

MEDIA RELEASE

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SC-Bursa: Measures To Boost Capital Market Vibrancy And Competitiveness

The Securities Commission Malaysia (SC) and Bursa Malaysia Berhad (Bursa Malaysia) today welcome the announcements by the Honourable Prime Minister and Minister of Finance, Dato' Seri Anwar bin Ibrahim, aimed at driving Malaysia's economic growth and capital market competitiveness.

The short-term and medium-term measures address three key pillars essential to the growth and development of the capital market in Malaysia:

- Pillar 1: Creating market vibrancy with greater participation opportunities for the rakyat;
- Pillar 2: Attracting larger pool of investors to support financing for small, medium enterprises and new economy companies; and
- Pillar 3: Enhancing Malaysia's competitiveness to strengthen market confidence.

Measures announced:

1. A reduction of the stamp duty rate for the trading of listed shares on Bursa Malaysia from 0.15% to 0.10%, while the stamp duty cap is maintained at RM1,000 for each contract. This change, which take effect in July, will directly lower the cost of transactions, especially for retail investors, who are particularly sensitive to costs.
2. To widen the pool of investors, the Ministry of Finance and Securities Commission Malaysia will look at policies to achieve the following:-
 - a. to facilitate and attract the setting up of family offices in Malaysia;
 - b. to promote corporate venturing to drive greater domestic direct investment through more facilitative tax and incentive policies; and
 - c. to widen the definition of sophisticated investors to include angel investors.

The capital market regulators also commit to explore ways to reduce market friction and shorten time-to-market for initial public offerings.

Quotes by SC Chairman Dato' Seri Dr. Awang Adek Hussin:

"The SC's commitment to maintain the capital market's resilience and competitiveness is of the utmost priority.

The capital market initiatives announced will boost greater trading participation and access to financing in the market, encouraging the growth of innovative companies and fostering greater diversity and inclusivity in the industry.

We aim to empower issuers and investors by creating a business-friendly environment through relevant support and incentives.

The SC is optimistic that these efforts will create a more vibrant capital market to drive economic growth in the country."

Quote by Bursa Malaysia Chief Executive Officer, Datuk Muhamad Umar Swift:

"We are confident that the proposed measures, along with the existing development initiatives, will stimulate market activity and create a more dynamic and liquid market environment. A liquid and strong performing capital market has tremendous benefits to numerous stakeholders, and the economy as a whole. More importantly, the measures will widen affordable investment choices for the *rakyat*, and deepen investor interest in our market, leading to Bursa Malaysia being a destination of choice for fundraising."

The multi-pronged measures by the Government and market regulators reflect the intent to create a conducive environment for a thriving capital market, recognising the pivotal role played by a well-functioning capital market in fostering robust economic growth.

The capital market regulators reinforced their commitment to ensure that the capital market is competitive and vibrant, while supporting the economic needs of Malaysia.

The SC and Bursa Malaysia will continue to work closely with the Ministry of Finance (MOF), industry partners and other relevant bodies to explore further holistic measures towards ensuring an inclusive and sustainable capital market.

SECURITIES COMMISSION MALAYSIA BURSA MALAYSIA BERHAD

About Securities Commission Malaysia

The Securities Commission Malaysia (SC), a statutory body reporting to the Minister of Finance, was established under the Securities Commission Act 1993. It is the sole regulatory agency for the regulation and development of capital markets. The SC has direct responsibility for supervising and monitoring the activities of market institutions, including the exchanges and clearing houses, and regulating all persons licensed under the Capital Markets and Services Act 2007. More information about the SC is available on its website at www.sc.com.my. Follow the SC on twitter at @SecComMy for more updates.

About Bursa Malaysia

Bursa Malaysia is an approved Exchange holding company under Section 15 of the Capital Markets and Services Act 2007. A public company limited by shares under the Companies Act 2016, Bursa Malaysia operates a fully-integrated exchange, offering equities, derivatives, offshore, bonds as well as Islamic products, and provides a diverse range of investment choices globally.

For more information on Bursa Malaysia, visit www.bursamalaysia.com

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