration by the Applicant</b>		
Paragraph 2(b)	Paragraph 2(b)	Amended to require declaration of any action by securities regulator or securities exchange, whether in or outside Malaysia.
<b>Schedule 1: Declaration by a Director of the Applicant</b>		
Paragraph 2(c)	Paragraph 2(c)	Amended to require declaration of any action by securities regulator or securities exchange, whether in or outside Malaysia.
<b>Practice Note 1: Issued pursuant to Chapters 1, 5, 7 and 8</b>	-	
Paragraph 1	-	Existing paragraph removed as due diligence expectations covered under the <i>Guidelines on Due Diligence Conduct for Corporate Proposals</i> .
Paragraph 2	Guidance 1: Suitability for listing	Existing paragraph removed as clarifications on suitability of listing have been incorporated in the Guidance.
<b>Practice Note 2: Issued pursuant to Chapters 5, 6, 7 and 8</b>	<b>Guidance 2: Core Business</b>	Existing practice note removed as clarifications on core business have been incorporated in the Guidance.
<b>Practice Note 6: Issued pursuant to Chapter 6</b>	-	
Paragraph 15	Guidance 8: Guidance to paragraph 6.24	Existing paragraph removed as clarifications in relation to

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<b>Amendments to specific paragraphs</b>		
<b>Prior to 19 January 2017 (paragraph)</b>	<b>Issued on 19 January 2017 (paragraph)</b>	<b>Comments</b>
		paragraph 6.24 have been incorporated in the Guidance.
<b>Practice Note 6: Issued pursuant to Chapter 6</b>	-	
Paragraph 4	-	Existing paragraph removed as due diligence expectations covered under the <i>Guidelines on Due Diligence Conduct for Corporate Proposals</i> .