



Our Ref: SR/TAC(ro)/LD03/11

28 January 2011

**The Company Secretary  
(Listed Corporations)**

Via email

Dear Sir/Madam,

**AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") ACE MARKET LISTING REQUIREMENTS ("ACE LR") IN RELATION TO PRIVATISATION OF LISTED CORPORATIONS VIA DISPOSAL OF ASSETS**

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Pursuant to section 9 of the Capital Markets and Services Act 2007 ("**CMSA**"), Bursa Securities has made amendments to the ACE LR in relation to privatisation of listed corporations via disposal of assets ("**Amendments**").

**A. INTRODUCTION**

As you are aware, the Securities Commission ("**SC**") and Bursa Securities had published a joint public consultation paper on 19 March 2010 to seek feedback on our intention to review the requirements relating to the privatisation of listed corporations via disposal of assets ("**Joint Consultation Paper**"). We made several proposals in the Joint Consultation Paper to address the disparity in shareholder approval threshold required in an asset disposal that effectively leads to privatisation, as compared to other privatisation routes and to strengthen investor protection.

The Amendments are made after careful and thorough consideration of the feedback received on the Joint Public Consultation Paper, as well as special dialogue sessions held with selected industry participants. We had also undertaken a review of the proposals in their entirety arising from some significant comments received on certain components of the proposals.

Both the SC and Bursa Securities believe that the new policy introduced will strike a balance between business efficacy and investor protection. It will provide parity of regulation and promote a balanced regulatory framework that is fair and reasonable to all shareholders.

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**B. KEY AMENDMENTS**

The Amendments apply to a listed corporation which disposes all or substantially all of its assets which may result in it being no longer suitable for continued listing on Bursa Securities ("**Major Disposal**"). The Amendments include the following:

- (a) requiring the appointment of a main adviser and independent;
- (b) requiring a general meeting to be convened and shareholder approval of at least 75% in value of the shareholders present and voting either in person or by proxy at the meeting to be obtained for such Major Disposal;
- (c) prescribing the roles of the main adviser and independent adviser in a Major Disposal; and
- (d) prescribing the additional specific information to be included in the announcement and circular in a Major Disposal.

For ease of reference, the Amendments are reflected in the following manner:

- portions underlined are text newly inserted/added onto the existing rules; and
- portions struck through are text deleted.

The text of the Amendments (with the amendments tracked) is attached in **Appendix 1** for your reference.

**C. IMPLEMENTATION**

The above Amendments are applicable to Major Disposals announced **on or after 28 January 2011**.

**D. FURTHER INFORMATION**

A copy of the Questions and Answers is attached as **Appendix 2**, to facilitate better understanding of the Amendments.

Please note that the Amendments and the Questions and Answers are available for reference on Bursa Malaysia's website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

In addition to the above, a copy of the Public Response Paper setting out the SC's and Bursa Securities' responses pursuant to the feedback received on the Joint Consultation Paper is also available for reference on the SC's and Bursa Malaysia's website at [www.sc.com.my](http://www.sc.com.my) and [www.bursamalaysia.com](http://www.bursamalaysia.com) respectively.



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**E. CONTACT PERSONS**

For further information or any enquiries on the Amendments, please do not hesitate to liaise with the contact persons from our Listing Division who have been assigned to you as informed via our letter dated 20 June 2008 (Our Ref: IS/LD09/08), the details of which can also be found at [http://www.bursamalaysia.com/website/bm/contact\\_us.html](http://www.bursamalaysia.com/website/bm/contact_us.html).

Thank you.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Selvarany Rasiah".

**SELVARANY RASIAH**  
Chief Regulatory Officer

TAC/ro

*Encls.*