
CHAPTER 5 FOREIGN LISTING**PART A – GENERAL****5.01 Introduction**

- (1) This Chapter sets out the requirements that must be complied with by a foreign corporation seeking or having a primary listing on the ACE Market.
- (2) For the purpose of this Chapter, unless the context otherwise requires –
 - (a) “applicant” means a foreign corporation seeking a primary listing on the ACE Market; and
 - (b) “listed corporation” means a foreign corporation having a primary listing on the ACE Market.

PART B – ADMISSION**5.02 Admission**

- (1) An applicant must comply with Chapter 3 of these Requirements, subject to the additional requirements, modifications or exceptions set out in this Chapter.
- (2) An applicant must apply for a listing on the ACE Market through a Sponsor.
- (3) The Exchange will exercise discretion over the admission and continued listing of securities on its Official List and may approve or reject applications for listing on the ACE Market, as it deems fit.
- (4) The Exchange may also approve applications for listing on the ACE Market unconditionally or subject to such conditions, as it deems fit.
- (5) An applicant must comply with the relevant admission procedures and requirements as may be prescribed by the Exchange.

[Cross reference: Guidance Note 15; Guidance Note 16]

5.03 Standards of laws and regulations

- (1) An applicant must be incorporated in a jurisdiction whose corporation laws and other laws and regulations have standards at least equivalent to those in Malaysia, particularly with respect to –
 - (a) corporate governance;
 - (b) shareholders' and minority interest protection; and
 - (c) regulation of take-overs and mergers.
- (2) Where the jurisdiction in which the applicant is incorporated does not provide standards as referred to in sub-Rule (1) above, but it is possible to provide those standards by means of varying the applicant's constituent documents, the Exchange may approve the listing of the applicant, subject to the applicant making such variations to its constituent documents. In relation to this, the applicant must submit a comparison of such standards of laws and

regulations of the jurisdiction in which the applicant is incorporated and those provided in Malaysia, together with the proposed variations to its constituent documents to address any deficiency in such standards, in its listing application to the Exchange.

- (3) The securities of the applicant must be validly issued in accordance with the constituent documents of the applicant and the relevant laws in force in the country of incorporation of the applicant.

5.04 Approval of regulatory authorities of foreign jurisdiction

An applicant must obtain the approval of all relevant regulatory authorities of the jurisdiction in which it is incorporated and carry out its core business, as may be required, before issuing its listing prospectus and submitting its application to the Exchange.

5.05 Registration under Companies Act 1965

An applicant must have been registered with the Registrar of Companies under Part XI Division 2 of the Companies Act 1965.

5.06 Approval of Controller of Foreign Exchange

An applicant or the offerors of the securities in the applicant, must, where applicable, obtain the prior approval of the Controller of Foreign Exchange for the utilisation of proceeds from the offering of securities.

5.07 Appointment of directors

An applicant –

- (1) whose operations are entirely or predominantly Malaysian-based must have a majority of directors whose principal or only place of residence is within Malaysia; and
- (2) whose operations are entirely or predominantly foreign-based must have at least one director whose principal or only place of residence is within Malaysia.

5.08 Agent or representative

An applicant must appoint an agent or representative in Malaysia to be responsible for communication with the Exchange, on behalf of the applicant.

5.09 Share transfer or registration office

An applicant must establish a share transfer or share registration office in Malaysia.

5.10 Accounting standards

An applicant must prepare its financial statements and reports in accordance with the approved accounting standards as defined in the Financial Reporting Act 1997, which includes the International Accounting Standards. In this regard, the applicant must provide to the Exchange a confirmation from a professional accountant qualified under the Accountants Act 1967 and from an international accounting firm, that the applicant's financial statements comply with the said approved accounting standards.

5.11 Auditing standards

An applicant must ensure that the auditing standards applied are in accordance with approved auditing standards applied in Malaysia or the International Standards on Auditing.

5.12 Information or documents in English

All information or documents presented, submitted or disclosed pursuant to these Requirements must be in English.

PART C - CONTINUING OBLIGATIONS OF A LISTED CORPORATION**5.13 Application of other Chapters**

- (1) A listed corporation must comply with all the other Chapters in these Requirements subject to the additional requirements, modifications or exceptions set out in this Chapter.
- (2) Where any requirements in this Chapter conflicts with a requirement of another Chapter, the former prevails.

5.14 Directors

A listed corporation must comply with Rule 5.07 above as a continuing listing obligation.

5.15 Accounting and auditing standards

A listed corporation must ensure that it complies with the accounting and auditing standards set out in Rules 5.10 and 5.11 above as a continuing listing obligation.

5.16 Information or documents in English

A listed corporation must comply with Rule 5.12 above as a continuing listing obligation.

5.17 Information to be disclosed

A listed corporation must announce to the Exchange concurrently all information required to be publicly disclosed to its domestic regulatory authorities and other stock exchanges, if applicable.

5.18 Distribution of notices, etc.

A listed corporation must distribute to its shareholders in Malaysia all -

- (a) notices of general meetings to be held;
- (b) annual reports;
- (c) accounts; and
- (d) all other documents or information,

which it is required to distribute in its place of incorporation and other stock exchanges, if applicable. The listed corporation must give sufficient notice to enable its shareholders in Malaysia to comply with the terms of the notice.

5.19 Announcement of appointment of directors

Without prejudice to Rule 9.19 on the making of immediate announcements to the Exchange, the announcements made by a listed corporation with regard to the appointment of a director must include the director's principal place of residence.

5.20 Substantial shareholdings

- (1) A listed corporation must immediately announce to the Exchange any change in the interest or interests of a substantial shareholder in its voting shares upon notification by the substantial shareholder.
- (2) The listed corporation must state the name of the shareholder and full particulars of the change, including the date of the change, the number of shares involved and the circumstances by reason of which the change occurred.

5.21 Financial statements

A listed corporation must ensure that any financial statements announced to the Exchange -

- (a) is prepared on a consolidated basis; and
- (b) complies with the requirements under Rule 5.10 above.

5.22 Statutory declaration in relation to annual audited financial statements

- (1) The annual audited financial statements of a listed corporation must be accompanied by a statutory declaration which is signed by the director or person primarily responsible for the financial management of the listed corporation, as the case may be, who satisfies the requirements prescribed in Rule 9.27
- (2) The signatory referred to in sub-Rule (1) above must state his opinion as to the correctness or otherwise of the annual audited financial statements.

5.23 Notification of suspension and de-listing

- (1) A listed corporation must immediately notify the Exchange in writing where it has requested for a suspension in trading or a de-listing of its securities listed on other stock exchange(s).
- (2) If the other stock exchange(s) decide(s) to suspend trading in or de-list the securities of a listed corporation, whether in relation to its request under sub-Rule (1) above or otherwise, it must immediately notify the Exchange in writing.

5.24 Listing and quotation of new issue of securities

A listed corporation must ensure that as far as reasonably practicable, all new issues of securities are admitted and quoted on the Exchange on the same day as they are admitted and quoted on the other stock exchange(s).

[End of Chapter]