BoardRoom
Smart Business Solutions

Transfer of ACE Market Listed Corporation to the Main Market via the Accelerated Transfer Process

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

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 ("**Bursa Malaysia**").

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.

ACE Market listed corporations may be qualified to seek for a transfer of listing to the Main Market via the accelerated transfer process if it satisfies the following requirements:

a) The applicant must have been listed on the ACE Market for at least 12 months preceding its submissions to the SC;
b) Its daily market capitalisation must be at least RM1 billion for the 6 months preceding its submission to the SC;
c) It fulfils the profit requirements for companies listing on the Main Market based on the most recent 3 full financial years;
d) The applicant has been operating in the same core business for the most recent 3 full financial years;
e) The applicant and its directors, controlling shareholder or where there is no controlling shareholder, its single largest shareholder, have not been subject to any matter specified in the SC's Equity Guidelines ("**Equity Guidelines**"), as applicable;
f) The applicant's auditors have expressed an unmodified opinion 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) The applicant is not subjected to any event that may have a material adverse effect on its financial position and the results of operations since the date to which the last audited financial statements of the ACE Market listed corporation have been made up.

An applicant and its advisers are required to consult with the SC prior to the submission of the application. In considering the proposal under the Equity Guidelines, the SC will consider the level of adoption of the best practices under the Malaysian Code on Corporate Governance.

The framework has taken effect since 1 January 2024.

The requirements in the Main Market Listing Requirement 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.

For further details, please click on the following:

- Circular dated 29 December 2023 with Q&A
- Chapter 3 of Main Market Listing Requirements
- Q&A to Chapter 3 of Main Market Listing Requirements
- Practice Note 22 of Main Market Listing Requirements
- 8.01A and 8.01B of the SC's Equity Guidelines

How we can help

As a corporate services provider to our clients, we welcome any opportunity to discuss the relevance of the above updates to your company.

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- Share Registry
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