

Our Ref: JH/TAC/RO/FZ(jk)/LD18/21 [Main LR-PA, Submission GL & Others]

20 December 2021

The Company Secretary  
(Listed Issuers)

Via email

Dear Sir/Madam,

**AMENDMENTS TO THE MAIN MARKET LISTING REQUIREMENTS IN RELATION TO ENHANCED ADVISER FRAMEWORK, SUBMISSION OF CORPORATE PROPOSALS AND OTHER AMENDMENTS**

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**(A) INTRODUCTION**

1. Pursuant to section 9 of the Capital Markets and Services Act 2007 (“CMSA”), Bursa Malaysia Securities Berhad (“the Exchange”) has made amendments to the Main Market Listing Requirements (“Main LR”) in relation to enhanced adviser framework, submission of corporate proposals and other amendments (“Main LR Amendments”).

**(B) BACKGROUND**

2. The Securities Commission Malaysia (“SC”) had enhanced the Main Market framework for initial public offering (“IPO”) and proposals resulting in a significant change in business direction or policy of a corporation (“RTO”), as well as liberalised the adviser requirements for submissions of IPO and RTO applications.
3. In line with this, the Exchange has streamlined the Principal Adviser framework under the Main LR with the SC’s Recognised Principal Adviser (“RPA”) framework, to strengthen the accountability of such advisers and its key officers involved in submitting significant proposals to the Exchange. This will promote a more effective adviser regime for the Main Market with greater oversight by the adviser and its key officers. In addition, the Exchange is also making other amendments for clarity, parity and certainty.
4. In finalising the Main LR Amendments, the Exchange has considered various feedback and comments received in response to the public consultation paper issued on 11 August 2021.

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**(C) KEY MAIN LR AMENDMENTS**

5. The key Main LR Amendments are as follows:

5.1 Enhancing the adviser framework by -

- (a) aligning the Principal Adviser framework under the Main LR, with that of the SC's RPA framework for the Main Market;
- (b) strengthening the supervisory and oversight role of a RPA and its key officers, namely the Senior Officer ("SO") and Qualified Person ("QP"), in significant proposals ("**Specific Proposals**")<sup>1</sup>;
- (c) removing the prescription on how due diligence is to be conducted and empowering the RPA and other relevant parties to undertake their due diligence exercise in accordance with industry best practices;
- (d) requiring the RPA and other relevant parties to make due and careful enquiries and comply with the equivalent obligations and standards imposed under the SC's Guidelines on Submission of Corporate and Capital Market Product Proposals ("**Submission Guidelines**")<sup>1</sup>; and
- (e) extending the regulatory and enforcement ambit under the Main LR to Recognised Principal Adviser's QP and SO involved in submitting a Specific Proposal.

5.2 Improving clarity of the Main LR by -

- (a) clarifying that an independent adviser for a Major Disposal and voluntary withdrawal of listing must be a person who is appropriate to give competent independent advice under the Malaysian Code on Take-Overs and Mergers 2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisitions;

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<sup>1</sup> The Exchange is stipulating the following proposals as Specific Proposals under the Main LR:

- (a) an initial listing application to the Exchange in relation to a Main Market IPO (other than applications relating to corporate bonds or sukuk under Chapter 4B of the Main LR and exchange-traded funds);
- (b) a listing application to the Exchange in relation to a Main Market RTO;
- (c) a listing application in relation to a transfer of listing from the ACE Market to the Main Market;  
and
- (d) a Major Disposal under paragraph 10.02(eA) of the Main LR.

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- (b) requiring directors of an applicant to complete the Mandatory Accreditation Programme prior to listing;
- (c) clarifying that securities holders whose securities are subject to moratorium pursuant to the SC's Equity Guidelines, are excluded from public securities holding spread of an applicant or listed issuer;
- (d) empowering the Exchange to return any listing or quotation applications submitted to the Exchange which quality is deemed unsatisfactory or does not comply with the Main LR;
- (e) clarifying that the Exchange is not precluded from taking enforcement actions for breaches under the Main LR if the Exchange returns or rejects any applications;
- (f) streamlining the definition of "promoter" in the Main LR with that under the CMSA, and adopting the term "specified shareholder" in reference to shareholders whose securities are subject to moratorium pursuant to the SC's Equity Guidelines; and
- (g) enhancing the undertakings template by advisers, valuers, applicants/listed issuers and their directors or key officers.

**(D) FULL TEXT OF THE MAIN LR AMENDMENTS**

6. The full text of the Main LR Amendments are attached in Appendix 1. For ease of reference, the amendments are reflected in the following manner:

- (a) portions underlined are text newly inserted / added onto the existing rules; and
- (b) portions struck through are text deleted.

**(E) IMPLEMENTATION**

7. The Main LR Amendments are effective from **1 January 2022** onwards.



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(F) **ADDITIONAL INFORMATION**

8. In addition, we have also provided “Questions and Answers” as set out in **Appendix 2** in relation to the Main LR Amendments.
9. This letter and all the above documents are also available at Bursa Malaysia Berhad’s website at:  
[https://www.bursamalaysia.com/regulation/listing\\_requirements/main\\_market/amendments\\_to\\_listing\\_requirements](https://www.bursamalaysia.com/regulation/listing_requirements/main_market/amendments_to_listing_requirements).
10. If you have any queries on the above, please do not hesitate to contact our team from Listing Advisory & Development, Listing Division at 03-2034 7766 or submit your enquiry via <https://asklisting.bursamalaysia.com>.

Thank you.

Yours faithfully,



**REGULATION**

Encls. (2)