ATTACHMENT

TABLE OF COMMENTS

COMMENTS TO ISSUES RAISED IN CONSULTATION PAPER NO. 2/2020

PROPOSED AMENDMENTS TO THE MAIN MARKET AND ACE MARKET LISTING REQUIREMENTS

IN RELATION TO PUBLIC SECURITY HOLDING SPREAD

Regulatory Policy & Advisory

Bursa Malaysia Berhad

9th Floor, Exchange Square

Bukit Kewangan

50200 Kuala Lumpur

Electronic mail: [rpa@bursamalaysia.com](mailto:rpa@bursamalaysia.com)

Facsimile: +603-2732 0065

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| --- | --- | --- |
| NAME OF RESPONDENT | : |  |
| NAME OF COMPANY | : |  |
| CONTACT PERSON & CONTACT NUMBER | : |  |
| EMAIL ADDRESS | : |  |

| ISSUES | | COMMENTS |
| --- | --- | --- |
|  | Do you agree with the proposal to codify the lower public spread policy into the Main Market and ACE Market Listing Requirements (collectively, the “LR”) as set out in paragraph 10 of the Consultation Paper?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you agree with the proposed market capitalisation criteria of RM1 billion or more but less than RM3 billion, for an acceptable lower public spread of at least 20%? If not, what is your recommended market capitalisation criteria?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you agree with the proposed market capitalisation criteria of RM3 billion or more, for an acceptable lower public spread of at least 15%? If not, what is your recommended market capitalisation criteria?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | In relation to the objective criteria for a lower public spread application at admission, is it appropriate to compute the market capitalisation of the applicant based on its expected market capitalisation as at the date of its listing application?  (a) If your answer is yes, should the same market capitalisation threshold of RM1 billion and RM3 billion or a higher threshold, be applicable given that there is no track record on the applicant’s average market capitalisation for the last 12 months?  (b) If your answer is no, what is your recommendation for an alternative objective criteria?  Please state the reasons for your views. | Yes  Same threshold  *Reasons:*   |  | | --- | | Click or tap here to enter text. |   Higher threshold  *Reasons and suggestions:*   |  | | --- | | Click or tap here to enter text. |   No  *Reasons and suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | In relation to the objective criteria for a lower public spread application on a continuing basis, is it appropriate to compute the 12-month average market capitalisation based on the daily closing price of the listed issuer’s securities during the 12-month period preceding the application to the Exchange? If not, what is your recommendation?  Please state the reasons for your views. | Yes  No  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you agree with the following subjective criteria which the Exchange should consider for acceptance of lower public spread as set out in paragraph 10.2 of the Consultation Paper i.e. whether:  (a) there is sufficient liquid market in the securities;  (b) there is orderly and fair trading in the securities;  (c) there are no circumstances which makes it undesirable for the Exchange to exercise its discretion, having regard to the corporate governance conduct and compliance record with the LR or securities laws, of the applicant/listed issuer and its directors; and  (d) there is reasonable justification necessitating the lower public spread for the applicant or listed issuer?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons:*   |  | | --- | | Click or tap here to enter text. | |
|  | In addition to the objective and subjective criteria as set out in paragraphs 10.1 and 10.2 of the Consultation Paper, are there any other criteria or factors which the Exchange should consider when assessing whether to grant a lower public spread?  Please state your suggestions, and the reasons for your suggestions. | Yes  No  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you agree with the proposed timing for the notification of events set out in paragraph 10.3 of the Consultation Paper[[1]](#footnote-2) i.e. as soon as the listed issuer becomes aware of them, either in conjunction with the preparation of its semi-annual returns (for a Main Market listed issuer) or annual returns (for an ACE Market listed corporation), or otherwise?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you agree with the proposed codification of the Exchange’s right to review the approval or decision for lower public spread granted earlier to a listed issuer as set out in paragraph 10.4 of the Consultation Paper i.e. upon the occurrence of the following:  (a) the average market capitalisation of the listed issuer falls below the prescribed threshold as set out in paragraph 10.1(a) of the Consultation Paper;  (b) there are issues relating to the orderliness and fairness of trading in the securities of the listed issuer; or  (c) there are issues on the listed issuer’s and its directors’ corporate governance conduct and compliance with the LR or securities laws?  Please state the reasons for your views. | Agree  Disagree  No comment  *Reasons:*   |  | | --- | | Click or tap here to enter text. | |
|  | Are there any other events that should be included (in addition to the ones stipulated in paragraph 10.4 of the Consultation Paper) which may prompt a review by the Exchange of the approval for lower public spread granted earlier to a listed issuer?  Please state your suggestions, and the reasons for your suggestions. | Yes  No  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |
|  | Do you have any other suggestion to enhance the existing public spread requirements?  Please state your suggestions, and the reasons for your suggestions. | Yes  No  No comment  *Reasons and/or suggestions:*   |  | | --- | | Click or tap here to enter text. | |

[End of Attachment]

1. A listed issuer which has been granted approval for lower public spread will be required to notify the Exchange of the following:

   (i) any decrease in its issued share capital;

   (ii) any decrease in the percentage of the public spread below the percentage approved by the Exchange; and

   (iii) any decrease of the listed issuer’s average market capitalisation for the preceding 12 months to below the prescribed threshold as set out in paragraph 10.1(a) of the Consultation Paper. [↑](#footnote-ref-2)