

SUMMARY OF AMENDMENTS
EQUITY GUIDELINES
(Issued: 16 December 2021)

The following table provides a summary of key amendments to the *Equity Guidelines*, which was revised on 16 December 2021:

General amendments
<p>1. Amended Chapter 2 of Part I, Chapter 6 of Part II and inserted guidance in relation to the revised special purpose acquisition company (SPAC) framework.</p> <p>2. Amended Chapter 5 of Part II in relation to requirements on cross listing of a listed corporation on a securities exchange outside Malaysia.</p> <p>3. Editorial amendments, including streamlining requirements to enhance clarity and ensure consistency with the relevant SC guidelines, and rephrasing and renumbering certain requirements.</p>

1. For the existing Chapter 2: Definitions

Key amendments to specific paragraphs		
Prior to 16 December 2020	Revision on 16 December 2021	Comments
Paragraph 2.01	Paragraph 2.01	Definition of “qualifying acquisition” amended to clarify that a qualifying acquisition may also be in the form of a business combination, including a merger.

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

Key amendments to specific paragraphs		
Prior to 16 December 2020	Revision on 16 December 2021	Comments
Paragraphs 5.01(c), 5.51, 5.52, and 5.53	deleted	Existing paragraphs deleted to remove requirements in relation to cross listing of listed corporations on a securities exchange outside Malaysia pursuant to amendments to Schedule 5 of the <i>Capital Markets and Services Act 2007</i> (CMSA) which came into force on 1 July 2021. Schedule 5 of the CMSA which sets out the types of corporate proposals that do not require the SC's approval was amended to include cross-listing of the shares of a listed corporation on a securities exchange outside Malaysia.
Paragraphs 5.02(b)(I), 5.15, 5.22, 5.29(b), and 5.32	Paragraphs 5.02(b)(I), 5.15, 5.22, 5.29(b), and 5.32	Existing paragraphs amended in view of the 'no par value' regime introduced by section 74 of the <i>Companies Act 2016</i> .
Paragraph 5.30	Paragraph 5.30	Existing paragraph amended to clarify that the shareholders whose securities are subject to moratorium include other entities which are not listed.

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

Key amendments to specific paragraphs		
Prior to 16 December 2020	Revision on 16 December 2021	Comments
Paragraph 6.04	Paragraph 6.09A	Existing paragraph deleted and repositioned as new paragraph 6.09A. The paragraph was further amended to exclude the cross reference to paragraph 5.23 which sets out the minimum issue price of equity securities, other than warrants and convertible securities, for which listing is sought.

Key amendments to specific paragraphs		
Prior to 16 December 2020	Revision on 16 December 2021	Comments
Paragraph 6.09	Paragraph 6.09	Existing paragraph amended to reduce the minimum funds required to be raised through an initial public offering to RM100 million. The requirements for a SPAC to demonstrate that the gross proceeds to be raised is sufficient to enable the SPAC to have a core business with sufficient size and scale as well as offer reasonable returns to investors have been removed.
-	Paragraph 6.09B	New paragraph inserted to provide that the issue price of shares offered for subscription for which listing is sought must be at least RM2.00 each.
-	Paragraph 6.12(e)	New paragraph inserted to provide that the number of new shares which will arise from the exercise of the warrants must not exceed 50% of the enlarged number of issued shares.
Paragraph 6.13A	Paragraph 6.13A	Existing paragraph amended to grant flexibility to the types of requisite experience and track record that a SPAC management team is required to have, including allowing participation from professionals with venture capital and private equity background.
-	Paragraph 6.18(c)	New paragraph inserted to impose a moratorium on securities held by the members of the management team for a SPAC proposing to make a qualifying acquisition in the form of a business combination.
-	Paragraphs 6.20A, 6.20B and 6.20C	New paragraphs inserted to: <ul style="list-style-type: none"> impose a moratorium on the consideration securities received by the vendors of the target business, and require all direct and indirect holders of the vendors which are not listed, up to the ultimate individual holder, to give undertakings to the SC that their

		respective holdings in any of the entities which are not listed will not be sold, transferred or assigned during the relevant moratorium period.
-	Paragraph 6.25A	New paragraph inserted to allow a SPAC the option to establish a limit (set not lower than 10% of the shares issued at initial public offering) as to the maximum number of voting shares with respect to which a shareholder, together with any affiliate or persons connected, may tender in exchange for cash.
Paragraph 6.26	deleted	Existing paragraph deleted to remove repetition of requirement from the <i>Prospectus Guidelines</i> .
-	Paragraph 6.27A	New paragraph inserted to allow private placement as an avenue for additional financing for purposes of a qualifying acquisition.
-	Paragraph 6.27B	New paragraph inserted to require the principal adviser to act as the placement agent or joint placement agent.
Paragraph 6.31	Paragraph 6.31	Existing paragraph amended to require the target business to comply with quantitative criteria requirements.
-	Paragraph 6.31B	New paragraph inserted to provide that a SPAC must state its status of compliance with the shareholding spread requirements upon completion of the qualifying acquisition.
Paragraph 6.37	Paragraph 6.37	Existing paragraph amended to allow a qualifying acquisition in the form of a business combination to result in a change in the board of directors and key members of the management team.
Paragraph 6.39	Paragraph 6.39	Existing paragraph amended to reduce the required threshold for approval of the qualifying acquisition by shareholders of a SPAC to a majority in number of the holders of voting shares representing more than half of the total value of shares held by all holders of voting shares present and voting.

-	Guidance 10	New guidance inserted to clarify that for each member of the management team appointed by a venture capital or private equity firm registered with the SC, the member's interest in a SPAC may be held by such venture capital or private equity firm.
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