

Ref. No.: RPA/JH/TAC/RO(hm)/LD19/23 [Accelerated Transfer Process]

29 December 2023

The Company Secretary
(Listed Issuers)

Via email

Dear Sir/Madam,

TRANSFER OF ACE MARKET LISTED CORPORATION TO THE MAIN MARKET VIA THE ACCELERATED TRANSFER PROCESS

1. **BACKGROUND**

- 1.1 On 13 December 2023, the Securities Commission Malaysia (“SC”) introduced an accelerated transfer process to facilitate the promotion of sizable and qualified ACE Market listed corporations to the Main Market of Bursa Malaysia Securities Berhad (“the Exchange”).
- 1.2 The enhanced process will simplify and accelerate the transfer of eligible ACE Market listed corporations to the Main Market for greater visibility and access to a larger pool of investors, including foreign and institutional investors. This will in turn incentivise more ACE Market listed corporations to make continuous efforts to improve their corporate values and achieve sustainable growth for shareholders.
- 1.3 The framework will take effect on 1 January 2024 through amendments to the SC’s Equity Guidelines (“Equity Guidelines”).

2. **THE MAIN MARKET LISTING REQUIREMENTS (“MAIN LR”) AND ADDITIONAL QUESTIONS AND ANSWERS**

- 2.1 In this regard, the Exchange wishes to inform that the requirements in the Main LR as set out in Part D of Chapter 3 and Practice Note 22 will apply to eligible ACE Market listed corporations seeking to transfer to the Main Market under the accelerated transfer process.
- 2.2 The Exchange has also issued Questions and Answers to provide clarity and guidance on the procedures under the Main LR for the transfer of ACE Market listed corporations via the accelerated transfer process. The “Questions and Answers” are set out in **Appendix 1**.
- 2.3 This letter as well as Appendix 1 are also available at Bursa Malaysia Berhad’s website at:
https://www.bursamalaysia.com/regulation/listing_requirements/main_market/directives_clarifications

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2.4 If you have any queries on the above, please do not hesitate to contact Listing Advisory & Development, Listing Division at 03-20347766 or submit your enquiry via <https://asklisting.bursamalaysia.com>.

Thank you.

Yours faithfully,



REGULATION

Encls. (1)

TAC/RO/hm

APPENDIX 1

TRANSFER OF LISTING VIA ACCELERATED TRANSFER PROCESS

CHAPTER 3 - ADMISSION

Transfer of ACE Market listed corporation to the Main Market

3.8 ~~Under the existing procedures for transfer of a listed corporation to the Main Market, 2 applications must be filed. Has this procedure been changed?~~

~~Under the enhanced transfer processes, a listed corporation is no longer required to submit 2 applications to Bursa Securities. Instead, the listed corporation needs to submit only one application (in a template as set out in Practice Note 22) and all the requisite documents and/or confirmations required for a quotation application under the existing transfer processes will be procured in the form of undertakings when the listed corporation submits its transfer application. [Deleted]~~

3.9 ~~What are the additional obligations/requirements under the Main LR that thean ACE Market listed corporation will need to comply with if it intends to transfer its listing to the Main Market under the enhanced transfer process?~~

~~The ACE Market listed corporation must comply with the requirements as set out in Practice Note 22 including submitting the transfer of listing application together with all the supporting documents as required and making the relevant is required to make an announcements. through Bursa Link via the "Transfer template" on the transfer date simultaneously with the issuance of the introductory documents and placement of box advertisement on the transfer.~~

3.10 When will the transfer of securities to the Main Market be effected?

The transfer of securities to the Main Market will be effected 2 clear market days after the ~~issuance of the introductory documents, placement of box advertisement and~~ announcement to Bursa Securities on the transfer date.

**QUESTIONS & ANSWERS
TRANSFER OF LISTING VIA THE ACCELERATED TRANSFER PROCESS**

Transfer of listing via accelerated transfer process

3.10A What is the accelerated transfer process?

The accelerated transfer process to the Main Market is a simpler and faster transfer process set out in the SC's Equity Guidelines for eligible ACE Market listed corporations. To qualify for the accelerated transfer process, the ACE Market listed corporations must comply with the requirements prescribed in paragraphs 8.01A¹ and 8.01B² of the SC's Equity Guidelines.

3.10B X Bhd is a corporation listed on the ACE Market which fulfils the requirements set out in paragraphs 8.01A and 8.01B of the SC's Equity Guidelines. X Bhd intends to transfer its listing from the ACE Market to the Main Market via the accelerated transfer process.

(a) What are the procedures under the Main LR that X Bhd must comply with for this purpose?

X Bhd must comply with the procedures as set out in the SC's Equity Guidelines and paragraph 2.0 of Practice Note 22 of the Main LR. In this regard, X Bhd must, through a Recognised Principal Adviser, -

- (i) submit its application for transfer of listing to the Main Market via the accelerated transfer process, to the SC for approval; and
- (ii) submit the transfer application together with the supporting documents under paragraph 3.1 of Practice Note 22, to Bursa Securities.

¹ The listed corporation must -

- (a) have been listed on the ACE Market for at least 12 months prior to submission to the SC;
- (b) have daily market capitalisation of at least RM1 billion for the past 6 months;
- (c) meet the profit requirements under paragraph 5.02(a)(i) of the SC's Equity Guidelines, based on the most recent 3 full financial years;
- (d) be operating in the same core business for the most recent 3 full financial years;
- (e) ensure that the listed corporation and its directors, controlling shareholder or where there is no controlling shareholder, the single largest shareholder, have not been or are not subjected to any matter specified under Schedules 1, 2 and 4 of the SC's Equity Guidelines;
- (f) ensure there is an unmodified opinion by the auditors with no material uncertainty related to going concern or emphasis of matter on the audited financial statements, for the most recent 3 full financial years; and
- (g) not be subjected to any event that may have a material adverse effect on its financial position and results of operations since the date to which the last audited financial statements have been made up.

² The listed corporation must comply with the requirements in paragraph 8.01A of the SC's Equity Guidelines above and other relevant requirements until the date of transfer of listing to the Main Market.

**QUESTIONS & ANSWERS
TRANSFER OF LISTING VIA THE ACCELERATED TRANSFER PROCESS**

(b) When should X Bhd submit the transfer application under paragraph 3.1 of Practice Note 22³ to Bursa Securities?

X Bhd, may, through a Recognised Principal Adviser, submit the transfer application to Bursa Securities concurrently with the application for the transfer of listing via the accelerated transfer process to the SC for approval.

(c) Is X Bhd required to comply with Paragraph 2A.2 of Practice Note 22⁴ when it announces the approval of transfer of listing by the SC?

Yes. Since the transfer of listing via the accelerated transfer process does not involve any new issuance of securities or transaction which will result in a significant change of the business direction or policy of a listed corporation, X Bhd must include the information set out in Part A of Annexure PN22-E when it announces the approval of transfer of listing by the SC.

[End]

³ A transfer application under this paragraph consists of the application, in the form of Part A of Annexure PN22-A; the information and supporting documents specified in Part B of Annexure PN22-A; and a resolution of the ACE Market listed corporation's board of directors approving and authorising the application for transfer.

⁴ Under this paragraph, an ACE Market listed corporation must include the information set out in Part A of Annexure PN22-E, when announcing the approval of transfer of listing by the SC, in respect of a transfer of listing which does not involve any new issuance of securities or transaction which will result in a significant change of the business direction or policy of the listed corporation. Among others, the listed issuer must disclose salient information relating to its history, size, shareholding spread, as well as an overview of its business and financial performance.