Quick Reference Guide

to the Simplified JSE Listings Requirements

An Indispensable Tool

Merchantec capital

2026

Let me speak to my handsome Plywood 2023 by Collen Maswanganyi

PREFACE

Dear Reader

New here? Start here **A Regular Reader? Welcome back!**

We are once again really proud to present the Merchantec Capital Quick Reference Guide to the JSE Listings Requirements.

The backstory

Since its introduction way back in 2004, years before South Africa hosted the 2010 FIFA World Cup and AI moved from niche to normal, our Guide has been an indispensable tool for directors and officers of JSE listed companies. It has specifically been compiled to assist its readers by giving them access, in abbreviated format, to the most essential aspects of the JSE Listings Requirements for day-to-day compliance.

We've made this easy

The annotations set out in the right hand column of each page of our Guide allow you to easily navigate the relevant sections of the JSE Listings Requirements.

What's new

We've updated this edition of our Guide in accordance with the JSE's recently launched Simplified Listings Requirements, effective 16 February 2026.

Making sense of it all

As part of its efforts to create an enabling listing environment, the JSE commenced a project in 2023 to simplify its Listings Requirements, the aim of which was to allow for a better understanding and application by Issuers, Sponsors and the investor community, by using plain language to record concise regulatory objectives, removing ambiguity and duplication, and reducing complexity and the volume of its Listings Requirements.

Our Guide – Designed with you in mind

We hope that you find our Guide to be helpful in navigating the Simplified Listings Requirements and a useful tool for an easier understanding of the regulatory framework within which listed companies operate.

Don't forget debt

In late 2024 the Debt & Specialist Securities Listings Requirements (DSS Requirements) replaced the previous Debt Listings framework to align with global best practice, enhance investor protection and disclosure while ensuring South Africa's capital markets remain accessible and attractive.

This reimagined framework is more than a regulatory update — it's an opportunity to turn debt into a strategic financing tool. Refer to page 46 of our Guide for 7 reasons to list debt.

Tell us what you think

We'd love to have your feedback on our Guide, so please drop us an email. Alternatively, feel free to contact any one of our approved executives for further guidance on the Listings Requirements (equity or debt) or if your corporate activity requires an independent advisor, transactional Sponsor or if you simply want to say hello.

Warm regards

The Merchantec Capital Sponsor Team

Merchantec capital

Legend

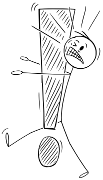
AFS	Annual Financial Statements
AGM	Annual General Meeting
AltX	Alternative Exchange, a segment of the List
BEE Act	the Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
Companies Act	the Companies Act, 2008 (Act 71 of 2008), as amended
Control	≥35% board or voting control*
DA	Designated Adviser
FMA	the Financial Markets Act, 2012 (Act 19 of 2012), as amended
General Segment	the segment which affords Issuers with a Main Board primary listing with different application of certain provisions of the LRs
General Segment Issuers	Issuers with a primary listing on the JSE who have applied to the JSE and been granted a listing on the General Segment
GM	General Meeting
Income Tax Act	the Income Tax Act,1962 (Act 58 of 1962), as amended
IPE	Independent Professional Expert
Issuer	a JSE listed company
JSE	JSE Limited
King Code	the King Code on Corporate Governance for South Africa, as amended
List	the list maintained by the JSE of securities admitted to listing
LR	the JSE Listings Requirements, as amended, including Schedules and Practice Notes
Main Board	all securities listed on the Main Board of the List, classified as either in the Prime Segment or the General Segment
MOI	Memorandum of Incorporation
PLS	listing particulars prepared in terms of the LRs, which can also be a prospectus
Prime Segment	the default classification for all Main Board Issuers
Regulations	the Companies Regulations 2011, as amended
REIT	Real Estate Investment Trust
RLP	revised PLS prepared in terms of the LRs complying with the provisions of a PLS
SENS	the Stock Exchange News Service
SPAC	Special Purpose Acquisition Company

**As defined in the Takeover Regulations, established in terms of section 120 of the Companies Act.*

CONTENTS

References applicable to the AltX are indicated in orange.

LR	LR paragraph reference
Note to announcements	
All LR paragraph references relating to SENS announcements should be read with Appendix 1 to Section 6 of the LR. In terms of paragraph 6.4 of the LR, announcements must be approved by the Issuer's Sponsor/DA prior to release.	
However, in terms of paragraph 4.10(a) of the LR, announcements which contain a corporate action timetable must be approved by the JSE prior to release.	
1. PRICE SENSITIVE INFORMATION*	*Definitions
Circumstance:	
Where specific/precise unpublished information exists, which if it were made public, would have a material effect on the price of an Issuer's securities.	6.19
Action required:	
Release an announcement providing details relating, directly/indirectly, to the Issuer which constitute price sensitive information*, on SENS and publish in the press (AltX: only on SENS).	6.19, *Definitions
Exception:	
Trading statements or where such information is kept confidential for a limited period of time.	6.19
Board policy (JSE recommendation):	
Issuers are advised to have a policy in place to assist directors in assessing whether any details, directly or indirectly, relating to the Issuer constitute price sensitive information*. Issuers should apply the provisions of JSE Practice Note 2/2015 and consider the application of the JSE Guidance Letter – Cautionary Announcements dated 23 October 2015.	*Definitions
2. CONFIDENTIALITY	6.20
Circumstance:	
Information requiring an announcement, including price sensitive information*, must not be disclosed to any third party until announced on SENS.	*Definitions, 6.3



Notes:

An Issuer that deems it necessary to disclose inside information in terms of section 78(4)(b) of the FMA prior to releasing same on SENS, must, if it suspects that the confidentiality of such information cannot be maintained, immediately notify the JSE and announce the information on SENS. 6.21

An Issuer intending to disclose inside information at any meeting/forum must release same on SENS before or at the same time as the meeting/forum. If such information is inadvertently disclosed during the meeting/forum prior to it being announced, the Issuer must immediately notify the JSE and announce the information on SENS. 6.22

3. CAUTIONARY ANNOUNCEMENTS 6.23 – 6.25

Circumstance: 6.23

Immediately after an Issuer knows of any price sensitive information and the confidentiality cannot be maintained or if the Issuer suspects that confidentiality has been breached. Issuers should apply the provisions of JSE Practice Note 2/2015.

Action required:

Release a cautionary announcement on SENS and publish in the press (AltX: only on SENS).

Cautionary renewal period: 6.25

Every **30** business days (unless there has been a full announcement or a withdrawal).

4. TRADING STATEMENTS 6.26 – 6.33

Circumstance:

- When an Issuer is reasonably certain that the financial results for the period to be reported on next will differ by **≥20%**[y] from either the published financial results of the previous corresponding period or from a profit forecast previously published in relation to such period.
- Financial results[z] are HEPS and EPS, and only if more relevant, net asset value per share. 6.27

*Blue superscript **y** and **z** above refer to trading statements for property entities continued on page 6.*

Property entities: 6.28

[y] ≥**15%** if a property entity has elected to adopt distribution per listed security as their relevant measure of financial results.

[z] if elected by property entities, financial results can include distribution per listed security.

Action required: 6.30

Announce on SENS (not in the press) and include comparative numbers for the previous corresponding published period using either:

(a) a specific percentage and number to describe the differences; or
(b) a range, not exceeding **20%**, and numbers to describe the differences; or
(c) the minimum actual percentage and number difference, together with relevant information that the Issuer has available at the time, only in instances where the Issuer does not have reasonable certainty to provide guidance in accordance with (a) or (b) above. Once the Issuer obtains reasonable certainty it must provide the guidance referred to in (a) or (b) above.

Exception:

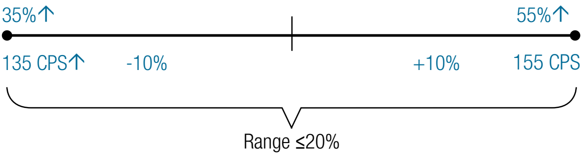
- The specific percentage referred to in (a) to (c) above need not be provided if ≥**100%**.
- If the range required by (b) above translates into a very small number, the JSE can be consulted for a ruling to permit a wider range.

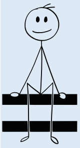
Common practice:

- Use the new results as the midpoint of the range.

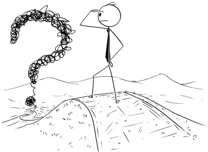
Illustration:

Anticipated financial results e.g. a 45% increase in EPS and HEPS from 100 cents per share to 145 cents per share would result in a range of between 135 cents per share and 155 cents per share, reflecting an increase of between 35% and 55%.





	LR paragraph reference
Note:	
Trading statements must include a statement that the financial information has not been reviewed or reported on by the Issuer's auditors or will require sign off by an auditor.	6.32 read with 11.25
5. PROFIT FORECASTS AND ESTIMATES	11.19 – 11.28
Circumstance:	
• Any statement/information pertaining to forecasts or estimates of profits/losses, cash flows or net asset values (collectively defined as "profit/losses") relating to the prospects of an Issuer/entity that is/will become a material part of the Issuer's group.	11.19 & 11.20
• A profit forecast is a form of words which:	11.21
(a) indicates a minimum/maximum figure for the likely level of profits/losses for the current financial period and/or future periods; or	11.21(a)
(b) states a number, percentage or range for the likely level of profits/losses for the current financial period and/or future periods, or contains data from which a calculation may be made.	11.21(b)
A profit estimate relates to a financial period ended for which no financial information has yet been published.	11.22
Exception:	
Future targets/objectives will not be deemed to be a profit forecast/estimate provided they do not relate to the current/next reporting period.	11.23
Notes:	
• A profit forecast or estimate, *inter alia*, is the responsibility of the directors and this fact must be stated, must be prepared in terms of IFRS, refer to the relevant line items in previously published financial statements, be to the end of the financial period/for a period for which the results will be published, compiled using accounting policies applied by the Issuer and, only in the case of a profit forecast, include material assumptions.	11.26 & 11.27
• A dividend forecast must be treated as a profit forecast where the Issuer has a policy of correlating dividends to earnings/the forecast implies a forecast of profit.	11.28



Action required:

For purposes of (b) above, the auditor must provide the appropriate assurance on a profit forecast/estimate in a circular/PLS. 11.24

For purposes of (a) above, or where a profit forecast/estimate is included in an announcement or any communication with shareholders, it must either: 11.25

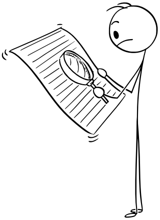
- be signed off by an auditor; or 11.25(a)
- include a warning that it has not been reviewed and reported on by the Issuer's auditor. 11.25(b)

The JSE reserves the right to request sign-off by the auditor. 11.25

6. AUDITORS 6.36 – 6.41

- An Issuer must: 6.36
  1. appoint an auditor* in terms of the following: *Definitions
     (i) the auditor must be registered with its regulator in the country of incorporation of the Issuer;
     (ii) the audit firm* must have at least **3** individual auditors* registered as assurance registered auditors with their regulator; *Definitions
     (iii) the audit firm must have undergone a firm-wide independent quality management inspection by its regulator in the current/previous inspection cycle;
     (iv) the auditor must have demonstrated to the Issuer that it has the necessary resources and expertise to carry out the relevant engagement, as required in the "auditing pronouncements" defined in section 1 of the Auditing Profession Act; and
     (v) the Issuer's audit committee must assess the audit firm in terms of LR paragraph 5.7(h)(iii); and
  2. ensure that the terms of engagement with the auditor* include: 6.37, *Definitions
     (i) a provision for the auditor* to inform the Issuer within **48** hours if the auditor is prohibited from signing the audit report or is no longer registered with its regulator; and
     (ii) that the auditor is obliged to notify both the JSE and the Issuer's audit committee, within **48** hours of becoming aware, if the Issuer misrepresents the content of the auditor report;

	LR paragraph reference
3. ensure that the individual auditor* who signs the assurance engagement report(s) has the necessary knowledge, resources and experience, and/or has completed relevant training to provide appropriate advice on applying the LR before any document or announcement is submitted to the JSE.	6.38, *Definitions
Action required:	
• Notify the JSE within **2** business days following the decision regarding the appointment/termination/non-reappointment/resignation of the auditor* and/or any change of the individual auditor*, which notification must include the effective date and, in respect of an auditor's:	6.39 *Definitions *Definitions
○ appointment, compliance with 1 and 2 above; or	
○ termination/non-reappointment/resignation, a letter from the auditor setting out (i) the reason(s); and (ii) any instances in the past 12 months where the auditor reported the Issuer's non-compliance with laws or regulations to an appropriate authority, including any reportable irregularities regarding the Issuer reported by the auditor to its regulator during such period.	6.40
• On notification of an appointment/termination/non-reappointment/resignation to the JSE, the Issuer must announce the change of audit firm on SENS including, *inter alia*, details of the party who initiated such change and the reason(s) therefore.	6.41



7. PERIODIC FINANCIAL INFORMATION

Results*	Description	Electronic sub-mission to JSE	Distribute to share-holders	Publication in the press (LR 6.34 – 6.35)	Publish through SENS	LR paragraph reference *Definitions
Interim results	Financial statements for the periods referred to in LR 6.45	No	No	Yes	Yes, available through JSE cloudlink^	6.45, 6.48(b), 6.50, 11.33, 11.34
Condensed financial statements	Reviewed financial statements for an Issuer's annual reporting period, prepared on the basis that the AFS are not available	No	No	Yes	Yes, available through JSE cloudlink^	6.43(a), 6.48(a), 6.50, 11.32, 11.34
AFS	Audited financial statements complying with LR 11.36 & 11.37	Yes	No	No	Yes, available through JSE cloudlink^	6.43(b), 6.47, 6.50, 11.36, 11.37
Summary financial statements	A summary version of the AFS	No	No	No	Yes, available through JSE cloudlink^	6.43(b), 6.49(c), 11.32, 11.34
Annual reports	AFS and LR 11.38 disclosures, which do not need to be presented in a single document	Yes	No	No	Yes	6.44, 6.50(b), 11.38
Quarterly results	Reporting on a quarterly basis is voluntary and has no prescribed format	No	No	No	Yes, available through JSE cloudlink^	6.46 read with 6.33

^ The specified URL designated by the JSE where the results are uploaded on the JSE cloud, which URL must be included in the results announcement.

LR	LR paragraph reference
Interim results:	6.45 read with 11.33 & 11.34
• Within three months after the end of:	
(i) the first six-month period of a financial year; and	6.45(a)
(ii) the 12-month period commencing on the first day of a financial year if the Issuer has changed its year end and therefore has a financial year of >12 months,	6.45(b)
release interim results through a results announcement on SENS and publish in the press (AltX: only on SENS).	6.45 & 6.50(a) read with Appendix 1 to Section 6
• In the case of (ii) above, the interim results must be reviewed.	6.48(b)
Annual results:	
• Within three months after year-end, release:	6.43
(i) condensed financial statements; or	6.43(a)
(ii) AFS/summary financial statements,	6.43(b)
through a results announcement on SENS and, in respect of the:	6.50(a)
○ condensed financial statements, publish in the press;	Appendix 1 to section 6
○ AFS, submit an electronic copy thereof to the JSE, together with the AFS Questionnaire.	12.7(e), 4.13(g)
Exception:	
Subject to its MOI and the Companies Act, General Segment Issuers have no obligation to release a results announcement dealing with condensed financial statements, AFS or summary financial statements within three months after year-end.	2.63(a)
Annual reports:	6.44 read with 11.38
• Within four months after year-end and at least **15** business days prior to the AGM:	6.44
(i) release the annual report through a results announcement;	6.44(a), 6.50(b)
(ii) distribute the notice of AGM to shareholders, together with the weblink to the annual report; and	6.44(b), read with Appendix 1 to Section 6
(iii) submit an electronic copy of (i) and (ii) above to the JSE together with Schedule 2 Form D1 ("annual compliance certificate"), annual report Questionnaire, annual compliance report prepared pursuant to section 13G(2) of the BEE Act and restatement notification, as the case may be.	12.7(g), 6.42 read with Appendix 1 to Section 6

- If annual reports are announced following the release of:
  - condensed financial statements, the SENS announcement must include a statement that: 6.50(d)
    - (i) there are no changes/changes to any of the information in the previous results; and
    - (ii) in the event of changes, the details are available through the JSE cloudlink;
  - AFS/summary financial statements: 6.50(e)
    - (i) in the event of changes to the previous results, a statement that the details are available through the JSE cloudlink; and
    - (ii) where the auditor has issued a new audit report, a statement highlighting the changes to the previously issued report.

Notes:

- Results announcements must include a statement that it has been prepared in compliance with the LR. 4.13(e)
- Short-form results announcements may be published in the press, subject to paragraph 6.34, provided that the relevant results are available through the JSE cloudlink and the Issuer's website. 6.34 & 6.35 read with 6.50
- Where the auditor has performed an audit/review, the relevant results announcement must (i) state the name of the audit firm and the type of audit opinion/review conclusion reached (unmodified/qualified/disclaimer/adverse) and a statement to the effect where material uncertainty relating to a going concern/an emphasis of matter/a reportable irregularity/any material inconsistency exists; and (ii) in respect of summary financial statements, contain an extract of the exact modification paragraph from the auditor's report that was issued on the AFS. 6.35(e), 6.47, 6.48 & 6.49(c)(iii)
- Financial results must be prepared in accordance with International Financial Reporting Standards and, for a South African company, the SA financial reporting requirements*. Condensed financial statements, summary financial statements and interim results must also contain the information required by IAS 34: Interim Financial Reporting and must include a statement confirming such fact. 11.32 & 11.33(a) *Definitions
- Where previously published results are restated, notification of the details and reasons for the restatement must be submitted to the JSE, together with the AFS and annual compliance certificate. 6.42 & JSE Practice Note 3/2017

LR	LR paragraph reference
• The annual report must provide disclosure of, *inter alia*:	11.38(a) – (j)
○ the Issuer's application of the King Code: (AltX specifically the principles set out in Part 5.3 – Governing Structures and Delegation of the King Code):	11.38(a), 5.7(a) & 5.8(a)
(i) the implementation of the King Code through the application of the King Code application and disclosure regime, which may be incorporated via a weblink; and	
(ii) a narrative on the separate non-binding advisory votes pertaining to the remuneration policy and the implementation report dealing specifically with (a) whom the Issuer engaged and the manner and form of engagement; and (b) the nature and steps taken to address objections;	11.38(a)(ii) & 5.7(k)
○ HEPS and EPS, and if applicable, net asset value per share;	11.38(b)
○ the relevant corporate governance information set out in paragraph 22 below;	11.38(c)
○ a statement by the social & ethics committee regarding its fulfilment of its mandate in terms of the Regulations; and a positive statement by the directors that the Issuer is in compliance with the relevant laws of establishment and operating in conformity with its MOI and/or relevant constitutional documents;	11.38(d) read with B.14 in Section 10
○ material risks specific to the Issuer, its industry and/or its securities;	11.38(e) read with B.16 in Section 10
○ where results differ by ≥**10%** from a previously published forecast/estimate, an explanation on the difference;	11.38(f)
○ in respect of mining companies, the information set out in LR paragraph 14.10;	11.38(g)
○ the separate financial statements of the listed company for a South African company;	11.38(h)
○ disclosure on the weighted voting share structure, if applicable; and	11.38(i)
○ the reason for the resignation/termination of the auditor, if applicable.	11.38(j)

8. BOARD OF DIRECTORS AND COMPANY SECRETARY

- The appointment, resignation, removal, retirement, death and/or change in functions/executive responsibilities of directors (which includes changes to board sub-committees)/company secretary, must be announced on SENS as soon as practically possible detailing the effective date and the capacity of directors. 6.71
- The announcement of the appointment of a director must state that a fit and proper assessment has been conducted and that the board is satisfied with the outcome of the assessment. 6.73
- Appointments of directors are subject to/must be confirmed by shareholders at the relevant GM/AGM. 1.16(a) of Schedule 2
- Within **14** days of appointment, submission must be made to the JSE of:
  - a Schedule 1 declaration by newly appointed directors, and the positive statements under the 'integrity information'/negative statement, must be announced on SENS within **1** business day from receipt thereof; and 6.74
  - the company secretary declaration by the newly appointed company secretary. 6.76
- Where there are any changes to the integrity information contained in Schedule 1: 6.75
  - the Director must notify the Issuer and the JSE without delay; and
  - the Issuer must announce such changes on SENS within **1** business day of receipt of such notification.
- Directors are subject to the LR personally and in their capacities as directors. Schedule 1
- All directors of Issuers listed on the AltX must complete the AltX Directors Induction Programme. 2.66(b)

9. CLOSED AND PROHIBITED PERIODS

Closed period*: *Definitions

- A financial closed period, which commences from, where applicable, a quarter, interim, or year-end and ends upon the first relevant announcement of such results; and/or
- a cautionary closed period, being the period during which an Issuer is trading under a cautionary announcement.

Prohibited period*: *Definitions

- A closed period; and
- any period in which there exists price sensitive information* in relation to the Issuer's securities. *Definitions

10. DEALING IN SECURITIES

Reference to "director" below includes "company secretary" and "prescribed officer*". *Definitions

Circumstance: 6.77

- Applicable in respect of (beneficial*, direct/indirect) dealings by: *Definitions
  - directors of the Issuer;
  - directors of a major subsidiary* of the Issuer; or *Definitions
  - any associate* of the persons mentioned above. *Definitions
- **Dealings include:** 6.79
  - any sale/purchase/subscription (also with respect to rights offers/capitalisation awards/scrip dividends) of, agreement to sell/purchase/subscribe for, or donations of, any securities (including all dealings in derivatives);
  - acceptance/acquisition/disposal/exercise of any option, or other right or obligation, present or future, conditional or unconditional, to acquire/dispose of securities, or any interest in an Issuer's securities;
  - any purchase/sale of nil/fully paid letters (however, excluding full/partial entitlements as a shareholder pursuant to a renounceable rights offer (excess applications permitted)/non-renounceable rights offer/capitalisation issues/scrip dividends/dividend reinvestment, and receiving the subsequent allocation of such securities pursuant to such entitlements);
  - using the Issuer's securities as security, guarantee, collateral or otherwise granting a charge, *lien* or other encumbrance over the Issuer's securities and will be deemed to be present at the time: (i) of agreement of such arrangement; (ii) when a right or discretion afforded to a lender is being exercised; and (iii) an existing arrangement is being amended/terminated; and
  - any other transaction which will provide direct/indirect exposure to the Issuer's share price.

LR	LR paragraph reference
Clearance required:	6.83 – 6.85
• Chairperson, or other appropriately designated director/s, to give clearance before dealing (associates* do not require clearance).	*Definitions, 6.78(h)
• The Issuer must maintain a register of any request received from a director to deal and of any clearance given, and a director may request confirmation from the Issuer that such request and clearance, if any, has been recorded.	
Action required:	6.80
• Directors must notify the Issuer of dealings within **3** business days thereof.	
• Issuers must announce on SENS within **24** hours of receipt of such notification.	
Note:	
Dealings in securities are prohibited during prohibited periods or if clearance to deal has not been granted.	6.81 & 6.83
11. DEALINGS BY ASSOCIATES OF DIRECTORS AND INVESTMENT MANAGERS	
Reference to “director” below includes “company secretary”.	
Associates:	6.86(a) & 6.87
A director must advise all of his/her associates* in writing:	*Definitions
• of the name(s) of the Issuer(s) of which he/she is a director; and	
• that he/she must be notified immediately of any dealings so that the required announcement can be released on SENS. The SENS announcement must include details of the relationship to the director.	6.78(a)
Investment managers:	
A director must advise any investment manager dealing on his/her behalf or any associate’s* behalf, whether on a discretionary basis or not, in writing:	6.86(b) & 6.88 *Definitions
• of the name(s) of the Issuer(s) of which he/she is a director; and	
• that no trade in such Issuer(s) securities may take place without his/her express consent in writing.	
12. DEALINGS BY ASSET MANAGER AND ITS DIRECTORS	
The provisions of LR paragraph 6.77 – 6.89 apply equally to an asset manager* and its directors.	*Definitions 13.25

	LR paragraph reference
13. DIVIDENDS, INTEREST AND SIMILAR PAYMENTS	
Circumstance:	7.19
Declaration of dividends, interest and other similar payments ("distribution payments").	
Action required:	
Obtain JSE approval of the timetable and announce immediately/simultaneously with the results announcement.	7.20, 7.23 & 4.10(a)
A decision not to declare distribution payments, which decision is price sensitive, must be announced immediately on SENS.	7.20
14. SPECIFIC ISSUES FOR CASH	
Where an Issuer issues equity securities for cash (which includes an issue for the extinction of a liability/obligation/commitment/restraint or settlement of expenses), these must be of a class already in issue or where options/convertible securities are issued, these must be limited to options/convertible securities that are exercisable/convertible into a class already in issue.	7.27, 7.28(a) & 7.49(a)
Disclosure must include, *inter alia*:	
• the number/maximum number and price of the equity securities to be issued;	7.35(a)
• if applicable, the discount to the 30 day weighted average traded price prior to the date that the issue is agreed;	7.35(b)
• the name of the subscriber and, if applicable, the beneficial* owner and nature of the related party;	7.35(c), *Definitions
• total consideration and intended use of funds; and	7.35(e)
• a detailed narrative on the impact on the financial statements.	7.35(f)
A statement by the independent members of the board as to whether the issue is fair is required#:	7.35(d)
• where equity securities are issued to a related party at a discount to the 30 day weighted average traded price prior to the date that the issue price is agreed; or	7.36(c)
• where options/convertible securities are issued to a related party and the strike price exceeds a **10%** discount to the 30 day weighted average traded price at the date of issue of the options/convertible securities.	7.36(d)

 # Recommended market practice: Independent boards should engage an IPE to provide the opinion.

Approval required:

Ordinary resolution: **>50%** majority required excluding participants and their associates.

7.33

Exception:

No approval is required where a specific issue for cash dilutes the issued share capital by **≤0.25%** and is issued at a price ≥30 day weighted average traded price.

7.29

15. GENERAL ISSUES FOR CASH

Where an Issuer issues equity securities for cash (which includes an issue for the extinction of a liability/obligation/commitment/restraint or settlement of expenses), these must be of a class already in issue or where options/convertible securities are issued, these must be limited to options/convertible securities that are exercisable/convertible into a class already in issue.

7.27, 7.28(b) & 7.49(b)

Limitations:

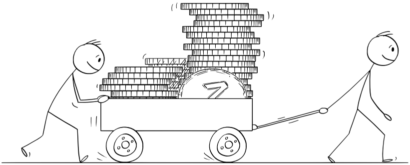
- the equity securities must be issued to public shareholders* and not to related parties#, save as set out below;

  7.38(a) &
  *Definitions
  # Defined in 9.1(a)

- securities issued in aggregate from the date on which the authority to effect the general issues for cash was granted, to the Issuer's next AGM or 15 months from the date of authorisation, whichever period is shorter ("**general authority period**"), must be **<30%** (AltX: **≤50%**) of the Issuer's listed equity securities in issue, excluding treasury shares, as at the date of the notice of GM/AGM. In the event of a sub-division or consolidation during the general authority period, the authority must be adjusted to represent the same ratio;

  7.38(c), (2.69)

- securities may not be issued at a discount **>10%** to the weighted average traded price for the previous 30 business days prior to the date that the issue price is agreed.



Exception – related parties:

Related parties may participate in a general issue for cash through a bookbuild process provided: 7.38(b)

- shareholder approval expressly affords the Issuer the ability to do so;
- participation is limited to a maximum bid price at which related parties are prepared to take up shares or at book close price. In the event of a maximum bid and the book closes at a higher price, the relevant related party will be "out of the book" and will not be allocated shares; and
- equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

Options/convertible securities:

- The resolution must specifically authorise the issue of options/convertible securities, and the strike price may not exceed a **10%** discount to the 30 day weighted average traded price at the date of issue of the options/convertible securities. 7.49(b)

Action required:

Publish an announcement for each issue representing, on a cumulative basis within the general authority period, **≥5%** of the securities in issue (excluding treasury shares) prior to such issue. 7.39

In respect of the issue of options/convertible securities, the announcement must include, *inter alia*, a detailed narrative on the impact of the issue on the financial statements. 7.39(c)

Approval required:

- Ordinary resolution: **>50%** majority required. 7.38
- Authority to effect general issues for cash (which ordinary resolution must specify the maximum number of securities which may be issued during the general authority period) must be granted by shareholders in GM/AGM. Such authority will only be valid during the general authority period. 7.38(c)

Exception – General Segment Issuers:

Subject to its MOI and the Companies Act, General Segment Issuers do not require shareholder approval to issue shares or options/convertible securities for cash under a general authority provided such issue is **<10%** of the Issuer's issued share capital, as at the date of each AGM on condition that: 2.63(b)

- the validity of any existing authority provided under the Prime Segment has been extinguished; and
- the General Segment Issuer discloses in each notice of AGM: (i) the nature and extent of the rolling general authority; and (ii) the number of shares issued under this authority during the previous 12 months, if applicable.

16. ISSUE OF SECURITIES BY A SUBSIDIARY

- An issue of shares for cash in a listed or unlisted subsidiary of an Issuer must be categorised in accordance with the provisions of Section 8 of the LR (refer to paragraph 19 below). 8.34
- When a subsidiary undertakes an offer for subscription by way of a rights offer, the rights offer must be categorised in accordance with the provisions of Section 8 of the LR, taking into account (i) whether the Issuer partially/fully follows its rights; (ii) whether the other shareholders follow their rights; and (iii) the total effect of the dilution in the subsidiary, and discussed with the JSE. Any shares that are renounced by the listed holding company in favour of its shareholders *pro rata* to their holdings need not be categorised. 8.35

17. SPECIFIC REPURCHASE

Circumstance: 7.79

- The grant of an option where an Issuer may/is obliged to repurchase its equity securities in the future; or
- a specific offer to named holders of equity securities.

Requirements:

- Repurchases in terms of the Companies Act/the laws of a foreign incorporated Issuer, constitute a repurchase in terms of the LR; 7.70
- the circular must include a statement that the board has authorised the repurchase and that the Issuer and its subsidiaries have met the solvency and liquidity test in terms of the Companies Act and that since the test was performed, there have been no material changes to the financial position of any company of the group. 7.82(b)

A statement by the independent members of the board as to whether the repurchase is fair is required[#]: 7.82(c)

- where the specific repurchase is from a related party; and
- the price is at a premium to the weighted average traded price measured over the 30 business days prior to the date that the price is agreed.

[#] *Recommended market practice: Independent boards should engage an IPE to provide the opinion.*

Notes:

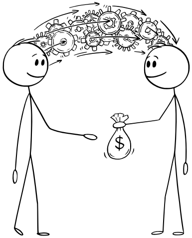
- Where a specific repurchase has been announced, the Issuer must pursue such repurchase, unless the JSE determines otherwise on application. 7.80

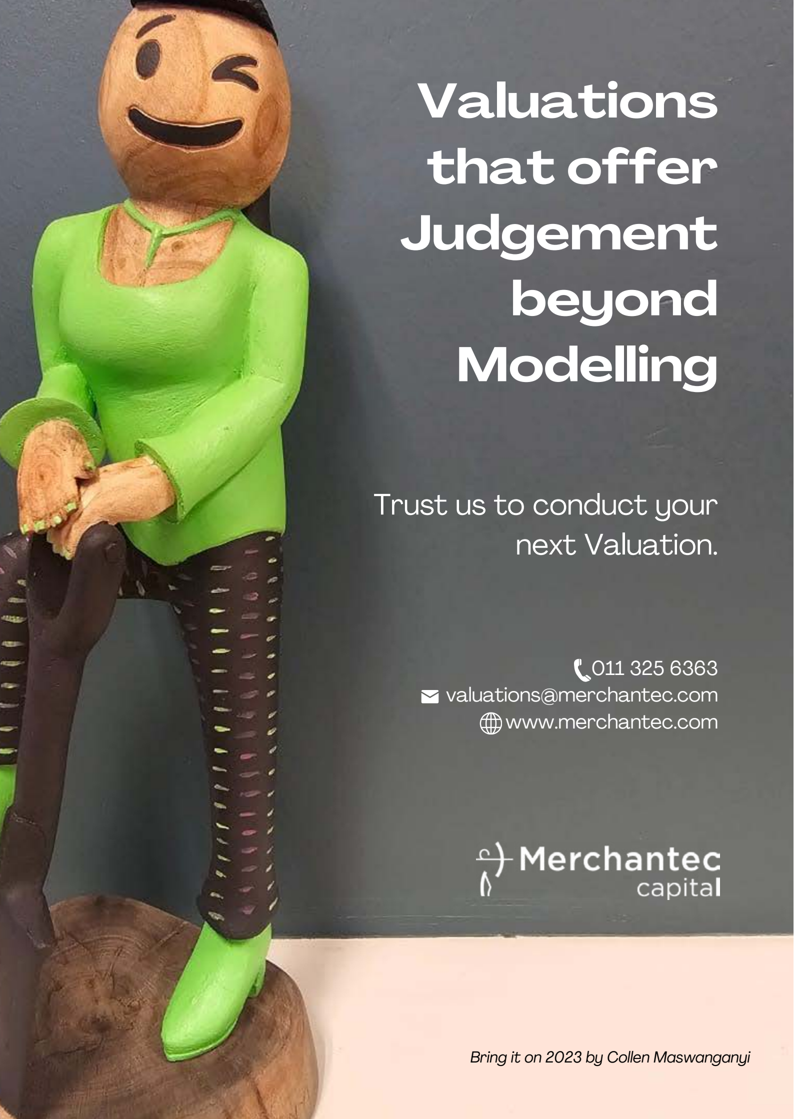
Approval required:

- Ordinary resolution: **>50%** majority required excluding participants and associates. The authority will be valid until such time the approval is amended/revoked by ordinary resolution. 7.77 & 7.78

Exceptions:

- Securities repurchased in terms of section 164 of the Companies Act, in terms of which, within **48** hours of the repurchase, the Issuer must submit the application for removal of the listing of securities to the JSE and on the same day publish the details thereof on SENS. 7.93 & 7.94
- Subject to its MOI and the Companies Act, General Segment Issuers do not require shareholder approval to repurchase securities from parties other than related parties, provided such repurchase is **<20%** of the Issuer's share capital in any one financial year. 2.63(c)

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18. GENERAL REPURCHASE

	LR paragraph reference
Requirements:	
• Repurchases in terms of the Companies Act/the laws of a foreign incorporated Issuer, constitute a repurchase in terms of the LRs;	7.70
• the Issuer must meet the solvency and liquidity test in terms of the Companies Act at the time the repurchase is made.	7.90(f)
Limitations:	
• General repurchases in aggregate in any one financial year must be **≤20%** of the Issuer's issued share capital of that class, excluding treasury shares.	7.88
• Not at a price **>10%** above the volume weighted average price for the previous five business days.	7.86
Notes:	
• Not permitted in any prohibited period unless:	7.89
○ the Issuer has a repurchase programme in place and the programme has been submitted to the JSE prior to the prohibited period commencing; and	
○ only one independent agent, which makes its investment decisions in relation to the repurchase, has been instructed to execute the repurchase programme prior to the prohibited period commencing;	
• the repurchase programme must include the name and date of appointment of the independent agent, the commencement and termination date and the fixed number of securities to be traded during the period; and	
• must be transacted through the order book system of the JSE and done without any prior understanding or arrangement between the Issuer and seller.	7.87
Action required:	
Announce every cumulative **3%** repurchased on SENS before 08:30 on the second business day following such percentage being reached and disclose the details thereof in the AFS.	7.90, 11.37(j)
Approval required:	
• Ordinary resolution: **>50%** majority required.	7.84
• Authority to effect a general repurchase must be granted by shareholders in GM/AGM. Such authority will be valid until the next AGM/15 months from the date of the authority, whichever period is shorter.	7.85

Exception: 7.72

- Shareholder approval is not required, save to the extent required by the Companies Act, where the repurchase of securities is:
  - a *pro rata* repurchase from all securities holders; and 7.72(a)
  - an intra-group repurchase from wholly-owned subsidiaries or Schedule 9 share incentive schemes and/or non-dilutive share incentive schemes controlled by the Issuer where such securities are to be cancelled. 7.72(b)
- Immediately after intra-group repurchases have been concluded, announce on SENS. 7.92
- Subject to its MOI and the Companies Act, General Segment Issuers do not require shareholder approval to repurchase securities under a general authority provided that the validity of any existing authority provided under the Prime Segment has been extinguished. 2.63(d)

19. CATEGORISATION OF TRANSACTIONS 8.3 – 8.7

The % ratios resulting from the following calculations (which must be effected prior to the announcement of terms) are used to categorise transactions: 8.4

(a) consideration as a percentage of market capitalisation; or 8.5(a) & 8.7

(b) dilution percentage, being the number of listed securities issued as consideration compared to those in issue prior to the transaction; or 8.5(b)

(c) transactions settled partly in cash and partly in shares: the categorisation percentages in (a) and (b) above must be aggregated. 8.5(c)

Note:

The % ratio calculations must exclude treasury shares* (which include shares held by a subsidiary and/or by a trust, through a scheme and/or an entity where the Issuer has voting control). *Definitions

Percentage ratios for categorisation: 8.4, 2.63(h) & 2.70

Category	Prime Segment	General Segment	AltX
1	≥30%	≥50%	≥50%
2	≥5%	≥5%	≥5%

- The following will also be classified as category 1 transaction:
  - where the consideration is not subject to a maximum; 8.4(b)
  - any agreement with an external party where the Issuer (i) agrees to cover that party's liabilities/costs/expenses/commissions/losses (actual or contingent); (ii) the agreement is exceptional; and (iii) the maximum liability is unlimited. 8.8

LR	LR paragraph reference
• The percentage ratio for a category 2 transaction for a property transaction in LR paragraph 8.4(a) is 10%.	13.2
Action required:	
Category 1:	
• Upon agreement of the terms of the transaction, announce on SENS and publish in the press (AltX: only on SENS); and	8.18 read with 6.34
• issue a circular within **60** days in order to obtain shareholder approval.	8.18(b)
Category 2:	
• Upon agreement of the terms of the transaction, release a detailed announcement on SENS and publish in the press (AltX: only on SENS).	8.13, 13.4
Ordinary course of business transactions exclusions:	
Circumstance:	
Transactions which occur in the ordinary course of business where the % ratios are **<30%** (Prime Segment) or **<50%** (General Segment & AltX).	8.1(b)(iv)
Action required:	
The JSE must determine whether a transaction is in the ordinary course of business and, in its assessment will have regard to the nature of business of the transacting parties, incidence of similar transactions and size in relation thereto, costs relating to contribution to the Issuer's existing revenue stream and whether the transaction is in the ordinary course of business for both parties.	8.2
Notes:	
• An acquisition where the % ratio is **≥100%** and will result in a fundamental change in business/board and/or voting control (**≥35%**) will be categorised as a reverse take-over* and the Issuer will be required to requalify as a new listing.	8.27 – 8.28 *Definitions
• Transactions (other than in the ordinary course of business transactions) entered into within a 12 month period prior to the date of the latest transaction must be aggregated with the latest transaction to determine the categorisation of the latest transaction. However, a previous category 1 transaction is not aggregated unless its inclusion results in a reverse take-over, in which case, reverse take-over requirements apply.	8.9 – 8.11
• An Issuer must prepare RLP where it issues **≥50%** (AltX: **≥100%**) of the securities already listed for an acquisition within any three-month period.	8.17, 10.3, 2.67

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20. RELATED PARTY TRANSACTIONS

- A “related party transaction” includes a Section 8 transaction, an agreement or any variation/novation of an existing agreement between an Issuer, or any of its subsidiaries, and a related party, or any person where the purpose and effect is to benefit a related party.
  9.1(b) read with Section 8
- A “related party” is:
  9.1(a)
  - a shareholder who is, or within the 12 months preceding the date of the transaction was, a material (**≥10%**) shareholder* (General Segment: **≥20%**);
    *Definitions, 2.63(i)
  - any person that is, or within the 12 months preceding the date of the transaction was, a director or CEO of the Issuer or its holding company, or any party upon whose directions/instructions the directors of the Issuer/its holding company are accustomed to act (“directing party”);
  - any adviser to the Issuer that has, or within the 12 months preceding the date of the transaction had, a beneficial* interest in the Issuer or any of its associates*;
    *Definitions
    *Definitions
  - any person that is, or within the 12 months preceding the date of the transaction was, a prescribed officer* of the Issuer;
    *Definitions
  - any person that falls within the definition of “extended family”* of a director/CEO of the Issuer/directing party (i.e. parents, siblings (including step and half siblings) and major children of the individual, together with each such party’s spouse (If applicable);
    *Definitions
  - the asset manager* or management company of a property/investment entity, and each of their controlling shareholders, including anyone whose assets they manage; or
    *Definitions
  - an associate* of any of the above.
    *Definitions

Percentage ratios in respect of related party transactions:

9.3, 2.63(j), 2.71

Transactions	Prime Segment	General Segment	AltX
Related party	>5%	>10%	>50%
Small related party	≤5%	≤10%	≤50%
Not related party	≤0.25%	≤3%	≤10%

Action required:

Related party transaction:

9.4

- Release an announcement on SENS and publish in the press (AltX: only on SENS) as soon as possible after terms have been agreed;
  9.4(a), 6.34

LR	LR paragraph reference
• provide the JSE with the relevant agreement(s);	9.4(b)
• send a circular to shareholders within **60** days of the release of the announcement;	9.4(c)
• include in the circular, *inter alia,* a statement by the independent non-executive directors on the corporate governance processes that were followed to approve the related party transaction, and whether (i) it was concluded on an arm's length basis (including key assumptions and factors taken into account in reaching the conclusion); (ii) it is fair to shareholders; and (iii) shareholders should vote in favour thereof; and	9.4(d), read with 9.5
• obtain approval of the transaction from shareholders by way of simple majority (related party and its associates* are excluded from voting).	9.4(e), *Definitions
Notes:	
If the board voluntarily elects to obtain an independent fairness opinion from an IPE and make it available, Schedule 5 requirements must be met.	9.5
The JSE may require confirmation that no nominee shareholders are acting in concert with any other person in relation to the related party transaction.	9.2
In the event of a related party participating in a restrictive funding arrangement, a circular must be sent to shareholders and shareholder approval must be obtained.	9.9 read with 9.11
Ordinary course of business transactions:	
• Ordinary course of business transactions with related parties where the % ratios are ≥**5%** must be announced on SENS and published in the press (AltX: only on SENS) as soon as possible after agreement of the terms.	9.7 & 9.8
Exception:	
Transactions with a director or associate of a director will not be classified as being in the ordinary course of business.	9.6 read with 8.1(b) & 8.2
Small related party transaction:	
• Announce details of the transaction on SENS and publish in the press (AltX: only on SENS), including (a) where the agreement is open for inspection for a period of 14 days; and (b) a statement by the independent non-executive directors on the corporate governance processes that were followed to approve the related party transaction, and that (i) it was concluded on an arm's length basis (including key assumptions and factors taken into account in reaching the conclusion), and (ii) is fair to shareholders.	9.3(a), 2.71(b) & 6.34
• If the board voluntarily elects to obtain an independent fairness opinion from an IPE and make it available, Schedule 5 requirements must be met.	9.5

	LR paragraph reference
Exception:	
If a small related party transaction is found not to be fair, the requirements for a related party transaction must be complied with.	9.3(b)
Notes:	
• Related party transactions with the same related party or its associates entered into within a 12 month period must be aggregated unless approved by shareholders or announced in terms of a related party/small related party transaction.	9.10
• In respect of AltX listed companies, all transactions with related parties must be announced on SENS irrespective of the size of the transaction.	2.71(d)

21. DOCUMENTS TO BE SUBMITTED TO THE JSE

	LR paragraph reference
• **Documents to be submitted to the JSE include:**	
○ all corporate actions (obtain JSE approval first);	12.4
○ South African Reserve Bank approvals, where applicable;	12.5 read with 12.6
○ directors' declarations^;	12.7(a) & 6.74-6.75
○ company secretary declarations;	12.7(b) & 6.76
○ change of address of registered office/transfer secretary^;	12.7(c), 6.70
○ change in sponsor/DA;	12.7(d), 4.11 & 4.23
○ AFS and annual report;	12.7(e)
○ notices of GM/AGM;	12.7(f)
○ the publication of the annual compliance report prepared pursuant to section 13G(2) of the BEE Act^;	12.7(g)
○ change of auditor^/individual auditor;	6.39
○ change in financial year^; and	11.35
○ the annual compliance certificate (to be completed and signed by company secretary and/or director of Issuer) together with the annual report.	1.13 & JSE Forms Portal

^ Announce on SENS.

22. CORPORATE GOVERNANCE

The LR incorporate certain practices from the King Code, thereby rendering their implementation mandatory. Compliance must be disclosed in an Issuer's annual report and PLS.	5.1
• The capacity of directors must be classified as follows: **Executive:** involved in the day-to-day management or in full-time salaried employment of the Issuer and/or its subsidiaries; **Non-executive:** not involved in the day-to-day management or in full-time salaried employment of the Issuer and/or its subsidiaries; **Independent:** determined holistically and on a substance over form basis in accordance with the indicators provided in Section 94(4) of the Companies Act and the King Code. Directors who participate in a share incentive/option scheme are not classified as independent.	5.2
• after the listing of a newly incorporated company on the JSE, all non-executive directors must retire at the first AGM, with a third retiring at each subsequent AGM. Retiring directors may be re-elected if eligible, as recommended by the nomination committee or board;	5.3 & 5.5
• all non-executive directors must be elected by shareholders at a GM/AGM (not via written resolution for Main Board Issuers), with their brief CVs and capacities included in the meeting notice. Temporary appointments to fill board vacancies must be confirmed by shareholders at the next GM/AGM;	5.4
• before nominating or appointing a director, the board must conduct a fit and proper assessment, which must as a minimum include an independent background check and verification of the candidate's qualifications;	5.6
• the annual report must include, *inter alia*, confirmation of the adoption and application of the King Code through the King Code application and disclosure regime (AltX specifically the adoption of Part 5.3 – Governing Structures and Delegation of the King Code);	5.7(a) & 5.8(a)
• a brief CV and the capacity of the directors must be disclosed in the annual report and, in respect of each director standing for election/re-election, must accompany the notice of GM/AGM;	5.7(b), 5.8(b) & Appendix to section 5
• directors and senior management must collectively have the appropriate expertise and experience to govern and manage the Issuer and its business;	5.7(c) & 5.8(b)
• the CEO and the board chairperson, who may not be an executive director, may not be the same individual;	5.7(d)

- if the board chairperson is not an independent non-executive director, the Issuer must appoint a lead independent non-executive director; — 5.7(d)
- all Issuers must:
  - have an executive Financial Director. The JSE may, on request and with motivation from the audit committee, allow a Financial Director to be employed on a part-time basis or not at all; — 5.7(e) & 5.8(b)
  - appoint a company secretary in terms of the Companies Act and the King Code. The board must satisfy themselves of the company secretary's competence, qualifications and experience on listing, and on an annual basis. The Issuer must confirm in the annual report that the board has executed this responsibility; — 5.7(f), 5.8(b), Appendix to section 5
  - appoint an audit committee, a remuneration committee and a social & ethics committee which (i) must comply with the Companies Act, as applicable; (ii) should comply with the recommended King Code practices on an apply and explain basis; and (iii) must comprise at least three members. The committee mandates, number of meetings held and other relevant information must be disclosed in the annual report; — 5.7(g), 5.8(b), Appendix to section 5
- the audit committee must: — 5.7(h) & 5.8(b)
  - satisfy itself on an annual basis of the competence, qualifications and experience of the Financial Director;
  - ensure that the Issuer has established appropriate financial reporting procedures and that those procedures are operating, which should include consideration of all entities included in the consolidated group International Financial Reporting Standards financial statements, to ensure it has access to all of the Issuer's financial information to allow for the effective preparation and reporting on the Issuer's financial statements;
  - consider the following information provided by the audit firm* and individual auditor* in the assessment of the suitability of appointment/reappointment of the auditor*: — *Definitions
    - the latest inspection results of an inspection performed by its regulator;
    - any new inspection result of an inspection performed by its regulator between the date of appointment of the auditor and the date of signature of the audit report on the AFS;
    - a summary of the ongoing communication related to monitoring and remediation referred to in paragraph 46 of International Standard on Quality Management 1; and
    - a summary of any legal or disciplinary proceedings completed or pending within the preceding 5 years; and

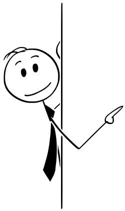
	LR paragraph reference
○ ensure that the appointment/re-appointment of the auditor is presented and included as a resolution at the AGM. The Issuer must confirm in the annual report that the audit committee has executed these responsibilities.	
• there must be a policy evidencing a clear balance of power and authority at board level;	5.7(i)
• there must be a policy on the promotion of broader diversity at board level, focusing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience, which policy must be available on the Issuer's website. The annual report must disclose how the board applied such policy in the nomination and appointment of directors;	5.7(j) & 5.8(b)
• separate non-binding advisory votes on the remuneration policy and the implementation report must be tabled every year at the AGM. The remuneration policy must record the measures to be taken by the board in the event that ≥**25%** of the votes are exercised against the remuneration policy and/or implementation report. In this case the Issuer must, in its voting results announcement, include: ○ an invitation to dissenting shareholders to engage with the Issuer; and ○ the manner and timing of such engagement; and	5.7(k) & 5.8(b), Appendix to section 5
• the AFS must include the CEO and Financial Director responsibility statement which, after due, careful and proper consideration confirms their specific responsibilities in respect of the audited financial statements and the establishment and maintenance of internal financial controls.	5.9 read with 11.37(a)

23. MAIN BOARD LISTING CRITERIA

LR	Main Board	LR paragraph reference
Historical financial information	Audited financial statements for the preceding three financial years:	2.4(a)
Profit before tax & existing net asset value	In respect of the most recent financial year: • profit before tax of ≥R15 million and an existing net asset value of ≥R50 million; or • an existing net asset value of ≥R500 million.	2.4(b)
Majority of assets	The applicant Issuer must either have: • control (at least 50% +1 of the voting shares); or • a reasonable spread of direct interests (with the right to participate through voting or other rights in the management thereof), in the majority of its assets, and must have done so for >12 months.	2.4(c)
Equity shares in issue	Not less than 25 million.	2.4(d)
% held by public shareholders*	10%, representing at least 100 shareholders (applicable on listing).	2.4(e), *Definitions

- Where a company does not have audited financial statements for the preceding three financial years, the JSE may list such company, provided that: 2.5
  - it has an audited profit before tax ≥R15 million and an existing net asset value of ≥R50 million for the preceding financial year;
  - it can illustrate that the underlying assets/companies/subsidiaries are in a similar line of business and are interdependent/complementary to have achieved audited profit before tax ≥R15 million and an existing net asset value of ≥R50 million; and
  - at least one of the underlying assets/companies/subsidiaries would qualify for a Main Board listing.

LR	LR paragraph reference
The JSE may list a company which does not have audited financial statements for the preceding three financial years, and an audited PBT ≥R15 million and an existing net asset value of ≥R50 million for the latest financial year, provided it (i) is in its development stage, (ii) has been in existence for >12 months, (iii) has audited financial statements for the most recent financial year, and (iv) has an existing net asset value of ≥R500 million.	2.8
Notes:	
• The default position for existing Main Board Issuers is classification in the Prime Segment. Only Issuers not included in the FTSE/JSE All Share Index are eligible for inclusion in the General Segment.	2.52 read with 2.55 – 2.57
• An Issuer in the General Segment may, at any time, apply to the JSE for reclassification to the Prime Segment.	2.59 – 2.62
• An applicant Issuer may apply for a listing in the General Segment.	2.53
• The JSE will, in consultation with the JSE Indices Department, determine whether the applicant is likely to be included in the FTSE/JSE All Share Index in the near future, based on indicators such as expected market capitalisation, free float, split of shares on the domestic share register and the Index's exclusion rules.	2.54
24. AltX	
Issuers listed/companies seeking a listing on AltX must comply with the following:	
• the board of directors must complete the AltX Directors Induction Programme; and	2.66(b)
• the **DA** must:	
○ hold appointment at all times; and	2.66(a)
○ attend all audit committee meetings until the later of the first anniversary of the Issuer's listing and publication of its AFS.	5.8(c)



Snapshot of additional requirements:

LR	AltX	LR paragraph reference
Financial information required on listing	Audited financial statements for the preceding financial year or a profit forecast for the current financial year and for a period of 12 months thereafter.	2.6(a)
Net asset value	≥R2 million.	2.6(b)
Majority of assets	The applicant Issuer must either have: • control (at least 50% +1 of the voting shares); or • a reasonable spread of direct interests (with the right to participate through voting or other rights in the management thereof) in the majority of its assets.	2.6(c)
% held by public shareholders*	10% (applicable on listing only).	2.6(d), *Definitions
Announcements	SENS only (press voluntary).	2.68
Categorisation of transactions	See paragraph 19 above.	2.70
Related party transactions	See paragraph 20 above.	2.71

Note:

Trading in the Issuer's securities held by the DA on the date of listing is prohibited until publication of the first AFS post listing, following which: 4.17

- up to 50% may be traded from such date; and
- the balance after publication of the next AFS.

25. SHAREHOLDER SPREAD REQUIREMENTS

Issuers must use their best endeavours to maintain the relevant minimum shareholder spread requirements as detailed below:

Shareholder spread requirements	Main Board	AltX
% held by public shareholders*	10%	10%

2.4(e) & 2.6(d), *Definitions

	LR paragraph reference
26. PROPERTY ENTITIES	
A property entity* is an entity primarily engaged in property activities, being:	*Definitions
• the holding of property as an investment to earn rental and/or for capital appreciation; or	
• development of property to be held as an investment.	
Criteria for listing:	
Property entities must comply with the listing criteria of the Main Board/AltX and additionally must evidence:	2.9
• legal title to all significant properties; and	13.1(a)
• adequate/appropriate experience of the executive directors and/or asset manager* to the type of properties earmarked for investment.	13.1(b) *Definitions
Exemption to listing criteria:	
Property entities need not have:	2.10
• an audited profit history for three years; nor	
• for the latest financial year, (i) profit before tax of ≥R15 million and a net asset value of ≥R50 million or (ii) existing net asset value ≥R500 million,	
provided that they have an existing net asset value of ≥R50 million and produce a forecast reflecting profit before tax of ≥R15 million and:	13.7 & 13.8
(a) contracted and near-contracted rental revenue* account for ≥75% rental revenue in each of the current financial year and a period of 12 months thereafter; and	*Definitions, 2.10(a)
(b) for short-term rental revenue*, the board confirms that the properties have generated rental revenue for the immediate preceding two years, the last of which, based on audited financial information, generated ≥R15 million profit before tax.	*Definitions, 2.10(b)
Valuation Reports:	13.11 – 13.14, 13.16(e)
Required specifically on all significant properties of the Issuer in respect of a new listing and on the property that is the subject of a category 1 transaction, and must be prepared by an independent registered valuer.	13.11 read with 13.13
Exception:	
A valuation report is not required on a property if the:	13.12
• PLS/category 1 circular shows ≥12 months of rental revenue* for the property with average vacancy of <10%; and	*Definitions
• ≥90% of that rental revenue* is not from rental agreements with related parties*, the Issuer or its subsidiaries.	*Definitions, 9.1(a)

Asset management agreement:

An external asset management agreement being entered into/amended/ renewed must: 13.21

- be approved by a majority of disinterested shareholders, being all shareholders excluding shareholders and their associates who are party to/ with an interest in the asset management agreement; and
- provide for the right of disinterested shareholders to vote on the cancellation of the asset management agreement in a GM prior to its expiry date.

27. REITs*

*Definitions

In order to be granted a REIT status in terms of the LR, an applicant Issuer must satisfy the following criteria:

LR	REIT Admission Criteria	LR paragraph reference
Nature of applicant Issuer	Property company with a primary listing on the JSE.	2.11(a)
Listing criteria	Compliance with the listing criteria of the Main Board/AltX.	2.11(b)
Control	The applicant Issuer must control (50% +1 of the voting shares) the majority of its assets.	2.11(c)
Gross assets and Rental Revenue	≥**R300** million gross assets and ≥**75%** rental revenue* must be reflected in either: • the latest audited/reviewed consolidated financial statements; or • if more recent, the *pro forma* statement of financial position and forecast statement of comprehensive income.	*Definitions, 2.11(d) 13.10 & 13.8
Directors' declaration	The directors must confirm that the applicant Issuer: • will, to the best of their knowledge, qualify for a tax deduction of distributions under section 25BB(2) of the Income Tax Act for the current or future financial year end; • has a gearing ratio*, being total consolidated liabilities divided by total consolidated assets ("gearing ratio"), of <**60%** in either:	2.11(e) & 13.26 *Definitions

LR	REIT Admission Criteria	LR paragraph reference
Directors' declaration (continued)	○ the latest audited/reviewed consolidated financial statements; or ○ if more recent, the *pro forma* statement of financial position.	13.10
Distributions	The directors must ensure that: • a cash distribution of ≥75% of distributable profits is distributed within four months after the financial year end, subject to satisfying the solvency and liquidity test, and procure that subsidiaries which are property entities incorporated in South Africa do the same; and • any acquisitions or new borrowings (excluding amounts that replace existing liabilities) will not cause the gearing ratio to exceed 60%.	2.11(e) 13.27(a) & 13.28 13.27(b)
Risk management policy	The directors must ensure that: • a risk management policy that is in accordance with industry practice and which specifically prohibits the Issuer from entering into derivative transactions that are not in the normal course of business is adopted and implemented.	13.27(c)

Note:

In order to obtain REIT status, an applicant Issuer to the AltX must comply with the listing criteria of the AltX provided: 2.11(b)(ii) read with 2.10(a) & (b)

- it shows a profit before tax forecast of ≥R8 million and that in respect of any forecast:
  - contracted and near-contracted rental revenue* account for ≥75% rental revenue in each of the current financial year and a period of 12 months thereafter; and *Definitions, 2.10(a)
  - for short-term rental revenue*, the board confirms that the properties have generated rental revenue for the immediate preceding two years, the last of which, based on audited financial information, generated ≥R8 million profit before tax. *Definitions, 2.10(b)

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LR	LR paragraph reference
## 28. Mineral And Oil/Gas Companies	
This section applies to Issuers undertaking mining* and/or oil/gas activities* and in certain circumstances, Issuers with substantial mineral or oil/gas assets* (≥**30%** of assets/revenue/profits).	*Definitions
The SAMREC*, SAMVAL* and SAMOG* codes must be applied by Issuers undertaking mining, exploration and/or oil/gas activities, and to a certain extent by Issuers with substantial mineral or oil/gas assets.	14.1, *Definitions
The JSE has, in consultation with the SAMCODES Standards Committee, created a JSE Readers Panel to advise the JSE on applicant Issuers' compliance with the relevant codes and Section 14 of the LR, and to deal with related complaints	14.14
Criteria for listing:	
Mineral and oil/gas companies must comply with the listing criteria of the Main Board/AltX; and additionally:	2.12
• must evidence legal title to undertake exploration/mining and/or oil/gas activities.	14.2
Exemption to listing criteria:	
Mineral companies need not have: • an audited profit history for three years; nor • for the latest financial year, (i) profit before tax of ≥R15 million and a net asset value of ≥R50 million or (ii) existing net asset value ≥R500 million, provided that they have an existing net asset value of ≥**R50** million.	2.13
Competent Person's Report (CPR*) and Qualified Reserve Evaluator (QRE*) Report:	*Definitions
• In addition to PLS and Section 10 circular requirements, include a CPR/QRE Report on all mining*, exploration* and oil/gas assets of the Issuer/subject of a category 1 transaction. For minerals, an executive summary may be provided if the full CPR is incorporated by reference and remains on the Issuer's website until updated;	14.3(a), *Definitions
• a CPR must also include, *inter alia*, a valuation in terms of the SAMVAL code;	14.6
• if RLP are required, a CPR is not required provided the Issuer's annual report complies with the relevant mining and exploration disclosures.	14.7 read with 14.10
Note:	
The CP*, CV* or QRE* must be independent of the Issuer.	14.4 read with 14.13, *Definitions

Announcements:

Announcements by Issuers/Issuers with substantial mineral* or oil/gas assets*, dealing with exploration results, mineral resources/reserves or oil/gas activities must comply with the relevant codes and include: (a) the name of the CP*, CV* or QRE* and confirmation that such person has approved the information; and (b) disclosure of the nature of the relationship/interest if the CP, CV or QRE is not independent of the Issuer.

14.9, *Definitions,
14.13
*Definitions
*Definitions

29. SPACs

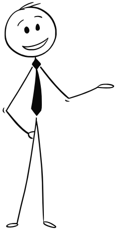
2.16

With regards to SPACs, the terms in the first column below have the meanings assigned to them in the second column as follows:

"**Completed**" or "**Completion**"	with reference to the acquisition of Viable Assets by the SPAC, that the acquisition has become unconditional and that the assets have been transferred to the SPAC;
"**SPAC**"	a special purpose acquisition company established for the purpose of facilitating the primary capital raising process to enable the acquisition of Viable Assets in pursuit of a listing; and
"**Viable Assets**"	the acquisition of assets that will enable the SPAC to qualify for a listing on the Main Board/AltX.

An applicant Issuer seeking a listing on the Main Board or the AltX must satisfy the following criteria:

LR	SPAC Admission Criteria	LR paragraph reference
Net asset value	Main Board: ≥R500 million; AltX: ≥R50 million.	2.16(a), 2.17(a)
Operations	An applicant Issuer must not be carrying on any commercial and/or business operations.	2.16(b)



LR	Spac Admission Criteria	LR paragraph reference

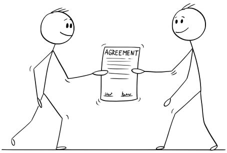
Directors	Must collectively have:
	• appropriate experience and track record to complete the acquisition of Viable Assets aligned with the acquisition criteria, including:
	  ○ sufficient relevant technical and commercial experience, and expertise;
	  ○ relevant industry and business activities' track record;
	  ○ history of strong corporate governance and regulatory compliance; and
		2.16(c)

	• subscribed for ≥**5%** interest (**<20%** if at nominal value) in the applicant Issuer on the date of listing, which interest must not be sold for a period of at least months from the date of Completion.	15.12(e)

PLS disclosure requirements	The following disclosure is required:
	• statement that the applicant Issuer has no current commercial/business operations;
	• the acquisition criteria for Viable Assets and targeted industry/ies;
	• details of any call option acquisition agreement, including:
	  ○ names of parties and related-party status;
	  ○ call option exercise timeframe post-listing;
	  ○ description of Viable Assets;
	  ○ purchase consideration (if known); and
	  ○ conditions precedent;
	• directors' remuneration prior to acquisition of Viable Assets;
		15.14 read with Section 10

LR	SPAC Admission Criteria	LR paragraph reference
PLS disclosure requirements (continued)	• the estimated operating expenses during the acquisition window (which may not be exceeded without approval of ≥**75%** majority of votes); • terms of directors' subscription and restricted trade conditions; • confirmation that all capital raised will be held in an escrow-managed account; • redemption rights mechanism and timing; • in relation to conflicts of interest: ○ incentives payable to directors/associates of directors in the pursuit of Viable Assets; ○ service agreement/s with directors/associates of directors in the pursuit of Viable Assets; ○ other fiduciary/contractual obligations by the directors to other entities that relate to the pursuit of Viable Assets; ○ other potential conflicts of interest between the applicant Issuer and its directors/associates of directors; and ○ proposed governance measures to avoid/ manage potential conflicts of interest; and • a statement prohibiting debt financing for operating expenses (except short-term trade/ accounts payable or to facilitate the acquisition of Viable Assets).	15.20(c)

LR	SPAC Admission Criteria	LR paragraph reference
Viable Assets	• Viable Assets must be: ○ acquired within **36** months of listing ("acquisition window"); and ○ approved by shareholders. • An applicant Issuer must not have entered into any formal and binding agreement regarding the acquisition of Viable Assets at the time of the application to the JSE. • A resolution on the proposed use of the residual capital not allocated for the proposed acquisition of Viable Assets must be included in the notice of meeting, and if not approved by shareholders, the residual capital must be returned to shareholders within **60** calendar days of the meeting.	15.10 15.15(a) 15.12(b) 15.15(b)
Acquisition criteria	May not be changed without approval of **≥75%** majority of votes.	15.20(b)
Memorandum of Incorporation	Must include the following provisions: • the requirement for shareholder approval on any proposed acquisition of Viable Assets; and • redemption rights; and • the distribution entitlement to shareholders where the acquisition of Viable Assets is not Completed within the acquisition window.	15.12(h)



DEBT LISTINGS REIMAGINED

The Debt & Specialist Securities Listings Requirements (DSS Requirements) which replaced the previous Debt Listings framework in late 2024 to align with global best practice, enhance investor protection and disclosure while ensuring South Africa's capital markets remain accessible and attractive.

For companies, this reimagined framework is more than a regulatory update — it's an opportunity to turn debt into a strategic financing tool.

7 REASONS TO LIST DEBT

In today's evolving financial landscape, companies are increasingly looking for ways to diversify funding, strengthen credibility, and secure long-term growth. Listing debt securities on the JSE offers clear strategic, financial, and reputational advantages that go beyond traditional bank financing.

1. Access to a Larger Pool of Capital

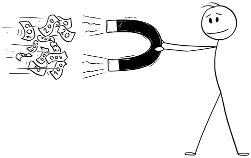
- Listing debt opens up the company's bonds to a wide range of institutional and retail investors, beyond private placements with banks or a handful of investors.
- This can lead to raising larger amounts at better pricing than if the debt were privately placed.

2. Liquidity for Investors

- Once listed, the debt instruments can be traded on the secondary market.
- Investors are more willing to buy the debt if they know they can later sell it, which can make the initial issuance more successful.

3. Potentially Lower Cost of Borrowing

- Because listed debt is more transparent and liquid, investors may accept lower yields (i.e. lower interest costs for the company).
- Listing can also reduce reliance on bank funding, which may come with stricter covenants and higher rates.



4. Improved Market Visibility & Reputation

- Listing debt shows the market that the company is willing to meet the regulatory, disclosure and governance standards of an exchange.
- This can strengthen investor confidence and improve the company's credit profile over time.

5. Diversification of Funding Sources

- Reduces dependence on banks and allows tapping into both domestic and international capital markets.
- Particularly useful in times when credit conditions tighten in the banking sector.

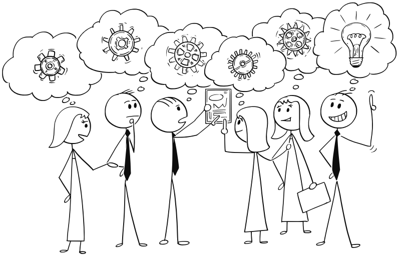
6. Benchmarking and Pricing Transparency

- A listed bond provides a market-driven yield curve for the company's creditworthiness.
- This makes future issuances easier to price and can help the company in negotiations with lenders.

7. Broader Investor Base

- Attracts long-term institutional investors such as pension funds, insurers, and asset managers who often prefer listed, transparent instruments.
- May also appeal to ESG-focused funds if the debt is structured as a green bond or sustainability-linked bond.

Interested in taking the next step? Email debtsponsorteam@merchantec.com



Merchantec Capital is registered as a Sponsor, Designated Adviser and Debt Sponsor in terms of the Listings Requirements of JSE Limited.

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The Artwork featured on the front cover of our Guide has been created by NB Ngobeni while all other featured artworks have been created by Collen Maswanganyi.

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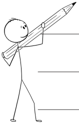

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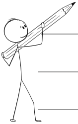

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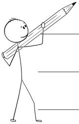

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