Definitions[[1]](#footnote-1)

Throughout these Listings Requirements, unless otherwise stated or the context requires otherwise, an expression which denotes any gender includes other genders and the following terms will have the meanings set out below:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Term** |  | | **Meaning** | | | | |
| acquisition issue[[2]](#footnote-2)  *[amended Section 6]* |  | | an issue of securities as consideration for an acquisition of assets, excluding issues for cash | | | | |
| the Act |  | | the Companies Act No.71 of 2008, as amended | | | | |
| acting in concert |  | | co-operation for a common purpose by two or more persons pursuant to an agreement, arrangement or understanding, whether formal or informal, between them; and associates shall be deemed to be so co-operating unless proven otherwise | | | | |
| admission or admitted  ALTX |  | | admission of securities to listing on the JSE  the Alternative Exchange | | | | |
| *[removed in Section 6]* |  | |  | | | | |
| *[removed in Section 6]* |  | |  | | | | |
| announce or announcement |  | | an announcement of information on SENS in terms of the Requirements and the SENS Procedural Requirements as contained in the JSE Procedures Portal | | | | |
| annual financial statements[[3]](#footnote-5)  *[Section 8]* |  | | audited financial statements complying with paragraphs [8.62 and 8.63]; | | | | |
| annual general meeting[[4]](#footnote-6) |  | | the meaning in terms of the Act | | | | |
| annual reports[[5]](#footnote-7)  *[Section 8]* |  | | annual financial statement and the disclosures complying with paragraph 8.64, which do not need to be presented in a single document; | | | | |
| applicant or applicant issuer |  | | an issuer or a new applicant [Section 19 removed] | | | | |
| approved exchange  *[Section 18][[6]](#footnote-8)* |  | | means a foreign exchange approved by the JSE, in its discretion, for purposes of secondary listings on the JSE (main board and AltX) , available on the JSE website | | | | |
| associate |  | | A) “associate” in relation to an individual means: | | | | |
|  |  | | 1 that individual’s immediate family; and/or | | | | |
|  |  | | 2[[7]](#footnote-9)  any trust (acting through trustees or in its own capacity) or other vehicle or arrangement set up for similar purposes in which the individual or any of the individual’s immediate family is a beneficiary or may be a discretionary beneficiary or object (other than a trust that is either an occupational pension scheme, or employees’ share scheme for a wide scope of participants and the individual or the individual’s immediate family’s aggregate interests in the scheme are less than 10%); and/or | | | | |
|  |  | | 3[[8]](#footnote-10)  any trust (acting through trustees or in its own capacity) or other vehicle or arrangement set up for similar purposes, in which the individual or any of the individual’s immediate family taken together:   1. control 35 % or more of the votes of the trustees; or 2. can appoint or remove 35% or more of the trustees, or 3. can appoint or change 35 % or more of the beneficiaries of the trust; and/or | | | | |
|  |  | | 4[[9]](#footnote-11)  any company in whose equity securities the individual and/or any person and/or entity in A) 1 or 3 above (taken together) are directly or indirectly beneficially interested (or have a conditional or contingent entitlement to become beneficially interested) so that they are (or would on the fulfilment of the condition or the occurrence of the contingency be), able: | | | | |
|  |  | | (a) to exercise or control the exercise of 35% or more of the votes able to be cast at general meetings or board meetings on all, or substantially all, matters; or | | | | |
|  |  | | (b) to appoint or remove directors holding 35% or more of the voting rights at board meetings on all, or substantially all, matters; and/or | | | | |
|  |  | |  | | | | |
|  |  | | 5[[10]](#footnote-13)  any partnership in which the individual and/or any person and/or entity in A) 1 to 4 above (taken together) are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they hold or control or would on the fulfilment of a condition or the occurrence of a contingency be able to hold or control:   * + 1. a voting interest greater than 35% in the partnership; or     2. at least 35% of the partnership; and/or | | | | |
|  |  | | 6[[11]](#footnote-14)  any company that is an associate of a company referred to in A) 4 above.  For A) 3 – 5 above, where more than one director of the same listed company is directly or indirectly beneficially interested in the relevant entity, then the interests of those directors and their associates will be aggregated when determining whether such an entity is an associate.  B) “associate” in relation to a company means: | | | | |
|  |  | | 1 its subsidiary or holding company or fellow subsidiary of its holding company; and/or | | | | |
|  |  | | 2 any company whose directors are accustomed to act in accordance with the company’s directions or instructions; and/or | | | | |
|  |  | | 3 any company in the capital of which the company, and any other company under B) 1 or 2 (taken together), is, (or would on the fulfilment of a condition or the occurrence of a contingency be), interested in the manner described in A.4 above; and/or | | | | |
|  |  | | 4 any trust (acting through trustees or in its own capacity) or other vehicle or arrangement set up for similar purposes in which the company and/or any other company under B) 1 to 3 above (taken together) is a beneficiary or may be a discretionary beneficiary or object; and/or  5 any trust (acting through trustees or in its own capacity) or other vehicle or arrangement set up for similar purposes, in which the company and/or any other entity under B) 1 to 4 above (taken together) is interested in the manner described in A) 3 above.  . | | | | |
| Auditing Profession Act[[12]](#footnote-15) |  | | Auditing Profession Act No. 26 of 2005, as amended | | | | |
| audit firm[[13]](#footnote-16)  *[Section 22]* |  | | the partnership or incorporated company registered with the IRBA, a member of the International Forum of Independent Audit Regulators or a similar regulatory or professional body for auditors in another jurisdiction | | | | |
| auditor[[14]](#footnote-17)  *[Section 22]* |  | | includes the audit firm and the individual auditor assigned and/or appointed to perform a statutory audit (or a review as required by [3.18]) of an applicant issuer[[15]](#footnote-18) | | | | |
| BEE Act[[16]](#footnote-19) |  | | means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) | | | | |
| BEE Codes[[17]](#footnote-20) |  | | means the Broad-Based Black Economic Empowerment Codes of Good Practice gazetted from time to time under the BEE Act in terms of Code 100 - the Measurement of the Ownership Element of Broad-Based Black Economic Empowerment | | | | |
| BEE compliant person[[18]](#footnote-21) |  | | | means as interpreted by the courts, from time to time – | | | |
|  |  | | | (a) as regards a natural person, one who falls within the ambit of the definition of “black people” in the relevant BEE ownership scheme; | | | |
|  |  | | | (b) as regards a juristic person having a shareholding or similar member’s interests, one who falls within the ambit of the definitions of BEE controlled company or BEE owned company, using the principles for determining control or ownership as contemplated in the BEE ownership scheme; | | | |
|  |  | | | (c) as regards any other entity, any entity similar to a BEE controlled company or BEE owned company using the principles for determining control or ownership as contemplated in the BEE ownership scheme which would enable the issuer of securities owned or controlled by such entity to claim points or obtain similar BEE recognition attributable to the entity’s ownership of the securities pursuant to the BEE Codes or applicable legislation which imposes a BEE obligation | | | |
| BEE contract[[19]](#footnote-22) |  | | the prescribed contract, comprising generic terms applicable to all applicant issuers, which the proposed beneficial owner of BEE securities and, if the beneficial owner is not to be the registered owner, the proposed registered owner of BEE securities, must conclude, in terms of which, inter alia:  (a) the beneficial owner, and the proposed registered owner, if applicable, warrants that he is a BEE compliant person;  (b) the necessary restrictions, limitations and requirements are imposed by the applicant issuer on the proposed beneficial owner, and on the proposed registered owner, if applicable, in order to achieve the continued ownership of BEE securities by BEE compliant persons;  (c) additional specific terms relevant to a particular applicant issuer’s BEE securities, and contained in the applicant issuer’s constitution, are reflected; and  (d) the beneficial owner indemnifies the registered owner against any claim made against the registered owner in the event that, in terms of the BEE contract:  (i) the registered owner is obliged to dispose of the BEE securities; or  (ii) the issuer of the BEE securities exercises its right to repurchase or its right to nominate its nominee to purchase the BEE securities from the registered owner thereof | | | | |
| BEE controlled company[[20]](#footnote-23) |  | | | means a juristic person, having shareholding or similar members interest, in which black participants enjoy a right to exercisable voting rights of an amount specified in the rules of the BEE ownership scheme | | | |
| BEE owned company[[21]](#footnote-24) |  | | | means a juristic person, having shareholding or similar members interest, that is BEE controlled, in which black participants enjoy a right to economic interest in an amount specified in the rules of the BEE ownership scheme | | | |
| BEE ownership scheme[[22]](#footnote-25) |  | | | means an issuer ownership scheme that (i) complies with the rules prescribed for broad-based ownership schemes as set out in Annexe 100 B of the BEE Codes and specifies the means of verification to be adopted in determining the eligibility of beneficial owners in respect of BEE securities or (ii) is governed by its own BEE scheme documents in accordance with applicable legislation which imposes a BEE obligation, to the satisfaction of the JSE | | | |
| BEE verification[[23]](#footnote-26) |  | | | means the verification of a BEE compliant person in respect of the applicant issuer, which verification must conclude, inter alia, that: | | | |
|  |  | | | (a) the beneficial owner, and the proposed registered owner (if applicable) of securities is a BEE compliant person pursuant to a BEE ownership scheme of the applicant issuer; | | | |
|  |  | | | (b) the BEE compliant person has been advised on the necessary restrictions, limitations and requirements that are imposed by the applicant issuer on the proposed beneficial owner, and on the proposed registered owner (if applicable) in order to achieve the continued ownership of BEE securities by BEE compliant person, and | | | |
|  |  | | | (c) that the BEE compliant person has accepted the prevailing terms and conditions of the BEE ownership scheme | | | |
| BEE verification agent[[24]](#footnote-27) |  | | | an agent appointed by an applicant issuer, or in the alternative the applicant issuer itself, to conduct the BEE verification | | | |
| beneficial[[25]](#footnote-28)  *[Section 6]* |  | | has the meaning of the definition of beneficial interest in the Act, and the terms ‘beneficially interested’, ‘held beneficially’, ‘beneficial interest holder’, ‘beneficial shareholders’ and ‘beneficial owner’ must be interpreted in this context. | | | | |
|  |  | |  | | | | |
|  |  | |  | | | | |
|  |  | |  | | | | |
| *[Section 6]* |  | |  | | | | |
|  |  | |  | | | | |
|  |  | |  | | | | |
| business day |  | | any day other than a Saturday, Sunday and public holiday | | | | |
| *[No need to define, same details in Section 5]* |  | |  | | | | |
| capitalisation issue  *[amended Section 6]* |  | | an issue of fully paid shares capitalised from an issuer’s share premium, capital redemption reserve fund or reserves, or from a combination thereof, to existing shareholders of the issuer in proportion to their shareholdings at a specific date | | | | |
| cash company[[26]](#footnote-32) |  | | an issuer, other than an investment entity in terms of the Requirements, whose asset(s), to the satisfaction of the JSE, consist(s) wholly or mainly of cash due to it having disposed of all or most of its business(es), or having otherwise ceased to have a business of sufficient substance to support its market capitalisation(generally the company will be expected to have cash of at least R5 million) | | | | |
| category 1 or 2 transaction[[27]](#footnote-33) |  | | a transaction, principally an acquisition or disposal by an issuer, in terms of Section 8 | | | | |
| [not used] |  | |  | | | | |
| children[[28]](#footnote-35) |  | | includes any child, step child, adopted child or illegitimate child, who has not reached the age of 18 years, and any person under the guardianship of the individual | | | | |
| circular[[29]](#footnote-36)  *[Section 7]* |  | | a document issued to holders of listed securities by an issuer prepared in terms of the Requirements, including notices of meetings; | | | | |
| claw back offer  *[amended Section 6]* |  | | a pre-placed rights offer where securities are issued, for cash by an applicant issuer, which are then offered to the applicant issuer’s shareholders, pro rata their existing holdings, in the form of a right whereby shareholders can “claw back” their right to subscribe for such securities;[[30]](#footnote-37) | | | | |
| closed period[[31]](#footnote-38)  *[Section 8]* |  | | (a) the date from the financial year end up to the date of earliest publication of the condensed financial statements, summary financial statements or annual financial statements; | | | | |
|  |  | | (b) the date from the expiration of the first six month period of a financial year up to the date of publication of the interim results; | | | | |
|  |  | | (c) the date from the expiration of the second six month period of a financial year up to the date of publication of the second interim results, in cases where the financial period covers more than 12 months (refer to paragraph [3.17]); | | | | |
|  |  | | (d) in the case of reporting on a quarterly basis, the date from the end of the quarter up to the date of the publication of the quarterly results; and | | | | |
|  |  | | (e) any period when an issuer is trading under a cautionary announcement | | | | |
| closing price |  | | the price determined and disseminated by the JSE, in the first instance, on the uncrossing price of the closing auction or, failing this, on the volume weighted average price of the last 10 minutes of trade prior to the closing auction or, failing this, on the last automated trade price | | | | |
| Commission[[32]](#footnote-39) |  | | the Companies and Intellectual Property Commission established in terms of the Act | | | | |
| company[[33]](#footnote-40) |  | | a juristic person, wherever incorporated or established, including any undertaking, association of persons or entities and any trust or similar device, wherever established, that issues securities | | | | |
| company secretary[[34]](#footnote-41) |  | | as provided in terms of the Act[[35]](#footnote-42) | | | | |
| condensed financial statements[[36]](#footnote-43)  *[Section 8]* |  | | reviewed financial statements for an issuer’s annual reporting period complying with paragraphs [8.57(a) and 8.58], prepared on the basis that the annual financial statements are not available; | | | | |
| control[[37]](#footnote-44) |  | | refer to the definition of “controlling shareholder” | | | | |
| controlling shareholder |  | | any shareholder that, together with: | | | | |
|  |  | | 1 his, or its, associates; or | | | | |
|  |  | | 2 any other party with whom such shareholder has an agreement or arrangement or understanding, whether formal or informal, relating to any voting rights attaching to securities of the relevant company, | | | | |
|  |  | | can exercise, or cause to be exercised the specified percentage, as defined in the Takeover Regulations, or more of the voting rights at general/annual general meetings of the relevant company, or can appoint or remove, or cause to be appointed or removed, directors exercising the specified percentage or more of the voting rights at directors’ meetings of the relevant company | | | | |
| convertible securities |  | | securities that are convertible into, or exchangeable for other securities or warrants or options to subscribe for or purchase other securities | | | | |
| corporate action |  | | an action taken by an issuer or any other entity or third party which affects the holders of securities in terms of entitlements or notifications | | | | |
| corporate action timetables[[38]](#footnote-45) |  | | the corporate action timetable of the JSE, as amended available on the JSE website | | | | |
| CSDP  DA  *[Section 2]* |  | | Central Securities Depository Participant  a designated advisers required for AltX applicant issuers; | | | | |
| day(s) |  | | any day of the week, being calendar days | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | | [Section 19 removed] | | | | |
| director[[39]](#footnote-47) |  | | as defined in section 1 of the Act and, in relation to an entity that is not a company, a person with corresponding powers and duties | | | | |
| distribute[[40]](#footnote-48) |  | | the delivery of notices as provided for in terms of section 6(10) of the Act and/or delivery and/or notification of documentation in terms of section 6(11) of the Act | | | | |
| [no need to define] |  | | [no need to define] | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
|  |  | |  | | | | |
| equity instruments |  | | securities with restricted voting rights but which participate in the distribution of profits in a manner directly linked to the profitability of the company | | | | |
| equity securities |  | | equity shares, securities convertible into equity shares and equity instruments | | | | |
| equity share capital[[41]](#footnote-49)  *[amended Section 6]* |  | | an issuer’s share capital, excluding any convertible securities, equity instruments and any other securities which are regarded as debt instruments in terms of IFRS or the Act | | | | |
| equity shares |  | | shares that comprise a company’s equity share capital and which carry votes | | | | |
|  |  | | [serves no purpose] | | | | |
| *[moved to CA Timetable]* |  | |  | | | | |
| extended family[[42]](#footnote-50) |  | | the parents, siblings (including step and half siblings) and major children of the individual together with each such party’s spouse (if applicable). Major child means a child of at least 18 years old; | | |
| external company |  | | as provided for in the Act | | |
| fairness opinion  *[introduced in Section 10]* |  | | [removed from Section 13]  a fairness opinion prepared in terms of Schedule 5 | | |
|  |  | | [consolidated in extended family] | | |
| *[introduced in Section 10]*  *[moved to CA Timetable]* |  | |  | | |
| *[moved to CA Timetable]* |  | |  | | |
| *[moved to CA Timetable]* |  | |  | | |
| FMA |  | | the Financial Markets Act (Act No. 19 of 2012), as amended | | |
|  |  | | [defined in Section 8] | | |
| group |  | | a holding company, not itself being a wholly owned subsidiary, together with all companies which are its subsidiaries, if any | | |
| headline earnings[[43]](#footnote-54) | |  | | | as defined and calculated in accordance with the circular titled Headline Earnings issued by SAICA, as amended from time to time | | |
|  |  | | [no need to define, self-explanatory] | | |
| hours |  | | hours during the course of a business day[[44]](#footnote-55) | | |
| immediate family |  | | an individual’s spouse and children (including the spouse’s children)[[45]](#footnote-56) | | |
| individual auditor[[46]](#footnote-57)  *[Section 22]* |  | | an individual registered with the IRBA or similar regulatory or professional body for auditors in another jurisdiction, who is a director or partner of an audit firm | | |
|  |  | | [amended listing criteria for main board and ALTX] | | |
| interim results[[47]](#footnote-59)  *[Section 8]* |  | | financial statements for the periods referred to in paragraph [3.17], complying with paragraphs [8.57(b) and 8.58]; | | |
| International Financial Reporting Standards or IFRS |  | | the International Financial Reporting Standards formulated by the International Accounting Standards Board | | |
| International Standards on Auditing or ISA |  | | the International Standards on Auditing formulated by the International Auditing and Assurance Standards Board | | |
| introduction |  | | a method of bringing securities to listing not involving an issue of new securities or any marketing of existing issued securities because the free float listing criteria has been met | | |
| investment entities |  | | investment companies, investment trusts and unit trusts whose principal activity is investment in securities | | |
| IRBA[[48]](#footnote-60) |  | | the Independent Regulatory Board for Auditors, a body established in terms of the Auditing Profession Act, responsible for the registration and regulation of registered auditors in the Republic of South Africa | | |
| *[moved to CA Timetable]* |  | |  | | |
| issuer |  | | any company, excluding an issuer of specialist securities, any class of whose securities has been admitted to the List | | |
|  |  | |  | | |
|  |  | | [see introduction] | | |
| issuer’s weblink[[49]](#footnote-63)  *[Section 8]* |  | | the exact URL where the information is available on the issuer’s website, which URL must be included in the results announcement. | | |
|  |  | | [no need to define, self-explanatory] | | |
| JSE cloudlink[[50]](#footnote-65)  *[Section 8]* |  | | 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; | | |
| JSE Forms Portal  *[introduced in Section 2]* |  | | [no need to define, self-explanatory]  administrative forms, as amended, pertaining to the Requirements available on the JSE website; | | |
| JSE |  | | a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa under registration number 2005/022939/06, licensed as an exchange under the FMA[[51]](#footnote-68) | | |
| King Code[[52]](#footnote-69) |  | | the King Code on Corporate Governance for South Africa, as amended or replaced from time to time | | | |
| LAs  *[amended Section 6]* |  | | in relation to a renounceable right, forms of instruction in respect of letters of allocation | | | |
| *[moved to CA Timetable]* |  | |  | | | |
| the List |  | | the list maintained by the JSE of securities admitted to listing | | | |
| *[moved to CA Timetable]* |  | |  | | | |
| [applicant issuer and issuer] |  | |  | | | |
| listing or listed |  | | the admission of securities to the List | | | |
| *[Section 7]* |  | |  | | | |
| Requirements[[53]](#footnote-70)  *[amended Section 1]* |  | | the listings requirements of the JSE, as amended, including Schedules and Practice Notes, but excluding the Introduction; | | | |
| main board  [market segmentation] |  | | all securities listed on the main board of the List, classified as either in the prime or general segment | | | |
| major subsidiary[[54]](#footnote-71) |  | | a subsidiary that represents 25% or more of total assets or revenue of the consolidated group based on the latest published interim or year-end financial results | | | |
| major shareholder  [Section 5]  market value |  | | a persons who hold beneficial interests equal to or in excess of 5% of the total number of securities of that class issued by the company, together with the extent of those beneficial interests  in relation to a listed security, the traded or trading price | | | |
| material |  | | information that, if omitted or misstated, could influence the economic decisions of users and includes a change in, or constituent of, a particular factor that may be regarded in the circumstances as being material and that, as a rule of thumb, would normally be equal to or exceed 10% | | | |
|  |  | | [not used] | | | |
| material shareholder[[55]](#footnote-72)  *[amended Section 10]* |  | | any party, entitled to exercise or control the exercise of 10% or more of the votes able to be cast on all or substantially all matters at general/annual general meetings of the listed company, or any other company that is its holding company [12 months period dealt with in Section 10] | | | |
| MOI[[56]](#footnote-73) |  | | as provided for in the Act or equivalent document constituting or defining the constitution of a company | | | |
| modified auditor’s report[[57]](#footnote-74) |  | | an auditor’s report that contains a modified opinion or conclusion (as defined or contemplated by the relevant standard issued by the International Auditing and Assurance Standards Board), a paragraph on material uncertainty relating to going concern, an emphasis of matter paragraph or a paragraph regarding a reportable irregularity as defined in the Auditing Profession Act | | | |
| *[moved to CA Timetable]* |  | |  | | | |
| *[moved to CA Timetable]* |  | |  | | | |
| new applicant[[58]](#footnote-75)  [[59]](#footnote-76) |  | | an applicant, no class of whose securities is already listed | | | |
| offer for sale |  | | an invitation by, or on behalf of, a third party to purchase securities of the issuer already in issue, or to be issued, and may be in the form of an invitation to tender at or above a stated price | | | |
| offer for subscription |  | | an invitation, 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 price | | | |
| open market |  | | dealings on the JSE trading system without any prior agreement | | | |
| the Panel[[60]](#footnote-77) |  | | the Takeover Regulation Panel established in terms of the Act | | | |
| pari passu  *[introduced Section 5]*  *[moved to CA Timetable]* |  | | means -   1. are in all respects identical; 2. are of the same nominal value, and that the same amount per security has been paid up; 3. carry the same rights as to transfer, attendance and voting at annual/general meetings and in all other respects; 4. are entitled to the same dividends for the same period | | | |
| [obvious, no reg value] |  | |  | | | |
| placing |  | | a marketing of securities already in issue but not listed, or not yet in issue, to specified persons or to any securities house assisting in the placing, that does not involve an offer to the public or to existing holders of the applicant’s securities generally and that takes place immediately before the applicant is listed. A placing includes a preferential placing | | |
| practice notes |  | | practice notes issued from time to time by the JSE to amend, add to, clarify or expand upon the Requirements | | |
| [not used] |  | |  | | |
| pre-issued securities |  | | entitlements to securities the listing of which on the JSE has been approved but where the listing becomes effective only after a number of conditions have been fulfilled on or before the commencement date of official trading, in terms of Schedule 6 | | |
| pre-issued trading |  | | transactions effected in pre-issued securities in terms of Schedule 6 | | |
| PLS  *[Section 7]* |  | | listing particulars prepared in terms of the Requirements, which can also be a prospectus provided it complies with the Requirements | | |
| prescribed officer[[61]](#footnote-79) |  | | as defined in the Companies Act or a person with a similar designation as a prescribed officer if the applicant issuer is not incorporated in South Africa | | |
|  |  | | [no need to define, self-explanatory] | | |
| *[moved to CA Timetable]* |  | |  | | |
| price sensitive information[[62]](#footnote-80) | |  | | | unpublished information that is specific or precise, which if it were made public, would have a material effect on the price of the issuer’s securities  Apply Practice Note 2/2015; | | |
| price stabilisation  primary listing  prohibited period  *[introduced Section 5]* |  | | transactions effected in price stabilisation in terms of Schedule […]  in relation to a security listed on more than one stock exchange, a listing where the issuer is subject to the full requirements applicable to listing on that exchange  means:   1. a closed period; and 2. any period where price sensitive information exists in relation to the issuer’s securities; | | |
| promoter[[63]](#footnote-81) |  | | the party(ies) responsible for the formation of a company to be listed, or acquired by an existing issuer, and who earn(s) a fee therefrom, in cash or otherwise. | | |
| prospectus  *[Section 7]* |  | | as provided for in terms of the Act | | |
| publish/ed or publication[[64]](#footnote-82) |  | | refer to the definition of “announce or announcement” | | |
|  |  | | [insert new definition] | | |
| ratio |  | | basis of share entitlement reflected as a ratio | | |
| *[moved to CA Timetable]* |  | |  | | |
| reference price |  | | the last auction or automated trade price, whichever is the most recent, or in the absence of an auction or last trade price, a price as determined by the JSE | | |
| related party  regulated party/ies  *[introduced in Section 1]* |  | | a related party as defined in Section 9  subject to the FMA, an issuer, its directors, officers, employees and agents | | |
| renounceable offer  *[amended Section 6]* |  | | an offer by an applicant issuer to its shareholders to subscribe by way of rights for securities through the issue of a renounceable LA, traded as either “full paid” or “nil paid” rights, , where the listed company has received the right to subscribe for those securities (usually the listed company’s subsidiary) but renounces all or part of that right to its shareholders pro rata to their shareholdings[[65]](#footnote-84) | | |
| *[Section 8]* |  | |  | | |
| [no need to define] |  | |  | | |
| restrictive funding arrangements[[66]](#footnote-87) |  | | any funding arrangement by way of a loan or otherwise in terms of which the applicant issuer and/or any of its subsidiaries–  (a) have to obtain the prior consent from the funding provider in order to undertake certain specified events; and  (b) do not have the ability to settle the relevant funding arrangement in full, at any time, at the election of the applicant issuer and/or any of its subsidiaries, as the case may be | | |
| results[[67]](#footnote-88)  *[Section 8]* |  | | condensed financial statements, summary financial statements, annual financial statements, annual reports, interim results, quarterly results; | | |
| results announcement[[68]](#footnote-89)  *[Section 8]*  RLP  *[Section 7]*  Regulations  *[Section 7]*  reverse takeover[[69]](#footnote-90)  *[introduced in Section 9]* |  | | publication of results through SENS in terms of paragraph [3.22];  revised listing particulars prepared in terms of the Requirements complying with the provisions of a PLS  the Companies Regulations 2011, as amended  means, as applied to an issuer, an acquisition where the categorisation is 100% or more and will result in–   1. a fundamental change in the business; 2. a change in board of directors (changes of 35% or more); or 3. a change in control,   which events will be treated as a new listing; | | |
| rights offer[[70]](#footnote-91)  *[amended Section 6]* |  | | an offer by an applicant issuer to existing shareholders to subscribe for further securities pro rata their existing holdings by means of the issue of (i) a renounceable right or (ii) a non-renounceable right | | |
| [not used] |  | |  | | |
| SAICA |  | | the South African Institute of Chartered Accountants | | |
| SA financial reporting requirements[[71]](#footnote-92)  *[Section 8]* |  | | Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; | | |
|  |  | | [see Section 12 definitions below] | | |
|  |  | | [see Section 12 definitions below] | | |
| scrip dividend[[72]](#footnote-93) [[73]](#footnote-94)  *[amended Section 6]* |  | | a cash dividend incorporating an election on the part of shareholders to receive either capitalisation shares or cash | | |
| secondary listing |  | | a listing that is not a primary listing[[74]](#footnote-95) | | |
| securities[[75]](#footnote-96) |  | | as defined in the FMA[[76]](#footnote-97) | | |
| SENS[[77]](#footnote-98) |  | | the Stock Exchange News Service | | |
| [Schedule removed] |  | |  | | |
| *[moved to CA Timetable]* |  | |  | | |
|  |  | |  | | |
| significant[[78]](#footnote-101) |  | | any matter or element that is significant for the purpose of making an informed assessment of any transaction or listed security. As a rule of thumb significant should be interpreted as being less than material. | | |
| solvency and liquidity test[[79]](#footnote-102) |  | | the test set out in section 4 of the Act[[80]](#footnote-103) [[81]](#footnote-104) | | |
| South African company  *[Section 8][[82]](#footnote-105)* |  | | a company incorporated in terms of the Act; | | |
| special resolution[[83]](#footnote-106) |  | | a resolution as contemplated in the Act or in terms of the relevant company’s MOI, which special resolution may, for purposes of the Listings Requirements, be passed only with the support of at least 75 percent of the votes cast by all equity securities holders present in person, or represented by proxy, at the general meeting/annual general meeting convened to approve such resolution | | |
|  |  | | [no need to define, self-explanatory] | | |
| spouse[[84]](#footnote-107) |  | | a person who is in a marital relationship (recognised as a marriage in terms of the matrimonial laws of any country) with the individual at the time of the relevant transaction, including but not limited to, the individual’s spouse in terms of a same sex, hetero-sexual or customary union or any marital union acknowledged by any religion or custom. [[85]](#footnote-108) | | |
|  |  | | [not used] | | |
| statement of comprehensive income[[86]](#footnote-109) |  | | as described in IFRS | | |
| statement of financial position[[87]](#footnote-110) |  | | as described in IFRS | | |
| Strate[[88]](#footnote-111) |  | | Strate Proprietary Limited, a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa under registration number 1998/02224/07, licensed as a central securities depository under the FMA licensed as a central securities depository under the FMA | | |
| issued share capital  *[amended Section 6]* |  | | the portion of the share capital of an issuer that has been subscribed for by shareholders | | |
| subsidiary[[89]](#footnote-112) |  | | a subsidiary as defined in section 1 of the Act as read with Section 3 of the Act; or a juristic person or other undertaking which would have been a subsidiary company as defined in Section 1 of the Act had the juristic person or other undertaking been a company; or a juristic person or other undertaking that would have been a subsidiary as defined in Section 1 of the Act but for the fact that it is incorporated outside of the Republic of South Africa | | |
| substantial |  | | a change in or a constituent of a particular factor that may be regarded in the circumstances as being substantial and that, as a rule of thumb, would normally be equal to or exceed 30% | | |
|  |  | |  | | |
| summary financial statements[[90]](#footnote-114)  *[Section 8]* |  | | a summary version of the annual financial statements, which summary must comply with paragraphs [8.57(a) and 8.58]; | | |
| Takeover Regulations |  | | the Takeover Regulations established in terms of the Act | | |
| temporary documents of title |  | | allotment letters, split receipts, letters of acceptance, letters of rights, scrip certificates and any other temporary documents of title | | |
| traded or trading price |  | | refer to the definitions of “reference price” or “closing price”, as the case may be | | |
| treasury shares[[91]](#footnote-115) |  | | equity shares of an applicant issuer held  (i) by a subsidiary and/or  (ii) by a trust, through a scheme and/or other entity, where the equity shares in the applicant issuer are controlled by the applicant issuer from a voting perspective,  the votes of which will not be taken into account for purposes of resolutions proposed pursuant to the provisions of the Requirements | | |
| unbundling transaction |  | | shall bear the meaning ascribed thereto in the Tax Act, 1962 (Act No. 58 of 1962) | | |
|  |  | |  | | |
|  |  | |  | | |
| vendor consideration placing[[92]](#footnote-118)  *[amended Section 6]* |  | | securities that are to be issued for an acquisition:  (a) as marketing on behalf of vendors; or  (b) to settle a vendor cash consideration | | |
|  |  | | [Section 19 removed] | | |
| [Section 19 removed] |  | |  | | |
| weighted average traded price  *[amended Section 6]* |  | | the total value of the securities traded divided by the total number of securities traded over a prescribed period of time. If the securities have not traded for the prescribed period of time, the JSE must be consulted | | |
| Tax Act  [introduced Section 13] |  | | the South African Income Tac Act No. 58 of 1962, as amended. | | |

Section 12: Definitions moved to the Definitions Section

|  |  |  |
| --- | --- | --- |
| CP  CPR  CV  exploration  mining  oil/gas activities  SAMOG code  SAMREC code  SAMVAL code  SSC  QRE  substantial mineral or oil/gas assets  QRE report |  | in relation to exploration and mining, competent person as defined in the SAMREC code  the public report prepared on mineral assets and projects by a CP in compliance with this Section, the SAMREC code and the SAMVAL code  in relation to exploration and mining, a competent valuator as defined in the SAMVAL code  the searching or prospecting for any mineral, excluding oil and gas activities and mining  any excavation of the earth, including any portion under water, any tailings, and any borehole for the purpose of extracting a mineral or the use of any mineral deposit in any other manner, excluding oil and gas activities  oil and gas activities in terms of the SAMOG code  the South African Code for the Reporting of Oil and Gas Resources, including any guidelines contained therein, as amended, available at [www.samcode.co.za](http://www.samcode.co.za)  the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, including any guidelines contained therein, as amended, available at [www.samcode.co.za](http://www.samcode.co.za)  the South African Code for the Reporting of Mineral Asset Valuation including any guidelines contained therein as amended, available at [www.samcode.co.za](http://www.samcode.co.za)  the SAMCODES Standards Committee  a qualified reserve evaluator in terms of the SAMOG Code  mining, exploration or oil/gas assets which represents, or will represent a substantial portion of the total assets or revenue or profits of an applicant issuer, where its main activities are not that of mining, exploration or oil/gas activities  the public report prepared on oil/gas assets and projects by an independent QRE in compliance with this Section and the SAMOG code. |

Section 13: Definitions moved to the Definitions

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| asset manager |  | the entity or individual providing management services by making recommendations regarding the strategy of the property entity including the structure of the property entity, further acquisitions and disposals and new property developments; |
| CISIP |  | a collective investment scheme in property; |
| CIS Registrar |  | the Registrar of Collective Investment Schemes; |
| failed the REIT tax test |  | where the issuer was granted REIT status by the JSE, but on assessment by the South African Revenue Service did not qualify for a tax deduction of distributions under section 25BB(2) of the Tax Act; |
| gearing ratio  operational net income  property |  | the total consolidated liabilities divided by total consolidated assets;  the annual rental income less any expenses directly attributable to that property (including property management fees) but before interest, head office costs, any general management fees or taxation;  freehold and leasehold immovable property, being land and the things attached to the land that cannot be moved from one place to another without damage or change of form; |
| property entity |  | an entity primarily engaged in property activities, being: |
|  |  | 1 holding of property as an investment to earn rental and/or for capital appreciation; or |
|  |  | 2 development of property to be held as an investment; |
| rentable area |  | the total space of a property that can be rented and for a building it is as determined in terms of the South Africa Property Owners Association guidelines; |
| rental revenue |  | group revenue received for the use of property, rental guarantees and dividends received from another REIT that is not consolidated in the group accounts, which is classified as: |
|  |  | 1 contracted, if the agreement has not expired; |
|  |  | 2 near-contracted, if the agreement has expired but there is a reasonable expectation of renewal;  3 uncontracted, if neither (1) nor (2) above applies; and  4 short-term, if the period specified in the agreement, excluding automatic renewals, is for a period less than 18 months; and |
| significant properties |  | being those that individually account for 3% or more of the rental revenue or value of the property portfolio. |

**Definitions: New Listings**

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| public shareholders  (derived from par 4.25) |  | securities will not be regarded as being held by the public if they are beneficially held, whether directly or indirectly, by – |
|  |  | (a) the directors of the applicant issuer or of any of its major subsidiaries; |
|  |  | (b) an associate of the applicant issuer and/or of any of its major subsidiary/ies;[[93]](#footnote-120) |
| **Weighted Voting Shares [From Section 4]** |  | (c) an associate of a director of the applicant issuer or of any of its major subsidiaries;  (d) the extended family of a director of the applicant issuer, as applied to the best of his/her knowledge;  (e) the trustees of any employees’ share scheme or pension fund established for the benefit of any directors or employees of the applicant or any of its subsidiaries;  (f) a prescribed officer of the applicant issuer;  (g) the controlling shareholder/s; or[[94]](#footnote-121)  (h) any person where restrictions on trading in the issuer’s listed securities, in any manner or form, are imposed by the applicant issuer for a period exceeding six months from the listing date.[[95]](#footnote-122) |
| weighted voting share structure |  | a share structure that gives certain ordinary shareholders voting rights disproportionate to their shareholding or any other structure that achieves a similar outcome. Typically, shares in one class carry one vote, while shares in another class carry weighted votes |
| enhanced voting process |  | in relation to a weighted voting share structure, a voting process in a general meeting of the applicant, where votes are cast on the basis that one weighted voting share is limited to one vote |
| ordinary voting share |  | in relation to a weighted voting share structure, a share that carries one vote |
| weighted voting share |  | a share that carries weighted votes but that otherwise has the same rights as an ordinary voting share |
| **SPAC**  **[From Section 4]**  completed[[96]](#footnote-123) |  | in relation to a SPAC, the completion of an acquisition of viable assets, meaning that the acquisition has become unconditional and the assets have transferred to the SPAC |
| escrow[[97]](#footnote-124) |  | escrow or similar custodial arrangement to the satisfaction of the JSE, to safeguard the capital of the SPAC for the protection of investors as prescribed by the JSE |
| redemption right |  | in relation to a SPAC, a right afforded only to the shareholder/s who voted against the proposed acquisition of viable assets, to elect to redeem securities and receive a *pro rata* portion of the amount in cash held in escrow, provided the acquisition of viable assets is approved within the prescribed period |
| 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 on the main board or the ALTX |
| viable assets |  | the acquisition of assets by the applicant that will on its own enable the SPAC to qualify for a listing on the main board or the ALTX |

**New Definitions**

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| pyramid company[[98]](#footnote-125) |  | where an issuer – |
| [From Section 14, par 14.4) |  | (a) exercises more than 50% of the total voting rights of the equity securities of a listed company (“listed controlled company”); |
|  |  | (b) derives 75% or more of its total attributable income before tax from such listed controlled company, or the value of its shareholding in the listed controlled company represents more than 50% of its gross assets, with both measured, as far as possible, at fair value; and |
|  |  | (c) is unable to demonstrate to the JSE that it has:  (i) a business of substance; or  (ii) a business that may qualify for listing, in its own right, without the interest held in the listed controlled company |
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| preference shares |  | securities that: |
| (applies to Section 14) |  | 1 have voting rights at annual/general meetings, in relation to items that will affect their terms and conditions; and |
|  |  | 2 will not return the initial capital investment to the preference shareholder, at a predetermined date |
|  |  |  |
|  |  |  |
| net asset value |  | total assets minus total liabilities |
| (applies to Section 3) |  |  |
|  |  |  |

New Definitions: Depositary Receipts [subject to FSCA approval]

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| depositary |  | means a bank or entity acceptable to the JSE, that issues DRs representing the securities of an issuer or underlying reference entity that are held in trust or other acceptable vehicle, by the depositary, in the issuer or underlying reference entity’s local market. The depositary may also act as a registrar, transfer agent and corporate actions agent and may cancel or issue the DRs for withdrawal or for deposit of the securities, all in accordance with a deposit agreement with the issuer for a sponsored program, or in accordance with unsponsored terms and conditions for an unsponsored program; |
| depositary receipt or DR |  | means an instrument representing an underlying entity’s securities, where the instrument confers rights in respect of such securities; |
| fully covered |  | means in relation to DRs, that the DRs must at all times represent the issuer’s underlying securities held by the depositary or its custodian, or any collateral held in terms of any pre-release arrangement; |
| issuer |  | in relation to (i) sponsored DRs, means a company that has been admitted to listing, or which is the subject of an application for admission to listing, on an exchange as contemplated in paragraph 18.3(b); and (ii)unsponsored DRs means the depositary; |
| sponsored DR |  | that the DR is established at the direction of the issuer and in accordance with a deposit agreement between the issuer and the depositary; |
| unsponsored DR |  | the date by which the CSDPs must have received election instructions from their clients, including JSE members, fund managers and global custodians. |

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