
**QUESTIONS AND ANSWERS IN RELATION TO
BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS FOR THE MAIN MARKET
(As at 1 January 2024)**

CHAPTER 3 – ADMISSION*Criteria for admission***3.1 What are the roles of Bursa Securities and SC respectively in approving the listing of an applicant?**

SC is the approving authority for the initial public offering and listing of an applicant under section 212 of the CMSA while Bursa Securities is the approving authority for applications for admission to the Official List and quotation for trading of securities on its market.

3.2 Are shares held by employees of an applicant, its subsidiaries and holding company included for purposes of computing the public security holding spread of an applicant?

Yes, the shares held by employees of an applicant, its subsidiaries and holding company can be included for purposes of computing the public security holding spread provided that such employees fall within the definition of “public” in paragraph 1.01 of the Main LR.

*Admission Processes & Procedures***3.3 Must an applicant submit both the initial listing application (“ILA”) and quotation application (“Quotation Application”) to Bursa Securities before the listing of its securities?**

Under the enhanced initial listing process as set out in paragraph 2.0 of Practice Note 21, an applicant is no longer required to submit 2 applications to Bursa Securities, namely –

- (a) an ILA for an approval-in-principle for the admission of securities; and
- (b) a Quotation Application for quotation of securities on Bursa Securities.

Instead, the Quotation Application will be merged with the ILA and thus only one application is required to be submitted to Bursa Securities for listing of securities (“Consolidated Application”).

3.4 What are the additional documents required to be submitted together with the Consolidated Application?

In addition to the existing documents required under the ILA, all the requisite documents/confirmations required under the existing Quotation Application will also be procured in the form of undertakings when the applicant submits its Consolidated Application.

3.5 When will the listing and quotation of the new securities be effected on Bursa Securities?

The admission and listing of new securities on Bursa Securities will take place on the next market day upon the receipt of confirmation by the applicant from Bursa Depository that the new securities are ready for crediting into the respective securities accounts provided that the applicant has made the following announcements:

- (a) Announcement pursuant to paragraph 8.1 of Practice Note 21 through Bursa Link via a dedicated template, "Timetable for IPO" on the issuance date of the prospectus.

The announcement must include the following information:

- The opening and closing date of the offer period;
- The balloting date;
- The allotment date of the IPO; and
- The tentative listing date.

If there is any change to the tentative listing date, the applicant must immediately announce the change to Bursa Securities.

- (b) Announcement pursuant to the paragraph 8.2 of Practice Note 21 through Bursa Link via a dedicated template, "IPO template" before 3 p.m. on the market day before the listing date;

The announcement must include the following information:

- Actual date of listing;
- Total number of shares which will be listed;
- Stock Short Name, Stock Code, ISIN Code; and
- Sector and market under which the new securities will be admitted.

3.6 Where can an applicant obtain the form prescribed by Bursa Securities for the purpose of classification of an applicant into a specific sector, as mentioned in paragraph 7.2 of Practice Note 21?

The classification form can be obtained from the official website of Bursa Securities.

3.7 It is noted that the existing provisions relating to introductory document have been removed from the Main LR. Does that mean that the introductory document is no longer required to be submitted to Bursa Securities?

No, a listed issuer still needs to submit the draft introductory document to Bursa Securities as part of the supporting documents for its initial listing application. In this regard, the listed issuer must ensure that the introductory document complies with the requirements set out in the SC's Equity Guidelines.

Transfer of ACE Market listed corporation to the Main Market

3.8 [Deleted]

3.9 What are the requirements under the Main LR that an ACE Market listed corporation will need to comply with if it intends to transfer its listing to the Main Market?

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 announcements.

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 announcement to Bursa Securities on the transfer date.

Transfer of listing via accelerated transfer process

3.10A What is the accelerated transfer process?

The accelerated transfer process 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.

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.

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.

(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.

Others

3.11 In 2008, Applicant A established its existing Share Issuance Scheme. Applicant A is seeking admission to the Official List of Bursa Securities in 2009. Must Applicant A terminate its existing Share Issuance Scheme before listing?

No, Applicant A need not terminate its existing Share Issuance Scheme before listing. However, in order for Applicant A to continue with the said scheme post-listing, it must ensure that the scheme complies with the provisions set out in the Main LR.

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.

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- 3.12 Applicant B is seeking admission to the Official List of Bursa Securities. It is intending to establish a Share Issuance Scheme as part of its listing proposal. Must shareholder approval for such scheme be in accordance with paragraph 6.44 of the Main LR?**

No, the requirements in relation to the procurement of shareholder approval in accordance with paragraph 6.44 of the Main LR are only applicable where the schemes are established after listing.

- 3.13 Are the procedures relating to admission to Bursa Securities under paragraph 2.0 of Practice Note 21 applicable to the initial listing of a collective investment scheme such as real estate investment trust, closed-end fund, exchange traded fund, and foreign corporation seeking primary listing on Bursa Securities?**

Yes.

- 3.14 Must a listed issuer undertaking a corporate proposal which will result in a significant change in the business direction or policy of the listed issuer, comply with the admission procedures under Chapter 3 and Practice Note 21?**

Yes, as Bursa Securities will treat such listed issuer as if it were a new applicant seeking admission to the Official List.