

## SHAREHOLDER CIRCULAR CHECKLIST

### **Regulation 9, 10 and 11 and the Third and Fourth Schedules of the Capital Markets (Takeovers and Mergers) Regulations, 2002**

**NOTE:** Subject to the independent advice required under Regulation 10 the Board of Directors of the Offeree shall **within fourteen (14) days after the receipt of the take-over offer document** under Regulation 7 issue a circular to the holders of voting shares in the Offeree to which the takeover offer relates, indicating whether or not the Board of Directors of the Offeree recommend to holders of the voting shares the acceptance of the take-over offers made by the Offeror under the takeover scheme.

#### **A. DOCUMENTS IN SUPPORT OF APPLICATION**

Requirement	
1.	Application Letter from applicant
2.	Draft Shareholders' Circular from the Board of Directors of the Offeree
3.	Draft Independent Adviser's Circular

#### **B. BOARD OF DIRECTORS CIRCULAR – DISCLOSURE REQUIREMENTS CHECKLIST**

NO	REQUIREMENT	MET:Y/N N/A	Indicate page and paragraph of Circular where requisite disclosure is made
1	Disclose the number, description and amount of marketable securities in the offeree company held by or on behalf of each director of the offeree company, or in the case where no such securities are held, a statement to that effect;		
2	In respect of each director of the offeree company by whom or on whose behalf shares to which the take-over scheme relates are held; (i) Whether the present intention of the director is to accept any take-over offer that may be made in pursuance of the take-over scheme in respect of the shares; or		
	(ii) whether the director has decided not to accept such a take-over offer		
3	Whether any marketable securities of the offeror company are held by, or on behalf of, any director of the offeree company and, if so, the number, description and amount of the marketable securities so held		

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	<p>tion with the take-over scheme that any payment or other benefit shall be made or be given to any director of the offeree or of any other company related to the offeree as consideration, or in connection with, its retirement from office and if so, particulars of the proposed payment or benefit</p>		
5	<p>Whether there is any other agreement or arrangement made between the director or the offeree and any other person in connection with or conditional upon the outcome of the take-over scheme and if so the particulars of such agreement or arrangement</p>		
6	<p>Whether a director of the offeree has an direct or indirect interest in any contract entered into by the offeror and if so, the particulars of the nature and extent of such interest</p>		
7	<p>Whether there has been any material change in the financial position of the offeree since the date of the last balance sheet laid before the company in general meeting, and if so, the particulars of such change</p>		

## CIRCULAR - DISCLOSURE REQUIREMENTS CHECKLIST

**NOTE:**

1. Pursuant to Regulation 10 of the Regulations, the Board of Directors shall appoint an independent adviser on receipt of the offeror statement in relation to a take-over offer. The substance of the independent adviser's advice must be made known to the holders of the class of the voting shares to which the take-over offer relates, in a circular by the offeree to its shareholders.
  
2. Please ensure that the requirements for the appointment of and disclosure requirements by an independent adviser as provided under Regulation 10 and 11 are complied with.

No.	REQUIREMENT	Y/N,N/A	Indicate page and paragraph of Circular where requisite disclosure is made
1	An independent adviser's circular whether recommending acceptance or rejection of the take-over offer, must contain comments and advice on the;  (a) offeror's stated intentions regarding the continuation of the business of the offeree		
	(b) offeror's stated intentions regarding any major changes to be introduced in the business, including any plans to liquidate the offeree, sell its assets, re-deploy its fixed assets or make any other major change in the structure of the offeree		
	(c) Offeror's stated long term commercial justification for the proposed take-over offer.		
	(d) offeror's stated intentions with regard to the continued employment of the employees of the offeree and of its subsidiaries;		
	(e) Reasonableness of the take-over offer, including the reasonableness and accuracy of profit forecasts for the offeree, if any, contained in the offer document.		
2	The independent adviser's circular shall, in so far as is reasonable, contain comments on the:-		
	(a) outlook, for the next twelve months, of the industry in		

	ore or major business		
	(c) prospects, for the next twelve months, of the offeree in terms of financial performance as well as positioning in the industry including competitive advantage, threats and opportunities		
3	The independent adviser's circular shall also state (a) whether the offeree holds directly or indirectly, any voting shares or convertible securities in the offeror and if so, the number and percentage holding of such voting shares and convertible securities		
	(b) whether the directors of the offeree hold, directly or indirectly any voting shares or convertible securities in the offeror or the offeree and if so, the number and percentage holding of such voting shares and convertible securities so held		
	(c) Whether the directors of the offeree intend, in respect of their own beneficial holdings to accept or reject the take-over offer		
4	A statement as to whether directors of the offeree hold, directly or indirectly any voting shares or convertible securities in the offeror or the offeree.		
5	A statement from the directors of the offeree stating any other interest held by them in the offeror and in the offeree.		
6	Where any party whose holdings are required to be disclosed pursuant to the Act has dealt in the voting shares in question during the period commencing six months prior to the beginning of the offer period and ending with the latest practicable date prior to the sending of the offer document, the details, including the number of shares, dates and prices, must be stated and where such deals have been made, this fact should be so stated		
7	Particulars of all service contracts of any director or proposed director with the offeree or any of its subsidiaries (unless expiring or determinable by the employing company without payment of compensation within twelve months from the date of the offer document) and where there are no such contracts, this fact shall be so stated.		



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	ed to in paragraph 7 have been entered into or amended within six months from the date of the document, particulars of the contracts of service or amendments shall be given and where there have need not new service contracts or amendments this fact shall be so stated.	