



## **Market Rules (MKT)**

\*In this attachment underlining indicates new text and striking through indicates deleted text.

## 1. INTRODUCTION

### 1.1 Application

- 1.1.1 (1) The Rules in this Rulebook ("**MKT**") are made for the purposes of the Financial Services and Markets Regulations 2015 ("**FSMR**") and apply to every Person to whom that legislation applies. For the purposes of these Rules the Regulator may refer to itself as the Listing Authority.
- (2) Without limiting the generality of (1), this Rulebook applies to a:
- (a) ~~a~~ Person making an Offer of Securities ~~to the Public~~ except in relation to Units of a Fund;
  - (b) ~~a~~ Person applying to have Securities admitted to the Official List ~~of Securities~~;
  - (c) ~~a~~ Person applying to have Securities admitted to trading on a Recognised Investment Exchange;
  - (d) ~~a~~ Person specified in Rule 4.10.1 as liable for the content of a Prospectus;
  - (e) Listed Entity;
  - ~~(e)~~ f Reporting Entity;
  - ~~(f)~~ g Person who is a Related Party;
  - ~~(g)~~ h Person who is a Restricted Person;
  - ~~(h)~~ i Person who is a Connected Person;
  - ~~(i)~~ j Person appointed as a Sponsor, compliance adviser or other expert adviser of a Reporting Entity; and
  - ~~(j)~~ k Person appointed under Chapter 6 as a Stabilisation Manager or Stabilisation Agent.
- 1.1.2 Where a Rule prescribes a requirement on a ~~Reporting~~ Listed Entity or an Undertaking, each Director, Partner or other Person charged with the management of that ~~Reporting~~ Listed Entity or Undertaking must take all reasonable steps within its control to secure compliance with the requirement by the Reporting Entity or Undertaking.
- 1.1.3 Where a Rule prescribes a requirement relating to a Director, Partner or Employee of a ~~Reporting~~ Listed Entity or an Undertaking:
- (1) the Director, Partner or Employee, as the case may be, must take all reasonable steps within his control to secure compliance with the requirement; and
  - (2) the ~~Reporting~~ Listed Entity or Undertaking must take all reasonable steps to ensure compliance with the requirement by the Director, Partner or Employee.

## Guidance

### Listed Entities and Reporting Entities

1. Where Securities (other than Units of a Fund) are admitted to the Official List, the Issuer of such Securities is a Listed Entity.
2. In the circumstance described in paragraph 1 above, a reference in MKT to the Reporting Entity may either refer to:
  - a. the Listed Entity itself; or,
  - b. whichever entity is designated by the Regulator as the Reporting Entity of that Listed Entity.
3. An example of where the Regulator may designate an entity other than the Listed Entity to be the Reporting Entity is where "Company A" has issued a Debenture via a subsidiary securitisation vehicle "SPV X". Whilst the Debentures of SPV X may be admitted to the Official List, making it a Listed Entity, it is unlikely to have the operational capacity to be a Reporting Entity in its own right. In such circumstances the Regulator will designate Company A as the Reporting Entity for the Debentures admitted to the Official List.
4. Therefore, any reference to a Reporting Entity in MKT should be read in the context applicable to a particular Listed Entity and any associated entities.

### **Application to Listed Funds**

45. Where Units of a Fund are admitted to the Official List, such a Fund is a Listed Fund. A reference to a Reporting Entity in relation to a Listed Fund is a reference to the Fund Manager of that Fund, unless another person has been declared by the Regulator as the Reporting Entity of the Fund.
26. Accordingly, any obligations of a Reporting Entity of a Listed Fund are, unless the context requires otherwise, obligations imposed on the Reporting Entity in respect of the Listed Fund. Therefore, the obligations imposed by the FSMR and these Rules apply to the Governing Body of the Reporting Entity and to every member of the Governing Body in the manner specified in Rules 1.1.2 and 1.1.3.

### **Waivers and modifications**

37. The Regulator may, pursuant to section 58(2) of FSMR, waive or modify the application of the provisions in FSMR concerning the admission of Securities to trading on a Recognised Investment Exchange where it considers appropriate or desirable in the interests of the ADGM to do so and, in accordance with the procedures set out in Guidance paragraph 48 below.
48. Generally, the Regulator will exercise the section 58(2) FSMR power sparingly and only in circumstances where there is a clearly demonstrated case for granting a waiver or modification of the FSMR, such as:
  - a. to alleviate any undue regulatory burden on a Person in complying with the requirements in the FSMR in circumstances where investor protection intended by the relevant provisions is not reduced; or

- b. to apply to a Person upon request (i.e. on a consent basis) the provisions of the FSMR which, without a modification, will not apply to that Person. For example, an Exempt Offeror (i.e. a Person such as a government or government instrumentality included in the ADGM's Exempt Offeror List in APP 5) who is not subject to the Prospectus disclosure and the liability regime in the FSMR and these Rules may apply to the Regulator for a modification to section 61 of the FSMR so that it can make a Prospectus Offer of its Securities in accordance with the relevant Prospectus disclosure and liability regime in the FSMR and these Rules.

59. The Regulator also has the power, pursuant to section 9 of the FSMR, to waive or modify these Rules. The Guidance and Policies Manual (GPM) gives further information on how to seek a waiver or modification.

## 1.2 Overview of the Rulebook

### Guidance

#### Listing Rules – chapter 2

- 1. Chapter 2 sets out the ADGM's Listing Rules of the Regulator.

#### Listed funds – chapter 3

- 2. Chapter 3 contains, with the exception of the requirements in chapters 5 (Sponsors), 7 (Continuous Disclosure) and 8 (Systems and Controls), all the requirements applicable to a Reporting Entity of a Listed Fund. These requirements, whilewhilst mirroring, and in many cases referring directly to, the requirements applicable to other Reporting Entities, have been otherwise tailored to take account of the characteristics of Funds. These include:
  - a. general requirements applicable to Listed Funds;
  - b. Prospectus requirements for the purposes of having Units of a Fund admitted to trading on a Recognised Investment Exchange; and
  - c. governance requirements applicable to Listed Funds; ;
  - d. ~~market disclosure of information relating to Listed Funds; and~~
  - e. ~~financial reporting requirements applicable to Listed Funds.~~

#### Offer of Securities – chapter 4

- 3. Chapter 4 contains the:
  - a. ~~the~~ requirements applicable to a Person who:
    - i. makes an Offer of Securities ~~to the Public~~ (other than in respect of Units, which are covered by the Prospectus and other requirements in the Fund Rules); or
    - ii. applies to have Securities admitted to trading on a Recognised Investment Exchange (other than the admission to trading of Units, which is governed by the requirements in chapter 3);

- b. ~~the~~ types of Exempt Offers (i.e. Securities which can be offered ~~to the public~~ without a Prospectus), Exempt Securities (i.e. Securities which can be admitted to trading on a Recognised Investment Exchange without a Prospectus) and Exempt Communications (i.e. communications relating to Securities which are not treated as a Prospectus);
- c. ~~the~~ requirements and procedures relating to the approval of a Prospectus by the Regulator;
- d. ~~the~~ requirements and procedures relating to the structure and content of a Prospectus including:
  - i. when material may be incorporated into a Prospectus by reference; and
  - ii. liability for the content of a Prospectus including the liability of Experts and other Persons whose reports or opinions are included in a Prospectus with their consent for such inclusion; ~~and~~
- e. ~~the~~ circumstances in which the Regulator may accept an Offer document prepared in accordance with the legislation applicable in a jurisdiction other than the ~~Regulator~~ ADGM as sufficient for the purposes of meeting the Prospectus requirements in the FSMR and these Rules; ~~and~~
- f. circumstances in which a Person may make an Offer of Retail Debentures or Sukuk.

#### **Sponsors and compliance advisers – chapter 5**

- 4. The Regulator has the discretion to require the appointment of a Sponsor, compliance adviser or other expert adviser by ~~a~~, as applicable, an Issuer or Reporting Entity, including that of a Listed Fund. Chapter 5 contains the requirements relating to the appointment of such Sponsors, compliance advisers and other expert advisers, and the obligations that apply to such Persons and ~~the~~, as applicable, Issuer or Reporting Entity where such Sponsors or compliance advisers are appointed.

#### **Market Abuse, Price Stabilisation and Buy-back Programmes – chapter 6**

- 5. Chapter 6 sets out the ~~ADGM's~~ Regulator's provisions on Market Abuse, as outlined within the FSMR, the Price Stabilisation Rules and the procedures for ~~Price Stabilisation and Buy-back Programmes~~.

#### **~~Market disclosure~~ Continuous Disclosure – chapter 7**

- 6. Every Reporting Entity is required to ~~disclose to the market~~ make Disclosure of certain types of information either relating to the Securities of ~~the Reporting a Listed Entity~~ or the ~~Reporting Listed~~ Entity itself. Such ~~disclosure~~ Disclosure is designed to ensure that the markets are continually updated with information that is likely to have an impact on the price of the Securities so that investors can make an informed judgement about those Securities. For this purpose, chapter 7 requires ~~disclosure~~ Disclosure of Inside Information, with carve-outs for non-disclosure of commercially sensitive information for a limited period, as well as ~~disclosures~~ Disclosures of interests held by Persons in positions of control or influence relating to a ~~Reporting Listed~~ Entity (such as Controllers and

their associates, called "Connected Persons"), and the ~~disclosure~~Disclosure of Directors' notifiable interests in the ~~Reporting~~Listed Entity. The means by which ~~Disclosure~~ disclosure of the information is required to be achieved ~~provided to the markets~~ are also specified in this chapter. Additionally, the conditions enabling a Listed Entity to request a temporary Trading Halt from making a Disclosure of Inside information are covered in this chapter.

### **Systems and controls – chapter 8**

7. Chapter 8 sets out the systems and controls a Reporting Entity, including ~~the a~~ Reporting Entity of a Listed Fund, must have in order to be able to comply with the requirements applicable to that Person.

### **Governance of Reporting Entities – chapter 9**

8. Chapter 9 covers a wide range of Corporate Governance requirements applicable to Reporting Entities including:
  - a. seven high-level Corporate Governance Principles, with best practice standards relating to those principles which apply on a "comply or explain" basis and which are set out in APP 4;
  - b. Directors' duties, including acting in good faith and applying due diligence and care in the discharge of their duties and functions;
  - c. provisions to ensure fair treatment of Shareholders in the conduct of affairs of the Company, such as provisions relating to communication with Shareholders, ~~exercise of pre-emption rights;~~
  - d. provisions relating to new issues of Equity Securities, Restricted Securities, the reduction of Share capital and a list of matters that require approval by a majority of Shareholders in voting; and
  - ~~de.~~ provisions to address conflicts of interest. For example individuals involved in the Senior Management of the Reporting Entity (such as executive Directors and other senior executives, called "Restricted Persons"), are prohibited from dealing in the Securities of the Reporting Entity during ~~"close periods~~Close Periods", unless prior clearance for those dealings is obtained. Similarly, Persons who qualify as Related Parties of the Reporting Entity are prohibited from entering into commercial transactions with the Reporting Entity unless certain requirements are followed.

### **Accounting periods, financial reports and auditing – chapter 10**

9. Every Reporting Entity is required to prepare and file certain annual, semi-annual and other periodic financial reports relating to the financial position of the relevant ReportingListed Entity. Such reports are required to be prepared in accordance with the specified internationally accepted accounting standards and, in the case of annual financial reports, required to be audited. The requirements relating to the preparation and audit of the financial statements and the ~~disclosure~~Disclosure of such reports within specified periods are set out in chapter 10.

## **Mining and Petroleum Reporting Entities – chapters 11 and 12**

10. Chapters 11 and 12 set out the additional Disclosure requirements relevant to Mining Exploration Reporting Entities, Mining Production Reporting Entities, Petroleum Exploration Reporting Entities and Petroleum Production Reporting Entities.

### **1.3 General**

....

1.3.2 Where a Reporting Entity is referred to in this Rulebook as a Reporting Entity in respect of a specified class of Securities, it is a reference to a Person ~~who~~ that has become a Reporting Entity by way of such Person as an Issuer or a Listed Entity:

- (1) making an Offer of Securities ~~to the Public~~;
- (2) having Securities admitted to the Official List ~~of Securities~~; or
- (3) having Securities admitted to trading on a Recognised Investment Exchange;

of that particular specified class of Securities.

### **1.4 Interpreting the Rulebook**

#### **Guidance**

#### **Interpretation**

1. Every provision in the Rulebook must be interpreted in the light of its purpose. The purpose of any provision is to be gathered first and foremost from the text of the provision in question and its context among other relevant provisions.

2. ....

#### **Defined terms**

8. Defined terms are identified throughout the Rulebook by the capitalisation of the initial letter of a word or of each word in a phrase and are defined in the Glossary ("**GLO**"). Unless the context otherwise requires, where capitalisation of the initial letter is not used, an expression has its natural meaning.

9. Where reference to Disclosure is made throughout the Rulebook, that is to the term as defined in GLO. As this Rulebook prescribes how the Regulator has set out the information and circumstances by which a Disclosure is to be made, where there is reference to the capitalised term Disclose throughout this Rulebook, this refers to the requirement and/or mechanism to disclose the Disclosure.

...

## 2. THE LISTING RULES

### 2.1 Application

2.1.1 This chapter applies to every:

- (a) Listed Entity; and
- (b) Applicant for admission of Securities to the Official List of Securities.

#### Guidance

1. Listed Entities should note that some of the Listing Rules are Security-specific and many apply exclusively to Issuers of Shares.
2. The Regulator may waive or modify one or more requirements of this chapter for Issuers of ~~non-debt~~ Debt or ~~equity~~ Equity Securities where appropriate, provided such waiver or modification would not unduly prejudice holders of the Issuer's Securities.
3. The Regulator may waive or modify one or more requirements of this chapter for an Issuer of secondary Listed Securities if:
  - a. the Issuer is from a jurisdiction acceptable to the Regulator ~~because, due to the regulatory regime,~~ as it applies to its primary listing is being broadly equivalent to the ~~ADGM's regulatory regime~~ applying in ADGM;

...
5. The Regulator is aware that the timing of admittance to trading may not always coincide with the ~~listing application process for admission of Securities to the Official List.~~ However, in practice, the Regulator will generally provide the Applicant with a notice of ~~admittance-admission~~ admission to the Official List on condition of a successful ~~admittance-admission~~ admission to trading on a Recognised Investment Exchange within a specified period. This notice of ~~admittance-admission~~ admission can be provided to the relevant Recognised Investment Exchange when seeking admission to trading on ~~a the~~ the Recognised ~~Body~~ Investment Exchange. At all relevant times the Regulator expects to be in contact with the relevant Recognised ~~Body~~ Investment Exchange on which the Securities are to be admitted to trading.
6. The ~~ADGM~~ Regulator will maintain the Official List on the ADGM website.

...

### 2.2 The Listing Principles

#### Guidance

1. The purpose of the Listing Principles is to ensure that Listed Entities pay due regard to the fundamental role played by them in maintaining market confidence and ensuring a fair, informed and orderly market.
2. The Listing Principles are designed to assist Listed Entities in identifying their obligations and responsibilities under the Listing Rules.

23. The Listing Principles apply in addition to the Corporate Governance Principles in chapter 9 which apply to all Reporting Entities.

4. These Listing Principles apply to Listed Entities and/or Reporting Entities as applicable.

### **Principle 1**

....

### **Principle 6**

2.2.6 A Listed Entity must ensure that it treats all holders of the same class of its Listed Securities equally in respect of the rights attaching to such Listed Securities.

### **Principle 7**

2.2.7 The structure and operations of a Listed Entity must be appropriate for it.

### **Principle 8**

2.2.8 A Listed Entity must ensure that the terms that apply to each class of Securities are appropriate and fair, taking into account voting and other rights.

## **2.3 General eligibility requirements**

....

### **Audited financial statements**

2.3.2 An Applicant must have published or filed audited accounts which:

- (1) cover a prior period of three years or any other, shorter period acceptable to the Regulator;
- (2) .....

### **Guidance**

1. The Regulator may modify or waive Rule 2.3.2 if it is satisfied that it is desirable in the interests of investors and that investors have the necessary information available to arrive at an informed judgement about the Issuer and the Shares for which an admission to the Official ~~Listing~~List is sought.
2. The Regulator would accept a shorter period than three years depending on the nature of the Applicant's business and any other material considerations, for example, where the Issuer has been in operation for less than three years, or where the Applicant is a Mining Exploration Reporting Entity or Petroleum Exploration Reporting Entity and is seeking admission under Rule 2.3.16 (assets eligibility test).

### **Working capital**

2.3.3 An Applicant seeking admission of Shares to the Official List must satisfy the Regulator that it and any Subsidiaries have sufficient working capital available for its present

requirements or, if not, how it proposes to provide the additional working capital needed.

### Guidance

1. For the purposes of Rule 2.3.3, the Regulator considers "present requirements" to be a minimum sufficient for projected normal operations for a period of 12 months from the date of admission to the Official List.
2. Furthermore, the Regulator considers that for the purpose of this Rule, the working capital amount should be net of:
  - a. the costs of any capital raising; and
  - b. in the case of Mining Exploration Reporting Entities and Petroleum Exploration Reporting Entities, the first full year's budgeted
    - i. administration costs;
    - ii. Directors' fees; and
    - iii. costs of acquiring plant, equipment, Mining Tenements and/or Petroleum Tenements, or an option over relevant Mining Tenements or Petroleum Tenements.
23. Rule 1.4 of A1.2.2 requires the Directors of an Issuer in its Prospectus to make a statement that it has sufficient working capital for its present requirements (i.e. a "clean" working capital statement). If an Applicant is unable to make a clean working capital statement, the Applicant would need to make a statement that it does not have sufficient working capital and explain how additional working capital will be provided.

....

### Conflicts of interest

- 2.3.7 (1) An Applicant must, subject to (2), ~~ensure and~~ prior to admission to the Official List, ensure that it has adequate systems and controls to eliminate or manage material conflicts of interest in its business ~~prior to admission to the Official List.~~

....

### Market capitalisation

- 2.3.9 An Applicant must ensure that it, and the Securities which it seeks to admit to the Official List:
- (1) where the application relates to Shares, satisfy either the profits eligibility test in Rule 2.3.15 or the assets eligibility test in Rule 2.3.16; or
  - (2) where the application relates to Debentures, have an ~~expected aggregate~~ market value at the time of listing a Market Capitalisation of at least: \$2 million.
- (1) ~~— \$10 million for Shares; and~~
- (2) ~~— \$2 million for Debentures.~~

### Shares in public hands

- 2.3.10 (1) If an application is made for the admission of a class of Shares, a sufficient number of Shares of that class must, no later than the time of admission, be in public hands.
- (2) For the purposes of ~~Rule~~ (1), a sufficient number of Shares will be taken to have been distributed to the public according to the following thresholds:
- (a) In the case of a ~~market capitalisation~~ Market Capitalisation of the Issuer of under \$500 million, when 20% of the Shares for which application for admission has been made are in public hands;
  - (b) In the case of a ~~market capitalisation~~ Market Capitalisation of the Issuer of \$500 million or more and under \$1 billion, when 15% of the Shares for which application for admission has been made are in public hands; and
  - (c) In the case of a ~~market capitalisation~~ Market Capitalisation of the Issuer of \$1 billion or more, when 12% of the Shares for which application for admission has been made are in public hands.
- (3) For the purposes of ~~Rules~~ (1) and (2), Shares are not held in public hands if they are held, directly or indirectly by:
- (a) a Director of the Applicant or of any of its subsidiary undertakings;
  - (b) a Person connected with a Director of the Applicant or any of its subsidiary undertakings;
  - (c) the trustees of an Employee Share scheme or pension fund established for the benefit of any Directors or Employees of the Applicant and its subsidiary undertakings;
  - (d) any Person who under any agreement has a right to nominate a Person to the board of Directors of the Applicant; ~~or~~
  - (e) any Person or Persons in the same Group or Persons acting in concert who have an interest in 5% or more of the Shares of the relevant class; or
  - (f) holders of Restricted Securities.

### Guidance

Sufficient Shares being held in public hands (free float) is fundamental to the orderly trading and liquidity of Shares once they are admitted to trading, and therefore a key consideration of whether new Shares are appropriate to be admitted to the Official List.

....

**Depository receipts**

2.3.14 A Listed Entity in respect of Certificates which are depository receipts must ensure that:

...

- (2) the underlying Securities or any rights, monies or benefits related to the underlying Securities are not treated as assets or liabilities of the Issuer of the Certificates under the law, whether for the purposes of insolvency or otherwise.

**Profits eligibility test**

2.3.15 In order to meet the profits eligibility test, an Applicant must satisfy the following requirements.

- (1) The Applicant, or its immediate successor, must be a going concern.
- (2) The Applicant's main business activity at the date of its Application must be the same as it was during its last 3 full financial years.
- (3) The Applicant's:
- (a) aggregated Profit From Continuing Operations for the last 3 full financial years was at least \$1 million; and
- (b) consolidated Profit From Continuing Operations for the 12 months to a date, no more than 2 months before the date of Application, was at least \$500,000.
- (4) The Applicant must submit to the Regulator the following records, as applicable:
- (a) Audited accounts, for the purposes of this Rule and Rule 2.3.2(1), for the last 3 full financial years, noting that:
- (i) if the Applicant applies for admission less than 90 days after the end of its last financial year, unless the Applicant has audited accounts for its latest full financial year, the accounts may be for the 3 years to the end of the previous financial year, but must also include audited or reviewed accounts for its most recent semi-annual financial reporting period; and
- (ii) if the Applicant applies for admission more than 6 months and 75 days after the end of its last financial year, audited or reviewed accounts for its most recent semi-annual financial reporting period (or longer period if available).
- (b) Unless the Regulator agrees it is not needed, a reviewed pro forma statement of financial position. The review must be conducted by an accredited professional auditor of the company or an independent accountant.
- (5) If its Prospectus, or equivalent offer document, if the Applicant is not making an Offer within ADGM, does not contain a statement confirming that the

Directors have made enquiries and nothing has come to their attention to suggest that the Applicant is not continuing to earn Profit From Continuing Operations up to the date of the Prospectus, the Applicant must submit such a statement to the Regulator signed by all of its Directors.

### **Asset eligibility est**

2.3.16 In order to meet the assets eligibility test, an Applicant must satisfy the following requirements.

- (1) At the time of admission, the Applicant must have:
  - (a) net tangible assets of at least \$3 million, after deducting the costs of capital raising; or
  - (b) a Market Capitalisation of at least \$10 million (after any capital raising).
- (2) The Applicant must have:
  - (a) less than half of its total tangible assets (after any capital raising) in cash, or in a form readily convertible to cash; or
  - (b) commitments to spend at least half of its cash and / or assets in a form readily convertible to cash, consistent with the objectives stated pursuant to Rule 2.3.16(3)(a). The Applicant's Prospectus (or equivalent offer document, if the Applicant is not making an Offer within ADGM) must include an expenditure program clearly setting out its commitments.

### **Guidance**

When deciding if an Applicant's total tangible assets are in a form readily convertible to cash, the Regulator would not normally consider inventories or receivables as being readily convertible to cash.

- (3) The Applicant must:
  - (a) within its Prospectus (or equivalent offer document, if the Applicant is not making an Offer within ADGM), state the objectives it is seeking to achieve from the admission of its Securities to the Official List, and any capital raising undertaken in connection with the admission; and
  - (b) have working capital of at least \$1.5 million, as shown in its reviewed pro forma statement of financial position under Rule 2.3.16(4)(c).
- (4) Unless the Regulator directs otherwise, the Applicant must submit the following.
  - (a) Audited accounts, for the purposes of this Rule and Rule 2.3.2(1), for the last two full financial years.
    - (i) If the Applicant applies for admission less than 90 days after the end of its last financial year, unless the Applicant has audited accounts for its latest full financial year, the accounts may be for the two years to the end of the previous financial year, but must

also include audited or reviewed accounts for its most recent semi-annual financial reporting period as well.

- (ii) If the Applicant applies for admission more than six months and 75 days after the end of its last financial year, audited or reviewed accounts for its most recent semi-annual financial reporting period (or longer period if available).
- (b) If the Applicant has in the twelve months prior to applying for admission acquired, or is proposing in connection with its application for admission to acquire, another entity or business that is significant in the context of the Applicant:
  - (i) audited accounts for the last two full financial years for that other entity or business. The submission of the other entity's or business' audited accounts must also comply with Rules 2.3.16(4)(a)(i) and (ii) above.
- (c) A reviewed pro forma statement of financial position. The review must be conducted by a registered company auditor or an independent accountant.
- (5) In each case set out in (4) above, the Applicant must submit the audit report or review, and the audit report or review must not contain a modified opinion, emphasis of matter or other matter paragraph that the Regulator considers unacceptable.
- (6) If the Applicant has issued, or proposes to issue, Securities that under these Rules are, or are required to be, Restricted Securities, it must comply with Rule 9.6 and APP 7.
- (7) If in the:
  - (a) two years prior to the date of its application, the Applicant has acquired, or in connection with its admission is proposing to acquire, an Unproven Asset from a Related Party or Promoter, or an Associate of a Related Party or Promoter, the consideration for the acquisition must have been, or be, Restricted Securities in the form of Shares, or Warrants over the Applicant's Shares, issued by the Applicant; or
  - (b) twelve months prior to the admission of its Securities to the Official List the Applicant has acquired, or in connection with its admission is proposing to acquire, an Unproven Asset from a Person who is not a Related Party or Promoter, or an Associate of a Related Party or a Promoter, any part or all of the consideration for the acquisition that was, or will be, Securities in a class that is subject of an application for admission to trading on a Recognised Investment Exchange, must be Restricted Securities.

### **Guidance**

- 1. Rules 2.3.16(7)(a) and (b) do not apply if under Rule 9.6.2 the Applicant is not required to apply the restrictions in APP 7.

2. Rule 2.3.16(7)(a) does not apply if, and to the extent that, the consideration was, or will be, reimbursement of expenditure incurred by the Related Party, Promoter or Associate in developing the Unproven Asset.
3. Note that the requirement in Rule 2.3.16(7) that the Securities in question must be Restricted Securities means that Rule 2.3.16(6) above also applies.

## 2.4 Application for admission to the List

....

- 2.4.3 An admission of Securities to the Official List becomes effective only when the Regulator has published the admission by adding such Securities to the Official List of Securities on the ADGM website.

### Documents to be provided ~~48 hours~~ in advance

- 2.4.4 The following documents must be submitted by the Applicant, in final form, to the Regulator by 12:00 noon two Business Days before the Business Day that the Regulator is due to consider the application:
  - (1) a completed application form;
  - (2) the Approved Prospectus, and if applicable, any Approved Supplementary Prospectus in respect of the Securities;
  - (3) in respect of Securities which are Shares, written confirmation of the number of Shares to be allotted in the Offer; and
  - (4) if a Prospectus has not been produced, ~~a copy of the announcement document~~ detailing the number and type of Securities that are subject to the application and the circumstances of their issue.

....

## 2.5 Determination of applications and references

### Guidance

#### Determination of applications

1. Under section 50(2) of the FSMR, the Regulator may only grant admission of Securities to an Official List ~~of Securities~~ maintained by it, in accordance with the requirements in the FSMR and this Rulebook.
2. Under section 52(1)(b) of the FSMR, the Regulator may impose conditions or restrictions in respect of the admission of Securities to the Official List ~~of Securities~~, or vary or withdraw such conditions or restrictions.
3. Under section 52(3) of the FSMR, the Regulator will notify the Applicant in writing of its decision in relation to the application for admission of Securities to the Official List ~~of Securities~~.
4. Where the Regulator grants admission of Securities to an Official List ~~of Securities~~, it will include such Person details of the Securities, the Issuer and

Reporting Entity in ~~its~~ the Official List of ~~Securities~~ published on the ADGM website.

## 2.6 Suspending, delisting and restoring a listing

### Guidance

Under section 53 of the FSMR, the Regulator may, suspend or delist Securities from ~~its~~ the Official List of ~~Securities~~ with immediate effect or from such date and time as may be specified where it is satisfied that there are circumstances that warrant such action or it is in the interests of the ADGM Financial System, including the interests of its investors, potential investors or markets.

### Suspending Securities from the Official List of ~~Securities~~

Examples of circumstances that warrant the suspension by the Regulator of Securities from the Official List of ~~Securities~~ include:

1. the Listed Entity has failed to meet its continuing obligations for admission to the Official List;
2. the Listed Entity has failed to ~~publish~~ Disclose financial information in accordance with these Rules;

...

### Suspension or delisting at the Listed Entity's request

- 2.6.3 (1) If a Listed Entity wishes to have its Listed Securities suspended or delisted from the Official List, it must submit a request in writing to the Regulator and include:

...

### Guidance

1. A Listed Entity requesting delisting should submit such request in reasonable time for the Regulator to consider the request and satisfy the Regulator that a delisting would be appropriate.
2. Examples of other information which the Regulator may require pursuant to Rule 2.6.3(1)(c) include a proof of shareholder resolution, evidence of any ~~announcement~~ Disclosure, circular or other document which the Listed Entity is relying on as part of its request to suspend or delist its admission to the Official List.

....

### Delisting Securities from the Official List of ~~Securities~~

- 2.6.6 For the purposes of section 53 of the FSMR, the circumstances which may warrant the delisting of Securities by the Regulator include, but are not limited to, where:

- (1) the Securities are no longer admitted to trading as required by these Rules and the FSMR;

- (2) the Listed Entity no longer satisfies one or more of its continuing obligations for admission to the Official List;
- (3) the Securities have been suspended from the Official List for more than six months;
- (4) it is necessary because the Securities have been subject to a merger, Takeover or ~~reverse~~ Reverse Takeover;

....

### **Admission to trading**

#### **Guidance**

Pursuant to section 52(5) of the FSMR, to be admitted to the Official List a Listed Entity's Securities must be admitted to trading on a Recognised Investment Exchange.

2.7.3 A Listed Entity must inform the Regulator in writing as soon as possible if it has:

...

- (4) been ~~informed~~ notified by a Recognised Investment Exchange that any of its Listed Securities will be delisted or suspended from trading.

...

2.7.4 (1) A Listed Entity must not purchase its own Shares without the prior written approval of the Regulator.

....

#### **Guidance**

1. A Listed Entity should provide the Regulator with at least ten Business ~~14~~ Days in which to review a proposal for the purchase of its own Shares. The more complex a proposal, the more time that will be required by the Regulator to review and approve the proposal.
2. A Listed Entity which proposes to purchase up to 15% of any class of its Shares may do so from specific investors or by way of a Share repurchase programme.
3. Conditions and restrictions which the Regulator may impose on a Listed Entity which proposes to purchase its own Shares include:
  - a. ~~publication~~ Disclosure of the details of a Share Buy-back Programme including, where the dates and quantities of Shares to be purchased during the relevant period are fixed, ~~disclosure~~ Disclosure of such dates and quantities;
  - b. restrictions on the number of Shares which may be purchased in any given period;

- c. in the case of a tender Offer, limiting the top of the price range to be offered to sellers to a volume-weighted average price for a period preceding the commencement of the Share repurchase programme;
  - d. in the case of a tender Offer, restricting any Director or his Associate from undertaking any Share transactions during the course of the Share Buy-back Programme; and
  - e. unless a fixed schedule of Share Buy-backs Programmes has been ~~published~~Disclosed, restricting Share repurchases during any period when the Listed Entity has ~~unpublished~~undisclosed Inside Information.
- 2.7.5 (1) The decision by the Board of a Listed Entity to obtain prior approval from its Shareholders for the Listed Entity to purchase its own Securities must be ~~announced to the market~~Disclosed as soon as possible after such decision is made.
- (2) The ~~announcement~~Disclosure in (1) must set out whether the proposal relates to:
- (a) specific purchases and if so, names of the Persons from whom the purchases are to be made; or
  - (b) a general authorisation to make the purchases.
- (3) A Listed Entity must ~~notify the market~~Disclose as soon as possible ~~of the~~ outcome of the Shareholders' meeting to decide the proposal in (1).
- 2.7.6 (1) ~~Any~~All purchases of a Listed Entity's own Shares by or on behalf of the Listed Entity or any other member of its Group must be ~~disclosed to the market~~Disclosed as soon as possible.
- (2) The ~~disclosure~~Disclosure in (1) must include:
- ...
- (3) In (2), "Treasury Shares" means Shares which are:
- (a) admitted to the Official List ~~of Securities~~;
  - (b) held by the same Company which issued the Shares; and
  - (c) purchased by the Company in (b) using its distributable profits.

....

### **Security specific ~~disclosures~~Disclosures**

- 2.7.8 A Listed Entity must make the required ~~market disclosures~~Disclosures in accordance with APP 32 and APP 6 Rule A6.1 and comply with the other continuous obligations in accordance with APP 6 Rule A6.2.

....

## 2.8 Provision of information to the Regulator

- 2.8.1 An Applicant or Listed Entity must provide to the Regulator as soon as possible:
- (1) any information and explanations which the Regulator may ~~reasonably~~ require to decide whether to grant an application for admission;
  - (2) any information which the Regulator considers appropriate to protect investors or ensure the smooth operation of the market; and
  - (3) any other information or explanation which the Regulator may ~~reasonably~~ require to verify whether the Listing Rules are being and have been complied with.

### Disclosure requirements

- 2.8.2 An Applicant or Listed Entity which is required by these Listing Rules to ~~provide information to notify~~ the Regulator of certain information must provide such information as soon as possible.
- 2.8.3 A Listed Entity must ensure that information required to be ~~disclosed to the market~~ Disclosed under these Rules is disseminated to the market through ~~one or more regulatory announcement services~~ the Regulator's disclosure platform.
- 2.8.4 A Listed Entity must take reasonable care to ensure that information required to be ~~provided notified~~ to the Regulator or ~~disclosed to the market~~ Disclosed under these Rules is not false, misleading, or deceptive and does not omit anything likely to affect the significance ~~import~~ of such information.

### Notification of documents sent to Shareholders

- 2.8.5 If a Listed Entity provides any material document to the Shareholders of its Listed Securities, it must ~~disclose~~ Disclose that it has done so as soon as possible ~~by way of market disclosure~~ in accordance with Rule 7.7.1.

### Guidance

The Regulator would consider that a document has been made available to the public if, following ~~the public disclosure~~ its Disclosure, the document is available on the Listed Entity's website or on the website of the Recognised Investment Exchange on which its Securities are admitted to trading.

### Contact details

- 2.8.6 A Reporting Listed Entity must ensure that the Regulator is provided with up to date contact details of ~~Appropriate Persons~~ appropriate persons nominated by it to act as the first point of contact with the Regulator in relation to the Listed Entity's compliance with the Rules and the FSMR, as applicable.

### Guidance

The Regulator would expect a Listed Reporting Entity's contact in Rule 2.8.6 to be of sufficient seniority and influence ~~within the Company~~ given the nature of the information which such Person would be dealing with and the importance of the role in maintaining the Listed Entity's compliance with the Rules and the FSMR.

### 3. LISTED FUNDS

...

#### 3.2 General requirements

3.2.1 A Person may have the Units of a Fund admitted to an Official List of Securities only if:

- (1) in the case of a Domestic Fund, it is a Public Fund; and

...

3.2.2 Where an obligation applies to a Reporting Entity of a Fund under a provision of this chapter, except where expressly provided otherwise, the Governing Body of the ~~Reporting Entity Listed Fund~~ must ensure compliance with that obligation.

#### 3.3 Prospectus requirements relating to a Listed Fund

....

##### Exempt Offers in respect of Units

3.3.5 The prohibition in section 61 of the FSMR does not apply, subject to the requirement in ~~Rules~~ Rule 3.3.6, to the admission to trading on a Recognised Investment Exchange of:

- (1) Units representing, over a period of 12 months, less than 10% of the number of Units of the same class already admitted to trading on the same Recognised Investment Exchange;

....

#### 3.5 ~~Market disclosure~~ Disclosures relating to a Listed Fund

##### Disclosure of Inside Information

3.5.1 (4) A Reporting Entity of a Listed Fund must: comply with Chapter 7.

##### Guidance

(a) ~~make timely disclosure of Inside Information in accordance with the requirements in this section; and~~

(b) ~~ensure that the disclosure it makes pursuant to (a) is not false, misleading, or deceptive and does not omit anything likely to affect the import of the information.~~

(2) For the purposes of complying with ~~the~~ this requirement in (a), ~~the~~ the requirements in Chapter 7 pertaining to a Reporting Entity are to be interpreted in the context of a Listed Fund must, subject to Rule 3.5.4 and 3.5.5, make disclosure to the market as soon as possible and in the manner specified in Rule 3.10.1.

##### **Guidance**

1. ~~A Reporting Entity of a Listed Fund is required to disclose Inside Information relating to the Listed Fund to the market as soon as possible in accordance with the requirements in Rule 3.10. In practice, a short period before announcing Inside Information is permitted where a Reporting Entity is affected by an unexpected event and the Reporting Entity needs to clarify the situation or take legal advice so that any information released is accurate and not false, misleading, or deceptive. Any delay should be limited to a period no longer than is reasonably necessary in the circumstances. Where there is a danger of the information leaking out in the meantime, the Reporting Entity should make a holding announcement giving an outline of the subject matter of the announcement, the reasons why a full announcement cannot yet be made and undertaking to make a full announcement as soon as possible.~~
2. ~~For the disclosure to be not false, misleading, or deceptive, a Reporting Entity of a Listed Fund should provide information that is accurate, factual and complete. Any incomplete or inaccurate information, such as omission of relevant information, may be false, misleading, and/or deceptive. Information should be provided in an easy to understand manner and not for promotional purposes. The use of imprecise and confusing language such as "double digit" or "in excess of last year" should be avoided as it does not allow investors to properly assess the information for the purpose of making an informed decision relating to the Relevant Securities.~~
3. ~~A confidentiality agreement cannot prevent a Reporting Entity from complying with its obligations relating to the disclosure of Inside Information.~~
4. ~~If, for any reason, a Reporting Entity of a Listed Fund is unable, or unwilling to make a holding announcement it may be appropriate for the Reporting Entity to file a report pursuant to Rule 3.5.4(2) and for the trading of Units to be suspended until the Reporting Entity of the Listed Fund is in a position to make an announcement.~~

### **~~Identifying Inside Information relating to a Listed Fund~~**

5. ~~Inside Information is defined in sections 95(2) of the FSMR as:~~
  - ~~"(2) In relation to Financial Instruments, or Related Instruments, which are not Commodity Derivatives, Inside Information is information of a Precise nature which:~~
    - ~~(a) is not generally available;~~
    - ~~(b) relates, directly or indirectly, to one or more Issuers of the Financial Instruments or to one or more of the Financial Instrument; and~~
    - ~~(c) would, if generally available, be likely to have a significant effect on the price of the Financial Instruments or on the price of Related Instruments."~~
6. ~~For the purposes of section 95(5) of the FSMR, information is considered "Precise" if it:~~

- a. ~~indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur; and~~
  - b. ~~is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of Financial Instruments or Related Instruments.~~
7. ~~Similarly, information would be likely to have a "significant effect on price" if and only if it is information of that kind which a reasonable investor would be likely to use as part of the basis of his investment decisions.~~
8. ~~The Reporting Entity of a Listed Fund is itself best placed to determine whether information, if made public, is likely to have a significant effect on the price of the relevant Units, as what constitutes Inside Information will vary widely according to circumstances.~~

### **Financial forecasts and expectations**

9. ~~Where a Reporting Entity of a Listed Fund has made a market announcement such as a profit forecast, such forecasts become, as soon as made, factored into the market pricing of the relevant Units. If the Reporting Entity becomes aware that there is likely to be a material difference between the forecast and the true outcome, the Reporting Entity should make an announcement correcting the forecast as soon as possible to ensure that the market pricing reflects accurate information.~~
10. ~~In relation to financial forecasts published by a Reporting Entity of a Listed Fund, the Regulator considers that circumstances giving rise to a variation from the previous one should generally be considered Inside Information and should be disclosed by the Reporting Entity as soon as possible. Even where a Reporting Entity has not made a previous forecast, circumstances giving rise to a variation of profit or revenue from the previous corresponding reporting period should be disclosed where such circumstances would have a significant effect on the price of relevant Financial Instruments. Generally, a change of 40% or more is a material change, but in some circumstances, a smaller variation may also be disclosable if it would reasonably be considered to have a significant effect on the price of the relevant Financial Instruments.~~
11. ~~In making such disclosure, the Reporting Entity of a Listed Fund should provide clear details of the extent of the variation. For example, a Reporting Entity may indicate that, based on management accounts, its expected net profit will be an approximate amount (e.g. approximately \$15 million) or alternatively within a stated range (e.g. between \$14 million and \$16 million). Alternatively, a Reporting Entity may indicate an approximate percentage movement (e.g. up or down by 35%).~~

### **Relationship between continuous disclosure and periodic disclosures**

12. ~~Periodic disclosures by Reporting Entities of Listed Funds are required in a number of circumstances, and examples can include interim and annual financial reports and accounts and Prospectuses.~~
13. ~~In the course of preparing these disclosure documents, a Reporting Entity of a Listed Fund may become aware of Inside Information previously unknown to it,~~

~~or information which was previously insufficiently Precise to warrant disclosure. In such circumstances a Reporting Entity of a Listed Fund should not defer releasing that information until the periodic disclosure or other documents is finalised. In such circumstances, a Reporting Entity should make an announcement containing the Inside Information as soon as possible.~~

#### **~~Units of the same class admitted to trading in more than one jurisdiction~~**

~~14. A Reporting Entity of a Listed Fund with Units of the same class admitted to trading in more than one jurisdiction should ensure that the release of announcements containing Inside Information is co-ordinated across jurisdictions. If the requirements for disclosure are stricter in another jurisdiction than in the ADGM, the Reporting Entity must ensure that the same information is released in the ADGM as in that other jurisdiction.~~

~~15. A Reporting Entity of a Listed Fund should not delay an announcement in the ADGM in order to wait for a market to open in another jurisdiction.~~

#### **~~Delaying disclosure~~**

~~3.5.2 For the purposes of section 75(2)(b) of the FSMR, a Reporting Entity of a Listed Fund may delay market disclosure of Inside Information so as not to prejudice its legitimate interests provided that:~~

- ~~(a) the delay is not likely to mislead the markets; and~~
- ~~(b) if the information is to be selectively disclosed to a Person prior to market disclosure, it is made in accordance with the requirements in Rule 3.5.3.~~

#### **~~Selective disclosure~~**

~~3.5.3 (1) For the purposes of Rule 3.5.2(b), a Reporting Entity of a Listed Fund may selectively disclose Inside Information to a Person prior to making market disclosure of such information only if:~~

- ~~(a) it is for the purposes of the exercise by such a Person of his employment, profession or duties;~~
- ~~(b) that Person owes to the Reporting Entity a duty of confidentiality, whether based on law, contract or otherwise; and~~
- ~~(c) the Reporting Entity has provided to that Person, except where that Person is the Regulator, a written notice as specified in (3).~~

~~(2) For the purposes of (1)(a), the Persons whose exercise of employment, profession or duties may warrant selective disclosure are as follows:~~

- ~~(a) its advisers, underwriters, Sponsors or compliance advisers;~~
- ~~(b) the Trustee, Eligible Custodian or Persons providing oversight function of the Listed Fund;~~
- ~~(c) an agent employed to release the information;~~

- ~~(d) — Persons with whom it is negotiating with a view to effecting a transaction or raising finance;~~
  - ~~(e) — the Regulator or another regulator where such disclosure is necessary or desirable for the regulator to perform its functions;~~
  - ~~(f) — a Person to whom the Reporting Entity discloses information in accordance with a lawful requirement;~~
  - ~~(g) — a major Shareholder of the Reporting Entity; or~~
  - ~~(h) — any other Person to whom it is necessary to disclose the information in the ordinary course of business of the Reporting Entity.~~
- ~~(3) — For the purposes of (1)(c), the Reporting Entity must, before making disclosure to a Person, provide to that Person a written notice that:~~
- ~~(a) — the information is provided in confidence and must not be used for a purpose other than the purpose for which it is provided; and~~
  - ~~(b) — the recipient must take reasonable steps to ensure that the recipient or any Person having access to the information through the recipient does not deal in the relevant Financial Instruments, or any other related investment, or disclose such information without legitimate reason, prior to market disclosure of that information by the Reporting Entity.~~
- ~~(4) — Where a Reporting Entity makes selective disclosure of Inside Information pursuant to (1), it must ensure that a full announcement is made to the market as soon as possible, and in any event, when it becomes aware or has reasonable grounds to suspect that such information has or may have come to the knowledge of any Person or Persons other than those to whom the selective disclosure was made.~~

### **Guidance**

- ~~1. — It is likely that Inside Information will be made known to certain Employees of the Reporting Entity or the Listed Fund. A Reporting Entity should put in place procedures to ensure that those Employees do not disclose such information, whether or not inadvertently, and that Employees are adequately trained in the identification and handling of Inside Information.~~
- ~~2. — Rule 3.5.3 does not excuse a Reporting Entity from its overriding obligation to disclose Inside Information as soon as possible pursuant to Rule 3.5.1. A Reporting Entity which proposes to delay public disclosure of Inside Information should refer to Rule 3.5.4, which sets out the limited disclosure exceptions permitted.~~

### **Disclosure exceptions**

- ~~3.5.4 (1) — A Reporting Entity of a Listed Fund need not, subject to (2), make disclosure of information pursuant to Rule 3.5.1, where, in the reasonable opinion of the Reporting Entity, the disclosure required by that Rule would:~~
- ~~(a) — be unduly detrimental to the legitimate interests of the Reporting Entity or the Listed Fund as is applicable; or~~

- (b) — disclose commercially sensitive material.
- (2) Where a Reporting Entity of a Listed Fund intends not to make the disclosure pursuant to (1), it must immediately file with the Regulator a confidential report which:
- (a) — contains all the information which it seeks not to disclose and the reasons for non-disclosure; and
- (b) — is in the English language and, where any documents accompanying the report are not in the English language, an English translation of such documents.
- (3) — The Regulator may:
- (a) — specify the period during which disclosure of the information included in the confidential report need not be disclosed to the markets; and
- (b) — extend the period referred to in (a) upon application by the Reporting Entity.
- (4) — Where a confidential report is filed with the Regulator under (2), the Reporting Entity need not comply with the requirements in Rule 3.5.1 during the period permitted by the Regulator pursuant to (3), unless or until one of the following occurs:
- (a) — the Regulator directs the Reporting Entity to comply with Rule 3.5.1;
- (b) — the Reporting Entity becomes aware that there is a material change of circumstances that renders the reason for non-disclosure of the information no longer valid; or
- (c) — the Reporting Entity becomes aware or has reasonable grounds to suspect that the relevant Inside Information has or may have come to the knowledge of any Person or Persons other than by way of selective disclosure made pursuant to Rule 3.5.3(4).
- (5) — The procedures in Part 18 of the FSMR apply to a decision of the Regulator under (3) or (4)(a). Notwithstanding any appeal of a decision of the Regulator under this Rule, the Reporting Entity shall comply with any direction to disclose made by the Regulator.
- 3.5.5 By filing a report under Rule 3.5.4, the Reporting Entity of a Listed Fund undertakes that the contents of the report and any accompanying documents are true, accurate and not false, misleading, or deceptive and contain all the information which the Regulator would reasonably expect to be made aware of in the circumstances of the case.

### **Guidance**

1. — Examples of circumstances under which a Reporting Entity of a Listed Fund might rely on the exception from disclosure in Rule 3.5.4 include where:
- a. — it would be a breach of law to disclose such information;

- ~~b. the information is a trade secret;~~
  - ~~c. there are negotiations in course where the outcome or normal pattern of these negotiations would be likely to be affected by public disclosure;~~
  - ~~d. the information is provisional and generated for internal management purposes prior to later public disclosure; or~~
  - ~~e. there are impending developments that could be jeopardised by premature disclosure.~~
- ~~2. Rule 3.5.4 does not permit a Reporting Entity of a Listed Fund to delay public disclosure of the fact that it is in financial difficulty or of its worsening financial condition and is limited to the fact or substance of the negotiations to deal with such a situation. A Reporting Entity is also not permitted to delay disclosure of Inside Information on the basis that its position in subsequent negotiations to deal with the situation will be jeopardised by the disclosure of its financial condition.~~
- ~~3. Where the Regulator considers that the reliance of permitted exceptions under Rule 3.5.4 is not in the interests of actual or potential investors, market integrity or the ADGM, it may direct the Reporting Entity of a Listed Fund to make either a holding announcement or full market disclosure. The Regulator may, in addition, require the Recognised Investment Exchange in which the Units are traded to suspend trading of the relevant Units.~~

### **Control of Inside Information**

- ~~3.5.6 A Reporting Entity of a Listed Fund must establish effective arrangements to deny access to Inside Information to Persons other than those who require it for the exercise of their functions within the Reporting Entity or the Listed Fund.~~
- ~~3.5.7 A Reporting Entity of a Listed Fund must establish and maintain adequate systems and controls to enable it to identify at all times any Person working for it under a contract of employment or otherwise, who has or may reasonably be likely to have access to Inside Information relating to the Reporting Entity or the Listed Fund as is applicable, whether on a regular or occasional basis.~~
- ~~3.5.8 A Reporting Entity of a Listed Fund must take the necessary measures to ensure that its Directors, Members of the Governing Body and Employees who have or may have access to Inside Information acknowledge the legal and regulatory duties entailed, and are aware of the sanctions attaching to the misuse or improper use or circulation of such information.~~
- ~~3.5.9 A Reporting Entity of a Listed Fund must nominate two individuals to be its main points of contact with the Regulator in relation to continuing disclosure and other obligations under this chapter.~~

## **3.6 Disclosure of interests by Connected Persons of Listed Funds**

### **Guidance**

Section 76 of the FSMR requires certain ~~persons~~ Persons connected to a Reporting Entity to make certain disclosures, including to the Regulator and the Reporting Entity in accordance with the requirements prescribed in these Rules.

## Definitions

- 3.6.1 (1) For the purposes of section 76 of the FSMR, a Person is hereby prescribed as a Connected Person of a Listed Fund if that Person:

...

- (2) In (1), a Person is a Controller of a Reporting Entity if that Person (the first ~~person~~ Person), either alone or with the Associates of that Person, controls the majority of the voting rights in, or the right to appoint or remove the majority of the Board of, the Reporting Entity or any Person who has similar control over the first ~~person~~ Person, including an ultimate Controller of the first ~~person~~ Person.

...

## Events that trigger a ~~disclosure~~ Disclosure

- 3.6.2 A Person who is a Connected Person of a Listed Fund pursuant to Rule 3.6.1 must make the ~~disclosure~~ Disclosure within five Business Days of:

....

## Content and procedure of the ~~disclosure~~ Disclosure

- 3.6.3 A ~~disclosure~~ Disclosure made by a Connected Person must contain the ~~following~~ information:

- (1) ~~the~~ name and address of the Connected Person;
- (2) ~~the~~ name and address of the Reporting Entity and its registered address;
- (3) ~~the~~ name and registered address of the Listed Fund;
- (4) ~~the~~ date on which the event giving rise to the obligation to ~~file~~ make a ~~report~~ Disclosure occurred;
- (5) ~~the~~ date on which the filing was made; and
- (6) ~~the~~ price, amount and class of Securities or other investments as is relevant in relation to the transaction or other event and the previous and new level of interest held.

## ~~Market disclosure~~

- 3.6.4 Upon a Connected Person making a ~~disclosure~~ Disclosure to the Reporting Entity, the Reporting Entity must, as soon as possible, make a ~~disclosure~~ Disclosure of that information ~~to the market in accordance with Rule 7.7.1.~~

## 3.7 Disclosure of notifiable interests

### Guidance

~~Persons with a notifiable interest in the Reporting Entity or Listed Fund are required to give a notice relating to that interest in accordance with the requirements prescribed in these Rules.~~

## Application

3.7.1 This section applies to every member of the Governing Body of a Listed Fund.

## Guidance

1. Persons with a notifiable interest in the Reporting Entity or Listed Fund are required to make a Disclosure relating to that interest in accordance with the requirements prescribed in this Section .

2. In the case of a Listed Fund, the Reporting Entity is the Fund Manager, unless another ~~person~~ Person has been declared by the Regulator as the Reporting Entity of the Fund. However, as the Governing Body of a Listed Fund may include other ~~persons~~ Persons who exercise powers similar to those that are exercised by Directors of the Fund Manager, the obligations relating to disclosure of notifiable interests extend, in the case of a Listed Fund, to members of its Governing Body.

## Definition of a notifiable interest

3.7.2 A member of the Governing Body of a Listed Fund has a notifiable interest in the Listed Fund if that ~~person~~ Person has any interest arising through:

....

## 3.8 Other matters that require ~~market disclosure~~ Disclosure

3.8.1 A Reporting Entity of a Listed Fund must ~~disclose to the market~~ Disclose the matters specified in APP 3.

## 3.9 Accounting periods and financial reports of Listed Funds

3.9.1 A Reporting Entity of a Listed Fund must, in order to comply with the requirements in this section, ~~file with the Regulator~~ Disclose the annual financial report and interim financial report and other statements in respect of the Listed Fund. Such reports and statements must be prepared, in the case of:

....

## ~~Market disclosure~~ Disclosure of Preliminary Results

~~3.9.23.9.1A~~ (1) — A Reporting Entity of a Listed Fund must ~~disclose to the market the following: comply with the requirements of Rule 10.1.3A(1).~~

(a) — ~~its annual financial report;~~

(b) — ~~its interim financial reports; and~~

(c) — ~~its preliminary financial results.~~

## Guidance

Rule 10.1.3B does not apply to a Reporting Entity of a Listed Fund.

(2) — ~~A Reporting Entity must make the market disclosure required in (1) within the following time periods:~~

- ~~(a) — in relation to its annual financial report, as soon as possible after the accounts have been approved, but no later than four months after the end of the financial period;~~
- ~~(b) — in relation to its semi-annual financial report, as soon as possible and in any event no later than two months after the end of the period to which the report relates; and~~
- ~~(c) — in relation to its preliminary financial results, as soon as possible but no later than 30 minutes before the market opens on the day after the approval of the Board.~~

### **Compliance with Rule 10.1.8**

- 3.9.2 ~~(3) A Reporting Entity of a Listed Fund must, where there is a change to its accounting reference date, disclose to the market: comply with Rule 10.1.8.~~
- ~~(a) — the change to its accounting reference date as soon as possible; and~~
  - ~~(b) a second interim report within six months of the old accounting reference date if the change of the accounting reference date extends the annual accounting period to more than 14 months.~~

### **Guidance**

For the purposes of complying with the requirement in Rule 3.9.2:

1. the requirements in Rule 10.1.8 pertaining to a Reporting Entity are to be interpreted as applying to a Listed Fund in place of a Listed Entity; and
2. the reference in Rule 10.1.8(3)(b) to Shares is to be interpreted as applying to Units of a Listed Fund.

### **3.10 Manner of market disclosure**

~~3.10.1 Where a Reporting Entity of a Listed Fund is required to make market disclosure of information pursuant to a provision in this chapter, such information must be disclosed to the market in accordance with the requirements in Rule 7.7.~~

~~3.10.2 A Reporting Entity of a Listed Fund must retain on its website all information that has been disclosed to the market for a period of one year following publication.~~

### **3.10 Manner of Disclosure**

3.10.1 A Reporting Entity of a Listed Fund must comply with Rule 7.7.

### **3.11 The Regulator's power to direct ~~disclosure~~ Disclosure**

#### **Guidance**

~~Section 84 of the FSMR gives the Regulator the power to direct a Reporting Entity to disclose specified information to the market or take such other steps as the Regulator considers appropriate where it is satisfied that it is in the interest of the ADGM to do so.~~

~~3.11.1 (1) The Regulator will, pursuant to its power under section 84 of the FSMR, issue a written notice directing a Reporting Entity of a Listed Fund (a "Direction Notice") to disclose specified information to the market and to take any other steps as the Regulator considers appropriate:~~

~~(a) where it fails to comply with an obligation to disclose any information under the FSMR and these Rules;~~

~~(b) to correct or prevent a false market if the Regulator reasonably considers that there is or is likely to be a false market in the Units of the Listed Fund;~~

~~(c) where there is a rumour or media speculation in relation to the Reporting Entity or the Listed Fund that has not been confirmed or clarified by an announcement by the Reporting Entity made in accordance with Rule 3.5.1 and such rumour or media speculation is or is reasonably likely to have an impact upon the price of the Units; or~~

~~(d) where it is in the interests of:~~

~~(i) actual or potential investors;~~

~~(ii) market integrity; or~~

~~(iii) the ADGM.~~

~~(2) A Reporting Entity which receives a Direction Notice issued pursuant to (1) must comply with the terms of that notice.~~

3.11.1 A Reporting Entity of a Listed Fund must comply with Rule 7.5.

### **Guidance**

For the purposes of complying with the requirement in Rule 3.11.1:

1. the requirements in Rule 7.5 pertaining to a Reporting Entity are to be interpreted as applying to a Listed Fund in place of a Listed Entity; and
2. references in Rule 7.5 to a Listed Entity's Securities are to be read as applying to Units of a Listed Fund.

## 4. OFFERS OF SECURITIES

### 4.1 Application

4.1.1 This chapter applies to:

- (1) a Person who makes or intends to make an Offer of Securities ~~to the Public in or from~~ the ADGM other than in respect of Units;
- (2) a Person who makes an application to have any Securities other than Units admitted to trading on a Recognised Investment Exchange; and
- (3) any Person specified in section 4.10 as a Person liable for the content of a Prospectus.

#### Guidance

1. A Person making an Offer of Securities ~~to the Public~~ in relation to Units of a Fund is exempt from the requirements in Part 12 of the FSMR and the Rules made for the purposes of that Part which deal with Prospectuses.
2. A Person having or intending to have Units of a Fund admitted to trading on a Recognised Investment Exchange is required to comply with Part 6 of the FSMR and the Funds Rules made for the purposes of that Part in the manner and circumstances prescribed in these Rules. Chapter 3 contains the requirements that apply to a Person who applies to have, or has or had, Units admitted to trading on a Recognised Investment Exchange.
3. The Regulator has the power, pursuant to section 59(c) of the FSMR, to prescribe certain communications to be Exempt Communications. Such communications are not subject to the prohibition in section 58(1) of the FSMR as they fall outside the definition of an "Offer of Securities ~~to the Public~~" in section 59 of the FSMR.
4. The Regulator also has the power under section 61(3) of the FSMR to prescribe certain types of:
  - a. Offers of Securities ~~to the Public~~ as "Exempt Offers"; and
  - b. Securities to be "Exempt Securities".

Pursuant to section 58 of FSMR, Exempt Offers and Exempt Securities are not subject to the prohibition in section 58(1) of the FSMR and hence do not require a Prospectus.

### 4.2 Exempt communications

#### Guidance

For the purposes of section 59(c) of the FSMR, Exempt Communications are not Offers of Securities ~~to the Public~~ and therefore do not attract the Prospectus requirements in the FSMR and Rules.

4.2.1 ~~For the purposes of section 59(c) of the FSMR, in addition to the Exempt Communications specified in the FSMR, a~~ communication is hereby prescribed by the Regulator as an Exempt Communication if it is made in:

- (a) ~~in~~ connection with the trading of Securities that are listed and traded on a Regulated Exchange; and
- (b) ~~in~~ the ordinary course of business of an Authorised Person, Recognised Body or Remote Member.

### 4.3 Exempt Offers

#### Guidance

This section prescribes the type of Offer of Securities that is an Exempt Offer. ~~The prohibition in Pursuant to section 58(1) of the FSMR does not apply to such Offers. Accordingly, a Person may make an Offer of Securities to the Public in the circumstances specified in this Rule without a Prospectus.~~

1. A Debenture or Sukuk Offer to Retail Clients cannot be made by way of an Exempt Offer.
2. An Exempt Offer of Debentures or Sukuk may not be made under the provisions of Rule 4.3.1(2).

4.3.1 For the purposes of section 61(3)(a) of the FSMR, the Regulator hereby prescribes the following to be circumstances in which an Offer is an Exempt Offer:

- (1) an Offer made to or directed at only Professional Clients, other than Natural Persons;
- (2) other than in relation to Debentures and Sukuk, an Offer ~~in or from the ADGM~~ which is directed at ~~no more~~ fewer than 50 Persons in any 12 month period, excluding Professional Clients who are not ~~natural~~ Natural persons;
- ....
- (13) other than in relation to Debentures and Sukuk, an Offer in or from the ADGM which is directed at no more than 200 Persons that are not Professional Clients or Market Counterparties, in circumstances where the Securities are, or have been, offered within a Private Financing Platform or via a Multilateral Trading Facility.

4.3.2 Where any Securities, which were previously the subject of an Exempt Offer, are subsequently offered ~~to the public~~, such a subsequent Offer will be regarded, for the purposes of Part 6 of the FSMR and the Rules made for the purposes of that Part, as a separate and new Offer of Securities ~~to the Public~~, unless that Offer meets one of the criteria in Rule 4.3.1.

4.3.3 ....

4.3.4 A Person making an Exempt Offer must ensure that an exempt offer statement is included in the Exempt Offer Document. An exempt offer statement must contain the following statement displayed prominently on its front page:

...

*The ADGM Financial Services Regulatory Authority has no responsibility for reviewing or verifying any documents in connection with ~~an Exempt Offers~~ Offer. The ADGM Financial Services Regulatory Authority has not approved this Exempt Offer document nor taken steps to verify the information set out in it, and has no responsibility for it.*

...

#### 4.4 Exempt Securities

....

4.4.1 For the purposes of section 61(3)(b) of the FSMR the Regulator hereby prescribes the types of Securities that are Exempt Securities:

(1) ....

(3) Securities offered in connection with a Takeover ~~by means of an exchange Offer~~, if a document is available containing information which is regarded by the Regulator as being equivalent to that of a Prospectus;

...

(9) Securities already admitted to trading on another Recognised Investment Exchange or Regulated Exchange (the "Other Market"), where:

(a) ...

(c) the Person requesting the admission to trading of the Securities under this exemption makes a summary document in the English language which is approved by the Regulator in accordance with the requirements in section 4.6 and published:

(i) containing the information set out in Rule 4.5.2(1)(b);

(ii) stating where the most recent and current Prospectus, if any, can be obtained; and

(iii) specifying where the financial information ~~published~~ disclosed by the Issuer pursuant to its on-going disclosure obligations of the Other Market is available.

(10) Securities offered in connection with any issue of Securities under Rules 9.7.1 or 9.7.4, where the Securities are of the same class already admitted to trading on the same Recognised Investment Exchange.

....

#### 4.5 Prospectus structure and content

##### Guidance

1. Where the term "Prospectus Offer" is used in this section in reference to a Person, such a Person is either making an Offer of Securities to the Public or

seeking to have Securities admitted to trading on a Recognised Investment Exchange.

2. The Regulator will only permit a Prospectus Offer of a Retail Debenture or Sukuk in the circumstance described in Rule 4.14.

4.5.1 (1) A Person making a Prospectus Offer may, subject to section 4.9, produce a Prospectus structured either as:

....

(2) For the purposes of section 62 of the FSMR, the Prospectus must:

- (a) present information in a form which is comprehensible and easy to analyse;
- (b) contain the documents and information specified in (1)(a) or (b) as are applicable; and
- (c) in the case of an Offer of Securities ~~to the Public~~, have an application form that meets the requirement in Rule 4.5.5.

....

4.5.3 A Person making a Prospectus Offer may use the same Registration Statement in respect of more than one Prospectus Offer provided that:

...

(3) since the date of the Registration Statement, the Reporting Entity filing the Prospectus has complied with its ~~market disclosure~~ Disclosure obligations in Rule 6.2.9 relating to the category of Securities to which the Prospectus relates.

4.5.4 Where a Prospectus contains a Registration Statement produced prior to the date of the Summary and the Securities Note, the Person producing the Prospectus must ensure that both the Summary and the Securities Note:

...

### **Guidance**

1. The above provisions are designed to provide flexibility so that Persons making Prospectus Offers can make multiple Offers using the same Registration Statement. However, care should be taken to ensure that the ~~Registrations~~ Registration Statement and the Securities Note together provide all the information required to be contained in a Prospectus pursuant to section 62 of the FSMR and these Rules.
2. There are additional disclosure requirements applicable to Islamic Securities contained in the IFR Rulebook.
3. Where the term "Prospectus Offer" is used in this section reference to a Person, such a Person is either making an Offer of Securities ~~to the Public~~ and/or seeking to have Securities admitted to trading on a Recognised Investment Exchange.

### Application forms

4.5.5 A Person making an Offer of Securities to the Public must ensure that:

....

### Requirements relating to Offers of Securities from the ADGM

4.5.6 A Person who makes an Offer of Securities to the Public from the ADGM must:

....

## 4.6 Approval and publication of a Prospectus

### Application for approval

4.6.1 (1) For the purposes of section 61(1) of the FSMR, a Person intending to make a Prospectus Offer ("**the Applicant**") must, subject to (2), (3) and (4), submit to the Regulator:

.....

(4) In the case of a Supplementary Prospectus, the application for approval must:

- (a) be made using such form as the Regulator shall prescribe;
- (b) be accompanied by the relevant fee prescribed in the FEES Rulebook; and
- (c) comply with the requirements in Rule 4.9.1.

### Guidance

A Person intending to apply to the Regulator for approval of a Prospectus pursuant to Rule 4.6.1(1) should consider submitting a draft Prospectus for preliminary review by the Regulator prior to formally submitting the Prospectus for the Regulator's approval.

### Approval of a Prospectus

4.6.2 (1) The Regulator will only approve a Prospectus which has been filed with the Regulator in accordance with Rule 4.6.1 as soon as reasonably practicable where:

- (a) it is satisfied that:
  - (i) the Prospectus meets all the applicable requirements in the FSMR and these Rules; and
  - (ii) the Board of the Undertaking whose Securities are to be offered complies with, and has adequate systems and controls in place to ensure on-going compliance with, the applicable requirements; and
- (b) it has received all the necessary consents as required under the requirements in this chapter.

- (2) A Prospectus filed with the Regulator is not an Approved Prospectus for the purposes of section 61(2)(a) of the FSMR unless the Regulator has issued to the Applicant a notice stating its approval:
- (a) of the Prospectus or the Supplementary Prospectus as the case may be; and
  - (b) in the case of a Prospectus in (a) comprising multiple documents, of all the multiple documents.
- (3) The procedures in Part 6 of the FSMR apply to a decision of the Regulator not to approve a Prospectus under this Rule.

### **Guidance**

~~A Person intending to apply to the Regulator for approval of a Prospectus pursuant to Rule 4.6.1(1) should consider submitting a draft Prospectus for preliminary review by the Regulator prior to formally submitting the Prospectus for the Regulator's approval. See the GPM for procedures for applying for the Regulator's approval.~~

....

- 4.6.5 (1) A Financial Intermediary may make an Offer of Securities ~~to the Public~~ in reliance on an Approved Prospectus which has been produced by the Issuer in accordance with Rules 4.6.1 and 4.6.2 only in circumstances where:

....

- ~~(3) For the purposes of this Rule, a "Financial Intermediary" is an Authorised Person holding a relevant Financial Services Permission or a Person who is licenced and supervised by a Non-ADGM Financial Services Regulator.~~

....

## **4.7 Offer documents from other jurisdictions**

- 4.7.1 (1) The Regulator may, subject to (2), approve an Offer document produced under legislation in a jurisdiction other than the ADGM for the purposes of meeting the Prospectus requirements in this chapter where:
- (a) it is satisfied that the:
    - (i) ~~the~~ Offer document contains information equivalent to that which is required for a Prospectus in this chapter; and
    - (ii) ~~the~~ Offeror meets all the other requirements relating to a Prospectus Offer as prescribed in these Rules; or
  - (b) the other jurisdiction provides a level of regulation relating to the Offer which is acceptable to the Regulator.
- (2) The Regulator may, subject to (3), approve an Offer document referred to in (1) in accordance with the requirements and procedures set out in this ~~Rule 4.6~~ and, subject to such conditions or restrictions imposed by the Regulator as it sees fit.

- (3) An application for approval of an Offer document produced in accordance with the legislation in a jurisdiction other than the ADGM must:
- (a) be made using such form as the Regulator shall prescribe;
  - (b) be accompanied by the relevant fee prescribed in FEES; and
  - (c) include:
    - (i) a copy of the Offer document;
    - (ii) where the Offer document referred to in (1) is not in the English language, an English translation acceptable to the Regulator; and
    - (iii) a clear statement that it is an Offer document prepared in accordance with the requirements applicable in the relevant jurisdiction and not in the ADGM.
- (4) The application in (3) must be submitted to the Regulator at least 20 Business Days prior to the intended date on which the Applicant intends the Offer document to be approved.
- (45) An Offer document referred to in (1) is an Approved Prospectus for the purposes of section 61(2)(a) of the FSMR where it has been approved by the Regulator in accordance with the requirements in this Rule ~~and Rule 4.6.~~
- (56) The procedures in Part 6 of the FSMR apply to a decision of the Regulator under this Rule not to approve an Offer document or to impose conditions or restrictions on an approval.

### Guidance

1. ~~A Person considering filing an Offer document pursuant to Rule 4.7.1 should approach the Regulator at the earliest possible time opportunity to discuss how to proceed. This is because as the Regulator will may need to undertake the assessment required under Rule 4.7.1 on a case-by-case basis. See Guidance under Rule 4.6.2 for details relating to the Regulator Prospectus approval process.~~
2. A Person intending to apply to the Regulator for approval of an Offer document pursuant to Rule 4.7.1(3) should consider submitting a draft Offer document for preliminary review by the Regulator prior to formally submitting the Offer document for the Regulator's approval.
- 4.7.2** (1) Once an Offer document referred to in Rule 4.7.1 has been approved in accordance with 4.7.1(2), it must be made available to the public:
- (a) as soon as reasonably practicable; and
  - (b) in the form approved by the Regulator.
- (2) The Securities to which an Offer document approved in accordance with Rule 4.7.1 relates must not be offered for subscription or sale unless:

(a) the Offer document remains current in the jurisdiction in which it was issued; and

(b) no more than 12 months has passed since the Offer document was approved by the Regulator.

#### 4.8 Incorporation by reference

4.8.1 (1) Subject to Rule 4.8.1(3), where a requirement in this chapter requires disclosure of information in a Prospectus, the Person making the Prospectus Offer may incorporate that information by reference to another source of information, provided that the:

- (a) ~~the~~ source of information is publicly available on a continuing basis;
- (b) ~~the~~ information is clearly set out and easily accessible in that source;
- (c) ~~the~~ information is in the English language; and
- (d) ~~the~~ information can be accessed without charge.

.....

#### 4.12 Advertisements

4.12.1 (1) A Person who makes a Prospectus Offer must not, and must ensure that any agent of that Person or a member of its Group or other Persons associated or connected with the Prospectus Offer do not, during the Offer Period, make an advertisement relating to a Prospectus Offer unless the advertisement:

....

##### Guidance

The requirements relating to advertisements in Rule 4.12.1 do not apply, due to the definitional exclusion provided in section 59 of the FSMR, to any communication:

- a. made in connection with the trading of Securities on a Recognised Investment Exchange or Regulated ~~Exchanges~~ Exchange;
- b. made for the purposes of complying with the on-going reporting requirements of a Recognised Investment Exchange or the Regulator; or
- c. which is an Exempt Communication as defined in Rule 4.2.1.

#### 4.13 Miscellaneous

...

4.13.3 (1) The Regulator may, during the Offer Period or such other longer period as specified, impose a requirement that the monies held by a Person making a Prospectus Offer or his agent pursuant to the Prospectus Offer or issuance are held in an escrow account for a specified period and on specified terms.

(2) ....

**Guidance**

See also Rule 9.4 which contains additional restrictions relating to dealings by Restricted Persons which may apply to executive Directors.

**4.14 Retail Debentures or Sukuk**

4.14.1 A Person may only make a Prospectus Offer of a Retail Debenture or Sukuk where:

- (1) the Issuer of the Retail Debenture or Sukuk has applied for its admission to trading on a Recognised Investment Exchange; and
- (2) the Issuer or guarantor of the Retail Debenture or Sukuk has received an investment grade credit rating from an authorised Credit Rating Agency or such other credit rating agency considered acceptable by the Regulator.

**Guidance**

The Regulator may consider a credit rating agency to be acceptable if it is regulated in a Zone 1 jurisdiction.

**5. SPONSORS AND COMPLIANCE ADVISERS****5.1 Sponsors****Application**

5.1.1 This section applies to:

- (1) a Sponsor appointed pursuant to Rule 5.1.2; and
- (2) any Reporting Entity Issuer or Applicant seeking Securities to be admitted to the Official List, that is required by the Regulator to appoint a Sponsor.

**Guidance**

A reference in this section to an Issuer refers also to an Applicant for admission of Securities to the Official List wherever the context requires.

**Appointment of Sponsors**

- 5.1.2 (1) Pursuant to section 83 of the FSMR, the Regulator may, where it considers it appropriate to do so, require a Person who makes or intends to make a Prospectus Offer an Issuer or applicant seeking Securities to be admitted to the Official List, as applicable, to:
  - (a) appoint a Sponsor in respect on each occasion that it submits to the Regulator an Application for admission of Securities to the Prospectus Offer Official List; or
  - (b) provide third party certification in respect of any specific matters relating to the Prospectus Offer application for admission of Securities to the Official List.

- (2) Where the Regulator requires a Sponsor to be appointed pursuant to (1)(a), the Regulator must:
- (a) do so in sufficient time to enable the Sponsor to comply with the requirements in this Chapter; and
  - (b) require such appointment to be effective for the Offer Period (in relation to a Prospectus Offer document) or such other period relevant to the application in Rule 5.1.2(1)(a), as the Regulator determines as appropriate.

### Guidance

1. The Regulator may require the appointment of a Sponsor as appropriate to the circumstances of an ~~issuance as assessed by the Regulator in its sole discretion. Circumstances which are likely to require the appointment of a Sponsor include an issuance where there is a large retail element. Issuer and any Securities it seeks to be admitted to the Official List.~~
2. ~~The Regulator may require the appointment of a Sponsor, or third party certification in respect of any matters relating to an Issuer, in appropriate cases. An example of circumstances in which the Regulator may require the appointment of a Sponsor, or third party signoff, would be where an Issuer does not have a proven track record, such as a start-up.~~
32. Generally, the matters in relation to which the Regulator may require third party sign-off certification pursuant to Rule 5.1.2(1)(b) include matters relating to the adequacy of working capital and systems and controls in place for continuous disclosure or financial reporting by the Issuer seeking admission of its Securities to the Official List. Such certification should be provided by a third party acceptable to the Regulator. To be acceptable to the Regulator, the third-party should be independent of the Issuer and have relevant expertise relating to the matters on which certification of compliance is to be provided.
4. ~~In most cases the Person making a Prospectus Offer will be the Issuer of the Securities to which the Prospectus relates. However there may be situations where the Person making a Prospectus Offer, that is the Offeror, is not the Issuer of the Relevant Securities.~~
53. In any event, the Sponsor must make certain inquiries and assume certain obligations under these Rules. A Sponsor should therefore be a Person familiar with the requirements of the FSMR and the Rules and who has the necessary knowledge, experience, qualifications and resources to assist the Person making the Prospectus Offer Issuer to comply with the various requirements.

### Procedures relating to appointment of Sponsors

- 5.1.3 (1) A Person required to appoint a Sponsor must, prior to appointing a Sponsor:
- (a) take reasonable steps to ensure that the proposed Sponsor has the required knowledge, experience, qualifications and resources to carry out its obligations under these Rules; and
  - (b) notify the Regulator of the proposed Sponsor's name, its business address and an address in the ADGM for the service of documents.

- (2) ~~If requested by the Regulator, a~~ A Person appointing required to appoint a Sponsor must provide the Regulator with information about the knowledge, experience, qualifications and resources of the appointed or a proposed Sponsor.

....

- 5.1.5 (1) ~~Where, in the opinion of the Regulator, a Sponsor appointed by a Person is not suitable, or where a Sponsor has not been appointed or has resigned, the Regulator may direct the Person to replace or appoint a Sponsor.~~
- (2) ~~The Regulator must give both the Person and, if in the Regulator's opinion a Sponsor is not suitable, the Sponsor an opportunity to make representations under the procedures in that Schedule.~~

### **Obligations of a Sponsor**

5.1.6 A Sponsor appointed pursuant to Rule 5.1.2 must:

- (1) ~~satisfy itself~~ provide assurance to the Regulator that, to the best of its knowledge and belief, having made due and careful enquiry that the Person who makes or intends to make a Prospectus Offer, the Issuer (as an applicant for its Securities to be admitted to the Official List) has satisfied all applicable conditions for offering Securities and within the Listing Rules and any other relevant requirements under the FSMR and these Rules;
- (2) ~~provide to the Regulator any information or explanation known to it or~~ confirmation in such form and within such time limit as the Regulator may reasonably require for the purpose of verifying whether the Person making the Prospectus Offer complies that the Issuer and its Securities comply, or has complied, with the Listing Rules or any other applicable requirements in the FSMR and these Rules; and
- (3) provide guidance to the Issuer in relation to the applicable requirements under the Listing Rules, the FSMR and these Rules; and
- (34) take such other steps as may be required in writing by the Regulator.

5.1.7 A Sponsor must:

- 5.1.7 (1) ~~where a Sponsor it becomes aware of a failure by the Person making the Prospectus Offer Issuer to comply with its obligations under the FSMR and these Rules, the Sponsor must without undue delay:~~
- (1a) ~~notify the Person making the Prospectus Offer the Issuer of the failure and take reasonable steps to ensure it rectifies the failure within a reasonable time; and~~
- (2b) ~~if the Person making the Prospectus Offer Issuer does not or is unable to rectify the failure as soon as practicable, notify the Regulator of that fact.~~
- (2) for so long as it is appointed in such capacity in respect of an Issuer (as an applicant for Securities to be admitted to the Official List):

- (a) take such reasonable steps that are required to ensure that any communication or information it provides to the Regulator when carrying out its duties is, to the best of its knowledge and belief, accurate and complete in all material respects; and
- (b) as soon as possible following it becoming aware of any information that materially affects the accuracy or completeness of information it has previously provided to the Regulator provide same to the Regulator.

....

### **Co-operation with Sponsors**

5.1.9 A Person who is required to appoint a Sponsor ~~in respect of a Prospectus Offer pursuant to Rule 5.1.2~~ must take reasonable steps to ensure that it and its Employees:

- (1) ....
- (5) report to the Sponsor any matter which may significantly affect the financial position of the ~~Person issuing the~~ Issuer (as an Applicant seeking admission of Securities to the Official List) or the price or value of the relevant Securities.

....

## **5.2 Compliance advisers**

### **Application**

5.2.1 This section applies to a Reporting Entity that is required by the ADGM to appoint a compliance adviser.

### **Guidance**

The requirement for the appointment of a compliance adviser is designed to ensure that a Reporting Entity is aware of and complies with its continuing obligations under the FSMR and this Rulebook. A compliance adviser should therefore be a ~~person~~ Person familiar with the requirements of the FSMR and this Rulebook and should have the necessary knowledge, experience, qualifications and resources to assist a Reporting Entity to comply with its regulatory obligations.

....

5.2.6 A Reporting Entity must provide to the Regulator any information in such form and within such time as the Regulator may ~~reasonably~~ require regarding its compliance adviser or any advice the compliance adviser is providing, or has provided, to the Reporting Entity regarding its continuing obligations under the FSMR and these Rules.

....

## 6. MARKET ABUSE, PRICE STABILISATION AND BUY-BACK PROGRAMMES

### 6.1 Market Abuse

#### Application of the ~~Rules Code~~ Code of Market Conduct

- 6.1.1 (1) The ~~Rules Code~~ of Market Conduct ("~~RMCCMC~~"") is issued as Guidance to the Market Abuse provisions in Part 8 of the FSMR.
- (2) The ~~RMCCMC~~ applies to Persons in respect of conduct that occurs in the ADGM or elsewhere, however it only applies to conduct that occurs outside the ADGM if the conduct affects ADGM markets or users of ADGM markets.

#### Guidance

1. The ~~RMCCMC~~ is intended to prevent Market Abuse by providing further clarity about what activities the Regulator might regard as constituting Market Abuse under the FSMR.
2. The ~~RMCCMC~~ applies to ~~persons~~ Persons to whom Part 8 of the FSMR applies, that is, it applies to ~~persons~~ Persons generally whether individuals or bodies corporate and whether or not regulated.
3. Examples in the ~~RMCCMC~~ are not intended to be exhaustive. There may be other circumstances in which conduct may contravene the Market Abuse provisions.

### 6.2 Price Stabilisation and Buy-back Programmes

....

#### 6.2.3 Objectives of Buy-back Programmes

In order to benefit from the exemption provided for in the ~~Regulations~~ FSMR, a Buy-back Programme must comply with Rules 6.2.4, 6.2.5 and 6.2.6 of this chapter and the sole purpose of that Buy-back programme must be to reduce the capital of an Issuer or Listed Entity (in value or in number of Shares) or to meet obligations arising from either of the following:

- (1) ~~Debt Financial Instruments~~ Debentures or Sukuk exchangeable into ~~equity Instruments~~ Equity Securities; and
- (2) ~~Employee Share option programmes~~ Incentive Schemes or other allocations of Shares to Employees of the Issuer or of an associate Company.

#### 6.2.4 Conditions for, and Disclosure of, Buy-back Programmes and disclosure

- (1) The Buy-back Programme must comply with the following conditions:
  - (a) authorisation shall be given by ~~the~~ a general meeting of the Listed Entity, which shall determine the terms and conditions of such acquisitions, and in particular the maximum number of Shares to be acquired, the duration of the period for which the authorisation is given ~~and~~ which may not exceed 18 months, and, in the case of an acquisition for value, the maximum and minimum consideration. Members of the

administrative or management body shall be required to satisfy themselves that at the time when each authorised acquisition is effected the conditions referred to in subparagraphs (a), (b) and (c) are respected;

- (b) the nominal value or, in the absence thereof, the accountable par of the acquired Shares, including Shares previously acquired by the ~~Company~~ Listed Entity and held by it, and Shares acquired by a ~~person~~ Person acting in his own name but on the ~~Company's~~ Listed Entity's behalf, may not exceed 10% of the subscribed capital;
  - (c) the acquisitions may not have the effect of reducing the net assets below an amount when on the closing date of the last financial year the net assets as set out in the ~~Company's~~ Listed Entity's annual accounts are, or following such a distribution would become, lower than the amount of the subscribed capital plus those reserves which may not be distributed under applicable enactments or the statutes of the ~~Company~~ Listed Entity; and
  - (d) only fully paid-up Shares may be included in the transaction.
- (2) Prior to the start of trading, full details of the programme must be ~~adequately disclosed to the public~~ Disclosed. Those details must include the objective of the programme, the maximum consideration, the maximum number of Shares to be acquired and the duration of the period for which authorisation for the programme has been given. Subsequent changes to the programme must be ~~subject to Adequate Public Disclosure~~ Disclosed.
  - (3) The ~~Issuer~~ Reporting Entity must have in place the mechanisms ensuring that it fulfils trade reporting obligations to the Regulator. These mechanisms must record each transaction related to Buy-back Programmes.
  - (4) The ~~Issuer~~ Reporting Entity must ~~publicly disclose~~ Disclose details of all transactions as referred to in paragraph (3) no later than the end of the seventh Business Day following the date of execution of such transactions.

#### 6.2.5 Conditions for trading

- (1) ~~In so far~~ Insofar as prices are concerned, the ~~Issuer~~ Listed Entity must not, when executing trades under a Buy-back Programme, purchase Shares at a price higher than the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out.
- (2) If the trading venue is not a Recognised Investment Exchange, the price of the last independent trade or the highest current independent bid taken in reference shall be the one of the Recognised Investment Exchange.
- (3) Where the ~~Issuer~~ Listed Entity carries out the purchase of own Shares through ~~derivative Financial Instruments~~ Derivatives, the exercise price of those ~~derivative Financial Instruments~~ Derivatives shall not be above the higher of the price of the last independent trade and the highest current independent bid.
- (4) ~~In so far~~ Insofar as volume is concerned, the ~~Issuer~~ Listed Entity must not purchase more than 25% of the average daily volume of the Shares in any one

day on the Recognised Investment Exchange on which the purchase is carried out.

- (5) The average daily volume figure must be based on the average daily volume traded in the month preceding the month of ~~public disclosure~~ Disclosure of that programme and fixed on that basis for the authorised period of the programme.
- (6) Where the programme makes no reference to that volume, the average daily volume figure must be based on the average daily volume traded in the 20 trading days preceding the date of purchase.
- (7) For the purposes of paragraph (34), in cases of extremely low liquidity on the relevant Recognised Investment Exchange, the ~~Issuer-Listed Entity~~ may exceed the 25% limit, provided that the following conditions are met:
  - (a) the ~~Issuer-Listed Entity~~ informs the Regulator, in advance, of its intention to deviate from the 25% limit;
  - (b) the ~~Issuer discloses adequately to the public~~ Reporting Entity Discloses the fact that ~~it~~ the Listed Entity may deviate from the 25% limit; and
  - (c) the ~~Issuer-Listed Entity~~ does not exceed 50% of the average daily volume.

#### 6.2.6 Restrictions

- (1) In order to benefit from the exemption provided by the ~~Regulations-FSMR~~, the ~~Issuer-Listed Entity~~ shall not, during its participation in a Buy-back Programme, engage in the following ~~trading~~:
  - (a) selling of own Shares during the life of the ~~programme~~ Buy-back Programme;
  - (b) trading during a Celosed period; or
  - (c) trading where the ~~Issuer-Reporting Entity~~ has decided to delay the ~~public disclosure~~ Disclosure of Inside Information in accordance with chapter 7 and the Regulations-FSMR.
- (2) Paragraph (1)(a) shall not apply if the ~~Issuer-Listed Entity~~ is a Reporting Entity and has established effective information barriers (~~Chinese Walls~~) subject to supervision by the Regulator, between those responsible for the handling of Inside Information related directly or indirectly to the ~~Issuer-Listed Entity~~ and those responsible for any decision relating to the trading of own Shares (including the trading of own Shares on behalf of Clients), when trading in own Shares on the basis of such any decision.
- (3) Paragraphs (1)(b) and (c) shall not apply if the ~~Issuer-Listed Entity~~ is a Reporting Entity and has established effective information barriers (~~Chinese Walls~~) subject to supervision by the Regulator, between those responsible for the handling of Inside Information related directly or indirectly to the ~~Issuer-Listed Entity~~ (including trading decisions under the Buy-back Programme) and those responsible for the trading of own Shares on behalf of Clients, when trading in own Shares on behalf of those Clients.

- (4) Paragraph (1) shall not apply if the:
- (a) ~~the Issuer-Listed Entity~~ has in place a Time-scheduled Buy-back Programme; or
  - (b) ~~the Buy-back Programme~~ is lead-managed by a Reporting Entity which makes its trading decisions in relation to the ~~Issuer's-Listed Entity's~~ Shares independently of, and without influence by, the ~~Issuer-Listed Entity~~ with regard to the timing of the purchases.

#### 6.2.7 Conditions for Price Stabilisation

- (1) In order to benefit from the exemption provided for in sections 93(3) and 97(1) of the FSMR and ~~RMCCMC~~ 8(4), Price Stabilisation of a Relevant Security must be carried out in accordance with Rules 6.2.8, 6.2.9 and 6.2.10.
- (2) The Person conducting the Price Stabilisation must be the Stabilisation Manager or any of his Stabilisation Agents.
- (3) The Recognised Investment Exchange or other exchange on which the Relevant Securities are admitted to trading must be ~~informed~~ notified that Price Stabilisation in those Relevant Securities may take place during the Stabilisation Window.
- (4) Price Stabilisation may be carried out either on or off the central order book of the relevant Recognised Investment Exchange.

#### Guidance

Rules 6.2.7 to 6.2.10 constitute the prescribed Price ~~Stabilising~~ Stabilisation Rules for the purposes of Section 7(4) of the FSMR.

....

#### ~~Post-price~~ Price Stabilisation Disclosure

- (3) If a Stabilisation Manager has conducted Price Stabilisation during the Stabilisation Window, then he must, within two 2 Business Days following a Price Stabilisation transaction, disclose to the Regulator the following details:
  - (a) the total number of Relevant Securities transacted by the Stabilisation Manager and any Stabilisation Agents;
  - (b) the average price of Relevant Securities transacted during the Price Stabilisation;
  - (c) whether a Price Stabilisation transaction was undertaken otherwise than through the central order book of the relevant Recognised Investment Exchange;
  - (d) if the Stabilisation Manager has an outstanding short position, the number of Relevant Securities in that short position; and
  - (e) any additional information the Regulator requires the Stabilisation Manager to disclose.

....

**6.2.10 Specific price conditions**

- (1) In the case of an Offer of Shares or other Securities equivalent to Shares, Price Stabilisation of the Relevant Securities shall not in any circumstances be executed above the ~~offering~~Offer price.
- (2) In the case of an Offer of securitised ~~debt~~Debentures convertible or exchangeable into Financial Instruments as referred to in paragraph (1), Price Stabilisation of those Financial Instruments shall not in any circumstances be executed above the market price of those Financial Instruments at the time of the public disclosure of the final terms of the new Offer.

....

**6.2.13 Appointment of Stabilisation Manager and Stabilisation Agents**

- (1) An Issuer/Reporting Entity who intends to carry out Price Stabilisation of its Relevant Securities ~~must~~:
  - (a) appoint in writing a Stabilisation Manager;
  - (b) notify the ~~FSRA~~Regulator of the appointment, including the name and business address of the Stabilisation Manager, the date of commencement of the appointment and an address for service in the ADGM of the Stabilisation Manager; and
  - (c) prior to the appointment of the Stabilisation Manager, take reasonable steps to ensure that the Stabilisation Manager has the required skills, resources and experience to conduct the functions of a Stabilisation Manager.
- (2) An Issuer/Reporting Entity must notify the ~~FSRA~~Regulator immediately if the appointment of the Stabilisation Manager is to be terminated, or on the resignation of its Stabilisation Manager, giving the reasons for the cessation of the appointment.
- (3) An Issuer/Reporting Entity must appoint a Stabilisation Manager to fill any vacancy in relation to the occurrence of an event specified in (2) and ensure that the replacement Stabilisation Manager can serve as such at the time the vacancy arises or as soon as reasonably practicable.
- (4) Where a Stabilisation Manager appointed by an Issuer/Reporting Entity is not suitable in the opinion of the ~~FSRA~~Regulator, or where a Stabilisation Manager has not been appointed, the ~~FSRA~~Regulator may direct the Issuer/Reporting Entity to appoint or replace ~~or appoint~~ a Stabilisation Manager in accordance with the requirements in MKT 6.2.

**6.2.14 Terms of Appointment for a Stabilisation Manager and Stabilisation Agents**

- (1) The terms of appointment of a Stabilisation Manager must include at least the following information:
  - (a) the period of the Stabilisation Window;

- (b) the Offer Price;
  - (c) whether the Stabilisation Manager has discretion to commence Price Stabilisation at the Offer Price;
  - (d) whether the Stabilisation Manager is permitted to appoint Stabilisation Agents;
  - (e) a term whereby the Stabilisation Manager agrees unconditionally to submit to the jurisdiction of the ~~FSRA-Regulator~~ and the ADGM Courts in relation to the activities of the Stabilisation Manager and his Stabilisation Agents in carrying out Price Stabilisation; and
  - (f) any other information that the Stabilisation Manager believes it will reasonably need to conduct Price Stabilisation effectively.
- (2) The Stabilisation Manager may appoint in writing one or more Stabilisation Agents to assist him in conducting Price Stabilisation.
  - (3) The terms of appointment of a Stabilisation Agent must not create a legal relationship other than that of principal and agent whereby the Stabilisation Manager as principal is responsible and liable for any and all acts carried out by ~~his-its~~ Stabilisation Agent.
  - (4) The Stabilisation Manager must establish a Price Stabilisation register and take reasonable steps to satisfy himself that the mechanisms required to update the register are in place.

#### 6.2.15 Restrictions on transactions with Stabilisation Agents

- (1) A Stabilisation Manager must not during the Stabilisation Window enter into a transaction as principal with any of his Stabilisation Agents in the Relevant Securities which are the subject of Price Stabilisation.
- (2) The requirement in (1) does not apply:
  - (a) if at the time of the transaction, neither the Stabilisation Manager nor his Stabilisation Agent knew or could reasonably have known the identity of his counterparty; or
  - (b) where the transaction between the Stabilisation Manager and his Stabilisation Agent is undertaken solely for the purpose of reallocating the risk of positions that were taken by the Stabilisation Manager and his Stabilisation Agent in the course of Price Stabilisation and the transaction is priced accordingly.

#### Guidance

Some participants in the Price Stabilisation may have accrued positions during stabilisation and Rule 6.2.15 permits transactions to 'square-off' the positions between participants. The terms on which these transactions may be carried may often be agreed in the terms of engagement between the Stabilisation Manager and his Stabilisation Agents. The ~~FSRA-Regulator~~ may when inspecting records kept relating to stabilisation seek the rationale for any of these transactions and the price at which they were conducted.

### 6.2.16 Price Stabilisation Register

(1) The Stabilisation Manager must, before carrying out any Price Stabilisation:

....

#### **Guidance**

~~Rule 6.2.16(e)(vi) recognises that some market infrastructures, for example, anonymous order books or anonymous indications of interest, allow for the identity of counterparties to sometimes be unknown prior to the effecting of transactions.~~

~~Rule 6.2.16 also accepts that some participants in the Price Stabilisation may have accrued uneconomic positions during Price Stabilisation and therefore permits a single transaction, probably at the end-of-day, to 'square-off' the positions between participants. The terms on which these transactions can be carried may often be agreed in the terms of engagement between the Stabilisation Manager and the Stabilisation Agents. The Regulator may when inspecting records kept relating to Price Stabilisation seek the rationale for any of these transactions and the price at which they were conducted.~~

(3) The Stabilisation Manager must keep the register in the English language and keep it in a location that would allow for it, or a certified copy, to be available within three Bbusiness Ddays to any ~~person~~ Person permitted by Rules 6.2.16(4) and 6.2.16(5) to inspect it.

(4) The following ~~persons~~ Persons are permitted to inspect the register upon written request:

- (a) the Regulator;
- (b) the Recognised Investment Exchange upon which the Relevant Securities are admitted to trading; and
- (c) any other ~~person~~ Person the Regulator considers appropriate.

(5) During the Stabilisation Window and within three months from the end of the Stabilisation Window, the Stabilisation Manager must, on any Bbusiness Dday, permit the Issuer of the Relevant Securities to which the Price Stabilisation Rules apply to inspect the part of the register kept in accordance with Rule 6.2.16(2)(e).

(6) The Stabilisation Manager must keep the register for a period of six years from the end of the Stabilisation Window.

#### **Guidance**

Rule 6.2.16(1)(e)(vi) recognises that some Recognised Investment Exchanges using, for example, anonymous order books or anonymous indications of interest, allow for the identity of counterparties to sometimes be unknown prior to the effecting of transactions.

Rule 6.2.16 also accepts that some participants in the Price Stabilisation may have accrued uneconomic positions during Price Stabilisation and therefore permits a single transaction, probably at the end-of-day, to 'square-off' the positions between

participants. The terms on which these transactions can be carried may often be agreed in the terms of engagement between the Stabilisation Manager and the Stabilisation Agents. The Regulator may when inspecting records kept relating to Price Stabilisation seek the rationale for any of these transactions and the price at which they were conducted.

#### 6.2.17 Price Stabilisation and Dual-listings

- (1) This Rule 6.2.17 applies to a Person who carries out Price Stabilisation of dual-listed Relevant Securities.
- (2) For the purposes of (1), 'dual-listed Relevant Securities' are Relevant Securities which are listed concurrently on a Recognised Investment Exchange (not being a Remote Investment Exchange) and on either a Remote Investment Exchange or an exchange in a jurisdiction other than the ADGM.

....

#### 6.2.18 Price Stabilisation from the ADGM

- (1) A Person who conducts, from the ADGM, Price Stabilisation of dual-listed Relevant Securities on a Remote Investment Exchange or an exchange outside the ADGM must:
  - (a) ensure that such Price Stabilisation is conducted in accordance with the law of ~~that~~ that non-ADGM jurisdiction; and
  - (b) provide the ~~ADGM~~ Regulator adequate prior notification of such Price Stabilisation.

#### Guidance

Rule 6.2.18 allows a Person who is acting as a Stabilisation Manager in respect of a dual-listing of Relevant Securities to rely on the laws of another jurisdiction to conduct those activities outside the ADGM. The Rule is intended to provide Stabilisation Managers with some limited flexibility in respect of their activities outside the ADGM.

## 7. ~~MARKET~~CONTINUOUS DISCLOSURE

### 7.1 Application

- 7.1.1 (1) This chapter applies, subject to (2), to every Reporting Entity ~~other than that of a Listed Fund~~.
- (2) The requirements in this section do not apply to a Reporting Entity if the relevant ~~market disclosure~~ Disclosure has already been made in relation to the Financial Instruments either by another Person or in relation to other Financial Instruments.

#### Guidance

1. ~~The market disclosure requirements applicable to Listed Funds are in chapter 3.~~

- ~~2. This chapter sets out the obligations of Reporting Entities to disclose and control information in order to protect actual and potential investors and to maintain a fair, informed and orderly market in Financial Instruments. This chapter also sets out the limited circumstances under which a Reporting Entity may selectively disclose Inside Information, delay public disclosure and control access to such information in order to limit the potential Market Abuse.~~
- ~~3. The Regulator recognises the importance to the market of accurate, up-to-date information about Reporting Entities. Reporting Entities are therefore required to disseminate Inside Information as soon as possible. Where these obligations are not met and the Regulator considers it appropriate, the Regulator may seek one or more sanctions as specified in section 84 of the FSMR.~~

## 7.2 Disclosure of Inside Information

### Timely disclosure

#### Immediate Disclosure of Inside Information

- 7.2.1 (1) ~~Subject to Rule 7.2.1(4), once a Reporting Entity is, or becomes, aware of Inside Information, it must make timely disclosure of immediately Disclose that Inside Information in accordance with the requirements in this section.~~
- (2) A Reporting Entity must ensure that the ~~disclosure~~ Disclosure it makes pursuant to (1) is not false, misleading, or deceptive and does not omit anything likely to affect the import of the ~~information~~ Inside Information.
- (3) For the purposes of complying with the requirement in (1), the Reporting Entity must, subject to Rule ~~7.2.1(4)~~ 7.2.3 and 7.2.4, ~~immediately make disclosure as seen as possible~~ its Disclosure and in the manner specified in Rule 7.7.1.

#### Exceptions to Rule 7.2.1

- (4) Rule 7.2.1 does not apply to specific information where:
- (a) the information relates to an incomplete matter or negotiation;
  - (b) the Disclosure of the information would be in breach of a law or in contempt of court;
  - (c) the information comprises matters of supposition or is insufficiently certain or definite for it to be Disclosed;
  - (d) the information has been created for the internal management purposes of the Listed Entity; or
  - (e) the information is a trade secret;
- (5) the information is confidential and the Regulator is not of the opinion that the information is no longer confidential; and
- (6) a reasonable person would not expect the information to be Disclosed.

## Guidance

1. ~~A Reporting Entity is required to disclose Inside Information as soon as possible. In practice, a short period before announcing Inside Information is permitted where a Reporting Entity is affected by an unexpected event and the Reporting Entity needs to clarify the situation or take legal advice so that any information released is accurate and not false, misleading, or deceptive. Any delay should be limited to a period no longer than is reasonably necessary in the circumstances. Where there is a danger of the information leaking out in the meantime, the Reporting Entity should make a holding announcement giving an outline of the subject matter of the announcement, the reasons why a full announcement cannot yet be made and undertaking to make a full announcement as soon as possible.~~
2. ~~For the disclosure to be not false, misleading, or deceptive, a Reporting Entity should provide information that is accurate, factual and complete. Any incomplete or inaccurate information, such as omission of relevant information, would be false, misleading, or deceptive. Information should be provided in an easy to understand manner and not for promotional purposes. The use of imprecise and confusing language such as "double digit" or "in excess of last year" should be avoided as it does not allow investors to properly assess the information for the purpose of making an informed decision relating to the relevant Financial Instruments.~~
3. ~~Where a Reporting Entity realises that it has or may have breached its continuous disclosure obligations, it should contact the Regulator to discuss the matter and seek guidance on remedying the situation and on taking steps to ensure that similar breaches are prevented from recurring.~~
4. ~~A confidentiality agreement cannot prevent an entity from complying with its obligations relating to the disclosure of Inside Information.~~
5. ~~If, for any reason, a Reporting Entity is unable, or unwilling to make a holding announcement it may be appropriate for the Reporting Entity to file a report pursuant to Rule 7.2.5 and for the trading of its Financial Instruments to be suspended until the Issuer is in a position to make an announcement.~~

## Identifying Inside Information

6. ~~Inside Information is defined in sections 95(2) of the FSMR as:~~
  - (2) ~~"In relation to Financial Instruments, or Related Instruments, which are not Commodity Derivatives, Inside Information is information of a Precise nature which:~~
    - (a) ~~is not generally available;~~
    - (b) ~~relates, directly or indirectly, to one or more Issuers of the Financial Instruments or to one or more of the Financial Instruments; and~~
    - (c) ~~would, if generally available, be likely to have a significant effect on the price of the Financial Instruments or on the price of Related Instruments.~~

- ~~(5) — would, if generally available, be likely to have a significant effect on the price of those Financial Instruments or the price of Related Instruments."~~
- ~~7. — In accordance with section 95(5) of the FSMR, information is considered "Precise" if it:~~
- ~~a. — "indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur; and~~
- ~~b. — is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of Financial Instruments or Related Instruments."~~
- ~~8. — Similarly, information would be likely to have a "significant effect on price" if and only if it is information of that kind which a reasonable investor would be likely to use as part of the basis of his investment decisions.~~
- ~~9. — The Reporting Entity is itself best placed to determine whether information, if made public, is likely to have a significant effect on the price of the relevant Financial Instruments, as what constitutes Inside Information will vary widely according to circumstances.~~

#### **Financial forecasts and expectations**

- ~~10. — Where a Reporting Entity makes a market announcement which includes a profit or revenue forecast, such forecasts become, as soon as made, factored into the market pricing of the relevant Financial Instruments. If the Reporting Entity becomes aware that there is likely to be a material difference between the forecast and the true outcome, the Reporting Entity should make an announcement correcting the forecast as soon as possible so that the market pricing reflects the accurate position.~~
- ~~11. — In relation to financial forecasts published by a Reporting Entity, the Regulator considers that circumstances giving rise to a variation from the previous one should generally be considered Inside Information and should be disclosed by the Reporting Entity as soon as possible. Even where a Reporting Entity has not made a previous forecast, circumstances giving rise to a variation of profit or revenue from the previous corresponding reporting period should be disclosed where such circumstances would have a significant effect on the price of relevant Financial Instruments. Generally, a variation of 10% or more should be disclosed, but in some circumstances, a smaller variation may also be disclosable if it would reasonably be considered to have a significant effect on the price of the relevant Financial Instruments.~~
- ~~12. — In making such disclosure, the Reporting Entity should provide clear details of the extent of the variation. For example, a Reporting Entity may indicate that, based on management accounts, its expected net profit will be an approximate amount (e.g. approximately \$15 million) or alternatively within a stated range (e.g. between \$14m and \$16m). Alternatively, a Reporting Entity may indicate an approximate percentage movement (e.g. up or down by 35%).~~

### **~~Relationship between continuous disclosure and periodic disclosures~~**

13. ~~Periodic disclosures by Reporting Entities are required in a number of circumstances, and examples can include interim and annual financial reports and accounts, prospectuses, bidder's statements and target's statements.~~
14. ~~In the course of preparing these disclosure documents, Reporting Entities may become aware of Inside Information which was previously insufficiently Precise to warrant disclosure. In such circumstances, a Reporting Entity should not defer releasing that information until the periodic disclosure or other document is finalised. In such circumstances, a Reporting Entity is expected to make an announcement containing the Inside Information as soon as possible.~~

### **~~Financial Instruments of the same class admitted to trading in more than one jurisdiction~~**

15. ~~Reporting Entities with Financial Instruments of the same class admitted to trading in more than one jurisdiction should ensure that the release of announcements containing Inside Information is co-ordinated across jurisdictions. If the requirements for disclosure are stricter in another jurisdiction than in the ADGM, the Reporting Entity must ensure that the same information is released in the ADGM as in that other jurisdiction.~~
16. ~~Reporting Entities should not delay an announcement in the ADGM in order to wait for a market to open in another jurisdiction.~~

### **~~Delaying disclosure~~**

7.2.2 ~~[Deleted] A Reporting Entity may delay market disclosure of Inside Information so as not to prejudice its legitimate interests provided that:~~

- (1) ~~the delay is not likely to mislead the markets; and~~
- (2) ~~if the information is to be selectively disclosed to a Person prior to market disclosure, it is made in accordance with the requirements in Rule 7.2.3.~~

### **~~Selective disclosure~~ Disclosure**

7.2.3 (1) ~~A Reporting Entity may selectively Disclose Inside Information to a Person prior to For the purposes of Rule 7.2.2(2), a Reporting Entity may selectively disclose Inside Information to a Person prior to making market disclosure making a Disclosure of such information only if:~~

....

- (2) For the purposes of (1)(a), the Persons whose exercise of employment, profession or duties may warrant selective ~~disclosure~~ Disclosure are as follows:
- (a) any adviser, underwriter, Sponsor or compliance adviser;
- (b) an agent employed by the Reporting Entity to ~~release~~ Disclose the information;
- (c) Persons with whom the Reporting Entity is negotiating with a view to effecting a transaction or raising finance, including prospective

- underwriters or Sponsors of an issue of Financial Instruments, providers of finance or loans or the placement of the balance of a rights issue not taken up by Shareholders;
- (d) the Regulator ~~or another regulator~~ where such disclosure is necessary or desirable for the ~~regulator~~ Regulator to perform its functions;
  - (e) a Person to whom the Reporting Entity discloses information in accordance with a lawful requirement;
  - (f) a major Shareholder of the Reporting Entity; the Trustee, Eligible Custodian or Persons providing an oversight function of a Listed Fund; or
  - (g) any other Person to whom it is necessary to disclose the information in the ordinary course of business of the Listed Entity/Reporting Entity.
- (3) For the purposes of (1)(c), the Reporting Entity must, before making disclosure to a Person, provide to that Person a written notice that the:
- (a) ~~the~~ information is provided in confidence and must not be used or be allowed to be used for a purpose other than the purpose for which it is provided; and
  - (b) ~~the~~ recipient must take reasonable steps to ensure that the recipient or any Person having access to the information through the recipient does not deal in the relevant Financial Instruments, or any other related investment, or disclose such information without legitimate reason, prior to ~~market disclosure~~ Disclosure of that information by the Reporting Entity.
- (4) Where a Reporting Entity makes selective disclosure of Inside Information pursuant to (1), it must ensure that a full ~~announcement~~ Disclosure is made ~~to the market~~ as soon as possible, and in any event, when it becomes aware or has reasonable grounds to suspect that such information has or may have come to the knowledge of any Person or Persons other than those to whom the selective disclosure was made.

### **Guidance**

- ~~1. It is likely that Inside Information will be made known to certain Employees of the Reporting Entity. A Reporting Entity should put in place procedures to ensure that Employees do not disclose such information, whether or not inadvertently, and that Employees are adequately trained in the identification and handling of Inside Information (see Rules 7.2.6 – 7.2.7 and associated).~~
- ~~2. Rule 7.2.3 does not excuse a Reporting Entity from its overriding obligation to disclose Inside Information as soon as possible pursuant to Rule 7.2.1. A Reporting Entity which proposes to delay public disclosure of Inside Information should refer to Rule 7.2.4, which sets out the limited disclosure exceptions permitted.~~

**Disclosure exceptions**

- 7.2.4 ~~[Deleted]~~ (1) A Reporting Entity need not, subject to (2), make disclosure of information pursuant to Rule 7.2.1, where, in the reasonable opinion of the Reporting Entity, the disclosure required by that Rule would:
- ~~(a) be unduly detrimental to the legitimate interests of the Reporting Entity; or~~
  - ~~(b) disclose commercially sensitive material; or~~
  - ~~(c) result in a breach of any law or any Contravention.~~
- ~~(2) Where a Reporting Entity intends not to make the disclosure pursuant to (1), it must immediately file with the Regulator a confidential report which:~~
- ~~(a) contains all the information which it seeks not to disclose and the reasons for non-disclosure; and~~
  - ~~(b) is in the English language and, where any documents accompanying the report are not in the English language, an English translation of such documents.~~
- ~~(3) The Regulator may:~~
- ~~(a) specify the period during which disclosure of the information included in the confidential report need not be disclosed to the markets; and~~
  - ~~(b) extend the period referred to in (a) upon application by the Reporting Entity.~~
- ~~(4) Where a confidential report is filed with the Regulator under (2), the Reporting Entity need not comply with the requirements in Rule 7.2.1 during the period permitted by the Regulator pursuant to (3), unless or until one of the following occurs:~~
- ~~(a) the Regulator directs the Reporting Entity to comply with Rule 7.2.1;~~
  - ~~(b) the Reporting Entity becomes aware that there is a material change of circumstances that renders the reason for non-disclosure of the information no longer valid; or~~
  - ~~(c) the Reporting Entity becomes aware or has reasonable grounds to suspect that the relevant Inside Information has or may have come to the knowledge of any Person or Persons other than by way of selective disclosure in accordance with Rule 7.2.3.~~
- ~~(5) The procedures in Part 17 of the FSMR apply to a decision of the Regulator under (3) or (4)(a).~~
- 7.2.5 ~~[Deleted]~~ By filing a report under Rule 7.2.4, the Reporting Entity undertakes that the contents of the report and any accompanying documents are true, accurate and not false, misleading, or deceptive and contain all the information which the Regulator would reasonably expect to be made aware of in the circumstances of the case.

## Guidance

1. ~~Examples of circumstances under which a Reporting Entity might rely on the exception from disclosure in Rule 7.2.4 include where:
 
  - a. ~~it would be a breach of law to disclose such information;~~
  - b. ~~the information is a trade secret;~~
  - c. ~~there are negotiations in course where the outcome or normal pattern of those negotiations would be likely to be affected by public disclosure;~~
  - d. ~~the information is provisional and generated for internal management purposes prior to later public disclosure; or~~
  - e. ~~there are impending developments that could be jeopardised by premature disclosure.~~~~
2. ~~Rule 7.2.4 does not permit a Reporting Entity to delay public disclosure of the fact that it is in financial difficulty or of its worsening financial condition and is limited to the fact or substance of the negotiations to deal with such a situation. A Reporting Entity is also not permitted to delay disclosure of Inside Information on the basis that its position in subsequent negotiations to deal with the situation will be jeopardised by the disclosure of its financial condition.~~
3. ~~Where the Regulator considers that the reliance on permitted exceptions under Rule 7.2.4 is not in the interests of actual or potential investors, market integrity or the ADGM, it may direct the Reporting Entity to make either a holding announcement or full market disclosure (see Rule 7.5.1). The Regulator may, in addition, require the Recognised Investment Exchange in which the Financial Instruments are traded to suspend trading of the relevant Financial Instruments.~~

## Control of Inside Information

....

- 7.2.9 A Reporting Entity must nominate two individuals to be its main points of contact with the Regulator in relation to ~~continuing disclosure~~ its Disclosure and other obligations under this chapter.

## Guidance

### Framework for handling Inside Information

1. ~~The responsibility for ensuring that a Reporting Entity has an adequate overall policy on the handling of Inside Information lies with the Board of the Reporting Entity. Whilst responsibility for compliance with the continuing obligations set out in these Rules lies with the Reporting Entity, Directors should be aware that they may be held personally liable for breaching these Rules.~~
2. ~~Reporting Entities should have a consistent procedure for assessing whether information is Inside Information and should clearly identify those within the Reporting Entity who are responsible for the communication of this information to the market.~~

- ~~3. Reporting Entities should put in place arrangements for maintaining the confidentiality of Inside Information before announcement. These should include adequate training for Employees in the handling, distribution and announcement of Inside Information as appropriate. Reporting Entities should, for example, guard against the risk of Inside Information being leaked to the market through selective disclosure of internal briefings or via trade journals. Where the Reporting Entity considers that this may have occurred, an announcement should be made immediately.~~

#### **Inadvertent disclosure**

- ~~4. In situations where the Reporting Entity will be open to questioning that may be designed to elicit or may have the effect of eliciting Inside Information (such as during Shareholders' meetings or dealing with analysts or journalists), the Reporting Entity should plan in advance how it will respond to such questions. If the Reporting Entity intends to disclose Inside Information at such a meeting, an announcement must be made before or at the same time as the meeting.~~

### **7.3 Disclosure of interests by Connected Persons**

#### **Guidance**

Section 76 of the FSMR requires certain ~~persons~~ Persons connected to a Reporting Entity to make certain disclosures to the Regulator and the Reporting Entity in accordance with the requirements prescribed in these Rules.

#### **Application**

....

#### **Guidance**

Chapter ~~Rule 3.6~~ contains the Connected Person disclosure requirements relevant to Listed Funds.

#### **Definitions**

- 7.3.2 (1) ~~For the purposes of section 76 of the FSMR, a~~ Person is hereby prescribed as a Connected Person of a Reporting Entity if that Person:

....

- (2) In (1), a Person is a Controller of a Reporting Entity if that Person (the first ~~person~~ Person), either alone or with his Associates, controls the majority of the voting rights in, or the right to appoint or remove the majority of the Board of, the Reporting Entity or any Person who has similar control over the first ~~person~~ Person, including an ultimate Controller of the first ~~person~~ Person.

....

#### **Events that trigger a disclosure**

- 7.3.3 (1) A Connected Person must make the disclosures required under section 76 of the FSMR (the "Connected Person Disclosure") to the Regulator and the

Reporting Entity within five Business Days of the occurrence of any of the events prescribed in (2) and (3).

- (2) In the case of a Person who is a Connected Person under Rule 7.3.2(1)(a), that Person must make the Connected Person Disclosure upon:
- (a) becoming or ceasing to be a Director of a Controller of the Reporting Entity;
  - (b) acquiring or ceasing to hold either alone or with an Associate of the Person any Securities or other investments in or relating to the Reporting Entity or a Controller of the Reporting Entity; and
  - (c) an increase or decrease of the level of interest referred to in (b).
- (3) In the case of a Person who is a Connected Person under Rule 7.3.2(1)(b), that Person must make the Connected Person Disclosure upon:
- (a) acquiring or ceasing to hold voting Securities carrying more than 5% of the voting rights attaching to all voting Securities of either the Reporting Entity or a Controller of the Reporting Entity; and
  - (b) an increase or decrease of at least 1% of the level of interest previously reported pursuant to (a).

....

#### **Content of the ~~disclosure~~ Connected Person Disclosure**

**7.3.5** A ~~disclosure made by a~~ Connected Person Disclosure must contain the following information:

- (1) the name and address of the Connected Person;
- (2) the date on which the event giving rise to the obligation to make the Connected Person Disclosure occurred;
- (3) the date on which the filing was made; and
- (4) the price, amount and class of Securities or other investments as is relevant in relation to the transaction or other event and the previous and new level of interest held.

#### **Market disclosure**

**7.3.6** Upon a Connected Person making a ~~disclosure~~ Connected Person Disclosure to the Reporting Entity, the Reporting Entity must, as soon as possible, ~~make market disclosure of~~ Disclose that information in accordance with Rule 7.7.1.

#### **7.4 Disclosure of Directors' notifiable interests**

....

#### **Application**

7.4.1 ....

## Guidance

Chapter ~~Rule 3.7~~ contains the disclosure of notifiable interests applicable to a Listed Fund.

....

## ~~Market disclosure~~ Disclosure

- 7.4.4 Upon receiving a notice relating to a notifiable interest, the Reporting Entity must, as soon as possible, make ~~market disclosure~~ a Disclosure of that ~~report notice~~ in accordance with Rule 7.7.1.

## 7.5 ~~Power to direct disclosure~~ Disclosure

### Guidance

Section 84 of the FSMR gives the Regulator the power to direct a Reporting Entity to ~~disclose~~ Disclose specified information ~~to the market~~ or take such other steps as the Regulator considers appropriate where it is satisfied that it is in the interest of the ADGM to do so.

- 7.5.1 (1) The Regulator may, pursuant to its power under section 84 of the FSMR, issue a written notice directing a Reporting Entity (a "**Direction Notice**") to disclose specified information ~~to the market~~ and to take any other steps as the Regulator considers appropriate in the following circumstances:
- (a) where a Reporting Entity fails to comply with an obligation to ~~disclose~~ Disclose any information under the FSMR and these Rules;
  - (b) to correct or prevent a false market if the Regulator ~~reasonably~~ considers that there is or is likely to be a false market in a Reporting Listed Entity's Securities;

### Guidance

- ~~(c) where~~ The Regulator would consider, for example, that there is a rumour, or media speculation is likely to be, a false market in relation to the Reporting Entity or the Relevant Listed Entity's Securities if:
  - (i) a Listed Entity/Reporting Entity has information that has not been Disclosed, for example, due to Rule 7.2.1(4) applying;
  - (ii) there is a reasonably specific media comment or rumour concerning the Listed Entity that has not been confirmed or clarified by an announcement a Disclosure by the Reporting Entity made in accordance with Rule 7.2.1; and such
  - (iii) there is evidence that the comment or rumour or media speculation is having, or is reasonably the Regulator considers that the comment or rumour is likely to have an, a significant impact upon on the price of the Reporting Entity or the Relevant Listed Entity's Securities; or.

- (~~cd~~) where it is in the interests of:
- (i) actual or potential investors;
  - (ii) market integrity; or
  - (iii) the ADGM.

- (2) A Reporting Entity which receives a Direction Notice issued pursuant to (1) must comply with the terms of that notice.

## **7.6 Other matters that require ~~market disclosure~~ Disclosure**

- 7.6.1 A Reporting Entity must ~~disclose to the market~~ Disclose in accordance with Rule 7.7.1 the matters specified in APP 2.

## **7.7 Manner of ~~market disclosure~~ Disclosure**

- 7.7.1 (1) When a Reporting Entity is required to make ~~market disclosure~~ a Disclosure of any information, such information must be released to the market by way of an ~~announcement~~ a Disclosure made via the Regulator's disclosure platform.

(a) ~~to the Recognised Investment Exchange on which the Securities are admitted to trading;~~

(b) ~~on the website of the Reporting Entity; and~~

(c) ~~to any approved regulatory announcement service.~~

(2) ~~The disclosure in (1) must also be concurrently provided to the Regulator.~~

- (~~23~~) Without prejudice to its obligations relating to ~~market disclosure~~ Disclosure, a Reporting Entity must take reasonable care to ensure that any information it is required to ~~disclose~~ Disclose is clear, fair, and not false, misleading, or deceptive.

- 7.7.2 ~~[Deleted]. The Regulator may, upon application by a Person or on its own initiative, approve a regulatory announcement service for the purposes of making the Disclosure in 7.7.1.~~

- 7.7.3 A Reporting Entity must retain on its website all information that has been ~~disclosed to markets~~ Disclosed for a period of one year following publication.

## **7.8 Trading Halts**

- 7.8.1 The Regulator may, at any time and upon the request of a Reporting Entity, halt trading on a Recognised Investment Exchange of Securities of a Listed Entity to enable the Listed Entity time to Disclose Inside information.

### **Guidance**

The Regulator is not obliged to act upon any request by a Reporting Entity to halt trading.

- 7.8.2 A Trading Halt imposed pursuant to Rule 7.8.1 cannot exceed 2 Business Days or such shorter period as the Regulator agrees.

7.8.3 The Regulator may impose a suspension in accordance with Rule 2.6 upon completion of the duration of the Trading Halt established under Rule 7.8.2, or at any time during the Trading Halt established under Rule 7.8.1.

## 8. SYSTEMS AND CONTROLS

### 8.1 Application

8.1.1 This chapter applies to:

- (1) every Listed Entity and Reporting Entity; and
- (2) the Board or the Governing Body of a Listed Entity and Reporting Entity,  
as applicable.

....

## 9. GOVERNANCE OF REPORTING ENTITIES

....

### Corporate Governance Principles

9.2.2 Pursuant to section 73 of the FSMR, the principles in Rules 9.2.3 to 9.2.9 are hereby prescribed as "the **Corporate Governance Principles**".

#### Guidance

1. The Corporate Governance Principles in this section apply to Reporting Entities as mandatory high level requirements. APP 4 sets out best practice standards that may be adopted by a Reporting Entity to achieve compliance with these principles.
2. The best practice standards in APP 4 are designed to provide a degree of flexibility so that a Reporting Entity can achieve outcomes intended by the Corporate Governance Principles whilst taking into account the nature, scale and complexity of its business.
3. Generally, if a Reporting Entity does not adopt the best practice standards set out in APP 4, or adopts them only partially, the Regulator would expect the reasons for doing so and any alternative measures adopted to achieve the outcomes intended by the Corporate Governance Principles to be disclosed in the Prospectus and thereafter pursuant to the ~~disclosure~~ Disclosure required under Rule 9.2.10. Any inaccurate or false representations would lead to the imposition of civil liability in accordance with section 70 of the FSMR.

#### Principle 1 – Board of Directors

9.2.3 Every ~~Reporting-Listed~~ Listed Entity must have an effective Board which is collectively accountable for ensuring that the ~~Reporting-Listed~~ Listed Entity's business is managed prudently and soundly.

### **Principle 2 – Division of responsibilities**

- 9.2.4 The Board must ensure that there is a clear division between the Board's responsibility for setting the strategic aims and undertaking the oversight of the Reporting-Listed Entity and the Senior Management's responsibility for managing the Reporting-Listed Entity's business in accordance with the strategic aims and risk parameters set by the Board.

### **Principle 3 – Board composition and resources**

- 9.2.5 The Board, and its committees, must have an appropriate balance of skills, experience, independence and knowledge of the Reporting-Listed Entity's business, and adequate resources, including access to expertise as required and timely and comprehensive information relating to the affairs of the Reporting-Listed Entity.

### **Principle 4 – Risk management and internal control systems**

- 9.2.6 The Board must ensure that the Reporting-Listed Entity has an adequate, effective, well-defined and well-integrated risk management, internal control and compliance framework.

### **Principle 5 – Shareholder rights and effective dialogue**

- 9.2.7 The Board must ensure that the rights of Shareholders are properly safeguarded through appropriate measures that enable the Shareholders to exercise their rights effectively, promote effective dialogue with Shareholders and other key stakeholders as appropriate, and prevent any abuse or oppression of minority Shareholders.

### **Principle 6 – Position and prospects**

- 9.2.8 The Board must ensure that the Reporting-Listed Entity's financial and other reports present an accurate, balanced and understandable assessment of the Reporting Listed Entity's financial position and prospects by ensuring that there are effective internal risk control and reporting requirements.

### **Principle 7 – Remuneration**

- 9.2.9 The Board must ensure that the Reporting-Listed Entity has remuneration structures and strategies that are well aligned with the long-term interests of the entity-Listed Entity.

### **Annual reporting on compliance**

- 9.2.10 The annual financial report of a Reporting-Listed Entity to which this section applies must:
- (1) state whether the best practice standards specified in APP 4 (the "**Corporate Governance Principles**") have been adopted by the Reporting-Listed Entity;
  - (2) if the best practice standards in APP 4 have not been fully adopted or have been only partially adopted explain:
    - (a) why the best practice standards were not adopted fully or adopted only partially, as is relevant; and

- (b) what actions, if any, have been taken by the Reporting-Listed Entity to achieve compliance with the Corporate Governance Principles to the extent the relevant best practice standards were not adopted, or were only partially adopted; and
- (3) include a statement by Directors whether or not, in their opinion, the Corporate Governance framework of the Reporting-Listed Entity is effective in promoting compliance with the Corporate Governance Principles, with supporting information and assumptions, and qualifications if necessary.

### Guidance

1. Rule 9.2.10 reflects the "comply or explain" approach adopted by the Regulator in respect of the Corporate Governance Principles.
2. With regard to the opinion required under Rule 9.2.10(3), adequate information relating to the Corporate Governance framework of the Reporting-Listed Entity should be included to support the opinion, such as the identity of its chair, any committees of the Board and their role and membership, the chief executive and persons undertaking key control functions such as the head of compliance, risk control and internal audit and how their independence is achieved. See also the ~~disclosure~~ Disclosure of information required under APP 2.
3. Reporting-Listed Entities are required to produce an annual financial report in accordance with Rule 10.1.4.

## 9.3 Directors' duties and fair treatment of Shareholders

### Application

9.3.1 ~~(1)~~—This section applies, ~~subject to (2)~~, to:

- (a) the Board of a Reporting-Listed Entity ~~in respect of Shares~~; and
- (b) each individual Director who is a member of such a Board.

~~(2)~~—The requirement in Rule 9.3.3 applies to every Reporting-Entity.

### Guidance

1. Where a Person referred to in Rule 9.3.1~~(1)~~ is required under any legislation applicable to such a Person to comply with a similar or more stringent requirement than the requirements in this section, compliance with those other requirements would be sufficient for the purposes of the relevant requirement in this section.
2. For example, in the case of a reduction of Share capital, more stringent procedures such as a special resolution (i.e. a vote of at least 75% of the Shareholders in voting) may be required under the company law or other legislation applicable to a Reporting-Listed Entity in its jurisdiction of incorporation. Where this is the case, compliance with the more stringent requirements applicable to the Reporting-Listed Entity suffices for the purposes of compliance with the requirements in this section dealing with a Shareholder approval by simple majority in Rule 9.3.8.

3. The Regulator will expect a Person referred to in Rule 9.3.1 to consider references to a “Shareholder” in this section to refer equally to holders of all classes of Securities as may be applicable in the context of the Listed Entity. For example, in a situation where holders of Debentures are to be asked to vote on a variation of rights or terms, the Regulator will expect a Person referred to in Rule 9.3.1 to give due consideration to the requirements of Rules 9.3.6 and 9.3.7 as if it referred to the relevant Debenture holders.

### **Directors' duties**

9.3.2 A Director of a ~~Reporting-Listed~~ Entity must act:

- (1) on a fully informed basis;

....

- (5) in the best interests of the ~~Reporting-Listed~~ Entity and its Shareholders.

### **Guidance**

In order to meet the obligation to act with due diligence and care, a Director should (amongst other things) ensure that he has enough time and capacity available to devote to the job. See also the best practice standards in APP 4 which apply to Directors of ~~Reporting-Listed~~ Entities who are subject to the Corporate Governance Principles.

### **Equality of treatment**

9.3.3 Subject to Rules 9.3.14 to 9.3.17, tThe Board of a ~~Reporting-Listed~~ Entity must ensure equality of treatment of all holders of Securities of a particular class or type in respect of all rights attaching to the Securities of that class or type of Securities.

### **Guidance**

For the Rules relating to Weighted Voting Rights, refer to Rules 9.3.14 to 9.3.20. These set out the circumstances where a Listed Entity can potentially deviate from the “one-share, one-vote” principle established by this Rule.

### **Reduction of Share capital**

9.3.4 The Board of a ~~Reporting-Listed~~ Entity must ensure that a ~~Reporting-Listed~~ Entity does not purchase its own Shares unless:

- (1) the purchase does not materially prejudice the ~~Reporting-Listed~~ Entity's ability to pay its creditors as they fall due;
- (2) it has obtained prior approval of Shareholders in meeting by a majority vote; and
- (3) prior to the meeting seeking the consent referred to in (2), the notice of the meeting and any accompanying documents relating to the purchase is filed with the Regulator.

### **Pre-emption rights**

- 9.3.5 ~~[Deleted] The Board of a Reporting Entity must, except where otherwise provided in the constituent documents of the Reporting Entity, ensure that a Reporting Entity provides pre-emption rights under which, on an issue of Shares by the Reporting Entity for cash, the Shareholders of the Reporting Entity are offered any Shares to be issued in proportion to their existing holdings prior to the Shares being offered to third parties, unless there is prior approval of the issue of Shares without pre-emption rights by Shareholders in meeting, by a majority vote.~~

### **Communications with Shareholders**

- 9.3.6 (1) The Board of a ~~Reporting-Listed~~ Entity must ensure that all the necessary information and facilities are available to its Shareholders to enable them to exercise the rights attaching to their Shares on a well-informed basis.

....

### **Guidance**

In adhering to its obligations in (2)(b), the Board of a Listed Entity incorporated in ADGM must comply with the time periods for giving such notices ~~outlined in section 324 of specified by~~ the Companies Regulations 2015.

### **Proxy solicitation**

- 9.3.7 The Board of a ~~Reporting-Listed~~ Entity must ensure that for each meeting at which Shareholders are eligible to exercise voting rights attaching to their Securities, each Shareholder is given the right and means to vote by proxy.

### **Other matters requiring Shareholder approval**

- 9.3.8 (1) The Board of a ~~Reporting-Listed~~ Entity must, subject to (2), ensure that a majority of Shareholders in voting approves:
- (a) any alteration of the constitutional documents of the ~~Reporting-Listed~~ Entity including any alteration to the memorandum of association, articles of association, bylaws or any other instrument constituting the ~~Reporting-Listed~~ Entity;
  - (b) an alteration of the issued Share capital, for example Share reductions or Share consolidations, of the ~~Reporting-Listed~~ Entity which is more than 20% of the existing issued Share capital;
  - (c) any acquisition or disposal of an asset of the ~~Reporting-Listed~~ Entity where the value of the asset involved is 25% or more of the value of the net assets of the ~~Reporting-Listed~~ Entity as at its last published financial reports;
  - (d) the appointment or removal of a Director of the ~~Reporting-Listed~~ Entity and the terms of such appointment;
  - (e) the appointment or removal of the auditor of the ~~Reporting-Listed~~ Entity;
  - (f) the placing of the ~~Reporting-Listed~~ Entity into voluntary liquidation;

- (g) the reduction of the Share capital of the ~~Reporting-Listed~~ Entity, in accordance with Rule 9.3.4(2);
  - (h) the issuance of, or the agreement to issue, Shares ~~without pre-emption rights,~~ in accordance with Rule ~~9.3.57.1~~;
  - (i) a Related Party Transaction that falls within Rule 9.5.3(1) or (3);
  - (j) any creation or issuance of new ~~securities~~ Securities;
  - (k) the appointment of the chief executive as the chairman of the Board; and
  - (l) any purchase by a Listed Entity of its own Securities, where requested to provide such approval in accordance with Rule 2.7.5(1).
- (2) The requirement in (1) does not apply, subject to any requirements in the constitutional documents of the ~~Reporting-Listed~~ Entity, in relation to the appointment or removal of a Director or auditor of a ~~Reporting-Listed~~ Entity in circumstances where the immediate appointment or removal is necessary in the interests of the ~~Reporting-Listed~~ Entity.

### **Guidance**

1. Under Rule 9.3.8(1)(b), an increase in the issued Share capital of a ~~Reporting Listed~~ Entity which results in an increase of more than 20% of its current Share capital requires Shareholder approval regardless of whether or not such an increase is within the authorised capital of the relevant ~~Reporting-Listed~~ Entity.
2. The circumstances in which the immediate removal of a Director or auditor may become necessary include matters affecting that Person's fitness and propriety, such as professional misconduct of such a Person.

### **Preference Securities**

9.3.9 A holder of a Preference Security must have, at a minimum, rights to participate only up to a specified amount in any dividend or distribution which distinguishes their holders from holders of Ordinary Securities.

9.3.10 A holder of a Preference Security must only be entitled to a right to vote:

- (1) when a dividend or distribution (or part of a dividend or distribution) is in arrears in respect of a Security;
- (2) on a resolution that affects rights attached to the Preference Security;
- (3) on a resolution relating to a reduction of the Share capital of a Listed Entity;
- (4) on a resolution relating to a buy-back agreement;
- (5) on a resolution for a Listed Entity to be wound up;
- (6) on a resolution for a Listed Entity to dispose of the whole of its business and undertaking; or

(7) during the winding up of a Listed Entity.

9.3.11 The terms of issue of a Preference Security that is not a Share must contain rights for the Security holder to vote in the same manner as set out in Rule 9.3.10, with any necessary adaptation having regard to the form of the Preference Security.

9.3.12 A holder of a Preference Security must have rights to receive notices, reports and audited financial statements, and admission to meetings of Shareholders, equal to the rights of holders of Ordinary Securities.

9.3.13 When a Listed Entity is wound up, the holder of a Preference Security must have a right to the return of capital in preference to holders of Ordinary Securities.

### **Weighted Voting Rights**

9.3.14 A Listed Entity may, upon approval from the Regulator, allot, issue or grant Shares with Weighted Voting Rights, altering its Share capital in relation to the equality and proportionality of Shareholder voting power and equity interest (as established in Rule 9.3.3).

9.3.15 A Listed Entity, with Shares with Weighted Voting Rights on issue, must ensure that:

(1) its Share capital must not result, in the view of the Regulator, in the potential for material conflicts between the interests of controlling shareholders' interests, and those of its other shareholders;

### **Guidance**

Listed Entities must consider their wider governance responsibilities, including as set out in these Rules and the Corporate Governance Best Practice Standards in APP 4. Consideration of the use of 'sunset clauses', whether they be event-driven or time-based, is also expected.

(2) the beneficiaries of Shares with Weighted Voting Rights must beneficially own collectively at least 10% of the underlying economic interest in the Listed Entity's total issued Share capital at the time of admission to the Official List;

(3) Weighted Voting Rights must not account for more than 75% of voting rights represented in person or by proxy and voting in favour of a resolution at any shareholder meeting of a Listed Entity; and

(4) the offer of Shares with Weighted Voting Rights must not increase the proportion of Shares that carry Weighted Voting Rights above the proportion on issue at the time of admission to the Official List.

### **Restriction on Transfer of Shares with Weighted Voting Rights**

9.3.16 The Weighted Voting Rights attached to a beneficiary's Shares must cease upon transfer to another person of the beneficial ownership of, or economic interest in, those Shares or the control over the voting rights attached to them (through voting proxies or otherwise).

### **Resolutions requiring voting on a one vote per Share basis**

9.3.17 All Weighted Voting Rights attached to any class of a Listed Entity's Shares must be disregarded and must not entitle the beneficiary to more than one vote per share on any resolution to approve the following matters:

- (1) changes to the Listed Entity's constitutional documents;
- (2) variation of rights attached to any class of Securities;
- (3) the appointment or removal of an independent non-executive director;
- (4) the appointment or removal of auditors; and
- (5) the voluntary winding-up of the Listed Entity.

#### **9.4 Dealings by ~~restricted persons~~ Restricted Persons**

##### **Application**

- 9.4.1 (1) This section applies to:
- (a) the Board of every ~~Reporting-Listed~~ Listed Entity; and
  - (b) a Restricted Person in relation to such a ~~Reporting-Listed~~ Listed Entity.
- (2) For the purposes of (b), a Person is a Restricted Person in relation to a ~~Reporting-Listed~~ Listed Entity if he is involved in the Senior Management of the ~~Reporting-Listed~~ Listed Entity.

##### **Guidance**

1. Persons are considered as involved in the Senior Management if they are in a position of authority and influence in making management or executive decisions with regard to the day-to-day management of the business of the ~~Reporting-Listed~~ Listed Entity.
2. ~~Chapter 3 contains the~~ These requirements apply, as appropriate applicable to ~~Reporting Entities of Listed Funds.~~

##### **Prohibition on dealing**

- 9.4.2 (1) A Restricted Person must not engage in Dealing in the Securities of ~~the a~~ a ~~Reporting-Listed~~ Listed Entity during a Close Period except in the circumstances specified in Rule 9.4.4.
- (2) For the purposes of this Rule a "Close Period" is:
- (a) the period from the relevant financial year end up to and including the time of the ~~announcement~~ Disclosure or publication of the annual financial reports; and
  - (b) if the ~~Reporting-Listed~~ Listed Entity reports on a semi-annual basis, the period from the end of the relevant semi-annual financial period up to and including the time of the ~~announcement~~ Disclosure or publication; or

- (c) if the ~~Reporting-Listed~~ Entity reports on a quarterly basis, the period from the end of the relevant quarter up to and including the time of the ~~announcement~~ Disclosure.
- (3) The prohibition in (1) applies to any dealing by Restricted Persons whether or not such dealings are with another Restricted Person or any other Person.

### Exempt dealings

9.4.3 The prohibition in Rule 9.4.2(1) does not apply in relation to any dealing in Securities in the a Reporting-Listed Entity if such dealing by the Restricted Person relates to:

- (1) undertakings or elections to take up, or the taking up of, an entitlement under a rights issue or dividend reinvestment Offer, or allowing such an entitlement or Offer to lapse;
- (2) undertakings to accept, or the acceptance of, a Takeover Offer ~~under Takeover Rules~~;
- (3) dealings where the beneficial interest in the relevant Security does not change;
- (4) transactions between the Restricted Person and an Associate of the Restricted Person; or
- (5) transactions relating to dealings in an ~~employee share scheme~~ Employee Incentive Scheme in accordance with the terms of such a scheme.

### Clearance to deal

- 9.4.4 (1) The prohibition in Rule 9.4.2(1) does not apply in relation to any dealing in Securities where the Restricted Person has obtained prior clearance to deal as provided in (2) and (3).
- (2) For the purposes of (1), prior written clearance to deal in the Securities of a ~~Reporting-Listed~~ Entity must be obtained:
- (a) from a Director designated by the Board for the purposes of providing clearances to deal; and
  - (b) in the case of dealings by the Director designated for the purpose of providing clearances to deal, from the full Board or another Director designated by the Board for the purposes of providing such clearance.
- (3) For the purposes of (1) and (2), a Director of the ~~Reporting-Listed~~ Entity must not be given written clearance to deal in any Securities of the ~~Reporting-Listed~~ Entity during any period when there exists any matter which constitutes Inside Information unless the Person responsible for granting clearance has no

reason to believe that the proposed dealing is or may be in breach of the FSMR or the Rules.

## 9.5 Related Party Transactions

### Application

9.5.1 This section applies, subject to Rule 9.5.4, to:

- (1) ~~A~~ Reporting-Listed Entity; and
- (2) a Related Party of such a Reporting-Listed Entity.

### Definitions

9.5.2 In this section, unless otherwise provided:

- (1) a Person is a Related Party of a Reporting-Listed Entity if that Person:
  - (a) is, or was within the 12 months before the date of the Related Party Transaction:
    - (i) a Director of the Reporting-Listed Entity or a member of its Group; ~~or~~
    - (ii) a Related Party Associate of a Person referred to in (1)(a)(i); ~~or~~
  - (b) owns, or has owned within 12 months before the date of the Related Party Transaction, voting Securities carrying more than 10% of the voting rights attaching to all the voting Securities of either the Reporting-Listed Entity or a member of its Group; or
  - (c) is a Person exercising or having the ability to exercise significant influence over the Reporting-Listed Entity or a Related Party Associate of such a Person.
- (2) Subject to Rule 9.5.4, a A-transaction is a Related Party Transaction if it is a transaction:
  - (a) between a Reporting-Listed Entity and a Related Party;
  - (b) entered into pursuant to an arrangement between the Reporting-Listed Entity and the Related Party under which the Reporting-Listed Entity and the Related Party both ~~each~~ invests in another Undertaking or asset, or provides financial assistance to another Undertaking;
  - (c) between the Reporting-Listed Entity and any other Person, the purpose or effect of which is to benefit a Related Party; or
  - (d) of the kind referred to in (a) to (c) and is between a subsidiary of a Reporting-Listed Entity and a Related Party of the Reporting-Listed Entity.

## Guidance

1. A Person is regarded as exercising significant influence over a Reporting-Listed Entity if, for example, ~~if~~ that Person is a consultant or adviser or a shadow director of the Reporting-Listed Entity. For the purposes of this rule guidance, "shadow director" means a ~~person~~ Person in accordance with whose directions or instructions the Directors of the Reporting-Listed Entity are accustomed to act.
2. Any transactions between a subsidiary of a Reporting-Listed Entity and a Related Party are included within the definition of a Related Party Transaction. This is because a Related Party may, through the Reporting-Listed Entity, be able to influence terms which are more favourable to the Related Party when transacting with the subsidiary. Such transactions could be detrimental to the interests of the Reporting-Listed Entity.

## Related Party Transaction procedures

### 9.5.3 A Reporting-Listed Entity must ensure that:

- (1) if the value of a proposed Related Party Transaction is equal to or greater than 5% of the value of the net assets of the Reporting-Listed Entity as stated in its most recent financial reports, it does not enter into such a transaction unless the proposed transaction has been put to Shareholder approval and has received prior approval by a majority of the Shareholders ~~in voting~~ of the Reporting-Listed Entity;
- (2) if the value of the proposed Related Party Transaction is less than the 5% threshold referred to in (1), the Reporting Entity must as soon as possible after entering the transaction:
  - (a) ~~notifies~~ notify the Regulator of the relevant terms and the basis on which such terms are considered fair and reasonable, supported by written confirmation by an independent third party; and
  - (b) ~~discloses~~ Disclose the Related Party Transaction ~~to the market~~ in accordance with Rule 7.7.1;
- (3) if the cumulative value of a series of Related Party Transactions with the same Related Party which have not received Shareholder approval reaches the 5% threshold referred to in (1) in any 12 month period, it does not enter into the last of the series of the transactions unless such proposed action has been put to Shareholder approval and received approval by a majority of the Shareholders in voting of the Reporting-Listed Entity;
- (4) if, after obtaining Shareholder approval pursuant to Rule 9.5.3(1) but before the completion of the Related Party Transaction, there is a material change to the terms of the proposed transaction, the Reporting-Listed Entity must comply again separately with Rule 9.5.3(1) in relation to the Related Party Transaction; or
- (5) the Related Party does not vote on the Shareholder resolution referred to in Rule 9.5.3(1) and takes all reasonable steps to ensure that any Related Party Associates of the relevant Related Party also do not vote on the Shareholder resolution.

## Exemptions

9.5.4 The requirements in this section do not apply to a transaction referred to in Rule 9.5.2(2):

- (1) where the transaction is made in the ordinary course of business;
- (2) where it, or any series of transactions with the same Related Party in any 12 month period, does not exceed 0.25% of the value of the net assets of the Reporting-Listed Entity as stated in its most recent financial reports;
- (3) where it is made in accordance with the terms of an ~~employee share scheme or other Employee incentive scheme~~ Incentive Scheme approved by the Board of the Reporting-Listed Entity;
- (4) where it involves the issue of new Securities for cash or pursuant to the exercise of conversion or subscription rights attaching to Securities issued to existing Shareholders where the Securities are traded on a Recognised Investment Exchange or a Regulated Exchange;
- (5) where its terms were agreed before any Person became a Related Party;
- (6) where it involves a grant of credit, (including the lending of money or the guaranteeing of a loan,) to:
  - (a) the Related Party on normal commercial terms;
  - (b) a Director of the Reporting-Listed Entity or a member of its Group for an amount and on terms no more favourable than those offered to employees of the Group generally; or
  - (c) by the Related Party on normal commercial terms and on an unsecured basis;
- (7) where it involves granting an indemnity to or maintaining a Contract of Insurance for a Director of the Reporting-Listed Entity or a member of its Group;
- (8) where it involves underwriting by a Related Party of Securities issued by the Reporting-Listed Entity or a member of its Group if the consideration to be paid for the underwriting is no more than the usual commercial underwriting consideration and is the same as that to be paid to the other underwriters, (if any), ~~except that this exception will not apply other than where~~ if the Related Party is underwriting Securities it is entitled to take up as part of the issuance; or
- (9) where it involves a joint investment arrangement between the Reporting-Listed Entity (or a member of its Group) and a Related Party for each to invest in, or provide finance to, another undertaking or asset if:
  - (a) the amount contributed by the Related Party is not more than 25% of the amount contributed by the Reporting-Listed Entity (or a member of its Group); and
  - (b) an independent third party has provided a prior written opinion that the terms and circumstances of the contribution of finance by the Reporting

Listed Entity (or a member of its Group) are no less favourable than those applying to the contribution of finance by the Related Party.

### **Guidance**

In assessing whether a transaction is in the ordinary course of business, the Reporting Listed Entity shall have regard to the size and incidence of the transaction and also whether the terms and conditions of the transaction are unusual.

## **9.6 Restricted Securities**

### **Application**

9.6.1 This section applies, subject to Rule 9.6.2, to:

- (1) an Applicant for admission of Securities to the Official List;
- (2) a relevant Listed Entity; and
- (3) any Person that holds, or will hold, Securities that are Restricted Securities in accordance with APP 7 or which the Regulator has deemed to be Restricted Securities by giving notice to the relevant Applicant or Listed Entity.

### **Entry into Restriction Agreements and Application of Restriction**

9.6.2 Unless the Regulator decides otherwise, the restrictions in categories 1, 2, 3, 4, 7, 8 and 9 of APP 7 do not apply in relation to a Listed Entity that:

- (1) qualifies for admission to the Official List pursuant to Rule 2.3.15;
- (2) has a track record of profitability or revenue acceptable to the Regulator; or
- (3) in the opinion of the Regulator, has tangible assets with a readily ascertainable value which constitute a substantial proportion of the total value of its assets.

9.6.3 An Applicant or Listed Entity which has issued or intends to issue Restricted Securities, or has them on issue, must enter into a Restriction Agreement with the Security Holder and each Controller.

9.6.4 A Restriction Agreement must be prepared and, once executed, submitted to the Regulator, in accordance with MKT Form 9-1, or as otherwise required by the Regulator.

9.6.5 Subject to Rule 9.6.2, a Listed Entity which has issued or intends to issue Restricted Securities, must apply the restriction in APP 7 or such other restrictions as the Regulator, in its discretion, decides.

9.6.6 During a Restriction Period, a Listed Entity, Security Holder or Controller subject to a Restriction Agreement must not:

- (1) amend an executed Restriction Agreement; or
- (2) ask for or agree to the release of a holding lock that has been imposed in accordance with Rule 9.6.9.

9.6.7 A Controller need not be a party to the Restriction Agreement referred to in Rule 9.6.2 if any of the following applies.

- (1) The value of the Restricted Security is less than 10% of the total value of the assets of:
  - (a) the holder of the Restricted Securities; or
  - (b) an intermediate entity through which the Controller has its interests.
- (2) The holder, or an intermediate entity through which the Controller has its interests, is:
  - (a) a Listed Entity, or an entity listed on exchange that is a full member of the World Federation of Exchanges; or
  - (b) a trustee, custodian or nominee.
- (3) The holder is a Person whose Securities are Restricted Securities due to the application of category 2, 4 or 6 of APP 7.

#### **Guidance**

The definition of Restricted Securities includes Securities the Regulator decides are Restricted Securities in accordance with Rule 9.6.1(3).

#### **Timing and Enforcement**

9.6.8 A Listed Entity must provide to the Regulator copies of all executed Restriction Agreements it has in place in relation to its Restricted Securities before any Person obtains the Restricted Securities, or any rights in relation to them are issued, transferred to or received by the intended Security Holder or Controller. This Rule does not prevent a Person from obtaining the right to receive Restricted Securities on the condition that a Restriction Agreement is entered into.

9.6.9 A Listed Entity must obtain, and submit to the Regulator, within two Business Days after the issue of Restricted Securities, an undertaking from a bank, trustee, custodian, Recognised Body, CSD or other entity deemed suitable by the Regulator, to place a holding lock on the Restricted Securities held by it, and not to release the holding lock without the Regulator's prior written consent.

9.6.10 A Listed Entity must comply with, and enforce, a Restriction Agreement and its constitution, to ensure compliance with the requirements for Restricted Securities.

#### **Guidance**

Listed Entities are to ensure that provisions within their constitution (see Rule 2.3.1) allow for the enforcement of Restriction Agreements.

### **Regulator's consent to sale of Restricted Securities in a takeover or merger**

9.6.11 The Regulator may consent to a party that is managing a holding lock in accordance with Rule 9.6.9 releasing the holding lock, to enable holders of Restricted Securities to accept an offer, or transfer or cancel Securities, under a Takeover.

9.6.12 The Regulator will not provide its consent under Rule 9.6.11 unless, to the extent to which they are applicable, all the following requirements are met:

(1) where there is an offer for Securities:

(a) the offer is for all of the Ordinary Securities or, if the Restricted Securities are not Ordinary Securities, all the Securities in the same class as the Restricted Securities;

(b) holders of at least half of the Securities that are not Restricted Securities, to which the offer relates, have accepted; and

(c) if the offer is conditional, the offeror and the Security Holder agree in writing that the holding lock (imposed under Rule 9.6.9) be immediately re-imposed for each Security that is not bought by the offeror under the offer; and

(2) where the offer is to be conducted by way of a 'scheme', the Security Holders and the Listed Entity in which the Restricted Securities are held agree in writing that the holding lock imposed under Rule 9.6.9 be immediately re-imposed if the Takeover does not take effect.

## **9.7 Issues of New Securities**

### **Guidance**

This section applies to a Listed Entity and sets out details on the restrictions on the issue by a Listed Entity of new Equity Securities, exceptions to these restrictions and the process for approval or ratification by Listed Entities. Due to the complexity that often surrounds a new issue of Securities, Listed Entities are encouraged to discuss the proposal of a new issue of Equity Securities with the Regulator before the terms of any new issue are finalised.

### **Restrictions on new Issues of Equity Securities**

9.7.1 A Listed Entity must not issue, or agree to issue, more Equity Securities than the number calculated according to the following formula, without the approval of the holders of Ordinary Securities:

Maximum number of Equity Securities = (20% \* Base Amount) – Relevant Issues),

where:

**Base Amount** = the number of fully paid Ordinary Securities on issue as of the date 12 months before the date of issue or agreement (the "12 months Base Amount"), plus the number of:

- (1) fully paid Ordinary Securities issued in the 12 months before the date of issue or agreement under an exception in Rule 9.7.4 other than exceptions (8), (15) or (16);
- (2) fully paid Ordinary Securities issued in the 12 months before the date of issue or agreement under an exception in Rule 9.7.4 other than exception (15), where the agreement was:
  - (i) entered into before the commencement of the 12 month period; or
  - (ii) approved, or taken under the Rules to have been approved, under Rule 9.7.1 or Rule 9.7.5; and
- (3) any other fully paid Ordinary Securities issued in the 12 months before the date of issue or agreement with approval under Rule 9.7.1 or Rule 9.7.5;

### **Guidance**

The Base Amount may include fully paid Ordinary Securities issued in the 12 months before the date of issue or agreement under an agreement to issue Securities within Rule 9.7.4 exception (14) where the issue is subsequently approved under Rule 9.7.1.

- (4) partly paid Ordinary Securities that became fully paid in the 12 months before the date of issue or agreement,

but subtracting the number of fully paid Ordinary Securities cancelled in the 12 months before the date of issue or agreement.

**Relevant Issues** = the number of Equity Securities issued, or agreed to be issued, in the 12 months before the date of issue or agreement to issue other than:

- (a) with the approval of the holders of its Ordinary Securities under Rule 9.7.1 or Rule 9.7.5; or
- (b) under an exception in Rule 9.7.4.

### **Guidance**

In calculating the Base Amount, if the Listed Entity's Equity Securities were first admitted to the Official List less than 12 months before the date of issue or agreement, the number of Securities used to calculate the Base Amount is the number of fully paid Ordinary Securities on the date of admission to the Official List

### **Requirements applicable to new issues under Rule 9.7.1**

9.7.2 In calculating the number of Equity Securities that a Listed Entity may issue or agree to issue under Rule 9.7.1 (including the number contributing to "Relevant Issues"), unless the Regulator determines otherwise, the following must be applied:

- (1) each fully paid Ordinary Security is counted as one;
- (2) each partly paid Security is counted as the maximum number of fully paid Ordinary Securities into which it can be paid up;
- (3) each Convertible Security is counted as the maximum number of fully paid Ordinary Securities into which it can be converted; and

- (4) in any other case, each Security is counted as the Regulator may decide, having regard to the need to ensure that holders of Ordinary Securities have an opportunity to vote on issues that may dilute their holdings or the characteristics of the Security.

9.7.3 When determining if there has been an issue of Equity Securities for the purposes of calculating the number of Relevant Issues, the sale or reissue of forfeited Equity Securities shall be treated as an issue of Equity Securities.

### **Exceptions to Rule 9.7.1**

9.7.4 Rule 9.7.1 does not apply in any of the following circumstances.

- (1) An issue of Securities to holders of Ordinary Securities made under a Pro Rata Issue and to holders of other Equity Securities to the extent that the terms of issue of the Equity Securities permit participation in the Pro Rata Issue.

### **Guidance**

The Regulator will consider Rule 9.7.4(1) to apply in circumstances where a Listed Entity offers Equity Securities to existing holders of Ordinary Securities on a pro-rata basis in order to meet pre-emption rights contained in the Listed Entity's constitutional document or where such pre-emption rights are provided for in the laws of the Listed Entity's jurisdiction of incorporation.

- (2) An issue of Securities under an agreement to Underwrite the shortfall on a Pro Rata Issue to holders of:

- (a) Ordinary Securities; or
- (b) Ordinary Securities and to holders of other Equity Securities to the extent that the terms of issue of the Equity Securities permit participation in the Pro Rata Issue;

If the Listed Entity has made the issue not later than 15 Business Days after the close of the Offer and has Disclosed:

- (i) the name of the underwriter;
- (ii) the extent of the Underwriting;
- (iii) the fee, commission or other consideration payable to the underwriter(s); and
- (iv) a summary of the significant events that could lead to the Underwriting being terminated.

### **Guidance**

This exception (2) only applies to an issue of Securities to make up the shortfall from a Pro Rata Issue. It does not apply to any other issue of Securities under an Underwriting agreement, for example, the payment of fees related to the Underwriting.

- (3) (a) An issue of Securities to make up the shortfall on a Pro Rata Issue to holders of:

- (i) Ordinary Securities; or
- (ii) Ordinary Securities and to holders of other Equity Securities to the extent that the terms of issue of the Equity Securities permit participation in the Pro Rata Issue.
- (b) The Listed Entity must have stated as part of the Offer that it reserves the right to issue the shortfall and what their allocation policy will be in relation to the shortfall.
- (c) The Listed Entity must make the issue to make up the shortfall not later than three months after the close of the Offer, and the issue price must not be less than the price at which the Securities were offered under the Pro Rata Issue.
- (4) An issue of Securities under:
  - (a) a dividend or distribution plan; or
  - (b) an agreement to Underwrite the shortfall on a dividend or distribution plan where:
    - (i) details of the Underwriting agreement were Disclosed prior to the date for payment of the dividend or distribution in accordance with Rule 3.8.1 or 7.6.1; and
    - (ii) the Listed Entity makes the issue within 15 Business Days after the date for payment of the dividend or distribution.

### **Guidance**

- 1. Exception (4) is only available where the dividend or distribution plan does not impose a limit on participation.
- 2. Exception (4) only applies where Shareholders are able to elect to receive all of their dividend or distribution as Equity Securities. For example, Exception (4) would not apply where a Listed Entity has specified a:
  - a. US Dollar limit on the level of participation where, for example, Shareholders can only participate to a maximum value of \$X in respect of their entitlement; or
  - b. maximum number of Securities that can participate in the plan where, for example, Shareholders can only receive Securities in lieu of a dividend payable for Y number of Securities.
- (5) An issue of Securities under a Security Purchase Plan. This is available only once in any 12 month period, and where:
  - (a) the number of Securities to be issued is not greater than 20% of the number of fully paid Ordinary Securities on issue;
  - (b) Offers are made to holders of Ordinary Securities in an amount not exceeding \$10,000 in value per holder; and

- (c) the issue price of the Securities is at least 80% of the volume weighted average market price for Securities in that class calculated over the last five days on which sales in the Securities were recorded, either before the day on which the issue was Disclosed or before the day on which the issue was made.

### **Guidance**

Exception (5) does not apply to an issue of Securities under an agreement to Underwrite the shortfall on a Security Purchase Plan.

FSRA Class Order Modification [Reference to be added] provides relief from the Prospectus provisions of FSMR for qualifying Security Purchase Plans. Where the conditions in that class order are not satisfied, the Listed Entity will generally need to prepare a Prospectus document for an offer of Securities under a Security Purchase Plan.

- (6) An issue under a Takeover, except in circumstances of a Reverse Takeover.
- (7) An issue of Securities to fund the cash consideration payable under a Takeover, except in circumstances of a Reverse Takeover, where the terms of the issue are Disclosed in the Takeover documents.
- (8) An issue of Securities as a result of the conversion of Convertible Securities. The Listed Entity must have issued the Convertible Securities:
- (a) before its Securities were admitted to the Official List, and disclosed the existence and material terms of the Convertible Securities in its Approved Prospectus or documents lodged with the Regulator under Rule 2.4.3; or
- (b) after its Securities were admitted to the Official List, and complied with the Rules when it did so.

### **Guidance**

A Warrant is a Convertible Security for the purposes of this Rule.

- (9) An issue of Securities under an agreement to Underwrite the shortfall on an exercise of Warrants. This is only available where:
- (a) The Listed Entity issued the Warrants:
- (i) before its Securities were admitted to the Official List, and disclosed the existence and material terms of the Convertible Securities in its Approved Prospectus or documents lodged with the Regulator under Rule 2.4.3; or
- (ii) after its Securities were admitted to the Official List, and complied with the Rules when it did so;
- (b) Details of the Underwriting agreement are Disclosed prior to the expiry of the Warrants; and

- (c) The underlying Securities are issued within 15 Business Days after the expiry of the Warrants.
- (10) An issue of Preference Securities, in the form of Shares, which do not have any rights of conversion into another class of Equity Security. These Preference Securities must comply with Rules 9.3.9 to 9.3.13.
- (11) The reissue or sale of forfeited Shares within six weeks after the day on which the call was due and payable.
- (12) An issue of Securities under an Employee Incentive Scheme if within three years before the issue date:
- (a) in the case of a scheme established before the Listed Entity's Securities were admitted to the Official List – a summary of the terms of the scheme and the maximum number of Equity Securities proposed to be issued under the scheme were set out in its Approved Prospectus or documents lodged with the Regulator under Rule 2.4.3; or
- (b) the holders of the Listed Entity's Ordinary Securities have approved the issue of Equity Securities under the scheme as an exception to Rule 9.7.1. The notice of meeting must have included:
- (i) a summary of the terms of the scheme;
- (ii) the number of Securities issued under the scheme since the Listed Entity's Securities were admitted to the Official List, or the date of the last approval under this Rule; and
- (iii) the maximum number of Equity Securities proposed to be issued under the scheme following the approval.

### **Guidance**

1. Exception (12) is only available if, and to the extent that, the number of Equity Securities issued under the scheme does not exceed the maximum number set out in the Listed Entity's Approved Prospectus (in the case of (12)(a) above), or in the notice of meeting (in the case of (12)(b) above).
2. Exception (12) ceases to be available if there is a material change to the terms of the scheme from those set out in the Listed Entity's Approved Prospectus (in the case of (12)(a) above), or in the notice of meeting (in the case of (12)(b) above).
3. Employee Incentive Schemes that allow:
- a. participating employees or non-executive directors to elect to have Equity Securities issued to, or held for the benefit of, a relative or an entity controlled by them or a relative (such as a private company or family trust);
- b. for the participation of consultants and contractors; or
- c. only one employee or non-executive Director to participate;

are still considered as Employee Incentive Schemes.

- (13) An issue of Securities made with the approval of the holders of the Listed Entity's Ordinary Securities under Rule 9.5.3 (Related Party Transaction).
- (14) A grant of Warrants or other rights to acquire Equity Securities under an Employee Incentive Scheme, where the Equity Securities to be acquired on the exercise of the Warrants, or in satisfaction of the rights, are required by the terms of the scheme to be purchased on-market.
- (15) An issue of Securities under an agreement to issue Securities, where the Listed Entity must have entered into the agreement:
- (a) before its Securities were admitted to the Official List, and disclosed the existence and material terms of the Convertible Securities in its Approved Prospectus or documents lodged with the Regulator under Rule 2.4.3; or
- (b) after its Securities were admitted to the Official List, and complied with the Rules when it did so.

### **Guidance**

In the case of (a) above, the issue must have been approved under Rule 9.7.1.

- (16) An agreement to issue Equity Securities that is conditional on the holders of the Listed Entity's Ordinary Securities approving the issue under Rule 9.7.1 before the issue is made. If a Listed Entity relies on this exception, it must not issue the Equity Securities without such approval.

### **Subsequent approval of an issue of Securities**

**9.7.5** An issue of, or agreement to issue, Securities made without approval under Rule 9.7.1 is treated as having been made with approval for the purposes of Rule 9.7.1 if:

- (1) the issue or agreement did not exceed the limit in Rule 9.7.1;
- (2) the holders of the Listed Entity's Ordinary Securities subsequently approve it; and
- (3) the Securities are issued within three months of the date of the approval.

**9.7.6** Where Shareholders approve an agreement to issue Securities under Rule 9.7.5, the Securities must be issued within three months of that approval or the approval will lapse.

### **Guidance**

If the approval under Rule 9.7.5 lapses, the Securities can no longer be counted as Securities issued with approval under Rule 9.7.5 for the purposes of Rule 9.7.1 above, and instead are to be counted within Relevant Issues under Rule 9.7.1.

## **10. ACCOUNTING PERIODS, FINANCIAL REPORTS AND AUDITING**

...

## 10.1 Application

10.1.1 This section applies to every Reporting Entity ~~other than that of a Listed Fund except where a narrower application is provided in respect of any particular class of Security.~~

### Guidance

~~Chapter~~ Rule 3.9 contains the linked requirements relating to accounting periods and financial reporting in respect of Listed Funds.

...

### Accounting periods

- 10.1.3 (1) ....
- (2) A Reporting Entity that proposes to change its accounting reference date must:
- (a) ....
- (b) obtain the Regulator's prior approval for the proposed change.

### **Preliminary statement of annual financial results**

- 10.1.3A (1) A Reporting Entity must immediately Disclose a preliminary statement of annual financial results following Board approval, unless it is otherwise required to comply with Rule 10.1.3B. The preliminary statement of annual financial results must:
- (a) be presented in the form of a table and include the items required for a half-yearly report, consistent with the presentation to be adopted in the annual accounts for the financial year;
- (b) include the status of auditor involvement in the preparation of the preliminary statement of annual financial results;
- (c) include details of any likely qualification or emphasis-of-matter wording that may be required to be included in the auditor's report to be included in the annual financial report; and
- (d) include any significant additional information necessary for the purpose of assessing the results being announced.

### **Quarterly cash reports**

- 10.1.3B (1) A Reporting Entity must complete MKT Form 10-1 on a quarterly basis if the Regulator:
- (a) requires it as a condition of admission to the Official List pursuant to section 52(1)(b) of the FSMR;
- (b) classifies the Reporting Entity as a Mining Exploration Reporting Entity or a Petroleum Exploration Reporting Entity; or
- (c) requires it pursuant to section 84 of the FSMR.

**Guidance**

1. The Regulator will generally require a Reporting Entity to comply with Rule 10.1.3B(1)(i) in circumstances where the Listed Entity with Securities being admitted to the Official List is admitted under the assets eligibility test (see Rule 2.3.16), has less than three years of audited financial statements as prescribed in Rule 2.3.2(1), or is considered by the Regulator, for other reasons, to require quarterly cash reports, such as the admission of a cash-box.
2. The Regulator will generally require a Reporting Entity to comply with Rule 10.1.3B(1)(c) where there are concerns with the cash flow position of the Reporting Entity, or the position of the Reporting Entity as a going concern, or for any other related reason.
3. The Regulator, when applying Rule 10.1.3B(1), will inform the Reporting Entity that the Rule applies, the length of time the Reporting Entity is required to comply with the Rule and, if applicable, any other requirement imposed on the Reporting Entity in relation to its obligations under the Rule.

10.1.3B(2) A Reporting Entity required to comply with Rule 10.1.3B(1) must Disclose its completed MKT Form 10-1 immediately upon the information becoming available, and in any event no later than one (1) month after the end of each quarter of its financial year.

**Annual financial report**

- 10.1.4 (1) The annual financial report which is required to be produced by a Reporting Entity pursuant to section 78 of the FSMR must include the information specified in (2).
- (2) In respect of the financial year to which the annual financial report relates, it must contain:
- (a) financial statements audited in accordance with Rule 10.1.5;
  - (b) a review of the operations during the year and the results of those operations;
  - (c) details of any significant changes in the ~~Reporting-Listed~~ Entity's state of affairs during the financial year;
  - (d) details relating to the ~~Reporting-Listed~~ Entity's principal activities during the year and any significant changes in the nature of those activities during the year;
  - (e) details of any matter or circumstance that has arisen since the end of the year that has significantly affected or may significantly affect the:
    - (i) ~~the Reporting-Listed~~ Entity's operations in future financial years and the results of those operations; or
    - (ii) ~~the Reporting-Listed~~ Entity's state of affairs in future financial years; and

- (f) likely developments in the Reporting-Listed Entity's operations in future financial years and the expected results of those operations;
- (g) a statement by Directors stating whether or not, in their opinion, the business of the Reporting-Listed Entity is a going concern, with supporting assumptions or qualifications as necessary;
- (h) details relating to the identity and holdings of any Connected Person of the Reporting-Listed Entity; and
- (i) a statement ~~of~~ by its auditors as required under section 80 of the FSMR.

### Guidance

1. With regard to the opinion required under the obligation in Rule 10.1.4(2)(g), the Regulator recognises that while the financial statements will be prepared by Persons other than the Directors, the Board has overall responsibilities to ensure the integrity and independence of the financial reporting process.
2. Note that Listed Entities/Reporting Entities are also required to comply with Rule 9.2.10 on annual reporting of their compliance with Corporate Governance Principles.

10.1.5 The annual financial report of a Reporting-Listed Entity that is not a Public Listed Company must be audited by an independent, competent and qualified auditor in accordance with the International Standards on Auditing as issued by the International Auditing and Assurance Standards Board ("**IAASB**") or other standards acceptable to the Regulator.

...

10.1.6 The annual financial report must be signed by at least two Directors of the Reporting Listed Entity.

### Semi-annual financial report

10.1.7 (1) ....

(2) ....

(c) ensure that the report includes:

- (i) except in the case of a Mining Exploration Reporting Entity or a Petroleum Exploration Reporting Entity, an indication of important events that have occurred during the first six months of the financial year, and their impact on the financial statements;
- (ii) except in the case of a Mining Exploration Reporting Entity or a Petroleum Exploration Reporting Entity, a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- (iii) a condensed set of financial statements, an interim management report and associated responsibility statements.

- (3) A semi-annual financial report must be signed by at least two Directors of the ~~Reporting Listed~~ Entity.

### **~~Market disclosure~~ Disclosure**

- 10.1.8 (1) A Reporting Entity where it is required by the FSMR and these Rules to prepare the following financial reports must ~~disclose to the market~~ Disclose, in accordance with Rule 7.7.1:

....

- (2) A Reporting Entity must make the ~~market disclosure~~ Disclosure required in (1) within the following time periods:
- (a) in relation to its annual financial report, as soon as possible after the financial statements have been approved, but no later than four months after the end of the financial period;
  - (b) in relation to its semi-annual financial report, as soon as possible and in any event no later than two months after the end of the period to which the report relates; and
  - (c) in relation to its preliminary financial results, as soon as possible but no later than ~~30 minutes before the market opens on the day~~ two months after the approval ~~end~~ of the ~~Board~~ financial period.
- (3) A Reporting Entity must, where there is a change to its accounting reference date, ~~disclose to the market~~ Disclose in accordance with Rule 7.7.1:
- (a) the change to its accounting reference date as soon as possible; and
  - (b) if it is a Reporting Entity in relation to Shares, a second interim report within six months of the old accounting reference date if the change of the accounting reference date extends the annual accounting period to more than 14 months.

## **10.2 Application in respect of a Reporting Entity ~~Public Listed Company~~**

10.2.1 This section applies to every Reporting Entity ~~Public Listed Company~~.

### **Guidance**

1. In this section, obligations of a Reporting Entity may be read as applying to the Listed Entity for which the Reporting Entity is responsible. ~~A Public Listed Company is defined in GLO to mean a person incorporated or formed in the ADGM and who is admitted to an Official List of Securities in the ADGM or to an equivalent list of Securities in another jurisdiction.~~
2. A Reporting Entity ~~Public Listed Company~~ is required under section 82 of the FSMR to appoint an auditor.

### Appointment and termination of auditors

10.2.2 A Reporting Entity Public Listed Company must:

- (1) notify the Regulator of the appointment of an auditor by completing and submitting such form as the Regulator shall prescribe; and
- (2) prior to the appointment of the auditor, take reasonable steps to ensure that the auditor has the required skills, resources and experience to audit the business of the Reporting Entity Public Listed Company for which the auditor has been appointed.

10.2.3 A Reporting Entity Public Listed Company must notify the Regulator immediately if the appointment of its auditor is or is about to be terminated, or on the resignation of its auditor, by completing and submitting such form as the Regulator shall prescribe.

10.2.4 A Reporting Entity Public Listed Company must appoint an auditor to fill any vacancy in the office of auditor and ensure that the replacement auditor can take up office at the time the vacancy arises or as soon as reasonably practicable.

- 10.2.5 (1) A Reporting Entity Public Listed Company must take reasonable steps to ensure that the auditor and the relevant audit staff of the auditor are independent of and not subject to any conflict of interest with respect to the Reporting Entity Public Listed Company.
- (2) A Reporting Entity Public Listed Company must notify the Regulator if it becomes aware, or has reason to believe, that the auditor or the relevant audit staff of the auditor are no longer independent of the Reporting Entity Public Listed Company, or have a conflict of interest which may affect their judgement in respect of the Reporting Entity Public Listed Company.

### Guidance

A Reporting Entity Public Listed Company should consider whether there is any financial or personal relationship between it or any of its relevant Employees and the auditor or any of the relevant Employees of the auditor that may affect the judgement of the auditor when conducting an audit of the Reporting Entity Public Listed Company or complying with all its legal obligations, including the FSMR, GEN, AML and other relevant Rulebooks of the ~~ADGM Rulebook~~.

### Co-operation with auditors

10.2.6 A Reporting Entity Public Listed Company must take reasonable steps to ensure that it and its Employees:

- (1) provide any information to its auditor that its auditor reasonably requires, or is entitled to receive as auditor;
- (2) give the auditor right of access at all reasonable times to relevant records and information within its possession;
- (3) allow the auditor to make copies of any records or information referred to in paragraph (2);
- (4) do not interfere with the auditor's ability to discharge its duties;

- (5) report to the auditor any matter which may significantly affect the financial position of the Reporting Entity ~~Public Listed Company~~; and
- (6) provide such other assistance as the auditor may reasonably request it to provide.

**Function of the auditor**

10.2.7 A Reporting Entity ~~Public Listed Company~~, must in writing require its auditor to:

- (1) conduct an audit of the Reporting Entity's ~~Public Listed Company's~~ financial statements in accordance with the International Standards on Auditing as issued by the International Auditing and Assurance Standards Board (IAASB) in respect of its financial business or other standards acceptable to the Regulator; and
- (2) produce a Reporting Entity ~~Public Listed Company~~ auditor's Report on the audited financial statements in accordance with the FSMR and GEN.

10.2.8 A Reporting Entity ~~Public Listed Company~~ must submit any auditor's reports and financial statements required by this chapter to the Regulator within four months of the Reporting Entity's ~~Public Listed Company's~~ financial year end.

## **11. ADDITIONAL OBLIGATIONS FOR MINING REPORTING ENTITIES**

### **Guidance**

1. Chapter 11 sets out the disclosure requirements additional to those applicable to Persons who make, or intend to make, an Offer of Securities as provided for in chapter 4 and/or those Persons who are a Listed Entity, a Reporting Entity or an Applicant for admission to the Official List, where such disclosure relates to Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves or Production Targets.
2. Each Mining Reporting Standard sets out its own disclosure/reporting obligations relevant to Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves and Competent Person statements. These requirements are supplemented/replicated by the requirements set out in Rules 11.4, 11.5, 11.6 and 11.12.
3. Rules 11.7 to 11.11 relate to disclosure/reporting obligations not included in the Mining Reporting Standards, including the disclosure of Non-Equivalent Estimates, Production Targets, forecast financial information, quarterly reporting and the Summary of Reserves and Resources.

### **11.1 Application**

11.1.1 This Chapter applies to Persons who make, or intend to make, a disclosure relating to Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves or Production Targets, including:

- (1) a Mining Reporting Entity;
- (2) a Person who makes or intends to make an Offer of Securities to the Public in or from the ADGM;
- (3) an Issuer; and
- (4) a Listed Entity.

11.1.2 For the purposes of this chapter, a reference to a Mining Reporting Entity shall also include Persons in Rule 11.1.1(2), (3) and (4), as applicable.

11.1.3 Terms that are defined in a Mining Reporting Standard are deemed to be defined terms in this chapter.

### **11.2 General rules for mining activity disclosures**

#### **Requirements for all disclosures**

11.2.1 A disclosure by a Mining Reporting Entity that includes a statement about Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves or Production Targets must be prepared in accordance with:

- (1) a Mining Reporting Standard; and
- (2) this chapter.

## **Guidance**

Rule 11.2.1 applies to all disclosures made or required to be made under the Rules which include a statement about Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves or Production Targets, including within a Prospectus, Exempt Offer document, bidder's and target's statements, annual reports, financial statements, technical papers, presentations, and website content and disclosures.

In order to ensure consistency of its disclosures, Issuers and Mining Reporting Entities should be mindful of the table format for disclosure of Ore Reserves and Mineral Resources set out in MKT Form-11-1.

- 11.2.2 Where a disclosure by a Mining Reporting Entity does not meet a non-mandatory requirement contained in a Mining Reporting Standard, the Mining Reporting Entity must provide in its disclosure a statement as to how and why its disclosure differs from the non-mandatory requirement contained in the relevant Mining Reporting Standard.

## **Guidance**

Rule 11.2.1(1) requires a Mining Reporting Entity to fully comply with all binding requirements set out in a Mining Reporting Standard. The Regulator also expects a Mining Reporting Entity to fully comply with all non-mandatory requirements set out in a Mining Reporting Standard, including, for example, Table 1 of the JORC Code or SAMREC Code, or explain its non-compliance in accordance with Rule 11.2.2.

- 11.2.3 If a Mining Reporting Entity changes the basis upon which it makes disclosures from a one Mining Reporting Standard (the "Initial Mining Reporting Standard") to a new different Mining Reporting Standard (the "New Mining Reporting Standard"), then the Mining Reporting Entity must, when first making a disclosure under the New Mining Reporting Standard, disclose a reconciliation of the differences between the disclosures under the Initial Mining Reporting Standard and the disclosures under the New Mining Reporting Standard.

- 11.2.4 A disclosure by a Mining Reporting Entity that includes a statement about Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves, Production Targets or a Technical Study must not include Historical Estimates.

## **11.3 Prospectus – Mining Disclosures**

- 11.3.1 In addition to complying with the requirements of Chapter 4, a Prospectus:

- (1) that includes a statement about Exploration Targets, Exploration Results, Mineral Resources, Ore Reserves or Production Targets, must comply with Rule 11.2.1; and
- (2) must include details in relation to the Mining Reporting Entity's policies and practices in relation to operating in a sustainable manner, including:
  - (i) the Mining Reporting Entity's policy with regards to environmental and social issues;
  - (ii) impact of the Mining Reporting Entity's business practices on the environment and the communities in which it operates; and
  - (iii) the environmental and social risks faced by the Mining Reporting Entity.

## **Valuation Report**

11.3.2 A Prospectus relating to a Mining Reporting Entity must include a Valuation Report on the Mineral Reserves and Ore Reserves of the company, as applicable. The Valuation Report must be prepared by an independent expert in accordance with a Valuation Standard. The effective date of the Valuation Report must not be more than 6 months earlier than the date of lodgement of the Prospectus offer document.

11.3.3 A Valuation Report must contain the following:

- (1) the Valuation Standard used;
- (2) the principal assumptions used in arriving at the valuation, including but not limited to, assumed commodity prices, rate of discount and rate of inflation, and the basis for each assumption. Contracted commodity prices must be used where applicable and available;

### **Guidance**

If contract commodity prices are unavailable, either forecast or constant prices may be used. Where forecast commodity prices are used, this should be accompanied by a statement by the qualified person that such forecast was arrived at after due and careful enquiry and reflects their reasonably held view of the outlook of the future.

- (3) an analysis of the sensitivity of the valuation to variation in the principal assumptions provided in (2) above. In relation to commodity prices, the scenarios must include both constant and forecast prices. In relation to the rate of discount, the scenarios must include the weighted average cost of capital;
- (4) an estimate of net present value. If the valuation is arrived at on an alternative basis, an explanation of the basis and reasons for adopting the alternative basis; and
- (5) a risk factor highlighting the uncertainties inherent in the assumptions made in arriving at the valuation, and the effects they may have on the valuation of the Mineral Resources and Ore Reserves and the value of the offered Securities.

## **11.4 Exploration Results**

11.4.1 A Mining Reporting Entity disclosing Exploration Results that are material and that have not been previously disclosed by the Mining Reporting Entity must ensure the disclosure contains the following:

- (1) all information that is material to understanding the Exploration results;

### **Guidance**

For a Reporting Entity disclosing against the JORC Code or SAMREC Code, for example, the Reporting Entity would need to have regard to each of the factors listed in:

- a. Section 1 (sampling techniques and data); and
- b. Section 2 (reporting of exploration results).

of Table 1 of the JORC Code or the SAMREC Code.

- (2) if certain information is not included because the Mining Reporting Entity considers it not to be material, an explanation as to why that information/factor is not material to understanding the Exploration results;
- (3) in respect of material drill holes, a separate table setting out the following, unless the Mining Reporting Entity determines that the information is not material to understanding the Exploration results:
  - (a) easting and northing of the drill hole collar;
  - (b) elevation or RL of the drill hole collar;
  - (c) dip and azimuth of the hole;
  - (d) down hole width and depth; and
  - (e) end of hole;
- (4) where the Mining Reporting Entity has determined that any of the information in (3) is not material to understanding the Exploration results, an explanation from the Mining Reporting Entity as to why the information is not material.

### **Guidance**

The Mining Reporting Standards set out additional requirements for public reports on Exploration Results. For example, clauses 18 and 19 of the JORC Code are applicable.

## **11.5 Mineral Resources**

11.5.1 A Mining Reporting Entity disclosing estimates of Inferred Mineral Resources, Indicated Mineral Resources or Measured Mineral Resources that are material and that have not previously been disclosed by the Mining Reporting Entity or that have materially changed from the estimates last publicly disclosed, must ensure its disclosure contains the following:

- (1) a fair and balanced representation of the information contained in the report prepared in accordance with (2), including a summary of all information material to understanding the reported estimates of Mineral Resources in relation to the:
  - (a) geology and geological interpretation;
  - (b) sampling and sub-sampling techniques;
  - (c) drilling techniques;
  - (d) criteria used for classification, including drill, data spacing and distribution; where estimates for more than one category of Mineral Resources are reported, separately identifying the drill spacing used to classify each category of Mineral Resources, i.e. Inferred Mineral Resources, Indicated Mineral Resources and Measured Mineral Resources;
  - (e) sample analysis method;

- (f) estimation methodology;
  - (g) cut-off grade(s), including the basis for the selected cut-off grade(s); and
  - (h) mining and metallurgical methods and parameters, and other material modifying factors considered to date;
- (2) a report providing all information that is material to understanding the estimates of Mineral Resources, taking into account the:
- (a) sampling techniques and data;
  - (b) reporting of Exploration results;
  - (d) estimation and reporting of Mineral Resources;
  - (e) estimation and reporting of diamonds and other gemstones; or
- (3) if certain information from (2) is not included because the Mining Reporting Entity considers it not to be material to understanding the estimates of Mineral Resources, an explanation from the Mining Reporting Entity as to why that information is not material to understanding the estimates of Mineral Resources.

## **11.6 Ore Reserves**

11.6.1 A Mining Reporting Entity disclosing estimates of Probable Ore Reserves or Proved Ore Reserves that are material, and that have not been previously disclosed by the Reporting Entity, or that have materially changed from the estimates last disclosed, must ensure the disclosure contains the following:

- (1) a fair and balanced representation of the information contained in the report prepared in accordance with (2) including a summary of all information material to understanding the reported estimates of Ore Reserves in relation to the:
  - (a) material assumptions and the outcomes from the Technical Study, but not including a Scoping Study;

### **Guidance**

If the economic assumptions are commercially sensitive to the Mining Reporting Entity, an explanation of the methodology used to determine the assumptions rather than the actual figure, can be reported.

- (b) criteria used for classification, including the classification of the Mineral Resources on which the Ore Reserves are based and the confidence in the modifying factors applied;
- (c) mining method selected and other mining assumptions, including mining recovery factors and mining dilution factors;
- (d) processing method selected and other processing assumptions, including the recovery factors applied and the allowances made for deleterious elements;
- (e) basis of the cut-off grade(s) or quality parameters applied;

- (f) estimation methodology; and
  - (g) material modifying factors, including the status of environmental approvals, Mining Tenements and approvals, other government factors and infrastructure requirements for selecting mining methods and for transportation to market.
- (2) a report providing all information that is material to understanding the estimates of Ore Reserves, taking into account the:
- (a) sampling techniques and data;
  - (b) reporting of Exploration results;
  - (d) estimation and reporting of Mineral Resources;
  - (e) estimation and reporting of Ore Reserves;
  - (f) estimation and reporting of diamonds and other gemstones; or \_\_\_\_\_

### **Guidance**

Mining Reporting Entities should refer to the sections of the Mining Reporting Standard relevant to a report on Ore Reserves.

- (3) if certain information from (2) is not included because the Mining Reporting Entity considers it not to be material to understanding the estimates of Ore Reserves, an explanation from the Mining Reporting Entity as to why that information is not material to understanding the estimates of Ore Reserves.

## **11.7 Non-Equivalent Estimates**

11.7.1 Where a Mining Reporting Entity discloses material Non-Equivalent Estimates of Mineralisation the Mining Reporting Entity does not need to comply with Rule 11.2.1(1) provided the Mining Reporting Entity complies with:

- (1) Rule 11.7.2;
- (2) Rule 11.7.3;
- (3) Rule 11.7.4; and
- (4) Rule 11.7.6.

11.7.2 A Mining Reporting Entity cannot disclose material Non-Equivalent Estimates of Mineralisation where it is attempting to disclose:

- (1) 'preliminary resources' where the Mining Reporting Entity's relevant exploration and evaluation programs are incomplete;
- (2) Ore Reserves when the appropriate Technical Study(s) required by a Mining Reporting Standard to allow the conversion of Mineral Resources to Ore Reserves has not yet been completed;
- (3) Non-Equivalent Estimates of Mineralisation for areas of adjacent to its Mining Tenements; or

- (4) with an intent to avoid the requirements of a Mining Reporting Standard and/or these Rules.

11.7.3 A Mining Reporting Entity disclosing material Non-Equivalent Estimates of Mineralisation must ensure that the disclosure contains the following:

- (1) a prominent, and proximate, statement to the effect that:
- (a) the estimates are Non-Equivalent Estimates and are not disclosed in accordance with a Mining Reporting Standard;
  - (b) a Competent Person has not done sufficient work to classify the Non-Equivalent Estimates as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard; and
  - (c) it is uncertain whether, following evaluation and/or further Exploration work, the Non-Equivalent Estimates will ever be able to be disclosed as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard.
- (2) the source(s) and date(s) of the Non-Equivalent Estimates;
- (3) if the Non-Equivalent Estimates use categories of Mineralisation, a statement identifying whether the categories used:
- (a) are different to those defined in a Mining Reporting Standard, and an explanation of the differences; or
  - (b) are the same as those defined in a Mining Reporting Standard;
- (4) the relevance of the Non-Equivalent Estimates to the Mining Reporting Entity;
- (5) the reliability of the Non-Equivalent Estimates;
- Guidance: For example, the Mining Reporting Entity may want to have regard to the relevant criteria listed in Table 1 of the JORC Code.
- (6) a summary of the evaluation and/or exploration work on which the Non-Equivalent Estimates are based;
- (7) a summary of the key assumptions, mining and processing parameters and methods used to prepare the Non-Equivalent Estimates;
- (8) details of any more recent estimates or data relevant to interpreting the Non-Equivalent Estimates, and the source(s) and date(s) of the estimates or data;
- (9) the evaluation and/or exploration work that needs to be undertaken to verify the Non-Equivalent Estimates as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard;
- (10) the proposed timing of the evaluation and/or exploration work disclosed in (9);
- (11) the proposed source of funding for the evaluation and/or exploration work disclosed pursuant to (9);

- (12) the mineral resources classification and reporting standard used in determining the Non-Equivalent Estimates; and
- (13) a statement by a named Competent Person(s) that the information in the disclosure provided pursuant to (3) to (9) is an accurate representation of the available data and studies relating to the Non-Equivalent Estimates.

11.7.4 If a Mining Reporting Entity has disclosed Non-Equivalent Estimates that comply with the requirements of Rule 11.7.3, then any subsequent disclosure made in respect of the Non-Equivalent Estimates does not need to include the information in that Rule if the subsequent disclosure:

- (1) references the earlier disclosure that was in compliance with that Rule;
- (2) contains a confirmation from the Mining Reporting Entity that:
  - (a) the information provided in the earlier disclosure in compliance with that Rule continues to apply; and
  - (b) there is no new material information or data relating to the Non-Equivalent Estimates that impacts on the:
    - (i) reliability or interpretation of the Non-Equivalent Estimates; or
    - (ii) Mining Reporting Entity's ability to verify the Non-Equivalent Estimates as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard; and
- (3) includes an at least equally prominent, and proximate, statement about the disclosed Non-Equivalent Estimates addressing the matters contained in Rule 11.7.3(1).

11.7.5 A Mining Reporting Entity must ensure that Non-Equivalent Estimates of Mineralisation are not in a Technical Study of the Mining Reporting Entity's Mineral Resources and Ore Reserves Holdings.

#### **Non-Equivalent Estimates – Summary of Reserves and Resources**

11.7.6 If a Mining Reporting Entity has previously disclosed Non-Equivalent Estimates compliance with Rule 11.7.3 which have not subsequently been disclosed as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard, then:

- (1) the Mining Reporting Entity must disclose in its Summary of Reserves and Resources, the:
  - (a) steps it has taken in evaluating the previously disclosed Non-Equivalent Estimates;
  - (b) status of any further evaluation and/or exploration work required to verify and disclose the Non-Equivalent Estimates as Mineral Resources or Ore Reserves in accordance with the Mining Reporting Standard; and
  - (c) status of the proposed source of funding for the evaluation and/or exploration work referred to in Rule 11.7.6(1)(b); and

- (2) if it has been more than three years since the first disclosure of the Non-Equivalent Estimates under Rule 11.7.4 and those estimates have not been subsequently verified and disclosed as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard, then the Mining Reporting Entity must disclose in its Summary of Reserves and Resources:
- (a) an explanation of why the Non-Equivalent Estimates have not been verified and disclosed as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard; and
  - (b) the Mining Reporting Entity's intention, proposed timetable and proposed source of funding with regard to verifying and disclosing the Non-Equivalent Estimates as Mineral Resources or Ore Reserves in accordance with a Mining Reporting Standard.

## **11.8 Production Targets**

11.8.1 A Mining Reporting Entity must not disclose a Production Target that is based wholly on:

- (1) an Exploration Target;
- (2) a combination of Inferred Mineral Resources and an Exploration Target; or
- (3) or in part on, Non-Equivalent Estimates.

11.8.2 A Production Target may be disclosed by a Mining Reporting Entity in relation to:

- (1) the Mining Reporting Entity's Mineral Resources and Ore Reserves Holdings; or
- (2) a material Mining Project of the Mining Reporting Entity (or two or more Mining Projects which, together, are material).

11.8.3 A Mining Reporting Entity's disclosure pursuant to Rule 11.8.2 must include:

- (1) in relation to the assumptions used to determine the Production Target:
  - (a) all material economic assumptions employed; or
  - (b) if the Mining Reporting Entity considers the material economic assumptions to be commercially sensitive, a statement to that effect and an explanation of the methodology used to determine the material economic assumptions; and

### **Guidance**

A Mining Reporting Entity that considers certain information relating to the material economic assumptions to be commercially sensitive should refer to paragraphs 47-54 of the Guidance on Mining and paragraphs 127 and 128 of the Guidance on Continuous Disclosure.

- (c) all other material assumptions utilised.

- (2) if forecast commodity prices have been used in the determination of the Production Target, a statement that such forecast commodity pricing was arrived at on reasonable grounds.
- (3) the proportions of the Production Target based on:
- (a) Probable Ore Reserves and Proved Ore Reserves;
  - (b) Indicated Mineral Resources and Measured Mineral Resources;
  - (c) Inferred Mineral Resources; and
  - (d) an Exploration Target.
- (4) a statement that the respective proportions of Inferred Mineral Resources and the Exploration Target (if applicable) are not the determining factors in the viability of the Production Target and do not feature as a significant proportion in the early mine plan;
- (5) if the Production Target is wholly based on Inferred Mineral Resources:
- (a) an explanation as to why the Mining Reporting Entity believes it has a reasonable basis for disclosing a Production Target wholly based on Inferred Mineral Resources;
  - (b) the level of confidence in relation to which the Inferred Mineral Resources are estimated and the basis for that level of confidence;
  - (c) a Technical Study of a sufficient level of confidence to support the Production Target, prepared by, or under the supervision of, a named independent Competent Person(s); and
  - (d) an at least equally prominent, and proximate, statement to the effect that:  

*“The level of geological confidence associated with inferred mineral resources is low. Though further evaluation and/or exploration work is required to establish sufficient confidence that the production target will be met, there is no certainty that further evaluation and/or exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The mining reporting entity’s production target is based on its current expectation of future results or events, and should not be solely relied upon by investors when making investment decisions.”*

### **Guidance**

Any statement about a Production Target will be deemed to be misleading unless the person making the statement has reasonable grounds for making the statement. The Regulator considers that it is only under exceptional circumstances that a Mining Reporting Entity might form a view that it has reasonable grounds for a Production Target to be wholly based on Inferred Mineral Resources.

- (6) if the Production Target is in part based on Inferred Mineral Resources, an at least equally prominent, and proximate, statement to the effect that:

“The level of geological confidence associated with inferred mineral resources is low. There is no certainty that further evaluation and/or exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.”

- (7) if the Production Target is in part based on an Exploration Target:
- (a) a statement of the factors that lead the Mining Reporting Entity to believe that it has a reasonable basis for disclosing a Production Target based, in part, on an Exploration Target; and
- (b) an at least equally prominent, and proximate, statement to the effect that:

“The potential quantity and grade of an Exploration Target is only conceptual in nature. There has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of Mineral Resources or that the Production Target itself will be realised.”

11.8.4 If a Mining Reporting Entity made a disclosure under Rule 11.8.2, then any subsequent disclosure in relation to a Production Target need not include the information required to be disclosed by Rule 11.8.3 where the subsequent disclosure:

- (1) references the earlier disclosure that was in compliance with Rule 11.8.3;
- (2) contains a statement confirming that all the material assumptions in the initial disclosure, upon which the Production Target is based continue to apply and have not materially changed;
- (3) if the Production Target is wholly based upon Inferred Mineral Resources, includes an at least equally prominent, and proximate, statement about the disclosed Production Target to the effect of the statement set out in Rule 11.8.3(5)(d); and
- (4) if the Production Target is based in part upon an Exploration Target, includes an at least equally prominent, and proximate, statement about the disclosed Production Target to the effect of the statement set out in Rule 11.8.3(7)(b).

11.8.5 A Mining Reporting Entity’s disclosure is not required to comply with Rule 11.8.3 where a Production Target relating to an operating mine(s) is wholly based upon:

- (1) Ore Reserves;
- (2) a combination of Ore Reserves and Measured Mineral Resources; or
- (3) a combination of Ore Reserves; and
- (a) Measured Mineral Resources; and/or
- (b) Indicated Mineral Resources, provided that the Indicated Mineral Resources are not the determining factor in project viability.

## **11.9 Forecast financial information**

11.9.1 Forecast financial information derived from a Production Target may be disclosed in relation to either a Mining Reporting Entity's:

- (1) Mineral Resources and Ore Reserves Holdings; or
- (2) material Mining Project(s).

11.9.2 A Mining Reporting Entity's disclosure pursuant to Rule 11.9.1 must include:

- (1) in relation to the assumptions used to determine the forecast financial information:
  - (a) all material economic assumptions employed;
  - (b) if the Mining Reporting Entity considers the material economic assumptions to be commercially sensitive, a statement to that effect and an explanation of the methodology used to determine the material economic assumptions; and

### **Guidance**

A Mining Reporting Entity that considers certain information relating to the material economic assumptions to be commercially sensitive should refer to paragraphs 47-54 of the Guidance on Mining and paragraphs 127 and 128 of the Guidance on Continuous Disclosure.

- (c) all other material assumptions utilised.
- (2) the Production Target from which the forecast financial information is derived (including all the information contained in Rule 11.8.3).

11.9.3 If a Mining Reporting Entity has made a disclosure under Rule 11.9.1, then any subsequent disclosure in relation to forecast financial information derived from a Production Target need not include the information in Rule 11.9.2 where the subsequent disclosure:

- (1) references the earlier disclosure that was in compliance with Rule 11.9.2;
- (2) contains a statement confirming that all the material assumptions in the initial disclosure upon which the forecast financial information derived from a Production Target is based continue to apply and have not materially changed;
- (3) if the Production Target upon which the forecast financial information is derived is wholly based on Inferred Mineral Resources, includes an at least equally prominent, and proximate, statement about the disclosed forecast financial information to the effect of the statement set out in Rule 11.8.3(5)(d); and
- (4) if the Production Target upon which the forecast financial information is derived is based in part upon an Exploration Target, includes an at least equally prominent, and proximate, statement about the disclosed forecast financial information to the effect of the statement set out in Rule 11.8.3(7)(b).

11.9.4 A disclosure by a Mining Reporting Entity is not required to comply with Rule 11.9.2 where the forecast financial information derived from a Production Target relating to an operating mine(s) is wholly based on:

- (1) Ore Reserves;
- (2) a combination of Ore Reserves and Measured Mineral Resources; or
- (3) a combination of Ore Reserves; and
  - (a) Measured Mineral Resources; and/or
  - (b) Indicated Mineral Resources, provided that the Indicated Mineral Resources are not the determining factor in project viability.

## **11.10 Quarterly Reports**

### **Quarterly Reports – Mining Exploration Reporting Entities**

11.10.1 A Mining Exploration Reporting Entity must disclose a report for each quarter of its financial year containing the following information in respect of the Mining Exploration Reporting Entity and all controlled entities, on a consolidated basis, if applicable:

- (1) details of the activities relating to mining:
  - (a) Exploration, or a statement that there have been no activities relating to Exploration; and
  - (b) production and development, or a statement that there have been no activities relating to mining production and development;
- (2) a summary of any expenditure incurred relating to mining:
  - (a) Exploration activities; and
  - (b) production and development;
- (3) the Mining Tenements held at the end of the quarter, their location and the percentage interest held, including the beneficial interests in farm-in or farm-out agreements;
- (4) the Mining Tenements, including beneficial interests in farm-in or farm-out agreements acquired or disposed of during the quarter, and their location;
- (5) at least once every 12 months, the Summary of Reserves and Resources required by Rule 11.11.1 unless it is included in the Mining Exploration Reporting Entity's annual report; and
- (6) when the previous, and upcoming, disclosure required by (5) was, and will be, disclosed.

11.10.2 A Mining Exploration Reporting Entity must disclose the report required by Rule 11.10.1 no later than 1 month after the end of the quarter.

### **Quarterly Reports – Mining Production Reporting Entities**

11.10.3 A Mining Production Reporting Entity must disclose a report for each quarter of its financial year containing the following information in respect of the Mining Production Reporting Entity and all controlled entities on a consolidated basis, if applicable:

- (1) details of the activities relating to mining production and development, or a statement that there have been no activities relating to mining production and development;
- (2) a summary of any expenditure incurred relating to mining production and development activities, if any;
- (3) a summary of:
  - (a) the activities relating to mining Exploration, or a statement that there have been no activities relating to mining Exploration; and
  - (b) any expenditure incurred relating to mining Exploration activities;
- (4) at least once every 12 months, the Summary of Reserves and Resources required by Rule 11.11.1 unless it is included in the Mining Reporting Entity's annual report; and
- (5) when the previous, and upcoming, disclosure required by Rule 11.10.3(4) was, and will be, disclosed.

11.10.4 A Mining Production Reporting Entity must disclose the report required by Rule 11.10.3 no later than 1 month after the end of the quarter.

### **11.11 Summary of Reserves and Resources**

11.11.1 A Mining Reporting Entity must include in its Summary of Reserves and Resources, a table in the form of MKT Form 11-1, as of a date no earlier than one month prior to the disclosure of the Summary of Reserves and Resources.

11.11.2 A Mining Reporting Entity must include in its Summary of Reserves and Resources, or its annual financial report, an update on its policies and practices for operating in a sustainable manner, as initially required by Rule 11.3.1(2).

### **11.12 Other Requirements**

#### **Competent Persons**

11.12.1 Subject to Rule 11.12.2, a disclosure by a Mining Reporting Entity containing Exploration Targets, Exploration Results, or estimates of Mineral Resources or Ore Reserves must state:

- (1) that it is based on, and fairly represents, information and supporting documentation prepared by a named Competent Person(s);
- (2) in each case, whether the Competent Person is an employee of the Mining Reporting Entity or a Related Party and, if not, the name of the Competent Person's employer; and
- (3) in each case, the name of the professional organisation of which each Competent Person is a member.

11.12.2 The disclosure made in Rule 11.12.1 must only be made with the prior written consent of the Competent Person(s) as to the form and context in which the Exploration Results or estimates of Mineral Resources or Ore Reserves, as the case may be, and the supporting information is presented in the disclosure.

**Guidance**

This requirement applies to disclosures containing Exploration Results under Rule 11.4 or any original or updated estimates of Mineral Resources or Ore Reserves under Rules 11.5 or 11.6.

11.12.3 Rule 11.12.1 only applies the first time a Mining Reporting Entity discloses Exploration Results in accordance with Rule 11.4 or original or updated estimates of Mineral Resources or Ore Reserves in accordance with Rules 11.5 or 11.6 provided that:

- (1) any subsequent disclosure that refers to those Exploration Results or estimates of Mineral Resources or Ore Reserves references the earlier disclosure that was in compliance with Rule 11.12.1; and
- (2) the Mining Reporting Entity confirms in the subsequent disclosure that it is not aware of any new information or data that materially affects the information included in the earlier disclosure(s) and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the earlier disclosure(s) continue to apply and have not materially changed.

**Mining Tenement joint venture disclosures**

11.12.4 A Mining Reporting Entity must not, and must ensure that its controlled entities do not, enter a joint venture agreement to investigate or explore a Mining Tenement, unless the agreement provides that:

- (1) if the Mining Reporting Entity requests it, the operator of the joint venture will provide the Mining Reporting Entity all the information the Mining Reporting Entity requires in order to comply with these Rules; and
- (2) the Mining Reporting Entity may disclose that information as necessary for the Mining Reporting Entity to comply with these Rules.

**NI 43-101 Reports**

11.12.5 Where a requirement within NI 431-101 specifically requires a report to be lodged with the Canadian System for Electronic Document Analysis and Retrieval or "SEDAR", a Petroleum Reporting Entity is to disclose such report as otherwise set out, and in accordance, with these Rules.

## **12. ADDITIONAL OBLIGATIONS FOR PETROLEUM REPORTING ENTITIES**

### **Guidance**

Chapter 12 sets out the additional disclosure requirements additional to those applicable to Persons who make, or intend to make, an Offer of Securities as provided for in chapter 4 and/or those Persons who are a Listed Entity/Reporting Entity or an Applicant for admission to the Official List of Securities, where such disclosure relates to Petroleum Resources, including Petroleum Reserves, Contingent Resources or Prospective Resources.

### **12.1 Application**

12.1.1 This Chapter applies to Persons who make, or intend to make, a disclosure relating to Petroleum Resources including:

- (1) a Petroleum Reporting Entity;
- (2) a Person who makes or intends to make an Offer of Securities to the Public in or from the ADGM;
- (3) an Issuer; and
- (4) a Listed Entity.

12.1.2 For the purposes of this chapter, a reference to a Petroleum Reporting Entity shall also include Persons in Rule 12.1.1(2), (3) and (4), as applicable.

12.1.3 Terms that are defined in the Petroleum Reporting Standard are deemed to be defined terms in this Chapter 12.

### **12.2 General rules for Petroleum activity disclosures**

#### **Requirements for all disclosures**

12.2.1 A disclosure by a Petroleum Reporting Entity that includes a statement about Petroleum Resources, including estimates of Petroleum Reserves, Contingent Resources or Prospective Resources must be prepared in accordance with:

- (1) the Petroleum Reporting Standard; and
- (2) this Chapter 12 of the Rules.

### **Guidance**

Rule 12.2.1 applies to all disclosures made or required to be made under these Rules which include a statement about Petroleum Resources, including estimates of Petroleum Reserves, Contingent Resources or Prospective Resources, including within a Prospectus, Exempt Offer document, bidder's and target's statements, annual reports, financial statements, technical papers, presentations, and website content and disclosures.

To ensure consistency of its disclosures, Issuers and Petroleum Reporting Entities should be mindful of the table format for disclosure of Petroleum Resources set out in Form-12-1.

12.2.2 Where a disclosure by a Petroleum Reporting Entity does not meet a non-mandatory requirement contained in the Petroleum Reporting Standard, the Petroleum Reporting Entity must provide in its disclosure a statement as to how and why its disclosure differs from the non-mandatory requirement contained in the relevant Petroleum Reporting Standard.

**Guidance**

Rule 12.2.1(1) requires a Petroleum Reporting Entity to fully comply with all binding requirements set out in the Petroleum Reporting Standard (including any tables, appendices or schedules). The Regulator also expects a Petroleum Reporting Entity to fully comply with all non-mandatory requirements set out in the Petroleum Reporting Standard, or explain their non-compliance in accordance with Rule 12.2.2.

12.2.3 A Petroleum Reporting Entity must disclose Petroleum Resources in the most specific resource class that the Petroleum Resources can be classified under the Petroleum Reporting Standard.

**Guidance**

The specific classes for Petroleum Resources are identified in section 1.1 of the Petroleum Reporting Standard. They are production, Petroleum Reserves, Contingent Resources, Prospective Resources and unrecoverable Petroleum. The PRMS Guidelines provide additional guidance on Petroleum Resource classification.

12.2.4 A disclosure that includes estimates of Petroleum Reserves, Contingent Resources or Prospective Resources must:

- (1) clearly identify whether the Deterministic Method or Probabilistic Method was used in preparing the estimates; and

**Guidance**

Additional guidance on Deterministic Methods (in sections 4.1 and 5.2) and Probabilistic Methods (in section 5.3 and 7.1) is provided in the PRMS Guidelines.

- (2) identify the Evaluation Date.

**Guidance**

To ensure consistency of its disclosures, a Petroleum Reporting Entity should be mindful of the table format for disclosure of Petroleum Reserves, Contingent Resources and Prospective Resources set out in Form 12-1.

12.2.5 If Total Petroleum Initially-In-Place, Estimated Ultimate Recovery or Discovered Petroleum Initially-In-Place are disclosed by a Petroleum Reporting Entity, all of the following information must, where applicable, be prominently and proximately included in the disclosure:

- (1) an estimate of Petroleum Reserves;  
 (2) an estimate of Contingent Resources;  
 (3) an estimate of Prospective Resources; and  
 (4) whether, and how, each class of Petroleum Resource was adjusted for risk.

## **Guidance**

The Petroleum Reporting Standard defines Total Petroleum Initially-In-Place, Estimated Ultimate Recovery and Discovered Petroleum Initially-In-Place in section 1.1 and its Appendix A. The Petroleum Reporting Standard identifies ‘remaining recoverable resources’ in section 1.2 and its Appendix A. Additional guidance on Total Petroleum Initially-In-Place is set out in section 2.2 of the PRMS Guidelines.

### **12.3 Prospectus – Petroleum disclosures**

12.3.1 In addition to complying with Chapter 4, a Prospectus must:

- (1) if it includes a statement about Petroleum Resources that includes estimates of Petroleum Reserves, Contingent Resources or Prospective Resources, comply with Rule 12.2; and
- (2) include details in relation to the Petroleum Reporting Entity’s policies and practices in relation to operating in a sustainable manner, including:
  - (i) the Petroleum Reporting Entity’s policy with regards to environmental and social issues;
  - (ii) impact of the Petroleum Reporting Entity’s business practices on the environment and the communities in which it operates; and
  - (iii) the environmental and social risks faced by the Petroleum Reporting Entity.

## **Valuation Report**

12.3.2 A Prospectus relating to a Petroleum Reporting Entity must include a Valuation Report on the Petroleum Resources of the company. The Valuation Report must be prepared by an independent expert in accordance with the Petroleum Reporting Standard, the VALMIN Code, the SAMVAL Code, or the CIMVAL Code. The effective date of the Valuation Report must not be more than 6 months earlier than the date of lodgment of the Prospectus offer document.

12.3.3 With regard to any Valuation Report, the following must be disclosed:

- (1) the principal assumptions used in arriving at the valuation, including but not limited to, assumed commodity prices, rate of discount and rate of inflation, and the basis for each assumption. Contracted commodity prices must be used where applicable and available;

## **Guidance**

If commodity prices are unavailable, either forecast or constant prices may be used. Where forecast commodity prices are used, this should be accompanied by a statement by the qualified person that such forecast was arrived at after due and careful enquiry and reflects their view of a reasonable outlook of the future.

- (2) analysis of the sensitivity of the valuation to variation in the principal assumptions provided in (1) above. In relation to commodity prices, the scenarios must include both constant and forecast prices. In relation to the rate of discount, the scenarios must include the weighted average cost of capital;

- (3) an estimate of net present value. If the valuation is arrived at on an alternative basis, an explanation of the basis and reasons for adopting the alternative basis; and
- (4) a risk factor highlighting the uncertainties inherent in the assumptions made in arriving at the valuation, and the effects they may have on the valuation of the Petroleum Resources and the value of the offered Securities.

## **12.4 Geophysical surveys**

12.4.1 A disclosure by a Petroleum Reporting Entity on any geophysical survey in relation to Petroleum must include:

- (1) the name of the survey;
- (2) its nature and status; and
- (3) the permit under which the survey is being conducted.

## **12.5 Exploration and drilling**

12.5.1 A Petroleum Reporting Entity disclosing material Exploration and drilling information in relation to Petroleum Resources must ensure the disclosure contains:

- (1) the name, type and location of the well(s);
- (2) the details of the permit or lease in which the well is located, including land tenure status;
- (3) the Petroleum Reporting Entity's working interest in the well;
- (4) the net pay thickness, where the gross pay thickness is disclosed in relation to an internal of conventional resources;
- (5) the geological rock type of the formation drilled;
- (6) the depth of the zones tested;
- (7) the types of, and duration of, the test(s) undertaken;
- (8) the Petroleum phases recovered in the test(s);
- (9) any other recovery associated with the test(s) and their respective proportions;
- (10) the choke size used, flow rates and, if measured, the volumes of the Petroleum phases;
- (11) the details of any fracture stimulation, including its size, nature and number of fracture stimulations;
- (12) any material volumes of non-Petroleum gases;
- (13) any data aggregation methods used; and
- (14) any other information that is material to understanding the disclosure.

## **12.6 Initial disclosure of Petroleum Resources**

12.6.1 A Petroleum Reporting Entity must immediately disclose any new material estimates of Prospective Resources, Contingent Resources or Petroleum Reserves that have not previously been disclosed.

12.6.2 A Petroleum Reporting Entity making a disclosure under Rule 12.6.1 must ensure the disclosure contains:

- (1) the types of permits or licences held by the Petroleum Reporting Entity relating to the estimates;
- (2) an explanation of the new data and information;
- (3) an explanation of how the new data and information has affected the estimates of Prospective Resources, Contingent Resources or Petroleum Resources; and
- (4) any changes or additions to the information previously disclosed relating to:
  - (a) Prospective Resources under Rules 12.8.1(1) to 12.8.1(4);
  - (b) Contingent Resources under Rules 12.10.1(1) to 12.10.1(5); and
  - (c) Petroleum Reserves under Rules 12.12.1(1) to 12.12.1(7).

## **12.7 Prospective Resources**

12.7.1 A Petroleum Reporting Entity disclosing estimates of Prospective Resources must:

- (1) be categorised and disclosed as either Low Estimate (1U), Best Estimate (2U) or High Estimate (3U) in the category that best reflects the degree of uncertainty in the estimated quantities of potentially recoverable Petroleum;
- (2) if a High Estimate of Prospective Resources is disclosed, disclose the Best Estimate and Low Estimate of Prospective Resources; and
- (3) disclose an at least equally prominent, and proximate, statement to the effect that:

*“The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable petroleum.”*

## **12.8 Prospective Resources – Material Changes**

12.8.1 A Petroleum Reporting Entity disclosing estimates of Prospective Resources that are material and that have not previously been disclosed by the Petroleum Reporting Entity, must ensure the disclosure contains:

- (1) the types of permits or licenses held by the Petroleum Reporting Entity for the disclosed estimates of Prospective Resources;

- (2) a description of:
  - (a) the method of estimation;
  - (b) any further Exploration activities to be undertaken (including studies, further data acquisition and evaluation work, and Exploration drilling); and
  - (c) the expected timing of those Exploration activities;
- (3) the Petroleum Reporting Entity's assessment of the likelihood of discovery and development associated with the disclosed estimates of Prospective Resources; and
- (4) an explanation of the relevant risk factors.

### **Guidance**

Sections 1.1, 2.16, 3.2, 4.8, 6.2, 7.1 and 8.5 of the PRMS Guidelines provide additional guidance on Prospective Resources.

## **12.9 Contingent Resources**

12.9.1 A Petroleum Reporting Entity disclosing estimates of Contingent Resources must:

- (1) be categorised and disclosed as either C1, C2 or C3 in the category that best reflects the degree of uncertainty in the estimated quantities of potentially recoverable Petroleum and if an estimate of C3 is disclosed, also disclose estimates of C2 and C1;
- (2) not disclose a mean estimate of Contingent Resources; and
- (3) where the disclosure represents aggregated estimates of Contingent Resources:
  - (a) include the aggregation method used, which must be either:
    - (i) an arithmetic summation by category (being C1, C2 or C3); or
    - (ii) a statistical aggregation of uncertainty distributions up to the field, property or project level; and
  - (b) where Rule 12.9.1(3)(a)(i) applies, include a statement to the effect that the aggregate C1 may be a very conservative estimate and the aggregate C3 may be a very optimistic estimate due to the portfolio effects of arithmetic summation.

### **Guidance**

The Petroleum Reporting Standard defines 'aggregated' in section 4.2.5 and its Appendix A. Sections 1.1, 2.1, 4.1, 5.1, 6.26 and 8.1 of the PRMS Guidelines provide additional guidance concerning aggregation.

## **12.10 Contingent Resources – Material Changes**

12.10.1 A Petroleum Reporting Entity disclosing estimates of Contingent Resources that are material, and that have not previously been disclosed by the Petroleum Reporting Entity, must ensure the disclosure contains:

- (1) the types of permits or licences held by the Petroleum Reporting Entity relevant to the disclosed estimates of Contingent Resources;
- (2) the basis for, confirming the existence of a significant quantity of potentially moveable Petroleum, and the determination of a discovery;
- (3) a description of:
  - (a) the method of estimation;
  - (b) the key contingencies that resulted in the estimates being classified as Contingent Resources;
  - (c) any further appraisal drilling and evaluation work to be undertaken to assess the potential for commercial recovery, and to progress the relevant project;
- (4) if the disclosed estimates of Contingent Resources are contingent on technology under development, to ensure that Unrecoverable quantities are not classified as part of the Contingent Resources, an explanation of whether the technology has:
  - (a) been demonstrated to be commercially viable in analogous reservoirs;
  - (b) been demonstrated to be commercially viable in other reservoirs that are not analogous, and that a pilot project, which is planned and budgeted, will be necessary to demonstrate commerciality for this reservoir; or
  - (c) not been demonstrated to be commercially viable, but is currently under active development, and there is sufficient evidence to indicate that the technology may reasonably be expected to be available for commercial application within five years; and
- (5) if the disclosed estimates of Contingent Resources relate to Unconventional Petroleum Resources, the:
  - (a) type(s) of Unconventional Contingent Resource;
  - (b) land area;
  - (c) number of wells; and
  - (d) specialised extraction technology proposed to be utilised.

### **Guidance**

The Petroleum Reporting Standard defines 'unconventional resources' in section 2.4 and its Appendix A. Sections 1.1 and 8.6 of the PRMS Guidelines provide additional guidance on Unconventional Petroleum Resources.

## **12.11 Petroleum Reserves**

12.11.1 A Petroleum Reporting Entity disclosing estimates of Petroleum Reserves must comply with the following:

- (1) the term 'reserves' must only be used for estimates of commercially recoverable quantities of Petroleum;
- (2) Petroleum Reserves must be categorised and disclosed as either 1P, 2P or 3P in the most specific category that best reflects the degree of uncertainty in the estimated quantities of recoverable Petroleum, and if an estimate of 3P is disclosed, also disclose estimates of 2P and 1P;
- (3) the Reference Point used for the purpose of measuring and assessing the estimated Petroleum Reserves must be identified;

### **Guidance**

Sections 7.1 and 9.13 of the PRMS Guidelines provide specific guidance on Reference Points.

- (4) If Petroleum Reserves are not disclosed net of CiO up to the Reference Point, the disclosure is to identify the portion of the Petroleum Reserves that will be consumed as fuel in production and lease plant operations;

### **Guidance**

Section 9.1 of the PRMS Guidelines provide specific guidance on CiO (lease fuel).

- (5) it must not disclose a mean estimate of Petroleum Reserves;
- (6) where the disclosure represents aggregated estimates of Petroleum Reserves:
  - (a) it must include the aggregation method used, which must be either:
    - (i) an arithmetic summation by category, being 1P, 2P or 3P; or
    - (ii) a statistical aggregation of uncertainty distributions up to the field, property of project level; and
  - (b) where Rule 12.7.1(5)(a)(i) applies, it must include a statement to the effect that the aggregate 1P may be a very conservative estimate and the aggregate 3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation.

### **Guidance**

The Petroleum Reporting Standard defines 'aggregated' in section 4.2.5 and its Appendix A. Sections 1.1, 2.1, 4.1, 5.1, 6.26 and 8.1 of the PRMS Guidelines provide additional guidance on aggregation.

- (7) if Petroleum Reserves are disclosed beyond the field, property or project level, estimates of Petroleum Reserves must be aggregated by arithmetic summation by category beyond the relevant field, property or project level;
- (8) if a Petroleum Reserves replacement ratio is disclosed, it must disclose an explanation of how the Petroleum Reserves replacement ratio was calculated.

## **12.12 Petroleum Reserves – Material Changes**

12.12.1 A Petroleum Reporting Entity disclosing estimates of Petroleum Reserves that are material and that have not previously been disclosed by the Petroleum Reporting Entity must ensure the disclosure contains:

- (1) in relation to the assumptions used to calculate the estimates of Petroleum Reserves:
  - (a) all material economic assumptions utilised; or
  - (b) if the Petroleum Reporting Entity considers the material economic assumptions to be commercially sensitive, a statement to that effect and an explanation of the methodology used to determine the material economic assumptions;

### **Guidance**

A Petroleum Reporting Entity that considers certain information relating to the material economic assumptions to be commercially sensitive should refer to paragraphs 66-74 of the Guidance on Petroleum Disclosures and paragraphs 127 and 128 of the Guidance on Continuous Disclosure.

- (2) details of whether the Petroleum Reporting Entity has operator or non-operator interests, and if applicable, the name of the operator;
- (3) a description:
  - (a) the basis for confirming commercial producibility;
  - (b) the method of estimation;
  - (c) the proposed Extraction method/parameters;
  - (d) any specialised processing required following Extraction; and
  - (e) any other modifying factors or information that would reasonably be required to allow investors to make informed decisions on the validity of the Petroleum Reserves;
- (4) if the estimate of Petroleum Reserves relate to Developed Petroleum Reserves, the estimated quantities (in aggregate) to be recovered from existing wells and facilities;
- (5) if the estimate of Petroleum Reserves relate to Undeveloped Petroleum Reserves, details of the:
  - (a) status of the relevant project, including any environmental approvals required;
  - (b) estimated quantities (in aggregate) to be recovered through future investment;
  - (c) date anticipated for development of the well(s);
  - (d) marketing, and investment, arrangements that justify development; and

- (e) requirements for access to transportation infrastructure, if applicable.
- (6) if the estimates of Petroleum Reserves relate to Unconventional Petroleum Resources, the
  - (a) type(s) of Unconventional Petroleum Resource;
  - (b) land area;
  - (c) number of wells; and
  - (d) specialised extraction technology proposed, if applicable, to be utilised.

### **Guidance**

The Petroleum Reporting Standard defines 'Unconventional Resources' in section 2.4 and its Appendix A. Sections 1.1 and 8.6 of the PRMS Guidelines provide additional guidance on Unconventional Petroleum Resources.

- (7) if 1P is zero for the estimates of Petroleum Resources, details of why 1P is zero and why, in the absence of 1P, 3P and 2P have been disclosed;

## **12.13 Quarterly Reports**

### **Quarterly Reports – Petroleum Exploration Reporting Entities**

12.13.1 A Petroleum Exploration Reporting Entity must disclose a report for each quarter of its financial year containing the following information in respect of the Petroleum Exploration Reporting Entity and all controlled entities, on a consolidated basis, if applicable:

- (1) details of the activities relating to Petroleum:
  - (a) Exploration, or a statement that there have been no activities relating to Exploration; and
  - (b) production and development, or a statement that there have been no activities relating to mining production and development;
- (2) a summary of any expenditure incurred relating to Petroleum:
  - (a) Exploration activities; and
  - (b) production and development;
- (3) the Petroleum Tenements held at the end of the quarter, their location and the percentage interest held, including the beneficial interests in farm-in or farm-out agreements;
- (4) the Petroleum Tenements, including beneficial interests in farm-in or farm-out agreements, acquired or disposed of during the quarter, and their location;
- (5) at least once every 12 months, the Summary of Reserves and Resources required by Rule 12.14.1 unless it is included in the Petroleum Exploration Reporting Entity's annual report; and

- (6) when the previous, and upcoming, disclosure required by (5) was, and is, to be disclosed.

12.13.2 A Petroleum Exploration Reporting Entity must disclose the report required by Rule 12.13.1 no later than one month after the end of the quarter.

### **Quarterly Reports – Petroleum Production Reporting Entities**

12.13.3 A Petroleum Production Reporting Entity must disclose a report for each quarter of its financial year containing the following information in respect of the Petroleum Production Reporting Entity and all controlled entities, on a consolidated basis, if applicable:

- (1) details of the activities relating to Petroleum production and development, or a statement that there have been no activities relating to Petroleum production and development;
- (2) a summary of any expenditure incurred relating to Petroleum production and development activities;
- (3) a summary of:
  - (a) the activities relating to Petroleum Exploration, or a statement that there have been no activities relating to Petroleum Exploration; and
  - (b) any expenditure incurred relating to Petroleum Exploration activities
- (4) at least once every 12 months, the Summary of Reserves and Resources required by Rule 12.14.1 unless it is included in the Petroleum Production Reporting Entity's annual report; and
- (5) when the previous, and upcoming, disclosure required by Rule 12.13.3(4) was, and will be, disclosed.

12.13.4 A Petroleum Production Reporting Entity must disclose the report required by Rule 12.13.3 no later than one month after the end of the quarter.

### **12.14 Summary of Reserves and Resources**

12.14.1 Subject to Rule 12.14.3, a Petroleum Reporting Entity must include in its Summary of Reserves and Resources a table in the form of MKT Form 12-1, as of a date no earlier than one month prior to the disclosure of the Summary of Reserves and Resources.

12.14.2 A Petroleum Reporting Entity must include in its Summary of Reserves and Resources, or its annual financial report, an update on its policies and practices for operating in a sustainable manner (as initially required by Rule 12.3.1(2)).

12.14.3 A Petroleum Reporting Entity that is required to file SEC compliant Forms 10-K and 20-F Reports annually with the SEC is not required to comply with Rule 12.14.1.

### **12.15 Other Requirements**

#### **Competent Persons**

12.15.1 A Petroleum Reporting Entity disclosing estimates of Prospective Resources, Contingent Resources or Petroleum Reserves must have the estimates prepared by a Competent Person.

12.15.2 A disclosure by a Petroleum Reporting Entity containing Prospective Resources, Contingent Resources or Petroleum Reserves must state:

- (1) that it is based on, and fairly represents, information and supporting documentation prepared by a named Competent Person(s);
- (2) whether the Competent Person is an employee of the Petroleum Reporting Entity or a Related Party and, if not, the name of the Competent Person's employer; and
- (3) the name of the professional organisation of which each Competent Person is a member.

12.15.3 The statement referred to in Rule 12.15.2:

- (1) must only be disclosed with the prior written consent of the Competent Person(s) as to the form and context in which the estimated Prospective Resources, Contingent Resources or Prospective Resources, as the case may be, and the supporting information is presented in the disclosure; and
- (2) only applies the first time a Petroleum Reporting Entity discloses original or updated estimates of Prospective Resources, Contingent Resources or Petroleum Reserves where:
  - (a) any subsequent disclosure that refers to the estimates of Prospective Resources, Contingent Resources or Petroleum Reserves references the earlier disclosure containing the statements and consent referred to in Rules 12.15.2 and 12.15.3(1); and
  - (b) the Petroleum Reporting Entity confirms in the subsequent disclosure that it is not aware of any new information or data that materially affects the information included in the earlier disclosure, and that all material assumptions and technical parameters underpinning the estimates in the earlier disclosure continue to apply and have not materially changed.

#### **Petroleum Tenement joint venture disclosures**

12.15.4 A Petroleum Reporting Entity must not, and must ensure that its controlled entities do not, enter a joint venture agreement to investigate or explore a Petroleum Tenement, unless the agreement provides that:

- (1) if the Petroleum Reporting Entity requests it, the operator of the joint venture will provide the Petroleum Reporting Entity with all of the information the Petroleum Reporting Entity requires to comply with these Rules; and
- (2) the Petroleum Reporting Entity may disclose that information as necessary for the Petroleum Reporting Entity to comply with these Rules.

**APP 1 CONTENT OF A PROSPECTUS****A1.1** Registration statement

**A1.1.1** This table forms part of Rule 4.5.1(3)(b).

- A1.1.2** (1) The reference to an "Issuer" in this APP 1 is a reference to the Person offering Securities under the Prospectus as specified in Rule 1.1.1(2)(a) and (b).
- (2) An Issuer must include the specified information in relation to the Securities identified with a "✓" in this table which are the subject of the relevant Prospectus.
- (3) If an ~~asterix~~ asterisk is used when identifying a Security, the requirement to provide the item of information for that Security is qualified as specified in the relevant item.

		<b>A1.1.1</b>						
<b>CONTENTS OF PROSPECTUS – REGISTRATION STATEMENT</b>		Shares	Shares over Warrants	Debentures	Warrants over Debentures	Certificates over Shares	Certificates over	Structured Products
	....							
<b>8.7</b>	<b>Concurrent Offers by Directors of the Issuer</b>	✓	✓	✓	✓	✓	✓	✓
	(a) If one or more members of the Board of Directors of the Issuer are offering their Shares under the same Prospectus:							
	(i) the identity of each member making such Offers;							
	(ii) the number of Shares each such Person is offering; and							
	(iii) the proportion of the holding of the member that those Shares represent.							

		<b>A1.1.1</b>							
<b>CONTENTS OF PROSPECTUS – REGISTRATION STATEMENT</b>		Structured Products	Certificates over Shares	Certificates over Shares	Warrants over Debentures	Warrants over Debentures	Debentures	Warrants over Shares	Shares
	(b) If no member of the Board is offering his Shares, a statement to that effect.								
<b>8.8</b>	<p><b><u>Sustainability / Environmental, Social and Governance (ESG) Risks</u></b></p> <p><u>A description of the Issuer’s exposure to sustainability / ESG factors. If the Issuer’s exposure is material, how does the Issuer manage, or intend to manage, such sustainability / ESG risks.</u></p>							✓	

		<b>A1.1.1</b>						
<b>CONTENTS OF PROSPECTUS – REGISTRATION STATEMENT</b>		Shares	Warrants over Shares	Debentures	Warrants over Debentures	Certificates over Shares	Certificates over	Structured Products
<b>9.</b>	<b>RESPONSIBILITY FOR THE CONTENT OF PROSPECTUS</b>							
<b>9.1</b>	<p><b>Responsibility Statement</b></p> <p>A Responsibility Statement that:</p> <p>(a) the Prospectus complies with the requirements in Part 6 of the FSMR and chapter 4 of these Rules;</p> <p>(b) sets out the details of the Persons responsible for the Prospectus pursuant to Rule 4.10, and in particular:</p> <p style="padding-left: 40px;">(i) where a Person responsible is a <del>natural person</del> <u>Natural Person</u>, indicates the name and function of that Person; and</p> <p>....</p>	✓	✓	✓	✓	✓	✓	✓
<b>9.4</b>	<p><b>Special categories of Companies</b></p> <p>If the Issuer is a special category of Company, such as a property, <del>mineral</del>, or scientific research Company, or a start-up Company (a Company with less than a three year track record), a report by an Expert on the assets or rights owned by the Issuer prepared at a date which shall be no later than 90 days before the date of the Prospectus.</p>	✓	✓			✓		✓
<b>9.4.1</b>	<p><u>If the Issuer is a Mining Reporting Entity or Petroleum Reporting Entity:</u></p> <p>(a) <u>a Valuation Report required by Rule 11.3.2 or 12.3.2; and</u></p>	✓	✓			✓		✓

		<b>A1.1.1</b>							
<b>CONTENTS OF PROSPECTUS – REGISTRATION STATEMENT</b>		Structured Products	Certificates over	Certificates over Shares	Warrants over Debentures	Warrants over Debentures	Debentures	Warrants over Shares	Shares
	(b) <u>the details of the Reporting Entity’s sustainable policies and practices (required by Rules 11.3.1(2) and 12.3.1(b)).</u>								
<b>11.</b>	<b><u>Mining Reporting Entities or Petroleum Reporting Entities</u></b>								
<b>11.1</b>	<b><u>Mining Reporting Entity or Petroleum Reporting information</u></b>	✓						✓	✓
	<u>If the Issuer is a Mining Reporting Entity or Petroleum Reporting Entity, information to be disclosed under Chapter 11 of the Rules (including Rule 11.2.1) or under Chapter 12 of the Rules (including Rule 12.2.1).</u>								

....

**A1.2** Securities note**A1.2.1** This table forms part of Rule 4.5.1(3)(c).

- A1.2.2** (1) The reference to an "Issuer" in this APP 1 is a reference to the Person offering Securities under the Prospectus as specified in Rule 1.1.1(2)(a) and (b).
- (2) An Issuer must include the specified information in relation to the Securities identified with a "✓" in this table which are the subject of the relevant Prospectus.
- (3) If an ~~asterix~~ asterisk is used when identifying a Security, the requirement to provide the item of information for that Security is qualified as specified in the relevant item.

		<b>A1.2.1</b>							
<b>CONTENTS OF PROSPECTUS – SECURITIES NOTE</b>		Shares	Shares over Warrants	Warrants over Debentures	Debentures over Warrants	Warrants over Shares	Certificates over	Certificates over	Structured Products
<b>1. KEY INFORMATION</b>									
....									
<b>2. INFORMATION RELATING TO THE SECURITIES OFFERED/ADMITTED TO TRADING</b>									
<b>2.1</b>	<b>General information relating to the Securities</b>								
	(a) A description of the type and class of the Securities being offered and/or admitted to trading, including any identification number (ISIN) or code applicable to the Securities.	✓	✓	✓	✓	✓	✓	✓	
	(b) <del>An indication whether the Securities are in certificated form or book-entry form and if it is the latter, the</del> The name and address of the entity maintaining the <u>Securities</u> records.	✓	✓	✓	✓	✓	✓	✓	
	....								

		<b>A1.2.1</b>						
	<b>CONTENTS OF PROSPECTUS – SECURITIES NOTE</b>	Shares	Warrants over Shares	Debentures	Warrants over Debentures	Certificates over Shares	Certificates over	Structured Products
<b>2.4</b>	<b>Other rights</b> Information relating to other rights including:							
	(a) voting rights;	✓	✓			✓		✓
	(b) <del>pre-emption</del> rights in relation to Offers for subscription of Securities of the same class;	✓	✓			✓		✓
	.....							
<b>5.</b>	<b>ADMISSION TO TRADING</b>							
<b>5.1</b>	<b>Details of admission to trading</b>	✓	✓	✓	✓	✓	✓	✓
	(a) The proposed dates for: (i) admission to the Official List <del>of Securities</del> ; (ii) admission to trading on a Recognised Investment Exchange; and (iii) any other such comparable event in respect of the Securities.							
	(b) The actual dates on which: (i) the Securities were admitted to an Official List <del>of Securities</del> ; (ii) the Securities were admitted to trading on a Recognised Investment Exchange; and	✓	✓	✓	✓	✓	✓	✓

								<b>A1.2.1</b>						
<b>CONTENTS OF PROSPECTUS – SECURITIES NOTE</b>								Shares	Shares over Warrants over	Debentures	Warrants over Debentures	Certificates over Shares	Certificates over	Structured Products
(iii) any other such comparable event took place in respect of the Securities.														
....														
<b>7. ASSET BACKED SECURITIES</b>														
<b>7.1</b>	<p>If the Securities or the underlying Securities are asset backed, describe all the material attributes of the asset backed Securities, including:</p> <p>(a) information about the assets backing the Securities including:</p> <p>....</p> <p>(d) information about:</p> <p>(i) the terms and conditions for the issuance of any additional Securities or any restrictions on the issuance of additional Securities; and</p> <p>(ii) where the Issuer proposes to issue further Securities backed by the same assets, a prominent statement to that effect, and unless those further Securities are fungible with, or are subordinated to, those classes of existing debt, a description of how the holders of that class Securities will be <del>informed</del><u>notified</u>;</p> <p>....</p>							✓		✓		✓	✓	

**APP 2 MARKET DISCLOSURE CONTINUOUS AND OTHER DISCLOSURES**

**A2.1** This table forms part of Rule 7.6.1.

**A2.1.1** A Reporting Entity other than a Listed Fund must, on the occurrence of an event specified in column 1, make the required ~~disclosure~~Disclosure detailed in column 2, within the time specified in column 3, in respect of the Securities identified with a "✓" in column 4, of this Table.

See APP 3 for ~~disclosures~~Disclosures related to Listed Funds.

			<b>A2.1.1</b>							
<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares Options over	Warrants / Debentures	Options over Debentures	Warrants / Options over Shares	Certificates over Shares	Certificates over	Structured Products
<b>1. INSIDE INFORMATION</b>										
<b>1.1</b>	Inside Information as set out in Rule 7.2.	<del>Market disclosure</del> <u>Disclosure</u> of the Inside Information, unless <del>the disclosure exception under Rule 7.2.41</del> applies.	As soon as possible.	✓	✓	✓	✓	✓	✓	✓
<b>2. GOVERNANCE OF THE REPORTING ENTITY</b>										
<b>2.1</b>	Compliance with the Corporate Governance Principles.	<del>Market disclosure</del> <u>Disclosure</u> in the annual report of the matters set out in Rule 9.2.10.	In accordance with Rule 10.1.8(2)(a).	✓						
<b>2.2</b>	Any change to the Board of the Reporting Entity including:  (a) the appointment of a new Director;	<del>Market disclosure</del> <u>Disclosure</u> of:  (a) the effective date of the change (if it has been decided);	As soon as possible.	✓	✓			✓		

<b>A2.1.1</b>												
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares over Options	Warrants / Warrants over	Debtentures	Options over Debtentures	Warrants / Options over Shares	Certificates over	Certificates over	Structured Products
	<p>(b) the resignation, retirement or removal of an existing Director; and</p> <p>(c) changes to any important functions or executive responsibilities of a Director.</p>	<p>(b) whether the position is executive or non-executive;</p> <p>(c) whether the position is considered to be independent; and</p> <p>(d) the nature of any functions or responsibility of the position.</p>										
<b>2.3</b>	In the case of an appointment of a new Director.	<p><del>Market disclosure</del> Disclosure of:</p> <p>(a) all directorships past or present held by the Director in any other Body Corporate in the previous five years;</p> <p>(b) the experience of the Director;</p> <p>(c) details of the process by which the Director was selected;</p> <p>(d) any unspent convictions relating to serious criminal offences;</p>	Within <del>seven</del> <u>five</u> <u>Business Days</u> of the appointment.	✓	✓				✓			

<b>A2.1.1</b>											
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	<b>Shares</b>	<b>Shares over</b>	<b>Warrants / Options over</b>	<b>Debentures</b>	<b>Options over</b>	<b>Warrants / Options over Shares</b>	<b>Certificates over</b>	<b>Structured Products</b>
		<p>(e) any bankruptcies or individual voluntary arrangements of the Director;</p> <p>(f) any compulsory liquidations, creditors voluntary liquidations, Company voluntary arrangements, receivership or any composition or arrangement with creditors generally or any class of creditors of any Body Corporate where such an individual was the Director at the time of or within the 12 months preceding the occurrence of such events; and</p> <p>(g) any public criticism or disqualification of the individual by a governmental or regulatory authority and whether the individual has ever been disqualified by a court from acting as a Director of a Body Corporate or from acting in the</p>									

<b>A2.1.1</b>										
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares / Options over	Warrants / Debentures	Options over	Warrants / Debentures over Shares	Certificates over	Structured Products
		management or conduct of the affairs of any Body Corporate or, if there are no such details to be disclosed, that fact.								
<b>2.4</b>	Any event that requires Shareholder approval as set out in Rule 9.3.8.	<del>Market disclosure</del> Disclosure of: (a) the nature, details, contents and effect of the relevant event; and (b) any material change affecting any matter contained in an earlier <del>disclosure</del> Disclosure.	As soon as possible.	✓	✓		✓			
<b>2.5</b>	Any resolution passed by the Directors of the Reporting Entity other than a resolution concerning ordinary business of the Reporting Entity.	<del>Market disclosure</del> Disclosure of the resolution.	As soon as possible.	✓	✓			✓		✓
<b>3.</b>	<b>BUSINESS OF THE REPORTING ENTITY</b>									
<b>3.1</b>	Transactions undertaken which could result in:  (a) any significant investment (i.e. any	<del>Market disclosure</del> Disclosure relating to:	As soon as possible.	✓	✓			✓		✓

<b>A2.1.1</b>											
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares over Options over Warrants /	Debentures	Options over Debentures	Warrants / Options over Shares	Certificates over Shares	Certificates over	Structured Products
	<p>investments equal to or greater than 5% of the value of the net assets of the Reporting Entity as per its most recent financial reports) or material change to such a significant investment outside the ordinary course of business of the Reporting Entity; or</p> <p>(b) the incurring of any significant debt (being a debt with an amount equal to or greater than 5% of the value of the net assets of the Reporting Entity as per its most recent financial reports) outside the usual and ordinary course of business of the Reporting Entity.</p>	<p>(a) any decision to enter into such a transaction;</p> <p>(b) any material change or new matter affecting any matter contained in an earlier <del>disclosure</del>Disclosure; and</p> <p>(c) a full description of the event, activity or transaction proposed or effected, as the case may be.</p>									
<b>3.2</b>	<u>A description of the Listed Entity's exposure to sustainability / ESG factors.</u>	<u>Disclosure in the annual report of the matters set out in Rule 9.2.10.</u>	<u>In accordance with Rule 10.1.8(2)(a).</u>	✓							

<b>A2.1.1</b>											
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Options over Shares	Warrants / Options over Shares	Debentures	Options over Debentures	Warrants over Shares	Certificates over Shares	Structured Products
	<u>If the Listed Entity's exposure is material, how does the Listed Entity manage, or intend to manage, such sustainability / ESG risks.</u>										
<b>4. DISCLOSURES RELATING TO SECURITIES OF THE ISSUER</b>											
<b>4.1</b>	Any decision:  (a) to declare, recommend or pay any dividend or to make any other distribution on the Securities; or  (b) not to declare, recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in the normal course of events.	<del>Market disclosure</del> <u>Disclosure</u> of the decision, including the rate and amount of and record date for the dividend or other distribution or the grounds for the decision in relation to non-payment.	As soon as possible and in any event within five <u>Business Days</u> prior to the record date or the date of expected distribution.	✓	✓	✓	✓	✓	✓	✓	
<b>4.2</b>	Admission to listing or trading of the same class of Securities on a Regulated Exchange.	<del>Market disclosure</del> <u>Disclosure</u> of all the relevant details relating to the admission to listing or trading.	As soon as possible.	✓	✓	✓	✓	✓	✓	✓	

<b>A2.1.1</b>											
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares over Options over Warrants /	Debentures	Options over Debentures	Warrants / Options over Shares	Certificates over Shares	Certificates over	Structured Products
<b>4.3</b>	Any other disclosure required to be made pursuant to the requirements in the Regulated Exchange arising from the listing or trading of the same class of Securities on that exchange where such disclosure is not made in the ADGM.	<del>Market disclosure</del> <u>Disclosure</u> of the information required to be disclosed to the Regulated Exchange.	As soon as such disclosure is made on the Regulated Exchange.	✓	✓	✓	✓	✓	✓	✓	✓
<b>4.4</b>	Any change of custodian or depository in relation to Certificates representing Shares and debentures.	<del>Market disclosure</del> <u>Disclosure</u> of the new custodian or depository and any implication/effect of this change.	As soon as possible.						✓	✓	
<b>4.5</b>	<u>Restricted Securities subject to a Restriction Agreement are to be released.</u>	<u>Disclosure of all relevant details relating to the release of the Restricted Securities, including name of the holder(s), number of securities to be released, length of time of the Restriction Agreement, and intended date of trading on the relevant Recognised Investment Exchange.</u>	<u>10 Business Days before the end of the Restriction Period.</u>	✓	✓				✓		
<b>5.</b>	<b>DISCLOSURE OF INTERESTS</b>										
<b>5.1</b>	The requirement to make a disclosure of interests held by a	<del>Market disclosure</del> <u>Disclosure</u> of the information set out in Rule 7.3.4.	As soon as possible.	✓	✓	✓	✓	✓	✓	✓	

<b>A2.1.1</b>										
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares / Options over	Warrants / Debentures	Options over	Warrants / Debentures over Shares	Certificates over	Structured Products
	Connected Person pursuant to section 76 of the FSMR.									
<b>5.2</b>	The requirement to give a notice of a Director's notifiable interests.	<del>Market disclosure</del> Disclosure of the information set out in Rule 7.4.3(3).	As soon as possible.	✓	✓	✓	✓	✓	✓	
<b>6. FINANCIAL INFORMATION ABOUT THE REPORTING ENTITY</b>										
<b>6.1</b>	The requirement to file an annual financial report pursuant to section 78 of the FSMR.	<del>Market disclosure</del> Disclosure of the report prepared in accordance with the requirements in Rule 10.1.4, 10.1.5 and 10.1.6.	In accordance with Rule 10.1.8(2)(a).	✓	✓	✓	✓	✓	✓	
<b>6.2</b>	The requirement to file a semi-annual financial report pursuant to section 79 of the FSMR.	<del>Market disclosure</del> Disclosure of the report prepared in accordance with the relevant requirements set out in Rule <del>10.1.7</del> 10.1.6.	In accordance with Rule 10.1.8(2)(b).	✓	✓			✓		
<b>6.3</b>	The requirement to file preliminary financial results pursuant to Rule 10.1.8.	<del>Market disclosure</del> Disclosure of the preliminary financial results.	In accordance with Rule 10.1.8(2)(c).	✓	✓			✓		
<b>6.4</b>	Any change to the accounting reference date.	<del>Market disclosure</del> Disclosure of the previous and new accounting reference date, and reasons for the change.	As soon possible.	✓	✓	✓	✓	✓	✓	

<b>A2.1.1</b>											
	<b>EVENT GIVING RISE TO DISCLOSURE OBLIGATION</b>	<b>DISCLOSURE REQUIRED</b>	<b>TIME OF DISCLOSURE</b>	Shares	Shares / Options over	Warrants / Debentures	Debtentures	Options over Warrants /	Certificates over Shares	Certificates over	Structured Products
<b>6.5</b>	Change of accounting date extending the annual accounting period to more than 14 months.	<del>Market disclosure</del> Disclosure of a second semi-annual financial report.	Within six months of the old accounting reference date.	✓	✓	✓	✓	✓	✓	✓	
<b>7. MATTERS RELATING TO THE CAPITAL OF THE REPORTING ENTITY</b>											
<b>7.1</b>	Any proposed new issue of Securities.	<del>Market disclosure</del> Disclosure of the class, number and proposed date of issue and details of the changes to the Share capital resulting from the new issue proposed.	As soon as possible after the decision is made.	✓	✓	✓	✓	✓	✓	✓	
<b>7.2</b>	Results of the new issue.	<del>Market disclosure</del> Disclosure of the results of the issue including:  (a) the class, number and the actual date of the issue;  (b) consideration received; and  (c) details of changes in the Share capital.	As soon as possible.	✓	✓	✓	✓	✓	✓	✓	
<b>8. INSOLVENCY/WINDING UP OF THE REPORTING ENTITY</b>											
<b>8.1</b>	In the case of an insolvency/winding up:	<del>Market disclosure</del> Disclosure of the:  (a) time and date of the presentation, details of the	As soon as possible.	✓	✓	✓	✓	✓	✓	✓	✓



<b>9. MINING AND PETROLEUM DISCLOSURES</b>										
<b>9.1</b>	<u>Mining and Petroleum information required to be disclosed (as set out in chapters 11 or 12).</u>	<u>Market disclosures required of the Mining Reporting Entity or Petroleum Reporting Entity.</u>	<u>As soon as possible.</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

**APP 3 ~~MARKET DISCLOSURE~~ DISCLOSURES RELATING TO LISTED FUNDS**

**A3.1.1** This table forms part of Rule 3.8.1 and Rule 2.7.8.

**A3.1.2** A Reporting Entity of a Listed Fund must, on the occurrence of an event specified in column 1, make the required ~~disclosure~~ Disclosure detailed in column 2, within the time specified in column 3.

**Note:** Unless otherwise indicated, the ~~disclosure~~ Disclosure required relates to the operation and matters relating to the Listed Fund. The Reporting Entity of a Listed Fund must construe the items specified in the event column in an appropriate manner to achieve the fundamental purpose of making the required ~~disclosure~~ Disclosure of information relating to the Listed Fund.

			<b>APP3</b>
	<b>EVENT GIVING RISE TO DISCLOSURE</b>	<b>DISCLOSURE REQUIREMENT</b>	<b>TIME OF DISCLOSURE</b>
<b>1. INSIDE INFORMATION</b>			
<b>1.1</b>	Inside Information as set out in Rule <del>3.57.2.1</del> relating to the Listed Fund.	<del>Market disclosure</del> <u>Disclosure</u> of the Inside Information, unless the <del>disclosure exception under Rule 3.5.47.2.1</del> applies.	As soon as possible.
<b>2. GOVERNANCE OF THE LISTED FUND AND THE REPORTING ENTITY</b>			
<b>2.1</b>	Any change to the Governing Body of the Listed Fund including: <ul style="list-style-type: none"> <li>(a) the appointment of a new Director, Partner or other member of the Governing Body;</li> <li>(b) the resignation, retirement or removal of any Person referred to in (a); and</li> <li>(c) changes to any important functions or executive responsibilities of a Person referred to in (a).</li> </ul>	<del>Market disclosure</del> <u>Disclosure</u> of: <ul style="list-style-type: none"> <li>(a) the effective date of the change (if it has been decided);</li> <li>(b) whether the position is executive or non-executive;</li> <li>(c) whether the position is considered to be independent; and</li> <li>(d) the nature of any functions or responsibilities of the position.</li> </ul>	As soon as possible.

2.2	Information in respect of a new Director, Partner or other member of the Governing Body.	<p><del>Market disclosure</del> <u>Disclosure of:</u></p> <ul style="list-style-type: none"> <li>(a) all directorships or Partnerships past or present held by the Director, Partner or other member of the Governing Body in any other Body Corporate or Partnership in the previous five years;</li> <li>(b) the experience of the Persons referred to in (a);</li> <li>(c) details of the process by which the Person referred to in (a) was selected;</li> <li>(d) any unspent convictions relating to serious financial crimes;</li> <li>(e) any bankruptcies or individual voluntary arrangements;</li> <li>(f) any compulsory liquidations, creditors voluntary liquidations, Company voluntary arrangements, receivership or any composition or arrangement with its creditors generally or any class of its creditors of any Issuer where such an individual was a Director or Partner at the time of appointment or within the 12 months preceding such events; and</li> <li>(g) any public criticisms or disqualifications of the individual by governmental or regulatory authorities and whether the individual has ever been disqualified by a court from acting as a Director of a Body Corporate, General Partner of a Partnership or from acting in the management or conduct of the affairs of any Body Corporate</li> </ul>	<p>Within <u>five</u> <del>Business</del> <u>seven</u> <del>Days</del>.</p>
-----	--	--	---

		or Listed Fund and, if there are no such details to be disclosed, a statement to that effect.	
<b>2.3</b>	Any event that requires Unitholder approval under the Fund Rules.	<del>Market disclosure</del> <u>Disclosure</u> of: (a) the nature, details, contents and effect of the relevant event; and (b) any material change affecting any matter contained in an earlier disclosure.	As soon as possible.
<b>2.4</b>	Any resolution adopted by the Listed Fund other than a resolution concerning ordinary business of the Listed Fund.	<del>Market disclosure</del> <u>Disclosure</u> of the resolution.	As soon as possible.
<b>3. BUSINESS OF THE LISTED FUND</b>			
<b>3.1</b>	Transactions undertaken which could result in: (a) any significant investment (being any investments equal to or greater than 5% of the net asset value of the fund) or material change to a significant investment outside the stated investment strategy of the Listed Fund; or (b) the incurring of any significant debt outside the usual and ordinary course of business of the Listed Fund (being debt with an amount equal to or greater than 5% of the net asset value of the fund) taking into account the stated investment strategy.	<del>Market disclosure</del> <u>Disclosure</u> relating to: (a) any decision to enter into such a transaction; (b) any material change or new matter affecting any matter contained in an earlier disclosure; and (c) a full description of the event, activity or transaction proposed or effected as the case may be.	Without delay.
<b>4. DISCLOSURE RELATING TO UNITS OF THE LISTED FUND</b>			

<p><b>4.1</b></p>	<p>Any decision:</p> <p>(a) to declare, recommend or pay any dividend not previously <del>disclosed</del> <u>Disclosed</u>;</p> <p>(b) to make any other distribution on the Units; or</p> <p>(c) not to declare, recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in the normal course of events.</p>	<p><del>Market disclosure</del> <u>Disclosure</u> of the decision, including the rate and amount of and record date for the dividend or other distribution or the grounds for the decision in relation to non-payment.</p>	<p>As soon as possible and in any event no later than five <u>Business Days</u> prior to the record date or the date of expected distribution.</p>
<p><b>4.2</b></p>	<p>Any decision made in regard to:</p> <p>(a) any change in the general character or nature of the Listed Fund;</p> <p>(b) any change in the redemption of all or any of the Units of the Listed Fund;</p> <p>(c) any change to its published investment policies or objectives, investment restrictions or borrowing restrictions;</p> <p>(d) any change in the way in which net asset value or issue and redemption prices are calculated, or in the frequency of calculation of the net asset value;</p> <p>(e) any change in the manner in which the management fees payable by the Listed Fund are calculated;</p>	<p><del>Market disclosure</del> <u>Disclosure</u> of the decision and all relevant details relating to the decision.</p>	<p>As soon as possible.</p>

	<p>(f) any changes in the trustee, custodian or prime broker(s), Investment Manager, Adviser, Fund Administrator or auditor;</p> <p>(g) any changes in the control of the trustee, custodian or prime broker(s), Investment Manager or Adviser;</p> <p>(h) any change in the tax status of the Listed Fund;</p> <p>(i) any suspension in the calculation of net asset value or of redemptions; or</p> <p>(j) details of any repurchase, drawing or redemption by the Listed Fund or any of its subsidiaries of the Listed Fund's Listed Securities, unless the purchases are made pursuant to the requirements in the Listing Rules on purchase of own Shares.</p>		
<b>4.3</b>	Admission to listing or trading of the same class of Units on a Regulated Exchange.	<del>Market disclosure</del> <u>Disclosure</u> of all the relevant details relating to the admission to listing or trading.	As soon as possible.
<b>4.4</b>	Any other disclosure required to be made pursuant to the requirements in the Regulated Exchange arising from the listing or trading of the same class of Units on that exchange where such disclosure is not made in the ADGM.	<del>Market disclosure</del> <u>Disclosure</u> of the information required to be disclosed to the Regulated Exchange.	As soon as such disclosure is made on the Regulated Exchange.
<b>4.5</b>	Any change of the Trustee, custodian or depository in relation to the Listed Fund.	<del>Market disclosure</del> <u>Disclosure</u> of the details relating to the new Trustee, custodian or depository and any implication/effect of this change.	As soon as possible.

<b>4.6</b>	Proposed and new issues of Units.	<del>Market disclosure</del> <u>Disclosure</u> of the class, number, date of issue, and consideration received for the issue of the Units and details of changes in the capital.	As soon as possible.
<b>5. DISCLOSURE OF INTERESTS</b>			
<b>5.1</b>	The requirement to disclose interests held by a Connected Person pursuant to section 76 of the FSMR.	<del>Market disclosure</del> <u>Disclosure</u> of the information set out in Rule 3.6.3.	As soon as possible.
<b>5.2</b>	The requirement to give a notice of a Director's notifiable interests.	<del>Market disclosure</del> <u>Disclosure</u> of the information set out in Rule 3.7.3(3).	As soon as possible.
<b>6. FINANCIAL INFORMATION RELATING TO THE LISTED FUND</b>			
<b>6.1</b>	The preparation and approval of annual and interim financial reports.	<del>Market disclosure</del> <u>Disclosure</u> of the annual and interim financial report prepared in accordance with the requirement in Rule 3.9.4 <u>2</u> .	In the case of a Domestic Fund in accordance with the Fund Rules and in the case of a Foreign Fund the earlier of the period allowed under the Fund Rules or the period for filing under the home jurisdiction requirements.
<b>6.2</b>	Any change to the accounting reference date.	<del>Market disclosure</del> <u>Disclosure</u> of the previous and new accounting reference date, and reasons for the change.	As soon possible.
<b>7. MATTERS RELATING TO THE CAPITAL OF THE LISTED FUND</b>			

7.1	Any proposed new issue of Units.	<del>Market disclosure</del> <u>Disclosure</u> of the class, number and proposed date of the proposed issue.	As soon as possible after the decision is made.
7.2	Results of the new issue.	<del>Market disclosure</del> <u>Disclosure</u> of the results of the issue including total consideration received.	As soon as possible.
<b>8. TRANSFER SCHEME/WINDING UP OF THE LISTED FUND</b>			
8.1	<p>In the case of a transfer scheme or winding up of a Listed Fund:</p> <p>(a) the passing of any resolution by the Listed Fund or any members of the Listed Fund that it be wound up by way of members' or creditors' voluntary winding-up, or the occurrence of any event or termination of any period of time which would cause termination or winding-up of the Fund; and</p> <p>(b) either:</p> <p>(i) the presentation of the relevant applications made pursuant to the requirements in the Fund Rules in the case of a Domestic Fund; or</p> <p>(ii) the applications made pursuant to the relevant legislation applicable in the home jurisdiction of the Listed Fund in the case of a Foreign Fund.</p>	<p><del>Market disclosure</del> <u>Disclosure</u> of the:</p> <p>(a) time and date of the presentation, details of the order, appointment, resolution or other event;</p> <p>(b) identity of the petitioner or other <del>person</del> <u>Person</u> at whose instigation the event occurs;</p> <p>(c) the court or tribunal responsible for making any order; or</p> <p>(d) any Administrator or liquidator appointed.</p>	As soon as possible.
<b>9. OTHER DISCLOSURES RELATING TO THE LISTED FUND</b>			

<b>9.1</b>	A change to the legal structure of the Listed Fund (unless it is required to be disclosed under 2.3 or 2.4).	<del>Market disclosure</del> <u>Disclosure</u> of any proposed change.	As soon as possible.
<b>9.2</b>	A change in fees (including management fees by whatever named called) or charges imposed on holders of Units.	<del>Market disclosure</del> <u>Disclosure</u> of any change in the fee structure of a Listed Fund.	As soon as possible.
<b>9.3</b>	A change in the investment management of the Listed Fund.	<del>Market disclosure</del> <u>Disclosure</u> of any proposed change in the investment management of the Listed Fund.	As soon as possible.
<b>9.4</b>	Any closure of the Listed Fund's register of Unitholders.	<del>Market disclosure</del> <u>Disclosure</u> of the closure.	At least <u>ten Business Days</u> before the closure.
<b>9.5</b>	Any meeting of Unitholders.	<del>Market disclosure</del> <u>Disclosure</u> of notice.	At the same time as such notice is sent to Unitholders.
<b>9.6</b>	The final timetable for any proposed action affecting the rights of existing holders of its Units .	<del>Market disclosure</del> <u>Disclosure</u> of the timetable.	As soon as possible after finalisation of the timetable with the Regulator.
<b>9.7</b>	Changes to rights attaching to Units or other Securities into which they convert.	<del>Market disclosure</del> <u>Disclosure</u> of:  (a) the class of Securities to which the changes apply;  (b) the date on which the changes become effective;  (c) confirmation that consent of the holders of the Securities (and any other holders of Relevant	As soon as possible.

		Securities) has been obtained and the date that such consent was obtained; and  (d) a summary of the changes.	
--	--	---	--

## APP 4 CORPORATE GOVERNANCE BEST PRACTICE STANDARDS

### General

1. This Appendix sets out, by way of Guidance, best practice standards relevant to each of the Corporate Governance Principles (the "**Principles**") set out in Rule 9.2. While the Principles have the status of Rules that apply to a Reporting Entity / Listed Entity, the standards in this document are best practice standards that may be adopted by a Reporting Entity / Listed Entity to achieve compliance with the Principles.

.....

30. The Board should consider a non-executive Director to be "independent" if that Director meets, upon an assessment, objective criteria of independence set by the Board. Such independence criteria should encompass independence in character and judgement of the individual by having no commercial or other relationships or circumstances which are likely to affect or could appear to impair his judgement in a manner other than in the best interests of the Reporting Entity. In making the assessment of independence against such criteria, the Board should consider matters such as whether the ~~person~~Person:

....

31. The terms and conditions of appointment of non-executive Directors should be made available for inspection by any ~~person~~Person at the Reporting Entity's registered office during normal business hours. The letter of appointment should set out the expected time commitment. Non-executive Directors should undertake that they will have sufficient time to meet what is expected of them. Their other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved. The Board should be ~~informed~~notified of subsequent changes.

....

### Audit committee

48. The Board should establish and maintain an audit committee to monitor and review the Reporting Entity's internal audit function and other internal controls. The main roles and responsibilities of the audit committee should be set out in written terms of reference, be available on the website of the Reporting Entity and include at least the following:
  - a. monitoring the integrity of the financial statements of the Reporting Entity and any ~~formal announcements~~Disclosures relating to the Reporting Entity 's financial performance and reviewing significant financial reporting judgements contained in them;

...

**APP6 CONTINUING OBLIGATIONS – SECURITY SPECIFIC DISCLOSURES**

A6.1 Continuing obligations – ~~Market disclosures~~ Disclosures for Listed Entities

A6.1.1 This table forms part of Rule 2.7.8.

A6.1.2 A Listed Entity (or its Reporting Entity) must, on the occurrence of an event specified in column 1, make the required ~~disclosure~~ Disclosure detailed in column 2, within the time specified in column 3, in respect of the Securities identified with a "✓" in column 4, of this Table.

<b>A6.1.1</b>										
EVENT GIVING RISE TO DISCLOSURE OBLIGATION	DISCLOSURE REQUIRED	TIME OF DISCLOSURE	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates		
								Shares	Debentures	
<b>GENERAL</b>										
1.	Any closure of the Listed Entity's register of security holders.	<del>Market disclosure</del> <u>Disclosure</u> of the closure.	At least <del>ten</del> <u>14</u> Business Days before the closure.	✓	✓	✓	✓		✓	✓
2.	Any meeting of holders of Securities.	<del>Market disclosure</del> <u>Disclosure</u> of notice.	At the same time as such notice is sent to the holders of Securities.	✓	✓	✓	✓		✓	✓
3.	The final timetable for any proposed action affecting the rights of existing holders of its Listed Securities.	<del>Market disclosure</del> <u>Disclosure</u> of the timetable.	As soon as possible after finalisation of the timetable with the Regulator.	✓	✓	✓	✓	✓	✓	✓

	EVENT GIVING RISE TO DISCLOSURE OBLIGATION	DISCLOSURE REQUIRED	TIME OF DISCLOSURE	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates	
									Shares	Debentures
4.	All proposed drawings to effect partial redemptions, and, in the case of registered Debentures or Structured Products, the date on which it is proposed to close the books for the purpose of making a drawing.	<u>Disclosure of the partial redemption.</u>	<u>As soon as possible.</u>	✓				✓		
5.	Changes to rights attaching to Listed Securities or other Securities into which they convert.	<del>Market disclosure</del> <u>Disclosure of:</u> (a) the class of Securities to which the changes apply; (b) the date on which the changes become effective; (c) confirmation that consent of the holders of the Securities (and any other holders of Relevant Securities) has been obtained and the date that such consent was obtained); and	As soon as possible.	✓	✓	✓	✓	✓	✓	✓

**A6.1.1**

	EVENT GIVING RISE TO DISCLOSURE OBLIGATION	DISCLOSURE REQUIRED	TIME OF DISCLOSURE	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates	
									Shares	Debentures
		(d) a summary of the changes.								
<b>6.</b>	Any decision made in regard to:  (a) any change in the structure of the Listed Securities;	<del>Market disclosure</del> -Disclosure.	As soon as possible.	✓						

....

A6.2 Other continuing obligations for Listed Entities

A6.2.1 This table forms part of Rule 2.7.8.

A6.2.2 A Listed Entity (or its Reporting Entity) must, on the occurrence of an event or matter specified in column 1, undertake the requirements detailed in column 2, within the time specified in column 3, in respect of the Securities identified with a "✓" in column 4, of this Table.

A6.2.1											
EVENT / MATTER	REQUIREMENTS	TIME	Structured Products	Shares	Shares	Warrants over Debentures	Warrants over Debentures	Debentures	Certificates		Units
									Shares	Debentures	
<b>GENERAL</b>											
	.....										
5.	Receipt of properly executed transfer documents or a request to split documents evidencing Securities.	The Listed Entity shall ensure that transfers are registered by the registrar within seven Business Days of receipt of the documents evidencing the Securities, by the registrar. Unless the Securities have been issued in dematerialised form, the Listed Entity or its registrar shall issue definitive documents arising out of a registration of transfers or the splitting of documents evidencing the Securities	At all times.	✓	✓	✓	✓	✓	✓	✓	✓

A6.2.1											
	EVENT / MATTER	REQUIREMENTS	TIME	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates		Units
									Shares	Debentures	
		within seven Business Days of receiving properly executed transfer documents or the date of expiration of any right of renunciation (as appropriate).									
6.	Issue of documents evidencing Securities.	Unless the Securities have been issued in dematerialised form, the Listed Entity shall ensure that every Person whose name is entered as a holder in the register shall be entitled without charge to receive one document evidencing the Securities for all his holdings and the Listed Entity shall permit a holder to have his holdings evidenced by as many documents as the holder requires (and in the sizes requested), subject to a maximum charge of \$10 per document issued	At all times.	✓	✓	✓	✓	✓	✓	✓	✓

A6.2.1											
	EVENT / MATTER	REQUIREMENTS	TIME	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates		Units
									Shares	Debentures	
		after the first subject to a maximum charge of \$10 per document issued after the first.									
<b>76.</b>	Registration of transfers or other documents relating to or affecting the title to any Securities, splitting documents evidencing Securities, issuing documents evidencing Securities or marking or noting such documents.	Subject to 6 above, the Listed Entity and its registrar shall not charge investors any fee for the registration.	At all times.	✓	✓	✓	✓	✓	✓	✓	✓
<b>87.</b>	Any <del>announcement</del> <u>Disclosure</u> of the timetable for any proposed action affecting the rights of existing holders of its Listed Securities. The Regulator may request amendments to the timetable, if considered necessary for the purpose of maintaining an orderly market.	Notify the Regulator.	At least 24 hours in advance of proposed publication.	✓	✓	✓	✓	✓	✓	✓	✓
<b>98.</b>	Any proposed amendments to a timetable, including amendment	Notify the Regulator.	Immediate.	✓	✓	✓	✓	✓	✓	✓	✓

A6.2.1												
	EVENT / MATTER	REQUIREMENTS	TIME	Structured Products	Shares	Shares	Warrants over	Warrants over Debentures	Debentures	Certificates		Units
										Shares	Debentures	
	to the publication details of an <del>announcement</del> <u>a Disclosure</u> .											
<b>109.</b>	All proposed drawings to effect partial redemptions and, in the case of registered Debentures or Structured Products, the date on which it is proposed to close the books for the purpose of making a drawing.	The Regulator must be <del>informed</del> <u>notified</u> of the outstanding amount of the Securities which are admitted to <del>on</del> the Official List after any such drawing has been made, for publication by the Regulator.	In advance.  As soon as possible.	✓					✓		✓	
<b>110.</b>	Any proposed decision with regard to:....	Notify the Regulator.	In advance.	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>121.</b>	In respect of Securities which carry rights of conversion or exchange into or subscription for the Securities of another Company, or are guaranteed by another Company.	The Listed Entity must ensure that adequate information is at all times available about the other Company and about any changes in the rights attaching to the Securities to which such rights of conversion, exchange or subscription relate. This must include the	As soon as possible.		✓	✓	✓	✓	✓	✓	✓	

A6.2.1										
	EVENT / MATTER	REQUIREMENTS	TIME	Structured Products	Shares	Warrants over Shares	Warrants over Debentures	Debentures	Certificates	Units
									Shares Debentures	
		availability of the audited annual accounts of the other Company together with any interim financial statements and any other information necessary for a realistic valuation of such Securities to be made.								

....

## APP 8 RESTRICTED SECURITIES

### A8.1 Determination of Restricted Securities

A8.1.1 This table forms part of Rule 9.6.5.

Terms used in this APP 8, and not otherwise defined in GLO, shall mean the following:

<b><u>Relevant Service Provider</u></b>	A Person (or an associate of a Person) who provides a service to the Applicant (or a Related Party of the Applicant) in connection with the Application's application for admission to the Official List, or in connection with the offer of Securities by the Issuer/Listed Entity.	
<b><u>Restriction Formula</u></b>	<b><u>for Securities (non-Warrants)</u></b>	<p>The number of Securities not subject to a Restriction Period is calculated as <b>(A / B) x C</b>, where:</p> <p><b>A</b> = cash paid for the Securities that could be subject to a Restriction Period.</p> <p><b>B</b> = price set for the Securities in the Applicant at the time of admission to the Official List, or as otherwise determined by the Regulator.</p> <p><b>C</b> = the total number of Securities issued to the Person that could be subject to a Restriction Period.</p>
	<b><u>for Warrants (which has the same terms as Warrants offered along with ordinary Securities), as part of an offering linked to an application for admission to the Official List.</u></b>	<p>The number of Securities not subject to a Restriction Period is calculated as <b>D x E</b>, where</p> <p><b>D</b> = the number of shares not subject to a Restriction Period.</p> <p><b>E</b> = the number of Warrants for each ordinary Security offered under the offering, linked to an application for admission to the Official List.</p>
<b><u>Vendor</u></b>	A Person who disposes of an Unproven Asset to an Applicant (or a Related Party of an Applicant).	

<b><u>Category</u></b>	<b><u>Circumstances for the acquisition of the Securities</u></b>	<b><u>Number of Securities subject to a Restriction Period</u></b>	<b><u>Restriction Period</u></b>
<b><u>Category 1</u></b>  <i><u>(“Founders / Related Parties / Relevant Service Providers”)</u></i>	<u>A Person who provided capital to the Applicant and who, at the time of the application for admission is a:</u>  (a) <u>Related Party of the Applicant; or</u>  (b) <u>Relevant Service Provider of the Applicant,</u>  <u>and the Person acquired the Securities for cash or in consideration for the repayment of debt.</u>	(a) <u>For Shares or Warrants, the number as determined by the Restriction Formula.</u>  (b) <u>All other Securities.</u>	<u>2 years from the time the Applicant’s Securities are first admitted to trading on a Recognised Investment Exchange.</u>
<b><u>Category 2</u></b>  <i><u>(“Non-related investors”)</u></i>	<u>A Person who provided capital to the Applicant and who, at the time of the application for admission is not a:</u>  (a) <u>Related Party of the Applicant; or</u>  (b) <u>Relevant Service Provider to the Applicant,</u>  <u>and the Person acquired the Securities for cash or in consideration for the repayment of debt.</u>	(a) <u>Securities which are fully paid Shares, for which consideration per Security was at least 80% of the price paid in any public offering of the Applicant’s securities at the time of Applicant’s application for admission to the Official List – Not subject to a Restriction Period</u>  (b) <u>Subject to (a), where the consideration for the Securities or Options was less than 80%, the number as determined by the Restriction Formula.</u>  (c) <u>All other Securities.</u>	<u>1 year from the time the Applicant’s Securities are first admitted to trading on a Recognised Investment Exchange.</u>

<p><b><u>Category 3</u></b>  <i><u>("Related Vendors of Unproven Assets")</u></i></p>	<p><u>A Vendor who immediately before the time of the acquisition of the Unproven Asset is a:</u></p> <p><u>(a) Related Party of the Applicant; or</u></p> <p><u>(b) Relevant Service Provider to the Applicant,</u></p> <p><u>and the Vendor acquired the Securities in consideration for the Unproven Asset before the Applicant's Securities were admitted to the Official List.</u></p>	<p><u>All Securities.</u></p>	<p><u>2 years from the time the Applicant's Securities are first admitted to trading on a Recognised Investment Exchange.</u></p>
<p><b><u>Category 4</u></b>  <i><u>("Unrelated Vendors of Unproven Assets")</u></i></p>	<p><u>A Vendor who immediately before the time of the acquisition of the Unproven Asset is not a:</u></p> <p><u>(a) Related Party of the Applicant; or</u></p> <p><u>(b) Relevant Service Provider of the Applicant,</u></p> <p><u>and the Vendor acquired the Securities in:</u></p> <p><u>(i) consideration for the Unproven Asset, or</u></p> <p><u>(ii) circumstances that included subscriptions of securities under a relevant agreement, where the cash subscription amounts were used to pay for the Unproven Asset,</u></p>	<p><u>All Securities.</u></p>	<p><u>1 year from the time the Applicant's Securities are first admitted to trading on a Recognised Investment Exchange.</u></p>

	before the Applicant's Securities were admitted to the Official List.		
<b>Category 5</b> <i>("Related Party Transaction")</i>	<p>A Vendor who immediately before the time of the acquisition of the Unproven Asset is a Person referred to in Rule 9.5.3, and the Person acquired the Securities in:</p> <p>(a) <u>consideration for the Unproven Asset, or</u></p> <p>(b) <u>circumstances that included subscriptions of securities under a relevant agreement, where the cash subscription amounts were used to pay for the Unproven Asset,</u></p> <p>after the Listed Entity was admitted to the Official List.</p>	All Securities.	<p><u>1 year after the later of the following dates:</u></p> <p>(a) <u>the Restricted Securities are issued;</u> <u>or</u></p> <p>(b) <u>all Restriction Agreements are submitted to the Regulator.</u></p>
<b>Category 6</b> <i>("Unrelated Vendor Transaction")</i>	<p>A Vendor who immediately before the time of the acquisition of the Unproven Asset is NOT a Person referred to in Rule 9.5.3, and the Person acquired the Securities in:</p> <p>(a) <u>consideration for the Unproven Asset, or</u></p> <p>(b) <u>circumstances that included subscriptions of securities under a relevant agreement, where the cash subscription amounts were used to pay for the Unproven Asset,</u></p>	<p>(a) <u>If the Vendor will have a relevant interest in at least 20% of the Listed Entity's issued capital, including if the Regulator determines to aggregate separate transactions – all of the Securities.</u></p> <p>(b) <u>In any other case – Not subject to a Restriction Period.</u></p>	<p><u>1 year after the later of the following dates:</u></p> <p>(a) <u>the Restricted Securities are issued;</u> <u>or</u></p> <p>(b) <u>all Restriction Agreements are submitted to the Regulator.</u></p>

	<u>after the Listed Entity was admitted to the Official List.</u>		
<b><u>Category 7</u></b> <i><u>("Relevant Service Providers")</u></i>	<p><u>A Person who, at the time of the application for admission, is a Relevant Service Provider of the Applicant, and the Person acquired the Securities in:</u></p> <p><u>(a) consideration for services, or</u></p> <p><u>(b) circumstances that included subscriptions of securities under a relevant agreement, where the cash subscription amounts were used to pay for the services,</u></p> <p><u>before the Applicant's Securities were admitted to the Official List.</u></p>	<u>All Securities.</u>	<u>2 years from the time the Applicant's Securities are first admitted to trading on a Recognised Investment Exchange.</u>
<b><u>Category 8</u></b> <i><u>("Service Providers")</u></i>	<p><u>A Person who is engaged by the Applicant (or a Related Party) to provide professional services, and the Person acquired the Securities in:</u></p> <p><u>(a) consideration for services, or</u></p> <p><u>(b) circumstances that included subscriptions of securities under a relevant agreement, where the cash subscription amounts were used to pay for the services,</u></p> <p><u>before the Applicant's Securities were admitted to the Official List.</u></p>	<u>All Securities.</u>	<u>2 years from the time the Applicant's Securities are first admitted to trading on a Recognised Investment Exchange.</u>

<p><b>Category 9</b> <i>(“Employee Incentive Schemes”)</i></p>	<p>A Person who acquires Securities under an Employee Share scheme and who is a:</p> <p>(a) <u>Related Party of the Applicant; or</u></p> <p>(b) <u>Relevant Service Provider of the Applicant,</u></p> <p><u>before the Applicant’s Securities were admitted to the Official List.</u></p>	<p>(a) <u>For Shares or Warrants, the number as determined by the Restriction Formula.</u></p> <p>(b) <u>All other Securities.</u></p>	<p><u>2 years from the time the Applicant’s Securities are first admitted to trading on a Recognised Investment Exchange.</u></p>
<p><b>Category 10</b> <i>(“Transferred Restricted Securities”)</i></p>	<p><u>Any Person to whom Restricted Securities are transferred where the Restricted Securities were issued before the Applicant’s Securities were admitted to the Official List.</u></p>	<p><u>All Restricted Securities.</u></p>	<p><u>For the balance of the Restriction Period applying to those Restricted Securities.</u></p>
<p><b>Category 11</b> <i>(“Specific Restricted Securities-related activities”)</i></p>	<p><u>Any Person to whom Securities were issued in the following circumstances:</u></p> <p>(a) <u>In substitution for Restricted Securities on a reorganisation;</u></p> <p>(b) <u>In a bonus issue relating to Restricted Securities;</u></p> <p>(c) <u>Where there is a conversion of Restricted Securities; or</u></p> <p>(d) <u>Where the consideration is payment of any amount outstanding on a partly paid Restricted Security,</u></p>	<p><u>All Restricted Securities.</u></p>	<p><u>For the balance of the Restriction Period applying to those Restricted Securities.</u></p>

	<u>and the Restricted Securities were issued either before or after the Listed Entity's Securities were admitted to the Official List.</u>		
--	--	--	--