

## CHAPTER 3

### Conditions for Admissibility

This Chapter specifies rules relating to the Conditions for suitability for admissibility to Listing of a security, and the MFSA's scope of discretion.

### *General*

- 3.1 This Chapter applies to all Applicants seeking Admissibility to Listing for admission unless otherwise specified in this Chapter.
- 3.2 Suitability for listing depends on many factors. Applicants and their Sponsors should appreciate that compliance with the relevant requirements laid down in these Capital Markets Rules may not of itself ensure the Admissibility to Listing of an Applicant's Securities.
- 3.3 In addition, the MFSA may make Admissibility subject to any special condition which it considers appropriate in the interests of investors. The Issuer will be expressly informed in any such case and must comply with such condition(s) at all times.
- 3.4 Issuers must continue to satisfy the conditions for listing contained in this Chapter throughout the whole period in which any of their securities are Admitted to Listing on a Regulated Market in Malta.

### *Conditions for listing for all Securities*

#### *Incorporation*

- 3.5 An Applicant (other than a Public Sector Issuer) must be:
  - 3.5.1 duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment; and
  - 3.5.2 operating in conformity with its Memorandum and Articles of Association or equivalent constitutional document.
- 3.6 The Memorandum and Articles of Association are required to conform with the provisions set out in Appendix 5.2 of these Capital Markets Rules. Only in exceptional circumstances will the MFSA grant exemption from compliance with any of the provisions of the said Appendix.

#### *Validity*

- 3.7 The Securities for which authorisation for Admissibility to Listing is sought must:
  - 3.7.1 be issued to conform with the law of the Applicant's place of incorporation;
  - 3.7.2 be duly authorised according to the requirements of the Applicant's Memorandum and Articles of Association or equivalent constitutional document; and
  - 3.7.3 be duly authorised by all necessary statutory and other authorisations for the creation and issue of such Securities in terms of any applicable system of law.

#### *Transferability*

- 3.8 The Securities for which authorisation for Admissibility to listing is sought must be freely transferable.
- 3.9 The MFSA may treat Securities which are not fully paid up as freely transferable if arrangements have been made to ensure that the transferability of such Securities is not restricted and that dealing is made open and proper by providing the public with all appropriate information.
- 3.10 The MFSA may, in the case of the authorisation for Admissibility to Listing of Securities which may be acquired only subject to approval, derogate from Capital Markets Rule 3.8 only if the applicable approval procedure does not, in the opinion of the MFSA, disturb the market.

### *Market Capitalisation*

- 3.11 Except where Equity Securities of the same Class have already been Admitted to Listing, the expected aggregate Market Value of all Equity Securities not being Preference Shares, which are the subject of the application for Admissibility must be at least one million euro (€1,000,000). If such Market Value cannot be assessed, the Applicant's capital and reserves, including profit or loss, from the last financial year, must be at least one million euro (€1,000,000).
- 3.12 Except in the case of a Tap Issues where the amount of the Debt Securities is not fixed., an Applicant applying for authorisation for Admissibility to Listing of Preference Shares or Debt Securities shall offer at least one million euros (€1,000,000) of issued Preference Shares or Debt Securities (as appropriate) of the Class to be authorised as Admissible to Listing.
- 3.13 Notwithstanding Capital Markets Rules 3.11 and 3.12, the MFSA may admit Securities of a lower value if it is satisfied that there will be an adequate market for the Securities concerned.

### *Continuity of Dealing*

- 3.14 The Securities for which Admissibility is sought must be expected to enjoy adequate continuity of dealing.

### *Whole Class to be listed*

- 3.15 Where an application for authorisation for Admissibility to Listing is made in respect of any particular Class of Security:
- 3.15.1 if none of the Securities of that Class are already authorised as Admissible to Listing, the application must relate to all Securities of that Class, issued or proposed to be issued; and
- 3.15.2 if some of the Securities of that Class are already authorised as Admissible to Listing, the application must relate to all further Securities of that Class issued or proposed to be issued.
- 3.15.3 Authorisation for Admissibility to Listing must be sought for all further issues of a Class of Securities already authorised for Admissibility to Listing by not later than one (1) month after allotment.

### *Issued share capital.*

- 3.16 In the case of an application for the Admissibility to Listing of Shares, the Applicant must have fully paid-up capital of at least one million euro (€1,000,000) including preference shares other than redeemable preference shares.
- 3.17 In the case of an application for the Admissibility to Listing of Debt Securities, the Applicant must have fully paid-up capital of at least two hundred and fifty thousand euro (€250,000).

## *Conditions for Listing – Equity Securities*

### *Accounts*

- 3.18 An Applicant must have published or filed audited Annual Accounts which:
- 3.18.1 cover at least three financial years preceding the application for Admissibility to Listing and the last year of audited information may not be older than 18 months from the date of the registration document;
  - 3.18.2 are Consolidated Accounts in respect of the Applicant and all its Subsidiary Undertakings, unless the MFSA otherwise agrees; and
  - 3.18.3 contain no qualification in the audit reports or where that was not the case, the nature of such qualifications or uncertainties is disclosed, together with such explanations by the Directors of the Applicant as appear relevant.
- 3.19 The Applicant must have shareholders' funds less intangible assets of at least six hundred thousand euro (€600,000).

### *Nature and duration of business activities*

- 3.20 An Applicant, either by itself or through one or more of its subsidiary undertakings or affiliates must demonstrate that:
- 3.20.1 at least 75% of its business is supported by a historical revenue earning record which covers the period for which Annual Accounts are required under Capital Markets Rule 3.18.1;
  - 3.20.2 it controls the majority of its assets and has done so for at least the period referred to in Capital Markets Rule 3.18.1; and
  - 3.20.3 it will be carrying on an independent business as its main activity.
- 3.21 In determining what amounts to 75% of the Applicant's business for the purposes of Capital Markets Rule 3.20.1, factors such as the assets, profitability and market capitalisation of the business will be taken into account.
- 3.22 If an Applicant's business has been in existence for the period referred to in Capital Markets Rule 3.18.1 but part or all of its business has one or more of the following characteristics it may not satisfy that rule:
- 3.22.1 a business strategy that places significant emphasis on the development or marketing of products or services which have not formed a significant part of the Applicant's historic revenue earning record;
  - 3.22.2 the value of the business on Admission to Listing will be determined, to a significant degree, by reference to future developments rather than past performance;
  - 3.22.3 the relationship between the value of the business and its revenue or profit earning record is significantly different from those of similar companies in the same sector;
  - 3.22.4 there is no record of consistent revenue, cash flow or profit growth throughout the historic revenue earning record;
  - 3.22.5 the business of the Applicant has undergone a significant change in its scale of operations during the period of the historic revenue earning record; or
  - 3.22.6 it has significant levels of research and development expenditure or significant levels of capital expenditure.

- 3.23 The MFSA may modify or dispense with Capital Markets Rules 3.18.1 or 3.20 if it is satisfied that it is desirable in the interests of the Applicant or of investors and that investors have the necessary information available to arrive at an informed judgment about the Applicant and the Securities for which Admissibility to Listing is sought.
- 3.24 Before modifying or dispensing with Capital Markets Rule 3.20, the MFSA must be satisfied that there is an overriding reason for the Applicant seeking a listing on a Regulated Market in Malta (rather than seeking admission to a market more suited to companies without a historic revenue earning record).
- 3.25 For the purposes of Capital Markets Rule 3.24, the MFSA will take into account factors such as whether the Applicant:
- 3.25.1 is attracting significant funds from sophisticated investors;
  - 3.25.2 is undertaking a significant marketing of Securities in connection with the application for Admissibility to Listing and has demonstrated that having listed status is a significant factor in the ability to raise funds; and
  - 3.25.3 has demonstrated that it will have a significant market capitalisation on Admissibility to Listing.

*Shares in Public Hands*

- 3.26 The Applicant shall, together with its application for admissibility to listing, demonstrate to the satisfaction of the MFSA that:
- 3.26.1 at least twenty-five percent (25%) of the Class of Shares in respect of which application is made are in the hands of the public in one or more Recognised Jurisdictions; or
  - 3.26.2 at least twenty-five percent (25%) of the Class of Shares in respect of which application is made shall be in the hands of the public in one or more Recognised Jurisdictions.

Exceptionally, a lower percentage may be accepted by the MFSA where the number of Shares of the same Class and the extent of their distribution to the public would enable the market to operate properly with a lower percentage.

- 3.27 Shares are not considered to be held in public hands if they are held, directly or indirectly by:
- 3.27.1 a Director of the Applicant or any of its Subsidiary Undertakings;
  - 3.27.2 a person connected with a Director of the Applicant or of any of its Subsidiary Undertakings;
  - 3.27.3 the trustees of any employees' share scheme or pension fund established for the benefit of any Directors and employees of the Applicant and its Subsidiary Undertakings;
  - 3.27.4 any person who under any agreement has a right to nominate a person to the Board of Directors of the Applicant; or
  - 3.27.5 a Substantial Shareholder.
- 3.28 Where Admissibility to Listing is sought for a further block of shares of the same class, the MFSA may assess whether a sufficient number of shares has been distributed to the public in relation to all the shares issued and not only in relation to this further block.

- 3.29 An Issuer must inform the MFSA in writing without delay if it becomes aware that the proportion of any Class of Equity Shares authorised as Admissible to Listing in the hands of the public has fallen below twenty-five percent (25%) of the total issued Share capital of that Class or, where applicable, such lower percentage as the MFSA may have agreed.

*Shares of a non-EU or EEA company.*

- 3.30 The MFSA will not grant authorisation for Admissibility to Listing to Shares of a company incorporated in a non-EU Member State or EEA State that are not listed either in the company's country of incorporation or in the country in which the majority of its shares are held, unless the MFSA is satisfied that the absence of a listing is not due to the need to protect investors.

*Settlement*

- 3.31 Where an application for authorisation for Admissibility to Listing in respect of Shares or a new Class of Securities is made by a Company incorporated in Malta, the Shares or Securities forming the subject of the application must (save where the MFSA in exceptional circumstances otherwise agrees) be eligible for electronic settlement.

*Management*

- 3.32 The Directors and senior management of an Applicant that is a Company must collectively demonstrate appropriate expertise and experience for the management of the Group's businesses.
- 3.33 An Applicant which is a Company must ensure that each of its Directors is free of conflicts between duties to the Applicant and private interests and other duties, unless the Applicant can demonstrate that arrangements are in place to avoid detriment to its interests. Where there are potential conflicts the MFSA must be consulted at an early stage.

Provided that no person may act as a Director of an issuer of a listed security if the person concerned is already acting as a director, partner or employee and is authorised to provide investment advice and/or portfolio management in terms of Part B of the Investment Services Rules for Investment Services Providers in an entity licenced in terms of the Investments Services Act.

*Substantial Shareholder*

- 3.34 Where an Applicant has a relationship with a Substantial Shareholder which could result in a conflict of interest between its obligations towards that shareholder and its duties to the general body of shareholders, the MFSA may render the Applicant subject to conditions in the interest of the general body of shareholders of the Applicant.

*Participation of Directors in an Issue*

- 3.35 Except in a case of a rights issue, no Director of an Issuer or his Connected Persons may participate directly or indirectly in an issue of Equity Securities or other Securities with rights of conversion to Equity Securities unless the Issuer's shareholders in general meeting have approved the specific allotment to be made. The notice convening the meeting shall state:
- 3.35.1 the number of Securities to be allotted;
  - 3.35.2 the precise terms and conditions of the issue; and
  - 3.35.3 that such Directors and their Connected Persons shall abstain from exercising any voting rights at the meeting.

## *Conditions for Listing – other Securities*

### *Warrants or Options to Subscribe, Convertible Securities, Certificates Representing Shares*

- 3.36 In the absence of exceptional circumstances, the issue of options or warrants to subscribe for Shares must be limited to an amount equal to ten percent (10%) of the issued share capital of the Issuer at the time the warrants or options are issued. Rights under employee share schemes will not be included for the purposes of this limit.
- 3.37 The conditions for Admissibility of options or warrants to subscribe for Securities (not being options or warrants accompanied by other Securities) are the same as would apply if the subject of the application for Admissibility had been the Securities to be subscribed unless the MFSA otherwise agrees.
- 3.38 Where an application for Admissibility is made for options or warrants to subscribe, the terms of issue must be such that the unit of dealing, where traded separately, is an option or warrant to subscribe for one Share. Where the terms of the subscription rights change (e.g. on a capitalisation issue) the Issuer must ensure that the quotation on any Recognised List continues to be based on the right to subscribe for one (1) Share.

### *Convertible Securities*

- 3.39 Securities convertible or exchangeable into another Class of Securities or options or warrants to subscribe or purchase such other Class, may become authorised as Admissible to Listing only if that other Class of Securities is or will become at the same time a Class of Securities authorised as Admissible to Listing. However, the MFSA may grant an application for Admissibility in respect of such Securities, options or warrants in other circumstances if they are satisfied that holders have the necessary information available to form an opinion concerning the value of the underlying Securities to which such Securities, options or warrants relate.

### *Certificates Representing Shares*

- 3.40 Where application for Admissibility is made in relation to Certificates Representing Shares, the Issuer of the Shares is the Issuer for the purposes of the Capital Markets Rules, and the application will be dealt with as if it were an application for Admissibility of Shares.

### *The Issuer of the Certificates and the Certificates*

- 3.41 The Issuer of the Certificates must fulfil the requirements of Capital Markets Rule 3.5.
- 3.42 The Issuer of the Certificates must be a suitably authorised and regulated Financial Institution acceptable to the MFSA.
- 3.43 The Issuer of the Certificates must hold for the sole benefit of the Certificate holders and on their behalf (or under equivalent arrangements) the Shares to which the Certificates relate, all rights pertaining to the Shares and all money and benefits that it may receive in respect of them, subject only to payment of the remuneration and proper expenses of the Issuer of the Certificates. Neither the Shares nor any such rights, money or benefits may be or may be liable to be treated as assets of the Issuer of the Certificates under the law (including insolvency law) of the place of its incorporation, place of incorporation of the Issuer of the Shares, place of issue of the Certificates or the place of administration of the arrangement under which the Shares are held.
- 3.44 To be authorised for Admissibility to Listing, the Certificates must fulfil the conditions set out in Capital Markets Rules 3.7 to 3.17 and 3.26 to 3.29. For this purpose, in those Capital Markets Rules, references to Shares should be taken as references to Certificates in respect of which application for authorisation for Admissibility to Listing is made.

- 3.45 The Certificates shall not impose obligations on their Issuer other than to the extent necessary for the protection of Certificate-holders' rights to, and the transmission of entitlements of, the Shares.
- 3.46 In the case of Certificates Representing Shares, the Issuer of the Shares shall be subject to the continuing obligations set out in Chapter 5.
- 3.47 In addition, any change of the Issuer of the Certificates shall be submitted to the MFSA. The newly appointed Issuer of Certificates shall satisfy the applicable conditions for Admissibility set out in this Chapter.

*Application for Admissibility to Listing*

- 3.48 The MFSA may refuse an application for Admissibility to Listing:
- 3.48.1 if in its reasoned opinion, it considers that the Applicant's situation is such that admission of the Securities would be detrimental to the interests of investors;
- 3.48.2 for Securities already listed in another Member State or EEA State, if the applicant has failed to comply with the obligations to which it is subject by virtue of that listing; or
- 3.48.3 if it considers that the Applicant does not comply or has not complied with the requirements of the Capital Markets Rules or with any special condition imposed upon the applicant by the MFSA under Capital Markets Rule 3.3.

*Approaching the market for the listing of Securities*

- 3.49 This part and Appendix 3.1 shall apply to:
- 3.49.1 Companies having Securities already admitted to a Regulated Market; and
- 3.49.2 Companies not having Securities admitted to listing on a Regulated Market but an application has been made to the MFSA for Admissibility to Listing of those securities.
- 3.50 The Companies referred to in Capital Markets Rule 3.49 may approach the market by any one or a combination of the following methods:
- 3.50.1 an offer for sale or subscription (paragraph 1 of Appendix 3.1);
- 3.50.2 an intermediaries offer (paragraph 2 of Appendix 3.1)
- 3.50.3 a rights issue (paragraph 3 of Appendix 3.1);
- 3.50.4 a placing of rights (paragraph 4 of Appendix 3.1)
- 3.50.5 an open offer (paragraph 5 of Appendix 3.1);
- 3.50.6 a vendor consideration placing (paragraph 6 of Appendix 3.1);
- 3.50.7 a capitalisation or bonus issue (paragraph 7 of Appendix 3.1);
- 3.50.8 an issue for cash and other methods (paragraph 8 of Appendix 3.1);
- 3.50.9 such other method as may be accepted by the MFSA either generally or in any particular case.
- 3.51 The provisions of Appendix 3.1 shall form an integral part of the Capital Markets Rules.



## Appendix 3.1

### Methods of approaching the market for the listing of Securities

1. *Offer for Sale or Subscription*
  - 1.1 An offer for sale is an invitation to the public by, or on behalf of, a third party to purchase Securities of the Issuer already in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
  - 1.2 An offer for subscription is an invitation to the public by, or on behalf of, an Issuer to subscribe for Securities of the Issuer not yet in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
  - 1.3 In an offer for sale or subscription the Issuer shall ensure that:
    - 1.3.1 letters of allotment or acceptance are all issued simultaneously;
    - 1.3.2 letters of regret must be dispatched with the letters of allotment or acceptance; and
    - 1.3.3 where the Securities may be held in uncertificated form, the Issuer must ensure that there is equality of treatment between those who elect to hold the Securities in certificated form and those who elect to hold them in uncertificated form.
2. *An Intermediaries Offer*
  - 2.1 An intermediaries offer is a marketing of Securities already or not yet in issue, by means of an offer by, or on behalf of, the Issuer to intermediaries for them to allocate to their own clients.
  - 2.2 For an intermediaries offer the MFSA may require a list of the names of the intermediaries to whom Securities were allocated and of the names and addresses of the clients of each intermediary to whom Securities were in turn allocated.
3. *Rights Issue*
  - 3.1 A rights issue is an offer to existing holders of Securities to subscribe or purchase further Securities in proportion to their holdings made by means of the issue of a renounceable letter (or other negotiable document) which may be traded (as “nil paid” rights) for a period before payment for the Securities is due.
  - 3.2 The MFSA will not authorise any rights issue in which the rights cannot be transferred in part or in whole in favour of a third party at the option of the entitled shareholder.
  - 3.3 An Issuer intending to make a rights issue whether for cash or by way of bonus should promptly notify the MFSA accordingly. Intention for these purposes shall be evidenced by a decision of the board of Directors of the Issuer or equivalent governing body of the Issuer. In addition, the following must be notified to the MFSA without delay:
    - 3.3.1 the issue price and principal terms of the issue;
    - 3.3.2 the results of the issue and, if any rights not taken up are sold, details of the sale, including the date and price per share; and
    - 3.3.3 if relevant, the number or amount of any Securities issued pursuant to any excess applications together with the basis of any acceptance of those applications.
  - 3.4 In a rights issue the MFSA may grant authorisation for Admissibility to Listing for Securities at the same time as the Securities are authorised as Admissible in “nil paid” form.

Upon the Securities being paid up and the allotment becoming unconditional in all respects, authorisation for Admissibility to Listing will continue without any need for further application for Admissibility of fully paid Securities.

- 3.5 If existing holders do not take up their rights to subscribe in a rights issue, the Issuer must ensure that the Securities to which the offer relates are offered for subscription or purchase on a Regulated Market on terms that any premium obtained over the subscription or purchase price (net of expenses) is to be for the account of such holders, save that if the premium for an existing holder does not exceed five euros (€ 5), the premium may be retained for the Issuer's benefit.
- 3.6 Where the offer is undersubscribed or not all the securities are purchased on a Regulated Market, the Securities may be allotted or sold to underwriters, if on the expiry of the subscription period no premium (net of expenses) has been obtained.
- 3.7 A Director of the Issuer will not, save in exceptional circumstances and with the prior authorisation of the MFSA, be permitted to subscribe for or purchase excess Securities without those Securities being offered to other existing holders on the same terms.
- 3.8 In the case of an application for authorisation for Admissibility to Listing for Securities offered by way of rights to holders of a Security already authorised as Admissible to Listing, the Prospectus shall comply the relevant requirements set out in Chapter 5.
- 3.9 No date should be fixed for closing of the offer until the issue has been authorised by the MFSA. An Issuer shall ensure that the offer relating to a rights issue remains open for acceptance for at least fourteen days.

#### 4. *Placing of Rights*

- 4.1 In a placing of rights arising from the issue before the official start of dealings, the following conditions must be satisfied:
- 4.1.1 the placing must relate to at least twenty five percent (25%) of the maximum number of Securities offered, or such lesser amount as may be agreed by the MFSA if it is satisfied that a requirement of at least twenty five percent (25%) would be detrimental to the success of the issue;
- 4.1.2 the placees must be committed to take up whatever is placed with them;
- 4.1.3 the price paid by the placees must not exceed the price at which the Securities the subject of the rights issue are offered by more than one half ( $\frac{1}{2}$ ) of the calculated premium over that offer price (that premium being the difference between the offer price and the theoretical ex-rights price);
- 4.1.4 the Securities the subject of the rights issue must be of the same Class as Securities already listed;
- 4.1.5 there must be no minimum holding of Securities before which a shareholder may participate in the rights issue;
- 4.1.6 the Issuer may not, once the basis of entitlements under the rights issue is declared, make any subsequent alterations to such entitlements.

5. *Open Offer*

5.1 An open offer is an invitation to existing holders of Securities to subscribe or purchase Securities in proportion to their holdings, which is not made by means of a renounceable letter (or other negotiable document).

5.2 The following rules apply to an open offer:

5.2.1 it must be made using assignable or transferable application forms, with splitting facilities;

5.2.2 it may be made in conjunction with other methods of issue (for example, a conditional placing); and

5.2.3 a Director of the Issuer will not, save in exceptional circumstances and with the prior authorisation of the MFSA, be permitted to subscribe for or purchase excess Securities without those Securities being offered to other existing holders on the same terms.

5.3 The following requirements relate to the communication of information on an open offer:

5.3.1 if the offer is subject to the approval of shareholders in general meeting the notification must state that this is the case;

5.3.2 the Circular dealing with the offer must not contain any statement which might be taken to imply that the offer gives the same entitlements as a rights issue; and

5.3.3 the Prospectus must comply with the relevant requirements set out in Chapter 5.

5.4 The timetable for an open offer shall be approved by the Regulated Market on which the Issuer's Securities are listed and traded.

6. *Vendor Consideration Placing*

6.1 A vendor consideration placing is an offer, by or on behalf of vendors, of Securities that have been allotted as consideration for an acquisition.

6.2 In a vendor consideration placing, all vendors must have an equal opportunity of participating in the placing.

7. *Capitalisation/Bonus Issue*

7.1 A capitalisation issue (or bonus issue) in lieu of dividend or otherwise is an issue to existing holders of Securities, in proportion to their holdings, of further Shares credited as fully paid out of the Issuer's reserves.

7.2 Where, in a capitalisation issue (other than one in lieu of dividend) a shareholder's entitlement includes a fraction of a Security, the Issuer must ensure that the fraction is sold for the benefit of the holder except that if its value (net of expenses) does not exceed five euros (€ 5) it may be sold for the Issuer's benefit. Sales of fractions may be made before authorisation for Admissibility to Listing is granted.

7.3 Where the Securities for which authorisation for Admissibility to Listing is sought are allotted by way of capitalisation of reserves or undistributed profits to the holders of a Security already authorised as Admissible to Listing, the Circular must comply with the relevant requirements set out in Chapter 11.

8. *Issue for Cash and other Methods*

8.1 Issues for cash of Equity Securities must be offered in the first place to the existing holders of Equity Securities in proportion to their holdings in accordance with Article 88(1) of the CA unless the right of pre-emption has been restricted or withdrawn in accordance with the provisions of articles 88 (5) and (7) of the CA. Holders of other Equity Securities must be permitted to participate if the rights attached thereto so require.

8.2 Where such an issue is to persons who are specifically approved by shareholders, it will not be regarded as a placing if the subscribers are small in number and are named in the Circular or notice convening the general meeting.

8.3 Securities of a Class already authorised as Admissible to Listing may be granted authorisation for Admissibility to Listing if they arise from an issue for cash, an exchange for, or a conversion of Securities from another Class of Securities or an exercise of options or warrants to subscribe Securities (including options under an employee share scheme).

9. *Discounts not to exceed 10%*

9.1 If an Issuer makes an open offer, placing, vendor consideration placing, or an offer for subscription of Equity Securities, the price shall not be at a discount of more than 10% to the middle market price or similar of those Securities at the time of announcing the terms of the offer or at the time of agreeing the placing (as the case may be) unless the MFSA satisfied that the Issuer is in severe financial difficulties or that there are other exceptional circumstances. A pricing statement shall be completed in accordance with Appendix 3.2.

9.2 Paragraph 9.1 shall not apply to an offer or placing at a discount of more than 10% if:

9.2.1 the terms of the offer or placing at that discount have been specifically approved by the Issuer's shareholders; or

9.2.2 it is an issue of Equity Securities for cash under a pre-existing general authority to disapply article 88(1) of the CA.

Appendix 3.2

Pricing Statement

Placing of Equity Securities of a Class already authorised as Admissible to Listing

1. Name of Issuer \_\_\_\_\_

2. Description of Security \_\_\_\_\_

3. Sponsor \_\_\_\_\_

4. Date when Placing arranged \_\_\_\_\_

5. Placing Price \_\_\_\_\_

6. Middle Market Price on the date  
when placing arranged \_\_\_\_\_

7. Placing Price/Middle Market Price \_\_\_\_\_

Signature of Company Secretary or  
duly authorised officer. \_\_\_\_\_

Countersigned by Sponsor \_\_\_\_\_

Date: \_\_\_\_\_