



BURSA MALAYSIA SECURITIES BERHAD

PRACTICE NOTE 22

TRANSFER OF LISTED CORPORATIONS TO THE MAIN MARKET

Details	Cross References
Effective date:	3 August 2009
	Paragraph 3.09
<u>Revision date:</u>	<u>18 December 2013</u>

1.0 Introduction

1.1 This Practice Note sets out the procedures and other requirements relating to an application to transfer a listed corporation from the ACE Market to the Main Market under paragraph 3.09.

2.0 Procedures relating to transfer of listing

2.1 The following procedures apply to the transfer of a listed corporation to the Main Market, with the necessary modifications, as may be applicable:

- (a) listed corporation immediately announces the proposed transfer of listing to the Exchange upon approval of its board of directors;
- (b) listed corporation submits an application to the SC;
- (c) SC approves the transfer of listing;
- (d) listed corporation files with the Exchange a transfer application together with supporting documents;
- (e) Exchange grants approval for the transfer of listing;
- ~~(e)(f) listed corporation obtains shareholder approval, if required;~~
- (g) listed corporation files the final copy of prospectus with the relevant authorities, where applicable;
- (h) listed corporation issues the prospectus or introductory document, where applicable;
- ~~(i) , places a box advertisement and listed corporation~~ announces to the Exchange the transfer date ; and



- (j) securities transferred to the Main Market 2 ~~clear~~ market days after the issuance of the prospectus or introductory document, ~~where applicable, and, placement of box advertisement~~ announcement of the transfer date to the Exchange.

2A.0 Information relating to transfer of listing

2A.1 A listed corporation must announce the rationale for the transfer of listing, approvals required and the estimated time frame for submission of the application to the relevant authorities when announcing the transfer of listing upon approval of its board of directors.

2A.2 A listed corporation must include the information set out in Part A of Annexure PN 22-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.

2A.3 A listed corporation must include the information set out in Part B of Annexure PN 22-E when announcing the transfer date 2 market days before its securities are transferred to the Main Market.

3.0 Transfer application form and supporting documents

3.1 A listed corporation seeking a transfer to the Main Market must submit to the Exchange, a transfer application which consists of the following:

- (a) the application, in the form of Part A of Annexure PN22-A;
- (b) the information and supporting documents specified in Part B of Annexure PN22-A; and
- (c) a resolution of the listed corporation's board of directors approving and authorising the application for transfer.

4.0 Undertakings and confirmation

4.1 An applicant must give the Exchange an undertaking in the form of Annexure PN22-B.

4.2 An applicant must ensure that -

- (a) every one of its directors gives the Exchange an undertaking in the form of Annexure PN22-C; and
- (b) every director who is or has been appointed as an independent director gives the Exchange a letter in the form of Annexure PN22-D.

APPENDIX 1
AMENDMENTS TO THE MAIN MARKET LISTING REQUIREMENTS
In Relation to Transfer of Listed Corporations to the Main Market



ANNEXURE PN22-A

PART A

Transfer application

(paragraph 3.1(a))

Please tick wherever applicable. If not applicable, please indicate "N/A"
 [You may tick more than one box, where applicable]

Delete as appropriate

1.	Name of company	
2.	Type of securities	Transfer from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (a) Ordinary shares <input type="checkbox"/> (b) Warrants <input type="checkbox"/> (c) Loan Stocks <input type="checkbox"/>
3.	SC's approval	Approval from the SC has been obtained <input type="checkbox"/>
4.	Public shareholdings spread	[]% and [] public shareholders
5.	Tentative transfer date (to specify)	
6.	Conditionality of transfer	The Transfer #is/is not conditional upon any other corporate proposals. If in the affirmative, to provide details of the other corporate exercises, including the estimated time frame for completion: _____
7.	Confirmation	We confirm the following: (a) the composition of the board of directors of the listed corporation complies with the requirements of paragraph 15.02 of Bursa Malaysia Securities Berhad Main Market Listing Requirements ("LR"); (b) the composition of the audit committee of the listed corporation complies with the requirements of paragraphs 15.09 and 15.10 of the LR; and (c) the public shareholding spread based on the enlarged issued and paid-up capital of the applicant is in compliance with paragraph 3.06 of the LR.

APPENDIX 1
AMENDMENTS TO THE MAIN MARKET LISTING REQUIREMENTS
In Relation to Transfer of Listed Corporations to the Main Market



8.	Undertaking	<p>We undertake the following:</p> <p>(a) a box advertisement of the transfer will be advertised and the prospectus or introductory document (<i>where applicable</i>) will be issued and dispatched to the shareholders <u>and the information as set out in Part B of Annexure PN22-E will be announced</u> 2 clear market days before the transfer date;</p> <p>(b) all conditions, including conditions imposed by the relevant authorities, if any, which are required to be met before the transfer to the Main Market, will be met; and</p> <p>(c) there are no circumstances or facts which have the effect of preventing or prohibiting the transfer to the Main Market including any order, injunction or any other directive issued by any court of law.</p>
<p>_____ [Authorised signatory of the Principal Adviser] Name: Designation: Date:</p>		<p>_____ [Authorised signatory of the listed corporation] Name: Designation: Date:</p>

PART B

Information and documents to be disclosed and filed with a transfer application
 (paragraph 3.1(b)(i))

- (1) A listed corporation must disclose or file the following information or documents in support of a transfer application:
- (a) a copy of the prospectus registered with the relevant authorities or the introductory document or where this is not available, a copy of the draft prospectus submitted to the relevant authorities or the draft introductory document, where applicable;
 - (b) a letter of undertaking in the form of Annexure PN22-B duly executed by the listed corporation together with a certified true extract of the resolution of the listed corporation's board of directors authorising the signatory;
 - (c) a letter of undertaking in the form of Annexure PN22-C duly executed by each director of the listed corporation;
 - (d) a letter in the form of Annexure PN22-D duly executed by each independent director of the listed corporation;
 - (e) a letter from the listed corporation's Principal Adviser confirming all approvals of relevant authorities have been obtained;

APPENDIX 1
AMENDMENTS TO THE MAIN MARKET LISTING REQUIREMENTS
In Relation to Transfer of Listed Corporations to the Main Market



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- (f) a copy each of all letters of approval from the relevant authorities;
 - (g) a cheque drawn to the order of Bursa Malaysia Securities Berhad for the listing fees together with a copy of the details of the computation of the amount of listing fees payable.
- (2) If any of the above documents are not filed because they are not applicable or available in any case, the listed corporation must submit a separate exhibit explaining why such documents are not applicable or available.

[End of Annexure]



ANNEXURE PN22-B

Undertaking by a listed corporation transferring from the ACE Market to the Main Market
(paragraph 4.1)

To:

Bursa Malaysia Securities Berhad
Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

Compliance with Main Market Listing Requirements and Rules of Bursa Malaysia Securities Berhad
(**"Bursa Securities"**)

In consideration of Bursa Securities approving the application for transfer of
(**"Corporation"**) to the Main Market of Bursa Securities WE ACKNOWLEDGE that the Corporation shall remain on the Official List of Bursa Securities, and official quotation of any of the Corporation's securities shall continue only during the pleasure of Bursa Securities and WE UNDERTAKE AND AGREE to comply with Bursa Securities Main Market Listing Requirements and the Rules of Bursa Securities , including any amendment as may be made from time to time, insofar as the same shall apply to the Corporation.

**This Undertaking is deemed to have been made in Malaysia and the construction, validity and performance of this Undertaking are governed in all respects by the laws of Malaysia and WE irrevocably submit to the jurisdiction of the Malaysian Courts.

The above Undertaking has been signed by me as [title] of[name of Corporation] pursuant to authority granted to me by resolution of the board of directors of the Corporation on

Date:

Signature:

Name:

** Applicable to a foreign listed corporation only.

[End of Annexure]



ANNEXURE PN22-C

Undertaking by a director of a listed corporation transferring from the ACE Market to the Main Market

(paragraph 4.2(a))

To:

Bursa Malaysia Securities Berhad
Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

Compliance with Main Market Listing Requirements

I,[name of director], am a director of..... [name of the listed corporation ("**Corporation**") which has submitted an application to Bursa Malaysia Securities Berhad ("**Bursa Securities**") to be transferred to the Main Market of Bursa Securities ("**Main Market**").

In consideration of Bursa Securities approving the Corporation's application for transfer to the Main Market, I UNDERTAKE AND AGREE to comply with Bursa Securities Main Market Listing Requirements including any amendment as may be made from time to time, insofar as the same shall apply to me as a director of the Corporation.

**This Undertaking is deemed to have been made in Malaysia and the construction, validity and performance of this Undertaking are governed in all respects by the laws of Malaysia and I irrevocably submit to the jurisdiction of the Malaysian Courts.

Yours faithfully,

.....

Name:

NRIC No. (Old & New):

**Passport No. & Country of Issuance:

Designation:

Date:

** Applicable to a foreign director only.

[End of Annexure]



ANNEXURE PN22-D

Letter of confirmation by an independent director of a listed corporation transferring from the ACE Market to the Main Market
(paragraph 4.2(b))

To:

Bursa Malaysia Securities Berhad
Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

Confirmation of "independence" pursuant to Main Market Listing Requirements

I, [name of director], am a director of [name of the listed corporation which has submitted an application to Bursa Securities to be transferred to the Main Market of Bursa Securities.

I CONFIRM AND DECLARE that I am an independent director as defined under paragraph 1.01 of Bursa Securities Main Market Listing Requirements.

**This Confirmation is deemed to have been made in Malaysia and the construction, validity and performance of this Confirmation are governed in all respects by the laws of Malaysia and I irrevocably submit to the jurisdiction of the Malaysian Courts.

Yours faithfully,

.....

Name:

NRIC No. (Old & New):

**Passport No. & Country of Issuance:

Designation:

Date:

** Applicable to a foreign independent director only.

[End of Annexure]



ANNEXURE PN22-E

PART A

Content of announcement

(subparagraph 2A.2)

1. Information on the listed corporation including –

- (a) a brief history of the corporation or business for the past 3 years or since inception, whichever is the later, and if reorganized as a result of merger, consolidation or reorganization, similarly the history of the predecessor corporations;
- (b) the type, par value and number of shares making up the share capital;
- (c) the shareholding spread;
- (d) the number of years the company has been listed on the ACE Market;
- (e) profit and dividend record of the corporation/ group based on the audited or proforma (whichever applicable) financial statements for the past three to five financial years (or such shorter period that the corporation/group has been in operation) and the latest interim financial statements should be disclosed. Where there is any material fluctuation in turnover or profits in any of the years, an explanation of this. There should be a tabulation showing the following:
 - (i) revenue;
 - (ii) gross profit and gross profit margin;
 - (iii) EBITDA – earnings before interest, taxation, depreciation and amortisation;
 - (iv) other income;
 - (v) finance costs;
 - (vi) share of profits and losses of associates and joint ventures;
 - (vii) profit/loss before tax and profit/loss before tax margin;
 - (viii) tax expense;
 - (ix) profit/loss for the year and profit/loss margin;
 - (x) profit/loss attributable to minority interest and equity holders of the parent;
and
 - (xi) basic and diluted earnings per share.

2. The market capitalization of the listed corporation.



Part B

Information to be disclosed in the announcement for the transfer of securities to the Main Market

(subparagraph 2A.3)

1. The transfer date;
2. Enlarged issued and paid-up capital of the listed corporation indicating the number of shares and their par value, if any;
3. Stock short name;
4. Stock code;
5. ISIN Code; and
6. Sector and market under which the securities will be listed.

[End of Annexure]

[End of Amendments]