

CHAPTER 1 DEFINITIONS AND INTERPRETATION

PART A – DEFINITIONS

1.01 Definitions

In these Requirements, unless the context otherwise requires:-

admission	means admission of securities to the Official List of the Exchange and “admitted” will be construed accordingly.
adviser	in relation to an applicant or a listed corporation, means – <ol style="list-style-type: none"> (a) an Adviser, Sponsor or Recognised Approved Adviser, and in the case of a Specific Proposal, the Sponsor or Recognised Approved Adviser, as the case may be, and its Qualified Person and Senior Officer; (b) a person who is permitted to carry on the regulated activity of advising corporate finance under the CMSA; (c) a financial adviser, lawyer, accountant, valuer, or any other person retained by an applicant or a listed corporation to provide professional advice or services in relation to a matter governed by these Requirements; or (d) any other person who, acting in the capacity of an adviser, presents, submits or discloses an application, a circular or any other document to the Exchange on behalf of an applicant or a listed corporation.
Adviser	means a person registered on the Register of Sponsors who has been appointed by a listed corporation to undertake a corporate proposal prescribed by the Exchange to require the services of an Adviser.
amendment	in relation to a document or information, includes any addition, deletion, modification or variation of any part of such document or information and “amended” will be construed accordingly.
applicant	means a corporation which is applying for admission of its securities to the Official List.
approved accounting standards	in relation to the Malaysian Accounting Standards Board (MASB), has the meaning given in section 2 of the Financial Reporting Act 1997, but excluding the Malaysian Private Entities Reporting Standard or its equivalent.
Approved Adviser	has the same meaning given in the LEAP Market Listing Requirements.
associate	in relation to any person (referred to as “ said Person ”) means a person who falls under any one of the following categories: <ol style="list-style-type: none"> (a) a family member of the said Person;

- (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person or a family member of the said Person is the sole beneficiary;
- (c) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (d) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (e) a body corporate in which the director, shareholder or a family member of the said Person is entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (f) a body corporate which is a related corporation of the said Person.

associated company	has the meaning given to “ associate ” under the accounting standards issued or adopted by the Malaysian Accounting Standards Board.
auditor	means an auditor who is registered as a registered auditor or recognized as a recognized auditor under section 31O of the Securities Commission Malaysia Act 1993.
Audit Oversight Board	means the body established under section 31C of the Securities Commission Malaysia Act 1993.
Bank Negara Malaysia	means the Central Bank of Malaysia established under the Central Bank of Malaysia Act 2009.
Board	in relation to the Exchange, means the board of directors of the Exchange.
board lot	in relation to any securities quoted on the Official List, means a parcel of securities comprising 100 units or any other number of securities permitted by the Exchange to be traded on the stock market.
books closing date	means the specified time and date set by a listed corporation for the purpose of determining entitlements to dividends, interests, new securities or other distributions or rights of holders of its securities.
Cash Company	means a listed corporation whose assets on a consolidated basis, consist of 70% or more of cash or short term investments, or a combination of both, who has been considered by the Exchange as a Cash Company under Rule 8.03.

change in the board of directors of a listed corporation	<p>in relation to a listed corporation, means a change within a 12-month period from the date of the acquisition in -</p> <p>(a) at least one-half of the membership of the board of directors of the listed corporation; or</p> <p>(b) at least one-third of the membership of the board of directors of the listed corporation, including the chief executive.</p>
chief executive	<p>in relation to a corporation, means the principal executive officer of the corporation for the time being, by whatever name called, and whether or not he is a director.</p>
chief financial officer	<p>in relation to a corporation, means the person primarily responsible for the management of the financial affairs of the corporation (such as record keeping, financial planning and financial reporting), by whatever name called.</p>
Companies Act	<p>means the Companies Act 2016.</p>
Continuing Adviser	<p>has the same meaning given in the LEAP Market Listing Requirements.</p>
controlling shareholder	<p>means any person who is or a group of persons who together are entitled to exercise or control the exercise of more than 33% of the voting shares in a company (or such other percentage as may be prescribed in the Take-Overs and Mergers Code as being the level for triggering a mandatory general offer) or who is or are in a position to control the composition of a majority of the board of directors of such company.</p>
convertible securities	<p>means securities which are convertible or exercisable by their terms of issue, into shares.</p>
core business	<p>means the business which provides the principal source of operating revenue or after-tax profits to a corporation and which comprises the principal activities of the corporation and its subsidiary companies.</p>
corporation	<p>has the meaning given in section 2(1) of the CMSA.</p>
debt securities	<p>means debentures, loan stocks or other similar instruments representing or evidencing indebtedness, whether secured or unsecured, and whether convertible or not.</p>
deposited security	<p>means a security standing to the credit of a securities account and includes a security in a securities account that is in suspense.</p>
depositor	<p>means a holder of a securities account established by the Depository.</p>
Depository	<p>means Bursa Malaysia Depository Sdn. Bhd.</p>
depository bank	<p>in relation to depository receipts, means the issuer of such depository receipts.</p>

depository receipts	means a security which accords a right to the registered holder to own a prescribed quantity of securities listed on a Recognised Stock Exchange.
director	has the meaning given in section 2(1) of the CMSA.
Dividend Reinvestment Scheme	means a scheme which enables shareholders to reinvest cash dividend into new shares.
Employee Share Scheme	means collectively a Share Issuance Scheme and a Share Grant Scheme.
Exchange	means Bursa Malaysia Securities Berhad.
Exchange Holding Company	means Bursa Malaysia Berhad.
expert	includes an engineer, valuer, accountant and any other person whose profession gives authority to a statement made by him.
family	<p>in relation to a person means such person who falls within any one of the following categories:</p> <ul style="list-style-type: none"> (a) spouse; (b) parent; (c) child including an adopted child and step-child; (d) brother or sister; and (e) spouse of the person referred to in sub-Rules (c) and (d) above.
foreign corporation	means an entity that is incorporated outside Malaysia.
GN3 Company	has the meaning given in Rule 8.04.
independent adviser or expert	means an adviser or an expert who is independent of the management and board of directors of the applicant or listed corporation which appoints it and free from any business or other relationship which could interfere with the exercise of independent judgement by such adviser or expert.
independent director	<p>means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or listed corporation. Without limiting the generality of the foregoing, an independent director is one who -</p> <ul style="list-style-type: none"> (a) [deleted]

- (b) is not, and has not been within the last 3 years, an officer of the applicant, listed corporation or any related corporation of such applicant or listed corporation (each corporation is referred to as the “**said Corporation**”). For this purpose, “**officer**” has the meaning given in section 2 of the Companies Act but excludes a director who has served as an independent director in any one or more of the said Corporations for a cumulative period of less than 12 years;
- (c) is not a major shareholder of the said Corporation;
- (d) is not a family member of any executive director, officer or major shareholder of the said Corporation;
- (e) is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation;
- (f) has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by the Exchange;
- (g) has not engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the applicant or the listed corporation) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange; or
- (h) has not served as an independent director in any one or more of the said Corporations for a cumulative period of more than 12 years from the date of his first appointment as an independent director.

[Cross reference: Guidance Note 9]

infrastructure project

means a project which creates the basic physical structures or foundations for the delivery of essential public goods and services that are necessary for the economic development of a state, territory or country, such as the construction and operation of roads, bridges, tunnels, railways, mass transit systems, seaports, airports, water and sewage systems, sewerage systems, power plants, gas supply systems and telecommunication systems.

Joint Transfer Sponsor

means the Sponsor and Recognised Approved Adviser, either individually or collectively, as the context may require, who are jointly appointed by a transfer applicant in making the transfer of listing application to the Exchange.

listed	means admitted to the Official List and not removed, and “ listing ” will be construed accordingly.
listed corporation	means a corporation whose securities or any class of its securities have been admitted to the Official List and not removed.
major associated company or major subsidiary	means an associated company or subsidiary, as the case may be, which contributes 70% or more of the profit before tax or total assets employed of the listed corporation on a consolidated basis.
major shareholder	means a person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is – <ul style="list-style-type: none"> (a) 10% or more of the total number of voting shares in the corporation; or (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation. <p>For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in section 8 of the Companies Act.</p>
market day	means a day on which the stock market of the Exchange is open for trading in securities, which may include a Surprise Holiday.
MCCG	means the Malaysian Code on Corporate Governance.
member	includes a depositor who will be treated as if he were a member pursuant to section 35 of the Securities Industry (Central Depositories) Act 1991 but excludes the Depository in its capacity as a bare trustee.
net assets	refers to the net assets attributable to ordinary equity holders of the listed corporation.
offer for sale	means an invitation by, or on behalf of, an existing securities holder to purchase securities of a corporation already in issue or allotted.
offer for subscription	means an invitation by, or on behalf of, a corporation, to subscribe for securities of the corporation not yet in issue or allotted.
officer	(a) in relation to an applicant, a listed corporation, or its related corporation, means the chief executive, the chief operating officer, the chief financial controller or any other person primarily responsible for the operations or financial management of an applicant, a listed corporation or its related corporation, by whatever name called; and

	(b) in relation to the Exchange or the Exchange Holding Company, has the meaning given in section 2 of the Companies Act.
Official List	means a list specifying all securities which have been admitted for listing on the ACE Market and not removed.
options	includes options under a share scheme for employees, convertible securities and any other types of options in respect of the issued or unissued securities of a corporation.
Participating Organisation	means a company which carries on the business of dealing in securities and for the time being recognised as a Participating Organisation pursuant to the Rules of the Exchange.
partner	in relation to any person (referred to as " said Person "), means such person who falls within any one of the following categories: (a) a person with whom the said Person, is in or proposes to enter into partnership with. " Partnership " for this purpose refers to a " partnership " as defined in section 3 of the Partnership Act 1961 or " limited liability partnership " as defined in section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or (b) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.
person	includes a body of persons, corporate or unincorporate (including a trust).
person connected	in relation to any person (referred to as " said Person ") means such person who falls under any one of the following categories: (a) a family member of the said Person; (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary; (c) a partner of the said Person; (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person; (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;

	(f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
	(g) a body corporate which is a related corporation of the said Person.
predominantly foreign-based operations	means a situation where – <ul style="list-style-type: none"> (a) the after-tax profits of the corporation derived from assets or operations held outside Malaysia are higher than the after-tax profits derived from assets or operations held within Malaysia; or (b) the majority of the infrastructure projects of the corporation are located outside Malaysia.
predominantly Malaysian-based operations	means a situation where – <ul style="list-style-type: none"> (a) the after-tax profits of the corporation derived from assets or operations held within Malaysia are higher than the after-tax profits derived from assets or operations held outside Malaysia; or (b) the majority of the infrastructure projects of the corporation are located within Malaysia.
principal subsidiary	means a subsidiary which accounts for 25% or more of the profit after tax or total assets employed of the listed corporation based on the latest published or announced audited financial statements of the listed corporation or audited consolidated financial statements of the listed corporation, as the case may be.
promoter	has the meaning given in section 226 of the CMSA.
property development corporation	means a corporation whose core business is in – <ul style="list-style-type: none"> (a) development or redevelopment of real estate; or (b) real estate with development potential, and includes those rights to develop pursuant to a joint venture agreement, privatisation agreement or some other forms of joint arrangement.
property investment corporation	means a corporation whose core business is in – <ul style="list-style-type: none"> (a) the holding of landed or strata properties in the commercial, residential, industrial or agricultural sector (collectively referred to as “investment properties”) for letting and retention as investments; or (b) the purchase of investment properties for subsequent sale.

prospectus	has the meaning given in section 226 of the CMSA.
public	<p>means all persons or members of the public but excludes:-</p> <ul style="list-style-type: none"> (a) directors of an applicant or a listed corporation and its subsidiaries; (b) substantial shareholders of an applicant or a listed corporation except where such a shareholder fulfils all the following requirements in which case such shareholder may be included as a “public” shareholder: <ul style="list-style-type: none"> (i) such shareholder’s interest, directly or indirectly is not more than 15% of the total number of shares of the applicant or listed corporation; (ii) such shareholder is not a specified shareholder of the applicant or listed corporation; and (iii) such shareholder is either - <ul style="list-style-type: none"> (aa) a statutory institution who is managing funds belonging to contributors or investors who are members of the public; or (bb) an entity established as a collective investment scheme, such as closed-end funds, unit trusts or investment funds (but excluding investment holding companies); (c) associates of directors or substantial shareholders of an applicant or a listed corporation; and <p>For the avoidance of doubt, a “public” shareholder also excludes:</p> <ul style="list-style-type: none"> (I) shareholders whose shares are subject to moratorium pursuant to Rules 3.19 and 3.19A; and (II) a person who holds or acquires shares through artificial means. This includes, for example, giving away free shares or shares as gifts, or providing financial assistance or loans to acquire shares to nominees of the directors or substantial shareholders.
Qualified Person	means the employee of the Sponsor or the Recognised Approved Adviser, as the case may be, who fulfils the requirements of a qualified person under the SC’s Licensing Handbook.
real estate	means land and all things that are a natural part of the land as well as things attached to the land both below and above the ground, and includes the rights, interests and benefits related to the ownership of the real estate.

Recognised Approved Adviser	means an Approved Adviser which has been approved to act as a Recognised Approved Adviser by the Exchange pursuant to Rule 4.29(2) of these Requirements.
Recognised Stock Exchange	means – (a) a body corporate which has been approved by the Minister under section 8(2) of the CMSA; or (b) a foreign stock exchange declared by the Exchange to be a recognised stock exchange.
Record of Depositors	means a record provided by the Depository to a listed corporation under chapter 24.0 of the Rules of the Depository.
Register	means the register of members to be kept pursuant to the Companies Act.
Register of Sponsors	means a register maintained by the Exchange for the ACE Market specifying all persons which have been approved to act as Sponsors by the Exchange pursuant to Chapter 4 of these Requirements and such approval has not been revoked or suspended.
Registrar	means the Registrar of Companies under the Companies Act and includes any Deputy or Assistant Registrar of Companies.
related corporation	means a corporation which is – (a) the holding company of another corporation; (b) a subsidiary of another corporation; or (c) a subsidiary of the holding company of another corporation.
related party	means a director, major shareholder or person connected with such director or major shareholder. For the purpose of this definition, “ director ” and “ major shareholder ” have the meanings given in Rule 10.02 of these Requirements.
replacement Sponsor	means a Sponsor or Recognised Approved Adviser, as the case may be, which has been appointed by a listed corporation during the Sponsorship Period to assume the role of a Sponsor, after the resignation or termination of service of the Sponsor responsible for its admission to the Official List.
reporting accountants	means a firm of public accountants that is a registered auditor with the Audit Oversight Board and whose registration has not been suspended.
restricted offer for sale	means an invitation to an identifiable group of investors by, or on behalf of, an existing securities holder to purchase securities of a corporation already in issue or allotted.

restricted offer for subscription	means an invitation to an identifiable group or pool of investors by, or on behalf of a corporation, to subscribe for the securities of the corporation not yet in issue or allotted.
RM and sen	means Ringgit Malaysia and sen respectively.
Rules of the Depository	means the Rules of Bursa Malaysia Depository Sdn. Bhd., including any amendment that may be made from time to time.
Rules of the Exchange	means the Rules of Bursa Malaysia Securities Berhad including any amendment that may be made from time to time.
Senior Officer	means an individual of higher authority or ranking than the Qualified Person, or a committee duly constituted, for the purpose of Rule 4.05A of these Requirements.
SC	means the Securities Commission Malaysia established under section 3 of the Securities Commission Malaysia Act 1993.
SC's Equity Guidelines	includes any other documents issued by the SC in relation to the Guidelines.
securities	has the meaning given in section 2(1) of the CMSA.
securities account	means an account established by the Depository for a depositor for the recording of deposit of securities and for dealing in such securities by the depositor.
securities laws	means - <ul style="list-style-type: none"> (a) the Securities Commission Malaysia Act 1993; (b) the CMSA; (c) the Securities Industry (Central Depositories) Act 1991; (d) any other legislation which the SC is empowered to administer or enforce; and (e) any other regulations, rules, orders, notifications or other subsidiary legislation made under sub-Rules (a), (b), (c) and (d) above; or <p>in the case of a foreign corporation, means sub-Rules (a) to (e) above and any law outside Malaysia relating to the capital market.</p>
Share Grant Scheme	means a scheme involving the grant of a listed corporation's existing shares to employees.
Share Issuance Scheme	means a scheme involving a new issuance of shares to the employees.

significant change in the business direction or policy

in relation to a listed corporation means -

- (a) an acquisition of assets such that any one of the percentage ratios is 100% or more, except where the assets to be acquired are in a business similar to the core business of the listed corporation;
- (b) an acquisition of assets which results in a change in the controlling shareholder of the listed corporation;
- (c) an acquisition of assets which results in a change in the board of directors of the listed corporation;
- (d) an acquisition of assets by a Cash Company to regularize its condition pursuant to Rule 8.03(5)(a); or
- (e) a restructuring exercise involving the transfer of the listed corporation's listing status and the introduction of new assets to the other corporation.

For the purpose of this definition, “**percentage ratios**” means the figures, expressed as a percentage, resulting from each of the following computations:

- (i) the net assets value of the assets which are the subject of the acquisition divided by the net assets value of the listed corporation;
- (ii) the revenue attributable to the assets which are the subject of the acquisition divided by the revenue of the listed corporation;
- (iii) the after-tax profits attributable to the assets which are the subject of the acquisition divided by the after-tax profits of the listed corporation;
- (iv) the aggregate value of the consideration for the subject acquisition (including amounts to be assumed by the purchaser, such as the vendor's liabilities) divided by the aggregate market value of all the ordinary shares of the listed corporation; or
- (v) the number of new shares issued by the listed corporation as consideration for the acquisition divided by the number of shares in the listed corporation in issue prior to the acquisition.

Specific Proposal

refers to the following:

- (a) an application for admission to the Official List;
- (b) registration of prospectus (other than abridged prospectus) in relation to securities to be admitted to the Official List;

	(c)	a Major Disposal as defined in Rule 10.02(eA) of these Requirements;
	(d)	a corporate proposal or transaction which results in a significant change in the business direction or policy of the listed corporation (except where such corporate proposal or transaction is carried out in conjunction with a transfer of listing from the ACE Market to the Main Market); or
	(e)	an application for transfer of listing to the ACE Market under Chapter 3A of these Requirements.
specified shareholder		means a controlling shareholder, a person connected to a controlling shareholder, and an executive director who is a substantial shareholder, of the applicant or listed corporation, or any other person as specified by the Exchange.
Sponsor		means such persons who are registered on the Register of Sponsors.
Sponsored Corporation		means a listed corporation which is sponsored by a Sponsor or a replacement Sponsor during the Sponsorship Period.
Sponsorship Period		in relation to a sponsorship means the period referred to in Rule 3.21(1) or Rule 3A.05(1), as the case may be.
stabilizing action		such action as may be taken by the stabilizing manager under the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008 for the sole purpose of preventing or minimizing any reduction in the market price of securities listed on the Official List.
stabilizing manager		means a person appointed under the Capital Markets and Services (Price Stabilization Mechanism) Regulations 2008 to undertake a stabilizing action on behalf of the listed corporation.
substantial shareholder		has the meaning given in section 136 of the Companies Act.
Surprise Holiday		means a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year.
Take-Overs and Mergers Code		means the Malaysian Code on Take-Overs and Mergers 2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisitions, including any amendment that may be made from time to time.
these Requirements		means Bursa Malaysia Securities Berhad ACE Market Listing Requirements including any amendment that may be made from time to time.
transfer applicant		a LEAP Market listed corporation that is seeking to transfer its listing to the ACE Market.

treasury shares has the meaning given in section 127(4)(b) of the Companies Act.

PART B – INTERPRETATION

1.02 Interpretation

- (1) Unless otherwise defined in these Requirements or unless the context otherwise requires, words or expressions defined in the Companies Act, when used in these Requirements, have the same meanings as in the Companies Act.
- (2) Apart from the above, certain other terms and expressions have also been defined in the respective Chapters. Such definitions only apply with respect to the respective Chapters in which they are contained.
- (3) The terms and expressions defined in Rule 1.01 are also applicable to any Guidance Note, unless otherwise defined in the Guidance Note.
- (4) [Deleted]
- (5) Unless the context requires otherwise, where the securities are listed and quoted in foreign currency, references to Ringgit in regard to the listed securities will be modified to mean its equivalent in foreign currency.

1.03 Incidental powers etc of the Exchange

Where any provision of these Requirements empowers, authorises or enables the Exchange to do or enforce the doing of any act or thing, the Exchange has all such powers or rights as may be necessary or reasonably incidental to the Exchange doing or enforcing the doing of the act or thing.

1.04 Gender

Unless the context otherwise requires, words importing gender include all genders.

1.05 Singular and plural

Unless the context otherwise requires, words importing the singular number includes the plural number and vice versa.

1.06 Headings

The headings and sub-headings in these Requirements are inserted for convenience of reference only.

1.07 Appendices

- (1) The Appendices are to be taken, read and construed as an essential part of these Requirements.
- (2) Appendices which take the form of forms will not be printed and furnished by the Exchange. Applicants and listed corporations are required to produce their own forms which strictly adhere to the relevant Appendices.

1.08 Schedules

The Schedules are to be taken, read and construed as an essential part of these Requirements.

1.09 References

- (1) References to Rules, Parts and Chapters unless otherwise stated are to be construed as references to Rules, Parts and Chapters of these Requirements.
- (2) References to Appendices and Schedules unless otherwise stated are to be construed as references to Appendices and Schedules of these Requirements.
- (3) References to the provisions of statutes and subordinate legislation include such provisions as amended or re-enacted from time to time.
- (4) References to statutes and subordinate legislation include any consolidation, replacement or revision of the same.

[End of Chapter]