

## **The Malaysian Code On Take-overs and Mergers, 1998 (the Code)**

### **Practice Note 1.2**

#### **Application of the Code to private companies**

The Code applies to a take-over of a private company which has either shareholders' funds or a paid-up capital of RM10 million or more based on the latest audited accounts (on a consolidated basis, if applicable), as the case may be, and where the purchase consideration for the voting shares over a period of 12 months before the date of written notice and announcement pursuant to subsection 12(3)(a) and (b) of the Code, is RM 20 million or more.



CAD/PA/PR/2009-30

## **PRESS RELEASE**

*Kuala Lumpur, 17 July 2009*

### **SC disapplies Malaysian Take-overs Code to private companies**

The Securities Commission Malaysia (SC) wishes to announce that Practice Note 1.2 of the Malaysian Code on Take-Overs and Mergers, 1998 (the Code) has been deleted pursuant to a gazette order that came into effect on 16 July 2009. This follows the SC's press release dated 16 March 2009, which was issued after the Government's announcement of specific new measures in the second stimulus package designed to facilitate greater access to the capital market.

With the deletion of this Practice Note, an acquirer who has obtained control in a private company on or after 16 July 2009 will no longer be subjected to the takeover provisions of the Code.

#### **SECURITIES COMMISSION**

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#### **Background information:**

The Securities Commission (SC), a statutory body reporting to the Minister of Finance, was established under the Securities Commission Act 1993. It is the sole regulatory agency for the regulation and development of capital markets. The SC has direct responsibility for supervising and monitoring the activities of market institutions, including the exchanges and clearing houses, and regulating all persons licensed under the Capital Markets & Services Act 2007. More information about the SC is available on its website at [www.sc.com](http://www.sc.com).

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