

Additional temporary relief measures to listed issuers announced by Bursa Malaysia

17 April 2020

Due to second extension of the Movement Control Order (“MCO”) for another two weeks from 15 April until 28 April 2020 announced by The Government on 10 April 2020, Bursa Malaysia had on 16 April 2020 announced additional temporary relief measures to listed issuers:

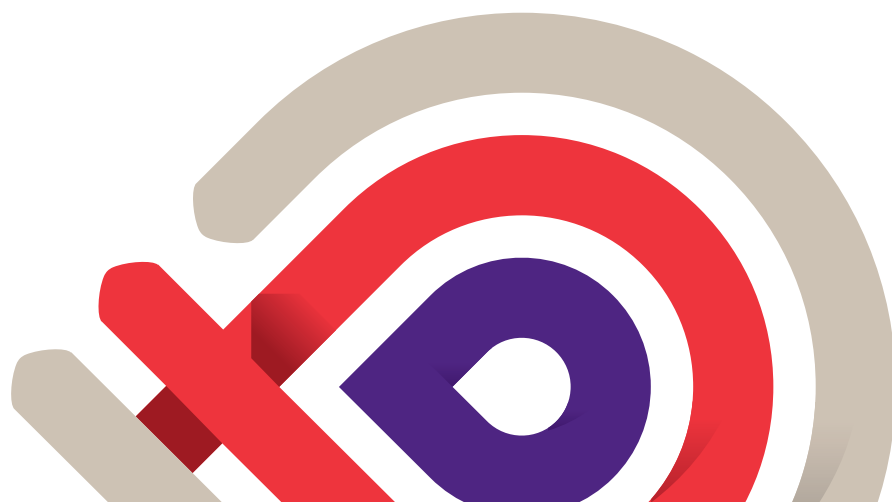
(a) Further Extension of Time for Submission of Quarterly and Annual Reports

Bursa Malaysia has granted an extension of time until 30 June 2020 for the issuance of the following:

- i) Quarterly reports (“QR”) and annual reports that include annual audited financial statements and the auditors’ and directors’ reports (“AR”) which are due by 31 May 2020; and
- (ii) QRs and ARs which are due by 30 April 2020 (which had been extended to 31 May 2020 via Bursa Malaysia letter to listed issuers dated 26 March 2020).

However, Bursa Malaysia reminds listed issuers of the following:

- (i) Listed issuer must continue to comply with the continuing disclosure obligations under the Main Market Listing Requirements (“MAIN LR”), including the obligation to make immediate announcement of any material information under paragraph 9.03; and
- (ii) If the preparation of the QR and AR is not adversely affected by the extended MCO and COVID-19 pandemic, and listed issuers are able to issue the said reports within the prescribed timelines under the Main LR, they must continue to do so without any undue delay.



(b) Increased General Mandate Limit for New Issue of Securities

Bursa Malaysia, as an interim measure, allow a listed issuer to seek a higher general mandate under paragraph 6.03 of the Main LR of not more than 20%¹ of the total number of issued shares (excluding treasury shares) for issue of new securities (“**20% General Mandate**”) provided that the following are being complied with:

- (i) The listed issuer procures its shareholder approval for the 20% General Mandate at a general meeting;
- (ii) The listed issuer complies with all the relevant applicable legal requirements, including its constitution or relevant constituent document; and
- (iii) In addition to the existing disclosures required in the statement accompanying the proposed resolution under paragraph 6.03(3) of the Main LR, the listed issuer must also disclose the views from its board of directors’ that the issuer and its shareholders, as well as the basis for such views.

The 20% General Mandate may be utilised by a listed issuer to issue new securities until 31 December 2021. After that, the 10% limit under paragraph 6.03(1) of the Main LR will be reinstated.

The listed issuer is reminded to continue to comply with all the other requirements for new issue of securities under the Main LR.



(c) Further Relief Measures to Listed Issuers with Unsatisfactory Financial Condition

Bursa Malaysia will be granting affected listed issuers relief from complying with the obligations under paragraph 8.04 and Practice Note 17 (“**PN17**”) of the Main LR (“**PN 17 Relief Measures**”).

The PN 17 Relief Measures will be available to a listed issuer (“**Affected Listed Issuer**”) that triggers any of the following criteria under PN 17 of the Main LR (“**Suspended Criteria**”) from 17 April 2020 to 30 June 2021 (“**Relief Period**”):

- (i) Its shareholders’ equity on a consolidated basis is 25% or less of its share capital (excluding treasury shares) and such shareholders’ equity is less than RM 40 million²;
- (ii) Auditors have highlighted a material uncertainty related to going concern or expressed a qualification on the listed issuer’s ability to continue as a going concern in its latest audited financial statements and its shareholders’ equity on a consolidated basis is 50% or less of its share capital (excluding treasury shares)³; and
- (iii) Default in payment by the listed issuer, its major subsidiary or major associated company, as the case may be, as announced pursuant to paragraph 9.19A of the Main LR and the listed issuer is unable to provide a solvency declaration to Bursa Malaysia⁴.

Under the PN17 Relief Measures:

- (i) An Affected Listed Issuer that triggers any of the Suspended Criteria during the Relief Period will not be classified as a PN 17 listed issuer and will not be required to comply with the obligations pursuant to paragraph 8.04 and PN 17 of the Main LR for a period of 12 months from the date of triggering the criteria;
- (ii) The Affected Listed Issuer will still be required to make an immediate announcement that it has triggered the Suspended Criteria and the relief provided (“**Relief Announcement**”);
- (iii) Upon the expiry of the 12 months from the Relief Announcement, the Affected Listed Issuer must re-assess its condition and announce whether it continues to trigger any of the criteria in PN 17 of the Main LR (“**said Announcement**”); and
- (iv) If the Affected Listed issuer continues to trigger any of the criteria in PN 17 of the Main LR, It will then be classified as a PN 17 listed issuer and must comply with all the obligations under paragraph 8.04 and PN 17 of the Main LR, including the obligation to submit a regularisation plan to the relevant authorities within 12 months from the said Announcement.

¹ Instead of 10% under the existing requirement in paragraph 6.03(1) of the Main LR.

² Paragraph 2.1(a) of PN 17 of the Main LR.

³ Paragraph 2.1(e) of PN 17 of the Main LR.

⁴ Paragraph 2.1(f) of PN 17 of the Main LR.

Please see **Annexure 1** for an illustration of the PN 17 Relief Measures.

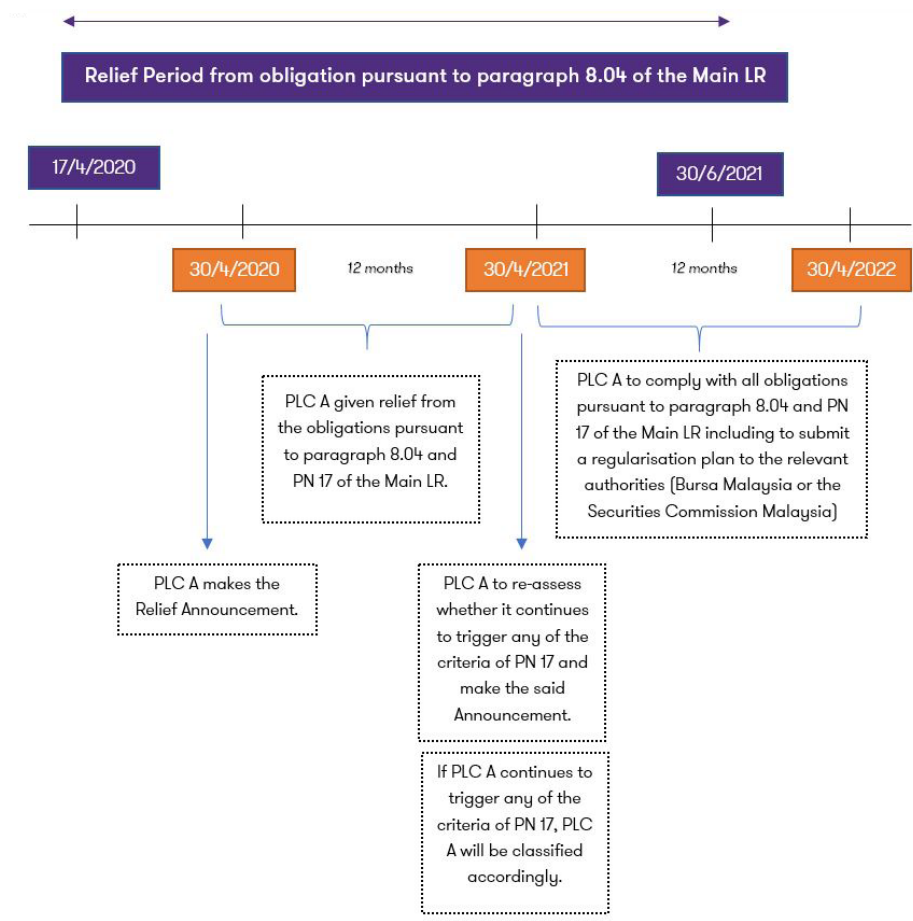
Bursa Malaysia had, on 26 March 2020, granted extension of time for financially distressed listed issuers under PN 17 to submit their regularisation plan (from the existing 12 months to 24 months from the date they first announce they triggered the PN 17 criteria). This applies to listed issuers which trigger the criteria in 2019 and 2020.

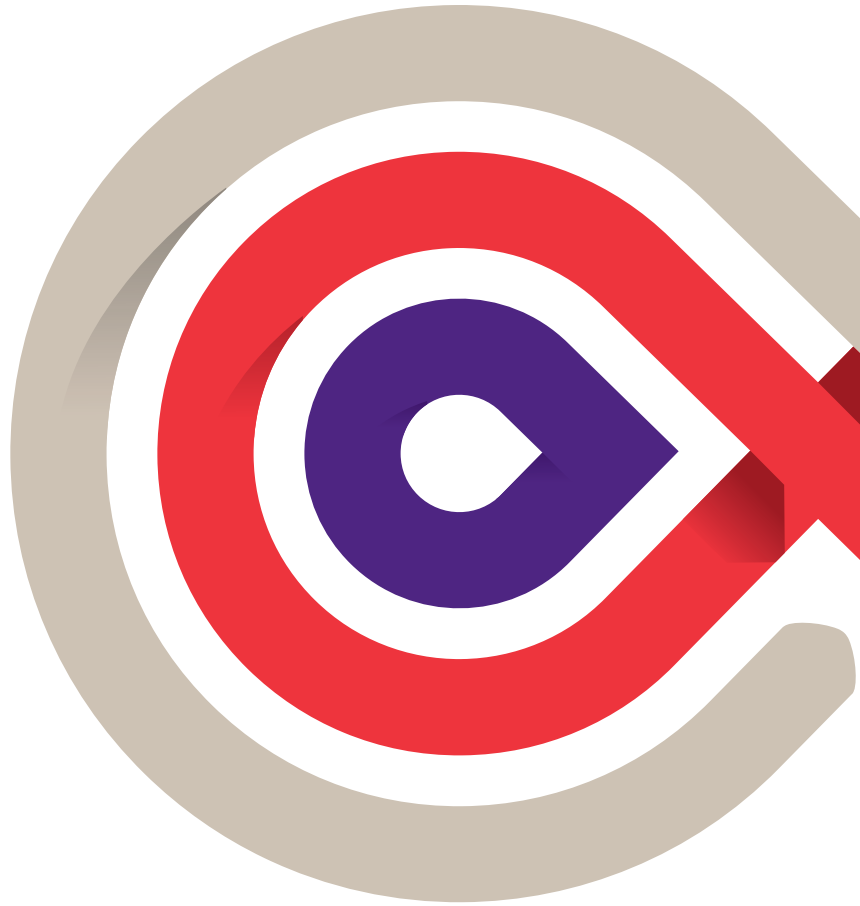
To aid understanding and provide clarity on the measures granted so far, Bursa Malaysia set out below a snapshot of the measures granted to listed issuers with unsatisfactory financial condition:

Triggering Criteria and Period	Listed Issuer triggers the Suspended Criteria between 2 January 2019 and 16 April 2020 (both dates inclusive)	Listed issuer triggers the Suspended Criteria between 17 April 2020 and 30 June 2021 (both dates inclusive)	Listed issuer triggers the PN 17 criteria other than the Suspended Criteria between 2 January 2019 and 31 December 2020 (both dates inclusive)
Relief Measure Applicable	The listed issuer is classified as a PN 17 listed issuer but accorded with a longer timeframe of 24 months (instead of the existing 12 months) for submission of regularisation plan as provided in Bursa Malaysia letter dated 26 March 2020.	The listed issuer will not be classified as a PN 17 listed issuer and the PN 17 Relief Measures as set out above are applicable.	The listed issuer will be classified as a PN 17 listed issuer but accorded with a longer timeframe of 24 months (instead of the existing 12 months) for submission of regularisation plan as provided in Bursa Malaysia letter dated 26 March 2020.

Annexure 1 Illustration of PN 17 Relief Measure

An illustration of a scenario where PLC A triggers one of the Suspended Criteria on 30 April 2020





The circulars can be accessed from the links below:

https://www.bursamalaysia.com/about_bursa/media_centre/bursa-malaysia-announces-additional-relief-measures-to-provide-flexibilities-in-fundraising-and-ease-compliance-for-listed-issuers

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