

POST LISTING OBLIGATION

1. Compliance with continuing listing requirements

This section sets out some of the continuing obligations which a listed company is required to comply with once any of its securities have been admitted to MSM. Additional continuing obligations are set out in chapter 8.

1.1.1 Directors and Officers obligations

- (1) Directors and Officers of the company are responsible for compliance with listing requirements and are solely responsible for the content of information provided by the company to the MSM;
- (2) If for any reason whatsoever, MSM considers that a contravention of these listing requirements by a listed company is due to a failure by all or any of the company's directors or officers, it may:-
 - (a) censure the directors (and/or officers) concerned;
 - (b) publish the fact that the directors (and/or officers) have been censured;
 - (c) state publicly that in its opinion the retention of the office by the director or an officer is prejudicial to the interests of investors.

1.1.2 General obligation of disclosure

An issuer must, without any delay and subject to approval by the MSM, publish announcement in print and electronic media giving details of:

- (1) circumstances or events that have or are likely to have a significant effect on the financial results, the financial position or

cash flow of the issuer and/or information necessary to enable holders of the issuer's listed securities and the public to avoid the creation of a false market in its listed securities;

- (2) any new developments in its sphere of activity which are not public knowledge and which may by virtue of the effect of those developments on its assets and liabilities or financial position or on the general course of its business, lead to material movements in the underlying price of its listed securities.

1.1.3 Confidentiality

- (1) Information that is required to be published in terms of these listing requirements, and information which is not required to be announced in terms of the listing requirements but which is price sensitive and which the company wishes to release, may not, subject to requirement these rules, be released to any third party until such a time when such information has been released through and approved by the MSM.
- (2) An issuer may give information in strict confidence to its advisers and to persons with whom it is negotiating;
- (3) Information required by and provided in confidence to, and for the purposes of, a government department, the Central Bank of Lesotho, MSM, or any other statutory or regulatory body or authority need not be published;

1.1.4 Disclosure of corporate transactions

(1) Significant transactions

An applicant company must immediately advise MSM of the terms of any significant transaction agreed, disclosing the information specified by Appendix One; and for this purpose, a significant

transaction shall be determined and prescribed by MSM from time to time.

(2) Significant changes of business

Any disposal by a listed company which is deemed to be a disposal resulting in a significant change of business and must be:

- (a) conditional on the consent of its shareholders being given in a general meeting;
- (b) immediately reported, disclosing the information specified by Appendix One;
- (c) accompanied by the publication of a circular with details of the disposal and any proposed change in business together with the information specified above and convening the general meeting.

1.1.5 Other Information Disclosures

(1) A listed company must immediately release a statement advising of:

- (a) any **deals** by directors disclosing the information specified by Appendix Two, as soon as it has such information;
- (b) any relevant changes to any **significant shareholders**, disclosing the information specified by Appendix Two, as soon as it has such information;
- (c) the resignation, dismissal or appointment of any director, giving the date of such incident and for an appointment, the information specified in the admission document paragraph 14 and any shareholding in the company;
- (d) any change in its accounting reference date;
- (e) any change in its registered office address;
- (f) any change in its legal name;

- (g) any substantial change between its actual trading performance or financial condition and any profit forecast, estimate or projection included in the admission document or otherwise made public on its behalf;
- (h) any decision to make any payment in respect of its listed securities specifying the net amount payable per security, the payment date and the record date;
- (i) the reason for the application for admission or cancellation of any listed securities;
- (j) the occurrence and number of shares taken into and out of treasury, as specified by Appendix Four;
- (k) the resignation, dismissal or appointment of its nominated Sponsor;
- (l) any subsequent change to the details disclosed in relation to subparagraphs (iii) to (viii) inclusive of paragraph 14 as specified in the admission document, whether such details were first disclosed at admission or on subsequent appointment;
- (m) the admission to trading (or cancellation from trading) of any listed securities on any trading platform, where such admission or cancellation is at the application or agreement of the listed company. This information must also be submitted separately to the MSM.

1.1.6 Applications for further issues

Where a listed company has intentions of issuing securities on a continuous basis, the MSM may allow admission of such securities under a **block admission** arrangement. Under this arrangement, a listed company is obligated to release a statement divulging the information as required by Appendix Three.

1.1.7 Reporting requirements

1.1.7.1 Periodic Financial reports

(a) Half Yearly Reports

A listed company must prepare and submit half yearly reports to the **MSM**. A holding company that has stake in various affiliate companies must release an aggregated report based on the group performance.

(b) Annual Reports

A listed company must prepare and submit annual reports to the **MSM**. A company that has subsidiaries should prepare its annual audited accounts in consolidated form in accordance with the Companies Act and the relevant generally accepted accounting principles.