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Dear Company Secretaries, Sponsors and Designated Advisers

## **PROCEDURAL REQUIREMENTS OF THE STOCK EXCHANGE NEWS SERVICE (“SENS”)**

As a result of the need to disseminate relevant company information to the market on a real time basis, the JSE established SENS. The purpose of SENS falls within the sphere of the general principles of the JSE Listings Requirements (the “Requirements”) to ensure that full, equal and timeous public disclosure is made to all holders of securities and the general public at large regarding the activities of an issuer that are price sensitive.

Paragraph 19.2 of Schedule 19 (Procedural requirements of SENS), which is a schedule to the Requirements, addresses the requirement to disseminate relevant company information to the market. Certain issues have come to our attention in respect of the use of SENS by issuers for the dissemination of relevant company information and the JSE wishes to issue the following guidance.

### Relevant Company Information

Relevant company information is defined in Schedule 19 of the Requirements, which means company announcements and price sensitive company releases.

Thus, announcements must be released on SENS if a positive obligation is placed on the issuer pursuant to the provisions of the Requirements to release certain information on SENS or when such information is required to be released because it constitutes price sensitive information. See the definition of price sensitive information in the Requirement for further guidance.

Relevant company information must be factually supportable and must relate directly to the issuer. As a rule, the JSE will not consider the following information as relevant company information:

- Any information which constitutes marketing information of the issuer or the issuer's sphere of activity. Marketing information for the purposes of the guidance letter would be any information that would in the normal course be considered as an advertisement of the products of the issuer or the issuer itself; and
- Any information that is not factually supportable or contains features of human emotion, such as derogatory or malicious statements.

### Secondary Listed Issuers

Issuers with a secondary listing on the JSE are reminded that any information required to be released on its primary exchange must also be released on SENS pursuant to the provisions of Section 18 of the Requirements.

### Exceptions

Notwithstanding the above provisions, the JSE will allow for the following to be released on SENS:

- We understand that some issuers are accustomed to release details of presentations on SENS in relation to the issuer's sphere of activity. Although such presentations may be meaningful to a selected audience, these presentations are normally not considered to be relevant company information or price sensitive information (the eligibility criteria for SENS). We do however understand that issuers would like to use SENS as a platform to make such presentations public and in this regard the JSE will continue to accept the publication of presentations linked to the issuer's sphere of activity on SENS, however, the JSE will only allow a notice of availability via a website link to be published on SENS and not the full presentation;
- Issuers may release company related information through SENS:
  - such as operational updates, provided such information is relevant to (i) the issuer's sphere of activities and (ii) to investors; and
  - which is required to be published under Statute.

### General

In considering whether an announcement should be released, issuers must always take account of the rationale and purpose of SENS being a mechanism for the dissemination of relevant company information. Issuers must therefore guard against releasing unnecessary information that may overwhelm investors and dilute the importance and relevance of SENS announcements. Issuers should consult with their sponsors or designated advisers to ensure compliance with this guidance letter and the Requirements.

We trust that the above guidance will lead to the dissemination of relevant information for the benefit of issuers and the market as a whole.

Yours faithfully



**A F VISSER: GENERAL MANAGER  
ISSUER REGULATION**