

APPENDIX 5
DISCLOSURE OBLIGATIONS
MAIN MARKET LISTING REQUIREMENTS

CHAPTER 9 – CONTINUING DISCLOSURE

Paragraph 9.19	<p>Immediate announcements to the Exchange</p> <p>A listed issuer must immediately announce to the Exchange the events set out below. This requirement is in addition to the other announcement requirements which are imposed under this Chapter and other parts of these Requirements, and are not exhaustive -</p> <p><u>(14B) any appointment or change in the legal representative(s) (or person(s) of equivalent authority, however described), with sole powers to represent, exercise rights or enter into binding obligations, on behalf of the listed issuer or its foreign principal subsidiary pursuant to any relevant law applicable to the listed issuer or its foreign principal subsidiary. An announcement to the Exchange must include the information contained in Part B(B) of Appendix 9A;</u></p>
Appendix 9A	<p><u>PART B(B)</u></p> <p><u>Contents of announcement in relation to the change in legal representative(s) (or person(s) of equivalent authority, however described)</u> <u>(paragraph 9.19(14B))</u></p> <p><u>(a) The identity, qualification, experience, occupation, powers and responsibilities of such person.</u></p> <p><u>(b) Risks in relation to the appointment, including concentration of authority and impediments to the removal of such person.</u></p> <p><u>(c) Description of the processes and procedures put in place to mitigate the risks in relation to the appointment and an opinion by the board of directors on the adequacy of the processes.</u></p> <p><u>(d) Reasons for the change, where applicable.</u></p>
<u>Paragraph 9.19A</u>	<p><u>Default in payment</u></p> <p><u>(1) A listed issuer must immediately announce to the Exchange any default in payment of either interest, principal sums, or both, in respect of any credit facility or debt securities (whether listed or unlisted on the Exchange) by the listed issuer, or any of its subsidiaries or associated companies, as the case may be, irrespective of whether a demand has been made, where -</u></p>

<p>Appendix 9A</p>	<p>(a) <u>the total amount outstanding of the defaulted credit facility or debt securities, either singly or collectively, is 5% or more of the net assets of the listed issuer based on the latest published or announced financial statements; or</u></p> <p>(b) <u>the default in payment is reasonably expected to have a material effect on the price, value or market activity of any of the listed issuer's securities or the decision of the listed issuer's securities holder or investor in determining his choice of action.</u></p> <p>(2) <u>In circumstances where a listed issuer has negative net assets, the listed issuer must immediately announce any default in payment of either interest, principal sums, or both, in respect of any credit facility or debt securities.</u></p> <p>(3) <u>The listed issuer must include the information contained in Part H(A) of Appendix 9A, in the announcement to the Exchange under subparagraphs (1) or (2) above.</u></p> <p>(4) <u>Where a listed issuer states that it is solvent ("Solvency Declaration") in the announcement to the Exchange under subparagraphs (1) or (2) above, the listed issuer must ensure that its board of directors executes and submits to the Exchange the Solvency Declaration within 3 market days from the announcement date. For this purpose, a listed issuer is regarded as "solvent" if the majority directors have formed the opinion that the listed issuer will be able to pay all its debts as and when they fall due within the period of 12 months from the date of the announcement.</u></p> <p>(5) <u>After the announcement in subparagraphs (1) or (2) above, the listed issuer must announce to the Exchange -</u></p> <p>(a) <u>the current status of the default in payment and the steps taken by the listed issuer to address the default in payment on a monthly basis until such time when the default in payment is remedied; and</u></p> <p>(b) <u>any circumstance which may render the Solvency Declaration inaccurate, immediately upon the listed issuer becoming aware of the same.</u></p> <p><u>PART H(A)</u></p> <p><u>Contents of announcement in relation to default in payment</u> <u>(paragraph 9.19A)</u></p> <p>(a) The date of the <u>Ddefault in payment</u>.</p> <p>(b) The reasons for the <u>dDefault in payment</u>.</p> <p>(c) The measures by the listed issuer to address the <u>Ddefault in payment</u>.</p>
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	<p>(d) The legal implications of the <u>Default in payment</u> including the extent of the listed issuer's liability in respect of the obligations incurred under the agreements for the indebtedness.</p> <p>(e) The business, financial and operational impact of the <u>Default in payment</u> on the listed issuer.</p> <p>(f) In the event the <u>Default in payment</u> is in respect of secured loan stocks or bonds, the lines of action available to the guarantors or security holders against the listed issuer.</p> <p>(g) In the event the <u>Default in payment</u> is in respect of payments under a debenture, to specify whether the <u>Default in payment</u> will empower the debenture holder to appoint a receiver or receiver and manager.</p> <p>(h) Whether the <u>Default in payment</u> constitutes an event of default under a different agreement for indebtedness (cross default) and the details for such other default, where applicable.</p> <p>(i) Where the <u>Default in payment</u> is in respect of a subsidiary or associated company, a confirmation as to whether the subsidiary or associated company is a major subsidiary or major associated company, as the case may be.</p> <p>(j) Where the <u>Default in payment</u> is in respect of a listed issuer, major subsidiary or major associated company, as the case may be, (i) ——— a statement as to whether the listed issuer is solvent (“Solvency Declaration”). For this purpose, a listed issuer is regarded as “solvent” if the majority directors have formed the opinion that the listed issuer will be able to pay all its debts as and when they fall due within the period of 12 months from the date of the announcement; and</p> <p style="padding-left: 40px;">(ii) ——— if the listed issuer is solvent, a statement that the listed issuer undertakes to provide to the Exchange, the Solvency Declaration duly executed by its board of directors within 3 market days from the announcement date.</p> <p>(k) Any other information that the Exchange may require from time to time.</p>
<p>Paragraph 9.03</p>	<p>Disclosure of material information</p> <p>(1) A listed issuer must make immediate public disclosure of any material information, except as set out in paragraph 9.05 below.</p> <p>(2) Information is considered material, if it is reasonably expected to have a material effect on -</p> <p style="padding-left: 40px;">(a) the price, value or market activity of any of the listed issuer's securities; or</p>

	<p>(b) the decision of a holder of securities of the listed issuer or an investor in determining his choice of action.</p> <p>(3) Without limiting the generality of subparagraph (2) above, material information may include information which -</p> <p>(a) concerns the listed issuer's assets and liabilities, business, financial condition or prospects;</p> <p>(b) relates to dealings with employees, suppliers, customers and others;</p> <p>(c) relates to any event affecting the present or potential dilution of the rights or interests of the listed issuer's securities; or</p> <p>(d) relates to any event materially affecting the size of the public holding of its securities.</p> <p><i>[Cross reference: Practice Notes 1 and 3]</i></p>
<p>Paragraph 9.04(l)</p>	<p>Examples of events which may require immediate disclosure</p> <p>The following are some examples of events which may require immediate disclosure by the listed issuer:</p> <p>(a) the entry into a joint venture agreement or merger;</p> <p>(b) the acquisition or loss of a contract, franchise or distributorship rights;</p> <p>(c) the introduction of a new product or discovery;</p> <p>(d) a change in management;</p> <p>(e) the borrowing of funds;</p> <p>(f) the commencement of or the involvement in litigation and any material development arising from such litigation;</p> <p>(g) the commencement of arbitration proceedings or proceedings involving alternative dispute resolution methods and any material development arising from such proceedings;</p> <p>(h) the purchase or sale of an asset;</p> <p>(i) a change in capital investment plans;</p> <p>(j) the occurrence of a labour dispute or disputes with sub-contractors or suppliers;</p> <p>(k) the making of a tender offer for another corporation's securities;</p>

	<p>(l) the occurrence of an event of default on interest, principal payments or both in respect of loans;[deleted]</p> <p><i>[Cross-reference: Practice Note 1]</i></p> <p>(m) a change in general business direction;</p> <p>(n) a change of intellectual property rights;</p> <p>(o) the entry into a memorandum of understanding; or</p> <p>(p) the entry into any call or put option or financial futures contract.</p>
<p>Paragraph 9.16</p>	<p>Content of press or other public announcement</p> <p>(1) The content of a press or other public announcement is as important as its timing. A listed issuer must ensure that each announcement -</p> <p>(a) is factual, clear, unambiguous, accurate, succinct and contains sufficient information to enable investors to make informed investment decisions;</p> <p>(b) is not false, misleading or deceptive, and does not contain any language which is inflammatory, defamatory or scandalous of another person;</p> <p>(c) is balanced and fair. Thus, the announcement must avoid amongst others -</p> <p>(i) the omission of material facts;</p> <p>(ii) the omission of material unfavourable facts, or the slighting of such facts (e.g. by “burying” them at the end of a press release);</p> <p>(iii) the presentation of favourable possibilities as certain, or as more probable than is actually the case;</p> <p>(iv) the representation with respect to any future performance, occurrence or matter (including the doing of, or the refusing to do, any act) without adequate justification (supported by proper bases and assumptions) or any reasonable grounds for making such representation;</p> <p>(v) the presentation of revenue or profit estimate, forecast or projection without sufficient qualification, assumptions or factual basis. If any revenue or profit estimate, forecast or projection is released, it must be prepared carefully, with a reasonable factual basis and be stated realistically, with appropriate assumptions and qualifications, so as to ensure that it is properly understood. In addition, the accounting bases and calculations of the estimate, forecast or</p>

	<p>projection and the assumptions must be reviewed by the external auditors except where the revenue or profit estimate, forecast or projection is required to be released on an immediate basis;</p> <p>(vi) negative statements phrased so as to create a positive implication, e.g. “The company cannot now predict whether the development will have a materially favourable effect on its earnings” (creating the implication that the effect will be favourable even if not materially favourable), or “The company expects that the developments will not have a materially favourable effect on earnings in the immediate future” (creating the implication that the development will eventually have a materially favourable effect); or</p> <p>(vii) the use of promotional jargon calculated to induce investment or create interest in the securities of the listed issuer rather than to inform;</p> <p>(d) avoids over-technical language, and is expressed to the extent possible in language comprehensible to the layman;</p> <p>(e) explains, if the consequences or effects of the information on the listed issuer’s future prospects cannot be assessed, why this is so; and</p> <p>(f) explains, in relation to an announcement on internal targets, that the information disclosed is merely internal management targets or aspirations set to be achieved by the listed issuer and not an estimate, forecast or projection.</p> <p>(2) Where an adviser is appointed by the listed issuer for submission of the announcement to the Exchange, such adviser must also comply with subparagraph (1) above.</p> <p>(3) A listed issuer or its adviser does not commit a breach of subparagraphs (1) or (2) above, as the case may be, if such person proves that -</p> <p>(a) he had made all enquiries as were reasonable in the circumstances; and</p> <p>(b) after making such enquiries, he had reasonable grounds to believe and did believe until the submission of the announcement that the announcement did fulfil the requirements of subparagraph (1) above.</p> <p>(4) Where any announcement referred to in subparagraph (1) above has been submitted to the Exchange and the person referred to in subparagraphs (1) or (2) above subsequently becomes aware that the announcement may not fulfil the requirements of subparagraph (1) above, the person must immediately notify the Exchange of the same.</p> <p><i>[Cross reference: Practice Notes 1 and 3]</i></p>
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Practice Note 1

~~DEFAULT IN PAYMENT~~[Deleted]~~1.0 — Introduction~~

~~1.1 — This Practice Note enumerates some circumstances upon which a listed issuer must announce an event of default of interest or principal payments for loans under paragraphs 9.03 and 9.04(l) of the Listing Requirements.~~

~~1.2 — The circumstances set out in this Practice Note are not exhaustive.~~

~~1.3 — Nothing in this Practice Note restricts the generality of paragraphs 9.03, 9.04(l) and 9.16 of the Listing Requirements.~~

~~2.0 — Events of default~~

~~2.1 — The following are several events of default (“Default(s)”) the occurrence of which a listed issuer is required to immediately announce to the Exchange under paragraphs 9.03 and 9.04 of the Listing Requirements, irrespective of whether a demand has been made to the listed issuer, its subsidiaries or associated companies, as the case may be:~~

~~(a) — default in payments of interest in respect of loan stocks or bonds, whether listed or unlisted on the Exchange;~~

~~(b) — default in principal payments in respect of loan stocks or bonds, whether listed or unlisted on the Exchange;~~

~~(c) — default in payments under a debenture;~~

~~(d) — default in payments of either interest, principal sums or both in respect of a credit facility where the total amount outstanding of the defaulted credit facility is 5% or more of the net assets of the listed issuer based on the latest published or announced financial statements; or~~

~~(e) — default in payments of either interest or principal sums or both in respect of a credit facility, which is reasonably expected to have a material effect on the price, value or market activity of any of the listed issuer’s securities or the decision of a listed issuer’s securities holder or investor in determining his choice of action. For the purpose of this subparagraph, where a listed issuer has a negative net asset, any amount in default will be considered as material.~~

~~2.2 — The Defaults may be that of the listed issuer, its subsidiaries or associated companies.~~

~~3.0 — Details of the announcement~~

~~3.1 — A listed issuer must include the following information when announcing a Default to the Exchange:~~

~~(a) — the date of Default;~~

	<p>(b) — the reasons for the Default;</p> <p>(c) — the measures by the listed issuer to address the Default;</p> <p>(d) — the legal implications of the Default including the extent of the listed issuer's liability in respect of the obligations incurred under the agreements for the indebtedness;</p> <p>(e) — the business, financial and operational impact of the Default on the listed issuer;</p> <p>(f) — in the event the Default is in respect of secured loan stocks or bonds, the lines of action available to the guarantors or security holders against the listed issuer;</p> <p>(g) — in the event the Default is in respect of payments under a debenture, to specify whether the Default will empower the debenture holder to appoint a receiver or receiver and manager;</p> <p>(h) — whether the Default constitutes an event of default under a different agreement for indebtedness (cross default) and the details for such other default, where applicable;</p> <p>(i) — where the Default is in respect of a subsidiary or associated company, a confirmation as to whether the subsidiary or associated company is a major subsidiary or major associated company, as the case may be;</p> <p>(j) — where the Default is in respect of a listed issuer, major subsidiary or major associated company, as the case may be</p> <p style="text-align: center;">-</p> <p>(i) — a statement as to whether the listed issuer is solvent ("Solvency Declaration"). For this purpose, a listed issuer is regarded as "solvent" if the majority directors have formed the opinion that the listed issuer will be able to pay all its debts as and when they fall due within the period of 12 months from the date of the announcement; and</p> <p>(ii) — if the listed issuer is solvent, a statement that the listed issuer undertakes to provide to the Exchange, the Solvency Declaration duly executed by its board of directors within 3 market days from the announcement date; and</p> <p>(k) — any other information that the Exchange may require from time to time.</p> <p>3.2 — After the announcement in paragraph 2.1 above, the listed issuer must announce to the Exchange —</p> <p>(a) — the current status of the Default and the steps taken by the listed issuer to address the Default on a monthly basis until such time when the Default is remedied; and</p>
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	<p>(b) — immediately upon the listed issuer becoming aware of any circumstance which may render the Solvency Declaration inaccurate.</p> <p>4.0 — Solvency Declaration</p> <p>4.1 — In relation to paragraph 3.1(j)(ii) above, a listed issuer must ensure that its board of directors executes and submits to the Exchange, the Solvency Declaration within 3 market days from the date when the listed issuer announces a Default to the Exchange under paragraph 2.1 above.</p>
<p>Practice Note 17, paragraphs 2.1(f) and 2.1A(e)</p>	<p>2.1 Pursuant to paragraphs 8.04(2) of the Listing Requirements, where a listed issuer triggers any one or more of the following Prescribed Criteria it must comply with the provisions of paragraph 8.04 and this Practice Note:</p> <ul style="list-style-type: none"> (a) the shareholders' equity of the listed issuer on a consolidated basis is 25% or less of the issued and paid-up capital (excluding treasury shares) of the listed issuer and such shareholders' equity is less than RM40 million; (b) receivers or managers have been appointed over the asset of the listed issuer, its subsidiary or associated company which asset accounts for at least 50% of the total assets employed of the listed issuer on a consolidated basis; (c) a winding up of a listed issuer's subsidiary or associated company which accounts for at least 50% of the total assets employed of the listed issuer on a consolidated basis; (d) the auditors have expressed an adverse or disclaimer opinion in the listed issuer's latest audited financial statements; (e) the auditors have expressed an emphasis of matter on the listed issuer's ability to continue as a going concern in the listed issuer's latest audited financial statements and the shareholders' equity of the listed issuer on a consolidated basis is 50% or less of the issued and paid-up capital (excluding treasury shares) of the listed issuer; <u>or</u> (f) a default in payment by a listed issuer, its major subsidiary or major associated company, as the case may be, as announced by a listed issuer pursuant to <u>Practice Note 4 paragraph 9.19A of the Listing Requirements</u> and the listed issuer is unable to provide a solvency declaration to the Exchange; <u>;</u> (g) the listed issuer has suspended or ceased— <ul style="list-style-type: none"> (i) — all of its business or its major business; or (ii) — its entire or major operations;

	<p>for any reasons whatsoever including, amongst others, due to or as a result of-</p> <p>(aa) the cancellation, loss or non-renewal of a licence, concession or such other rights necessary to conduct its business activities;</p> <p>(bb) the disposal of the listed issuer's business or major business; or</p> <p>(cc) a court order or judgment obtained against the listed issuer prohibiting the listed issuer from conducting its major operations on grounds of infringement of copyright of products etc; or[deleted]</p> <p>(h) the listed issuer has an insignificant business or operations.[deleted]</p>
<p>2.1A</p>	<p>In relation to a listed issuer which is a business trust, where the business trust triggers any one or more of the following Prescribed Criteria ("PN17 Business Trust") instead of the Prescribed Criteria in paragraph 2.1 above, it must comply with the provisions of paragraph 8.04 and this Practice Note:</p> <p>(a) the unit holders' fund (excluding non-controlling interest) on a consolidated basis is negative;</p> <p>(b) receivers or managers have been appointed over the asset of the business trust, which asset accounts for at least 50% of the total assets employed of the business trust on a consolidated basis;</p> <p>(c) a winding up of a business trust's subsidiary or associated company which accounts for at least 50% of the total assets employed of the business trust on a consolidated basis;</p> <p>(d) the auditors have expressed an adverse or disclaimer opinion in the business trust's latest audited financial statements; <u>or</u></p> <p>(e) a default in payment of loans or credit facilities of a business trust or its major subsidiary or major associated company, as announced by the trustee-manager pursuant to <u>Practice Note 4-paragraph 9.19A of the Listing Requirements</u> and the trustee-manager is unable to provide a solvency declaration to the Exchange.;</p> <p>(f) the trustee-manager has suspended or ceased-</p> <p>(i) all of the business trust's business or its major business; or</p> <p>(ii) the business trust's entire or major operations,</p>

	<p>for any reasons whatsoever including, amongst others, due to or as a result of—</p> <p>(aa) the cancellation, loss or non-renewal of a licence, concession or such other rights necessary to conduct the business trust's business activities;</p> <p>(bb) the disposal of the business trust's business or major business; or</p> <p>(cc) a court order or judgment obtained against the trustee manager prohibiting the trustee manager from conducting the business trust's major operations on grounds of infringement of copyright of products etc; or [deleted]</p> <p>(g) the business trust has an insignificant business or operations. [deleted]</p>
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[End of Appendix 5]