

EQUITY GUIDELINES
SUMMARY OF KEY AMENDMENTS ISSUED ON 14 DECEMBER 2018

The following table provides a summary of key amendments to the *Equity Guidelines* which was issued on 14 December 2018:

General amendments
<ol style="list-style-type: none">1. Amended Chapter 3 of Part I, Chapter 5 and Chapter 6 of Part II, Chapter 9 and Chapter 10 of Part III, Appendix 1, Appendix 2 and Appendix 3 of Part IV and Schedule 1 and Schedule 2 of Part V.2. Inserted Appendix 2A of Part IV* on the content requirements for a circular relating to a proposal which would result in a significant change in the business direction or policy of a listed corporation.3. Inserted Appendix 2B of Part IV on the content requirements for an independent advice letter to be prepared for a circular relating to a proposal which would result in a significant change in the business direction or policy of a listed corporation.4. Inserted Schedule 3 and Schedule 4 of Part V.5. Inserted Guidance, where appropriate, to set out the SC's expectations in complying with the enhanced requirements for Chapter 9 of Part III.6. Editorial amendments including streamlining requirements to enhance clarity and ensure consistency throughout the Guidelines, and rephrasing and renumbering of certain requirements.
<p>*Note: On 6 March 2019, Appendix 2A of Part IV was revised to include additional content requirements relating to a SPAC, IPC, and a Corporation with MOG Exploration or Extraction Assets.</p>

1. For the existing Chapter 2: Definitions and Interpretation

Key amendments to specific paragraphs	
<p>Chapter 2 DEFINITIONS AND INTERPRETATION</p>	<ul style="list-style-type: none"> • Definitions of “adviser”, “approved accounting standards”, “audited financial statements”, “principal adviser”, “property assets”, “subsidiary company” and “substantial shareholder” amended. • Definitions of “financial assistance”, “future financial information”, “governmental proceeding”, “issuer”, “key senior management”, “latest practicable date”, “reporting accountants” and “target asset” inserted.

2. For the existing Chapter 3: Corporate Governance

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 3.05	[deleted]	<ul style="list-style-type: none"> • Existing requirement moved to the appendices in Part IV.
Paragraph 3.06	[deleted]	<ul style="list-style-type: none"> • Existing requirement deleted and inserted in Chapter 9 and the schedules of Part V.

3. For the existing Chapter 5: Equity Offerings and Listings

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 5.45	Paragraph 9.12A	<ul style="list-style-type: none"> Existing requirement amended, to provide that all documents furnished to the SC which are in a language other than Bahasa Malaysia or English must be accompanied by an English translation confirmed by the applicant or the principal adviser as being an accurate translation of the original documents, and inserted in Chapter 9.

4. For the existing Chapter 6: Special Purpose Acquisition Company

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 6.45	Paragraph 6.45	<ul style="list-style-type: none"> Existing sub-paragraph (a) amended to streamline with the requirements in the <i>Guidelines on the Registration and Conduct of Capital Market Services Providers</i> issued on 19 October 2018.

5. For the existing Chapter 9: Submission of Proposals

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 9.02B	<ul style="list-style-type: none"> New paragraph inserted to provide for relief applications to be submitted at least 14 market days prior to the intended date of submission of the application.
Paragraph 9.03	[deleted]	<ul style="list-style-type: none"> Existing requirement to provide information on the business, financial conditions and prospects of the applicant deleted to streamline to the requirements in the <i>Prospectus Guidelines</i>.
Paragraph 9.08	Paragraph 9.08	<ul style="list-style-type: none"> Existing paragraph amended to require the valuation report for property assets to be submitted to the SC one month before the submission of the application for the proposals.
Paragraph 9.08A	Paragraph 9.08A	<ul style="list-style-type: none"> Existing paragraph amended to provide for the competent person's report or competent valuer's report to be submitted to the SC one month before the submission of the application for the proposals.
Paragraph 9.17	Paragraph 9.17	<ul style="list-style-type: none"> Existing paragraph amended to provide that any submission to the SC must be made before 12:30p.m. on the intended date of submission.

6. For the existing Chapter 10: Implementation of Proposals

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 10.03B	<ul style="list-style-type: none"> New paragraph inserted to provide for instances where the issuance of a circular relating to a proposal which would result in a significant change in the business direction or policy of a listed corporation, is not made within the timeframe provided under the relevant listing requirements of Bursa Securities, or for instances where there are updates to the circular after receiving the SC's clearance.

7. For the existing Appendix 1 of Part IV: Content of application for equity offerings and listings

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 1	Paragraph 1	<ul style="list-style-type: none"> Existing paragraph amended to remove the template for the application term sheet.
Paragraph 2(j)	Paragraph 2(f)	<ul style="list-style-type: none"> Existing paragraph amended to provide for information on any submission of previous material corporate proposals by the applicant or any corporation in the group to a securities exchange or securities regulator outside Malaysia since incorporation.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 3.05(c) of Part I	Paragraph 2(g)	<ul style="list-style-type: none"> Inserted new paragraph to provide for information on all material terms and conditions imposed by the relevant authorities on the applicant or the asset being acquired.
Paragraph 2(f) and (g)	Paragraph 2(h) and (i)	<ul style="list-style-type: none"> Existing paragraph amended for the confirmation to be submitted by the principal adviser and the applicant.
-	Paragraph 5(a)	<ul style="list-style-type: none"> New paragraph inserted to provide for a confirmation by the principal adviser that the application complies with the requirements of these Guidelines.

8. For the existing Appendix 2 of Part IV: Content of application for a proposal which would result in a significant change in the business direction or policy of a listed corporation

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Part A: Application to the SC	
Paragraph 1	Paragraph 1	<ul style="list-style-type: none"> Existing paragraph amended to remove the template for the application term sheet.
Paragraph 2(f) and (g)	Paragraph 2(f)	<ul style="list-style-type: none"> Existing paragraph amended for the confirmation to be submitted by the principal adviser and the vendor.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 3.05(c) of Part I	Paragraph 2(g)	<ul style="list-style-type: none"> Inserted new paragraph to provide for information on all material terms and conditions imposed by the relevant authorities on the applicant and/or the asset being acquired.
Paragraph 2(h)	Paragraph 2(h)	<ul style="list-style-type: none"> Existing paragraph amended to provide for information on any previous material corporate proposal submitted to the SC in relation to the target asset since the target asset's incorporation.
Paragraph 2(h)	Paragraph 2(i)	<ul style="list-style-type: none"> New paragraph inserted to provide for information on any previous material corporate proposal submitted by the target asset to a securities exchange or securities regulator outside Malaysia since incorporation.
-	Paragraph 3	<ul style="list-style-type: none"> New paragraph inserted to provide for a cover letter to be submitted by the independent adviser where required.
-	Paragraph 4	<ul style="list-style-type: none"> New paragraph inserted to provide for: <ul style="list-style-type: none"> (i) the circular to shareholders to be complete and in full compliance with the relevant disclosure requirements in Appendix 2A; and (ii) the independent advice letter to shareholders to be complete and in full compliance with the relevant disclosure requirements in Appendix 2B.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 6	Paragraph 7	<ul style="list-style-type: none"> Existing paragraph amended to provide for the additional supporting information and documents to be submitted with the application for a proposal which would result in a significant change in the business direction or policy of a listed corporation.
-	Part B: Post-Approval Amendments and Issuances	
-	Paragraph 1 and 2	<ul style="list-style-type: none"> New paragraphs inserted to provide for the documents and information to be submitted to the SC: <ul style="list-style-type: none"> (i) where there are any updates to the circular after the SC's approval for the proposal, but prior to the issuance of the circular to the shareholders; and (ii) upon issuance of the circular.

9. For the new Appendix 2A of Part IV: Content requirements for a circular relating to a proposal which would result in a significant change in the business direction or policy of a listed corporation

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 1 General	<ul style="list-style-type: none"> New paragraph inserted to provide for the general requirements for disclosures in the circular, including cover page, responsibility statements, indicative timetable and directory of advisers.
-	Paragraph 2 Summary of Proposal	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of a summary of proposal, which must not exceed 10 pages.
-	Paragraph 3 Details of Proposal	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of details of the proposal, including purchase consideration and rationale for the proposal.
-	Paragraph 4 Information on Issuer	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of information on the issuer, including directors, key senior management and key technical personnel.
-	Paragraph 5 Information on the Target Asset	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of information on the target asset including the vendor, background and business overview.
-	Paragraph 6 Risk Factors	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of risk factors relating to the target asset, the proposal or the issuer.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 7 Related-Party Transactions	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of related party transactions which is material the target asset.
-	Paragraph 8 Conflict of Interest	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of any conflict of interest situation.
-	Paragraph 9 Financial Information of the Target Asset	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of the target asset's selected financial information in the circular.
-	Paragraph 10 Management's Discussion and Analysis of the Target Asset's Financial Condition and Results of Operations	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of the management's discussion and analysis of the target asset's financial condition, changes in the financial condition, and results of operations for each year and interim period for where the target asset's financial information is provided in the circular.
-	Paragraph 11 Financial Information of the Issuer	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of the issuer's financial information, including intended dividend policy, exchange controls, taxation, and capitalisation and indebtedness.
-	Paragraph 12 Pro Forma Financial Information of the Issuer	<ul style="list-style-type: none"> New paragraph inserted to provide for the disclosure of the issuer's pro forma financial information.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 13 Future Financial Information of the Target Asset	<ul style="list-style-type: none"> • New paragraph inserted to provide for the disclosure of the target asset's future financial information.
-	Paragraph 14 Reports by the Reporting Accountants	<ul style="list-style-type: none"> • New paragraph inserted to provide for the disclosure of the accountants' report.
-	Paragraph 15 Expert's Report	<ul style="list-style-type: none"> • New paragraph inserted to provide for the disclosure of a valuation report on the target asset.
-	Paragraph 16 Documents Available for Inspection	<ul style="list-style-type: none"> • New paragraph inserted to provide for the disclosure of documents to be made available for inspection.
-	Paragraph 17 Additional Requirements for a SPAC	<ul style="list-style-type: none"> • New paragraph inserted to provide for the additional disclosures required where the target asset is a qualifying acquisition of a SPAC.
-	Paragraph 18 Additional Requirements for an Infrastructure Project Corporation	<ul style="list-style-type: none"> • New paragraph inserted to provide for the additional disclosures required where the target asset is an infrastructure project asset or an infrastructure project corporation.

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 19 Additional Requirements for a Corporation with MOG Exploration or Extraction Assets	<ul style="list-style-type: none"> New paragraph inserted to provide for the additional disclosures required where the target asset is a corporation with MOG exploration or extraction assets.

10. For the new Appendix 2B of Part IV: Content requirements for an independent advice letter to be prepared for a circular relating to a proposal which would result in a significant change in the business direction or policy of a listed corporation

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Paragraph 1 General	<ul style="list-style-type: none"> New paragraph inserted to provide for the content requirements for an independent advice letter, where required.

11. For the existing Appendix 3 of Part IV: Content of application for transfer of listing

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Paragraph 1	Paragraph 1	<ul style="list-style-type: none"> Existing paragraph amended to remove the template for the application term sheet.
Paragraph 2(g) and (h)	Paragraph 2(g) and (h)	<ul style="list-style-type: none"> Existing paragraph amended for the confirmation to be submitted by the principal adviser and the applicant.
Paragraph 3.05(c) of Part I	Paragraph 2(i)	<ul style="list-style-type: none"> Inserted new paragraph to provide for information on all material terms and conditions imposed by the relevant authorities on the applicant.
-	Paragraph 5(a)	<ul style="list-style-type: none"> New paragraph inserted to provide for a confirmation by the principal adviser that the application complies with the requirements of these Guidelines.
Paragraph 6(d)(x)	Paragraph 5(e)(x) and (xi)	<ul style="list-style-type: none"> Existing paragraph amended to provide for details of the top five major customers and major suppliers over the period under review.

12. For the existing Schedule 1 of Part V: Declaration by the Applicant

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Schedule 1	Schedule 1	<ul style="list-style-type: none">Existing schedule amended to enhance the declaration by the applicant to be submitted to the SC.

13. For the existing Schedule 2 of Part V: Declaration by a Director of the Applicant

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
Schedule 2	Schedule 2	<ul style="list-style-type: none">Existing schedule amended to enhance the declaration by a director of the applicant to be submitted to the SC.

14. For the new Schedule 3 of Part V: Declaration by a Director or Proposed Director of the Issuer, Director of the Target Asset or Director of the Vendor

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Schedule 3	<ul style="list-style-type: none"> • New schedule inserted to provide for a declaration by: <ul style="list-style-type: none"> (i) a director or proposed director of the issuer; (ii) a director of the target asset; and (iii) a director of the vendor, to be submitted to the SC.

15. For the new Schedule 4 of Part V: Declaration by the Vendor or Controlling Shareholder of the Vendor

Key amendments to specific paragraphs		
Prior to 14 December 2018	Issued on 14 December 2018	Comments
-	Schedule 4	<ul style="list-style-type: none"> • New schedule inserted to provide for a declaration by: <ul style="list-style-type: none"> (i) the vendor of the target asset; and (ii) where the vendor is a corporation, the controlling shareholder of the vendor, to be submitted to the SC.