

**BURSA MALAYSIA INVITES PUBLIC FEEDBACK ON
PROPOSED TRANSFER OF LISTING FRAMEWORK FROM LEAP TO ACE MARKET**
Consultation includes proposal on Recognised Approved Adviser Framework

Kuala Lumpur, 10 August 2022 - Bursa Malaysia Securities Berhad (“the Exchange”) is seeking public feedback on the proposed amendments to the ACE Market Listing Requirements (“ACE Market LR”), in relation to the transfer of the listing framework from the LEAP Market to the ACE Market (“Proposed LEAP Market Transfer Framework”). The public consultation also includes a proposal on a newly introduced recognised approved adviser framework (“Proposed Recognised Approved Adviser Framework”).

Proposed LEAP Market Transfer Framework

Since the launch of the LEAP Market in July 2017, the Exchange has observed how most of the LEAP Market listed corporations have, with the funds raised through their listings on the LEAP Market, grown in terms of size and profitability. In this regard, the Exchange proposes to formalise the LEAP Market Transfer Framework to facilitate the transfer of eligible listed corporations from the LEAP Market, which is a qualified market accessible to only sophisticated investors, to the ACE Market which offers a more robust listing environment and is open to the public.

The Proposed LEAP Market Transfer Framework is underpinned by the following regulatory principles:

- (1) there is no regulatory arbitrage on the standards and quality of corporations listed on the ACE Market; and
- (2) there will be adequate disclosure of the business, financial condition, management and other matters pertaining to the transfer applicant for informed investment decision making by investors.

Accordingly, any LEAP Market listed corporation seeking a transfer of listing must comply with the following:

- (a) meeting the suitability assessment by a Sponsor under the ACE Market LR, and has been listed for at least two (2) years on the LEAP Market, completed its business plan as well as fully utilised the proceeds raised from its listing on the LEAP Market;
- (b) making concurrent application for transfer of listing to the ACE Market and withdrawal of listing from the LEAP Market to ensure a seamless implementation of the transfer;
- (c) complying with the existing requirements and procedures for admission to the ACE Market, including the requirements relating to contents and registration of prospectus; and
- (d) putting in place a clear price discovery mechanism for the shares to be transferred to the ACE Market.

Proposed Recognised Approved Adviser Framework

In addition to the above, the Exchange is also introducing a new Recognised Approved Adviser Framework that will allow an Approved Adviser from the LEAP Market, which satisfies certain eligibility criteria, to serve as a replacement Sponsor after the first full financial year of a listed corporation's admission to the ACE Market and for the remaining Sponsorship Period¹. It is aimed at propelling capacity building amongst the professionals in the corporate finance fraternity.

As a replacement Sponsor, the role of the Recognised Approved Adviser will be limited to guiding the ACE Market listed corporation and its directors on their post-listing obligations, as well as ensuring their compliance with the ACE Market LR and other applicable laws. The Recognised Approved Adviser is expected to assume similar ongoing requirements and obligations applicable to Sponsors under Chapter 4 of the ACE Market LR.

For full details of the consultation paper and the proposed amendments to the ACE Market LR, please refer to the Bursa Malaysia corporate website at https://www.bursamalaysia.com/regulation/public_consultation. Interested parties are invited to submit their comments and feedback by 21 September 2022.

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¹ Sponsorship Period is at least three (3) full financial years after the listed corporation's admission to the ACE Market or at least one (1) full financial year after it has generated operating revenue, whichever is the later.



About Bursa Malaysia

Bursa Malaysia is an Exchange holding company incorporated in 1976 and listed in 2005, and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully-integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at www.bursamalaysia.com.

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