

## GUIDANCE NOTE 22

## PERUSAL OF DRAFT CIRCULARS AND OTHER DOCUMENTS

Details		Cross References
Effective date:	13 July 2015	Rule 9.30A
Revision date:	2 January 2018	

**1.0 Introduction**

1.1 Rule 9.30A of the Listing Requirements provides as follows:

- (1) *A listed corporation or offeror in an offer for sale of listed securities must submit to the Exchange for perusal, 1 draft copy of all circulars and other documents proposed to be sent to the securities holders within a reasonable time before printing together with a checklist showing compliance with the relevant parts of these Requirements.*
- (2) *Sub-Rule (1) above does not apply to the following documents:*
- (a) *an annual report;*
  - (b) *any document to be sent to securities holders in relation to a take-over by or in respect of a listed corporation excluding circulars to be issued by a listed corporation, proposing to undertake or undertaking a take-over, to its securities holders pursuant to Chapter 10 of these Requirements;*
  - (c) *any document that is not prepared by the listed corporation or its advisers on its behalf; and*
  - (d) *such other document as prescribed by the Exchange subject to such requirements as may be imposed by the Exchange.*
- (3) *A listed corporation or offeror must not issue any of such documents referred to in sub-Rule (1) above until the Exchange has confirmed in writing that it has no further comments on the documents.*
- (4) *Where an adviser is appointed by the listed corporation or offeror for the preparation and/or submission of the documents referred to in sub-Rule (1) above to the Exchange, such adviser must also comply with sub-Rules (1) and (3) above.*
- (5) *Where a circular or document is required to be reviewed by an Adviser or Sponsor, the listed corporation must include a statement in the circular or document that the circular or document has been reviewed by the listed corporation's Adviser or Sponsor, as the case may be."*

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- 1.2 This Guidance Note sets out the relevant requirements on –
- (a) documents which are not required to be submitted to the Exchange for perusal;
  - (b) documents which are subject to full review by the Exchange; and
  - (c) documents which are subject to limited review by the Exchange.
- 1.3 For the avoidance of doubt, in perusing circulars and documents pursuant to Rule 9.30A of the Listing Requirements, the Exchange does not verify the information in the circular or document so perused. Listed corporations, their directors and advisers are responsible for the disclosure in these documents including ensuring the accuracy and completeness of the same pursuant to Rule 9.31 of the Listing Requirements.

## 2.0 Documents that are not required to be submitted to the Exchange

- 2.1 For the purposes of Rule 9.30A(2)(d) of the Listing Requirements, the circulars or documents on any one or more of the following are not subject to Rule 9.30A(1) of the Listing Requirements, namely the perusal of the Exchange is not required before issuance:
- (a) notices of adjustments to warrants and convertible securities;
  - (b) notices of meetings;
  - (c) [deleted]
  - (d) purchase of own shares (including the ordinary resolution);
  - (e) amendments to or adoption of the constitution;
  - (f) amendments to trust deeds or deed polls;
  - (g) [deleted]
  - (gA) renewal of shareholder mandate for Recurrent Related Party Transactions; and
  - (h) all other circulars to shareholders, which are not issued pursuant to a requirement to obtain shareholder approval, prescribed under the Listing Requirements,
- (collectively referred to as “**Exempt Circulars**”).

## 3.0 Obligations in relation to Exempt Circulars

- 3.1 Accordingly, the Exchange will not comment on any of the Exempt Circulars before issuance.
- 3.2 In this respect, an Exempt Circular must include a statement that Bursa Malaysia Securities Berhad has not perused the circular before its issuance.
- 3.3 Immediately upon issuance of the Exempt Circular to securities holders, a listed corporation must submit to the Exchange, a checklist showing compliance with the relevant parts of the Listing Requirements.

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- 3.4 If the Exchange detects any non-compliance with the Listing Requirements subsequent to the issue of the Exempt Circular, the listed corporation, Sponsor and/or the Adviser responsible for preparing the Exempt Circular may be subject to enforcement action by the Exchange.

#### 4.0 Documents subject to a limited review

- 4.1 The circulars or documents on the following subject-matters will be subjected to a limited review by the Exchange:

- (a) issuance of securities for cash including but not limited to rights issue, private placement, restricted issue, special issue, issue of securities on a "bought deal" basis, allotments to directors (including allotment of Share Issuance Scheme options), major shareholders or persons connected with them which fall within Rule 6.07 of the Listing Requirements;
- (b) Share Issuance Scheme including establishment of or amendments to by-laws, extensions of the duration of the scheme or termination of the scheme;
- (c) obtaining shareholder mandate for new Recurrent Related Party Transactions;
- (d) notice of maturity of securities;
- (e) extensions of time for maturity/expiry of securities;
- (f) bonus issues, subdivision or consolidation of shares;
- (g) early redemption of securities, whether full or partial; and
- (h) [deleted]
- (i) notice of share exchange, recall or reduction; and
- (j) Dividend Reinvestment Scheme,

(collectively referred to as "**Limited Review Circulars**").

#### 5.0 Obligations in respect of a Limited Review Circular

- 5.1 Pursuant to Rule 9.30A of the Listing Requirements, a Limited Review Circular cannot be issued by a listed corporation until and unless the Exchange confirms in writing that it has no further comments on the document.
- 5.2 In this respect, a listed corporation must submit a draft of a Limited Review Circular pursuant to Rule 9.30A(1) of the Listing Requirements to the Exchange together with a checklist showing compliance with the relevant parts of the Listing Requirements.
- 5.3 In conducting a limited review, the Exchange will only focus on areas which in its opinion pose a high risk in terms of disclosure or compliance with the Listing Requirements.
- 5.4 Nothing in this Guidance Note or the Listing Requirements will preclude the Exchange from conducting a full review in circumstance where it deems fit.

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**6.0 Documents subject to full review**

6.1 The Exchange will continue to conduct a review of all circulars or documents not falling within the exclusions set out in Rule 9.30A(2) of the Listing Requirements including those on the following subject matters:

- (a) related party transactions (excluding circulars in relation to shareholder mandate for Recurrent Related Party Transactions);
  - (b) very substantial transactions;
  - (c) diversification of operations;
  - (d) provision of financial assistance to associated companies and joint arrangements;
  - (e) schemes of compromise, arrangement, amalgamation or reconstruction or restructuring schemes in general;
  - (f) withdrawal of listing;
  - (g) non-related party transactions for which shareholder approval is required pursuant to Rule 10.07 of the Listing Requirements;
  - (h) listing of subsidiaries;
  - (i) capital distribution, repayment or reduction;
  - (j) material dilution of a subsidiary falling under Rule 8.23 of the Listing Requirements;
  - (k) transaction which will result in a significant change in the business direction or policy of a listed corporation;
  - (l) Major Disposal; and
  - (m) any other documents as prescribed by the Exchange,
- (collectively referred to as “**Full Review Circulars**”).

**7.0 Obligations in respect of a Full Review Circular**

7.1 In this respect, a listed corporation must submit a draft of a Full Review Circular pursuant to Rule 9.30A(1) of the Listing Requirements to the Exchange together with a checklist showing compliance with the relevant parts of the Listing Requirements.