Explanatory Note (September 2026)
Malaysia-incorporated Company's Compliance with Core Shareholder Protection Standards and Other Matters

The purpose of this note (the "**Note**") is to give an overview of the regulatory regime applicable to a Malaysia-incorporated company ("**Malaysian Company**") in seeking a primary, dual primary or secondary listing[1] on the Stock Exchange of Hong Kong Limited (the "**Exchange**")[2] and explain how a Malaysian Company complies with the core shareholder protection standards under Appendix A1 (the "**Core Shareholder Protection Standards**") of the Listing Rules and other matters.

Important note: This Note does not override the Rules and is not a substitute for advice from qualified professional advisers with respect to any particular listing applicant. If there is any conflict or inconsistency between this Note and the Listing Rules, the Listing Rules prevail. You may consult the Listing Division on a confidential basis for an interpretation of the Listing Rules or this Note. The information contained in this Note on foreign laws, regulations and market practices is based on information provided by legal counsel qualified to practise in Malaysia. We have neither separately verified this information nor updated this information since its receipt. A potential applicant/an applicant should inform the "Exchange of any changes in the laws, regulations and market practices described in this Note.

Reference should also be made to the guidance materials published by the Exchange on overseas issuers from time to time.

A. Overview of applicable regulatory regime

1. Regulatory regime and regulators

1.1 The regulatory framework applicable to a Malaysian Company (whether private or public, and whether the shares are traded on a local or foreign stock exchange) is primarily set out in the Companies Act 2016 (the "**CA 2016**"). Regulation of the CA 2016 falls within the purview of the Companies Commission of Malaysia ("**CCM**").

1.2 Malaysian securities law is regulated by several national rules and regulations, including the Capital Markets and Services Act 2007 ("**CMSA**"), the Malaysian Code on Take-Overs and Mergers 2016 ("**Malaysian Take-Overs Code**"), the Malaysian Rules on Take-overs, Mergers and Compulsory Acquisitions 2016 ("**Malaysian Take-Overs Rules**") and Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the stock exchange of Malaysia ("**Bursa LR**"). Securities Commission Malaysia ("**SC**") regulates and supervises compliance with the securities laws.

[1] For a Malaysia-incorporated company listed on the Main Market of Bursa Malaysia Securities Berhad that is seeking a secondary listing on the Exchange, please also refer to Explanatory Notes (Bursa Malaysia) and Chapter 19C of the Main Board Rules for further guidance.
[2] Except for companies incorporated and registered in Labuan which are under the purview of the Labuan Companies Act 1990.

1.3 For a company incorporated under the CA 2016 to be eligible to seek a listing of its shares, it would need to be a public company.[3] Accordingly, a private company seeking a listing must first convert to a public company.

2. Regulatory Co-operation between Hong Kong and Malaysia

2.1 Hong Kong Listing Rules[4] state that each of the statutory securities regulators of an issuer's jurisdiction of incorporation and the statutory securities regulator of the place of central management and control must be a full signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information ("**IOSCO MMOU**").

2.2 This requirement is met for a Malaysian Company as the SC is a full signatory of the IOSCO MMOU. In addition, the SC has signed a memorandum of understanding[5] with the SFC to provide mutual assistance on exchange of information in relation to securities matters with the SFC.

3. Overseas listings

3.1 For a Malaysian Company whose shares are listed on the Main Market of Bursa Securities, approval of Bursa Securities is required for the listing on the Main Market of Bursa Securities of the new shares to be issued pursuant to an initial public offering under Chapter 6 of the Bursa LR (where such new shares are to be transmissible for trading on Bursa Securities). The approval does not need to be obtained prior to the filing of the listing application with the Exchange.

3.2 Generally, no regulatory approval is required for a Malaysian Company to list its shares on an exchange outside Malaysia.[6]

4. Restrictions relating to the shares to be issued and the identity of shareholders

4.1 The following restrictions relating to shareholders apply to a Malaysian Company (whether seeking a primary or secondary listing on the Exchange):

(a) the identity of the shareholders in a Malaysian Company may be restricted in certain business sectors. For example, an acquirer of more than 5% of shares in a commercial bank is regulated under the Financial Services Act 2013 and must obtain the approval of Bank Negara Malaysia ("**BNM**"), the central bank of Malaysia. Further, the BNM prohibits any dealing involving any source of fund from a specified person[7] (the "**Israel-related Prohibition**") (see paragraphs 4.3 to 0 below); and

[3] A "public company" is defined under the CA 2016 to mean a company other than a private company. Pursuant to Section 42(1) of the CA 2016, a company limited by shares having not more than 50 shareholders may be registered as a private company, which is prohibited under Section 43 of the CA 2016 from, among other things, offering any shares of the company to the public.
[4] Main Board Rule 8.02A.
[5] Memorandum and Understanding dated 22 February 1994.
[6] Except for industry-specific licences or approvals that may be required by the relevant regulators.
[7] A "specified person" is defined in the Direction as (a) the State of Israel, or its governmental organisation, authority, agency; (b) a natural person who is a citizen or permanent resident of the State of Isarel, (c) any person incorporated, established or registered for purposes of incorporation or establishment, in the State of Israel or under its laws (including such person's direct subsidiary

(b) there are foreign shareholding limits for certain business sectors (such as banking, telecommunications and engineering), which would need to be assessed on a case-by-case basis.

4.2 Generally, there is no restriction as to the type of shares that may be issued (other than bearer shares[8]) by a Malaysian Company.[9]

Israel-related Prohibition

4.3 The BNM issued a Direction on Dealings with Specified Person and in Restricted Currency (the "**Direction**") dated 3 January 2022 (which revoked the earlier version dated 30 April 2020), which prohibits any person in Malaysia[10] from undertaking or engaging in any dealing or transaction with a specified person ("**Specified Person**"). The consequence of non-compliance with the Israel-related Prohibition could be an imprisonment for a term of up to ten years and/or a fine of up to RM50 million.

4.4 Based on legal advice from legal counsel qualified to practise in Malaysia:

(a) the Israel-related Prohibition applies to dealings and transactions between a person in Malaysia with a Specified Person regardless of whether these are conducted within or outside Malaysia and their source of funding;

(b) a Malaysian Company has no obligation to ensure compliance with the Israel-related Prohibition with regards to the trading of its listed shares on the basis that it has no effective control over such trading, and the trading of shares on the stock exchanges is a dealing or transaction between one shareholder (seller) and another shareholder (purchaser), where it is not a party;

(c) a Malaysian Company is not legally required to notify its shareholders about the Israel-related Prohibition under Malaysian law; and

(d) The Exchange has no obligation to ascertain the source of funding behind a shareholder that trades in a Malaysian company's shares on its trading platforms.

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or branch outside the State of Israel); or (d) any unincorporated person which is formed in the State of Israel or under its laws or policy.

[8] Bearer securities are prohibited under Section 73 of the CA 2016.

[9] For shares to be issued and listed in Malaysia, dual-class shares are currently not permitted under the Malaysian listing framework.

[10] The phrase "person in Malaysia" should capture an individual, any corporation, statutory body, local authority, society, trade union, co-operative society, partnership and any other body, organisation, association or group of persons, whether corporate or unincorporated who/which is in Malaysia.

4.5 However, as public investors who are persons in Malaysia will be subject to the Direction, the Exchange expects a Malaysian Company to:

(a) disclose details of the Israel-related Prohibition prominently in, among other things, its prospectus, formal notice, allotment results announcement, website, Company Information Sheet to be posted on HKEX's website, legend in share certificates, notices to registered shareholders in Hong Kong branch register, results announcements, annual and interim reports, circulars to shareholders and notices of shareholder meetings to ensure that investors are aware of such prohibition; and

(b) if there are any material changes to the information disclosed in the Company Information Sheet, update and revise the Company Information Sheet to reflect the changes.

B. Compliance with Core Shareholder Protection Standards

5.1 A Malaysian Company is required to comply with, among other requirements, the Core Shareholder Protection Standards. It must demonstrate how the domestic laws, rules and regulations to which it is subject and its constitutional documents, in combination ("**Domestic Standards**") provide the Core Shareholder Protection Standards.

5.2 It is noted that certain Domestic Standards in Malaysia: (a) do not fully meet the Core Shareholder Protection Standards; or (b) align with the Core Shareholder Protection Standards but are subject to contrary provisions of a Malaysian Company's constitutional documents. These differences, together with the listing conditions and recommendations a Malaysian Company is expected to comply with to address these differences, are summarised in **Appendix I**.

C. Other Matters[11]

6 Compliance with HK Takeovers Code

6.1 Depending upon its circumstances, a Malaysian Company may be subject to both of the Codes on Takeovers and Mergers and Share Buy-backs ("**HK Takeovers Code**")[12] and the Malaysian Take-Overs Code.[13] [14] [15]

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[11] Chapter 2.1 of the Guide on Overseas Issuers.

[12] Section 4.1 of the Introduction to the HK Takeovers Code provides that the codes apply to takeovers, mergers and share buy-backs affecting public companies in Hong Kong, companies with a primary listing of their equity securities in Hong Kong and real estate investment trusts with a primary listing of their units in Hong Kong. Section 4.2 of the HK Takeovers Code further sets out factors that the SFC may take into account in determining whether a company is a public company in Hong Kong for the purpose of the HK Takeovers Code.

[13] The Malaysian Take-Overs Code is to be read together with the Malaysian Take-Overs Rules.

[14] In general, the Malaysian Take-Overs Code applies to both takeovers and mergers where the target entity or the offeree being taken over is: (a) a corporate listed on Bursa Securities; (b) a public company as specified by the SC; (c) an unlisted public company with more than 50 shareholders and net assets of RM15 million or more; (d) a business trust listed in Malaysia; (e) a real estate investment trust listed in Malaysia; and (f) other entity as may be specified by the SFC. In case of a Malaysian Company listed solely on the Exchange (and not on Bursa Securities), the Malaysian Take-Overs Code will still apply if the company is a public company with more than 50 shareholders and net assets of RM15 million, as such a company would constitute an "unlisted public company".

[15] An applicant should seek legal advice on the applicability of the HK Takeovers Code.

6.2 There are differences between the provisions of the HK Takeovers Code and the Malaysian Take-Overs Code (See **Appendix II**). A Malaysian Company to which both HK Takeovers Code and Malaysian Take-Overs Code apply must include the following disclosures in its listing document:

(a) that the Malaysian Company, its shareholders and investors are required to comply with the requirements of both the Malaysian Take-Overs Code and the HK Takeovers Code;

(b) where there are conflicts between the provisions of the Malaysian Take-Overs Code and the HK Takeovers Code and the Malaysian Company, shareholders and investors will need to comply with the stricter of the requirements under both codes;

(c) any potential offeror must not acquire any shares or voting rights in the Malaysian Company that would give rise to a requirement to make a mandatory general offer under the Malaysian Take-Overs Code or the HK Takeovers Code unless it is satisfied that the making or implementation of such an offer would comply with the provisions of the Malaysian Take-Overs Code and the HK Takeovers Code;

(d) any potential offeror should be aware that any dispensation(s) under the Malaysian Take-Overs Code and the HK Takeovers Code will be granted only in exceptional cases and there is no assurance that such dispensation(s) would be granted; and

(e) any potential offeror should consult the SC and the SFC at the earliest and in any event before a general offer is triggered under the Malaysian Take-overs Code or the HK Takeovers Code.

6.2 A Malaysian Company should also comply with the stricter of the requirements under the CA 2016, Bursa LR (where applicable), the Malaysian Take-Overs Code, the HK Takeovers Code in relation to any conflicts as regards the requirements for share buy-backs.

7 Eligibility of Securities and Admission of Securities into CCASS

7.1 A Malaysian Company must make arrangements with Hong Kong Securities Clearing Company Limited ("**HKSCC**") to ensure its securities are accepted as eligible for deposit, clearance and settlement in Central Clearing and Settlement System operated by the HKSCC in accordance with the General Rules of HKSCC.[16]

8 Financial reporting standards; and auditing standards

8.1 Under the Listing Rules,

(a) the annual financial statements and the accountants' reports of overseas issuers must be prepared and drawn up in conformity with financial reporting standards acceptable to the Exchange, which will normally be Hong Kong Financial

[16] Main Board Rule 8.13A (GEM Rule 11.29).

Reporting Standards ("**HKFRS"**) or the International Financial Reporting Standards ("**IFRS**").[17]

(b) an accountants' report and annual financial statements of an overseas issuer must be audited to a standard comparable to that required by the Hong Kong Institute of Certified Public Accountants (**HKICPA**) or the International Auditing and Assurance Standards Board (**IAASB**);[18] and

(c) an overseas issuer must appoint a Recognised PIE Auditor[19] to carry out any PIE Engagement;[20]

8.2 In Malaysia, the approved accounting framework is the Malaysian Financial Reporting Standards .[21]. A Malaysian Company is expected to prepare their financial statements in conformity with IFRS or HKFRS.

8.3 The auditing standards applied in Malaysia are based on the International Standards on Auditing issued by IAASB, which is consistent with the requirements under the Listing Rules.

9 Taxation requirements

Withholding tax

9.1 Shareholders of a Malaysian Company are not subject to withholding tax on dividends paid by the Malaysian Company.

[17] Main Board Rule 4.11 (GEM Rule 7.12).
[18] Primary Main Board Rule 19.12 and GEM Rule 7.17A (accountants' reports) and Main Board Rule 19.21 and GEM Rule 24.14 (annual financial statements). Secondary Listing: Main Board Rules 19C.10C (accountants' reports) and 19C.17 (annual financial statements).
[19] "Recognised PIE Auditor" is defined in Chapter 1 of the Main Board Listing Rules, which means an overseas auditor recognised under Division 3 of Part 3 of the Accounting and Financial Reporting Council Ordinance (Cap. 588) ("**AFRCO**").
[20] "PIE Engagement" is defined in Chapter 1 of the Main Board Listing Rules, which means an engagement specified in Part 1 of Schedule 1A of the AFRCO, that is any of the following types of engagement carried out by an auditor or a reporting accountant: (a) an auditors' report on a PIE's annual financial statements required by the Companies Ordinance, the Listing Rules or any relevant code issued by the Commission; (b) a specified report required to be included in (i) a listing document for the listing of the shares or stocks of a corporation seeking to be listed or a listed corporation; or (ii) a listing document of a Collective Investment Scheme seeking to be listed or a listed Collective Investment Scheme; and (c) an accountants' report required under the Listing Rules to be included in a circular issued by a PIE for a reverse takeover or a very substantial acquisition.
[21] Section 2 of the Financial Reporting Act 1997 of Malaysia.

Capital gain tax/ income tax

9.2 In general, gains from the disposal of shares of a Malaysian Company listed on the Exchange are generally not subject to capital gains tax[22] or income tax.[23]

Stamp Duty

9.3 No Malaysian stamp duty is chargeable on any transfer of shares if the transfer is put into effect solely by way of a transfer amongst CCASS stock accounts or otherwise using a transfer form or other instrument(s) executed outside Malaysia. [24]

10 Simplified listing framework for dual listings in Hong Kong and Malaysia

10.1 The SFC and the SC have established a simplified listing framework for a Malaysian Company simultaneously seeking a primary listing in one jurisdiction and a secondary listing in the other, either on the Main Board of the Exchange or the Main Market of Bursa Securities.

10.2 The framework adopts a single submission model, under which all required application materials are submitted through the regulator of the primary listing. It also provides for a coordinated review process, including a single channel for regulatory comments and applicants' responses arising from reviews conducted by the relevant authorities.

10.3 **Appendix III** sets out the streamlined application, prospectus and submission requirements under the simplified listing framework.

[22] This is except where the shares of the Malaysian Company derive substantial value from Malaysian real estate.
[23] This is except where investors of the Malaysian Company carry on business through a permanent establishment or have a taxable presence in Malaysia which is engaged in the trading of shares. In such case, the non-resident person will be subject to the relevant tax filing, payment and reporting obligation.
[24] If the transfer form or any other instrument relating to the transfer is executed in Malaysia, first received in Malaysia, or required to be acted upon, registered, authenticated or used in Malaysia, the Malaysian stamp duty position should be separately analysed under the Stamp Act 1949.

Appendix I

Differences between Core Shareholder Protection Standards and Domestic Standards with Proposed Listing Conditions

Core Shareholder Protection Standards	Domestic Standards	Proposed listing conditions / recommendation
1. Restriction on shareholder voting: Where any shareholder is required under the Listing Rules to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.	There is no express provision relating to restrictions on shareholders' voting at general meetings.	A Malaysian Company should amend its constitutional documents to expressly provide that: where any shareholder is required under the Listing Rules to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.
2. Variation of rights: A super-majority vote of the issuer's members of the class to which the rights are attached shall be required to approve a change to those rights. *Notes:* *1. A "super-majority vote" means at least three-fourths of the voting rights of the members holding shares in that class present and voting in person or by proxy at a separate general meeting of members of the class where the quorum for such meeting shall be holders of at least one third of the issued shares of the class. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement)*	**Voting threshold:** The consent of the shareholders required for variation of rights attached to shares in a class of shares in a Malaysian Company shall be (a) a written consent representing not less than 75% of the total voting rights of the shareholders in the class; or (b) a special resolution passed by shareholders in the class sanctioning the variation. **Quorum**: The quorum for a class meeting to approve a variation of class rights is generally two persons present holding at least one-third of the number of issued shares of such class. For an adjourned class meeting to approve a variation of class rights, the quorum is one person present holding shares of that class, unless otherwise provided in the constitution. The Domestic Standards do not require a	**Voting threshold:** The voting threshold required for approving variation of class rights under the Domestic Standards conforms with our Core Shareholder Protection Standards. **Quorum**: A Malaysian Company should amend its constitutional documents to expressly provide that the quorum for a class meeting to approve a variation of class rights, including any adjourned meeting thereof, must be holders holding at least one-third of the issued shares of the relevant class.

Core Shareholder Protection Standards	Domestic Standards	Proposed listing conditions / recommendation
and in such case a "super-majority vote" is deemed to be achieved. 2. *For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the voting rights of the members who are present at the classified members' meeting and have voting rights to amend class rights as satisfying the threshold of a "super-majority".* 3. *Voting rights attaching to treasury shares are excluded.*	minimum shareholding to constitute a quorum for an adjourned class meeting.	
3. Appointment, removal and remuneration of auditors: The appointment, removal and remuneration of auditors must be approved by a majority of the issuer's members or other body that is independent of the board of directors. *Note: An example of such an independent body is the supervisory board in systems that have a two tier board structure.*	Members of a Malaysian Company shall appoint and remove an auditor by an ordinary resolution at a general meeting (with only interim appointments by the board until the next annual general meeting). The auditors' remuneration shall be fixed by members by ordinary resolution where an auditor is appointed by members. If a Malaysian Company fails to appoint an auditor, the Registrar of the Companies Commission of Malaysia ("**Companies Registrar**") may appoint one or more auditors upon application in writing from any member of the company. In such circumstances, the remuneration of the auditor shall be fixed by the Registrar or the board of directors, and if not so fixed, shall be fixed by an ordinary resolution of the company's members.	The approval of the appointment, removal and remuneration of auditors by an ordinary resolution of members under the Domestic Standards conforms with our Core Shareholder Protection Standards. In relation to the approval of remuneration of auditors appointed by the Companies Registrar, a Malaysian Company should amend its constitutional document to require such remuneration to be fixed either by the Companies Registrar or by an ordinary resolution of members.

Core Shareholder Protection Standards	Domestic Standards	Proposed listing conditions / recommendation
	The board being allowed to fix the remuneration of an auditor or auditors appointed by the Registrar is not aligned with the Core Shareholder Protection Standards.	
4. E-voting and virtual meeting: An issuer must ensure that its constitutional documents enable the holding of general meetings: (a) which members can attend virtually with the use of technology; and (b) where members can cast votes by electronic means. *Notes:* *1. An issuer must ensure that all members' rights to speak and vote will be maintained in general meetings attended virtually.* *2. As a transitional arrangement, issuers will have until their next annual general meeting following 1 July 2025 to make necessary changes to their constitutional documents to conform with this core shareholder protection standard.*	A company may convene a meeting of members at more than one venue using any technology or method that enables the members of the company to participate and to exercise the members' rights to speak and vote at the meeting, subject to the constitution.	A Malaysian Company should ensure its constitutional documents enable it to hold general meetings that allow members to attend virtually with the use of technology; and cast votes by electronic means, as permitted under the Domestic Standards.
5. Voluntary winding up: A super-majority vote of the issuer's members in a general meeting shall be required to approve a voluntary winding up of an issuer. *Notes:* *1. A "super-majority vote" means at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the*	A special resolution is generally required for a voluntary winding up of a Malaysia-incorporated company. However, a company may also be wound up upon the expiry of the duration specified in its constitution, or upon the occurrence of an event specified therein, where the company resolves in a general meeting that it be wound up voluntarily. The Domestic Standards do not	A Malaysian Company whose constitution provides for circumstances in which it may be wound up without a special resolution should: (1) amend its constitutional documents to expressly require a special resolution for any voluntary winding up of the company in all circumstances; and (2) remove from its constitutional documents any provision permitting a voluntary winding up by an ordinary resolution.

Core Shareholder Protection Standards	Domestic Standards	Proposed listing conditions / recommendation
general meeting. This is unless it can be demonstrated that shareholder protection will not be compromised by a lower voting threshold (e.g. simple majority votes in favour of the relevant resolutions with a higher quorum requirement) and in such case a "super-majority vote" is deemed to be achieved. 2. *For PRC issuers, the Exchange will consider a resolution passed by members representing at least two-thirds of the total voting rights of the members present and voting in person or by proxy at the meeting as satisfying the threshold of a "super-majority".* 3. *Voting rights attaching to treasury shares are excluded.*	expressly indicate whether a special resolution is required in such circumstances.	

Appendix II

Differences between Malaysian Take-Overs Code and HK Takeovers Code

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
Definition of "control" under HK Takeovers Code	Definition of "control" shall be deemed to mean a holding, or aggregate holdings, of **30%** or more of the voting rights of a company, irrespective of whether that holding or holdings gives de facto control.	**Section 216 of the CMSA**	Under Section 216 of the CMSA, "control" means the acquisition or holding of, or entitlement to exercise or control the exercise of, voting shares or voting rights of **33%** or more, or such other amount as may be prescribed in the Malaysian Take-Overs Code in a company, howsoever effected.
Rule 26.1 HK Takeovers Code	Subject to the granting of a waiver by the Executive Director of the Corporate Finance Division of the SFC (the "**Executive**"), a person shall extend offers, to the holders of each class of equity share capital of the company where: (a) any person acquires, whether by a series of transactions over a period of time or not, 30% or more of the voting rights of a company; (b) two or more persons are acting in concert, and they collectively hold less than 30% of the voting rights of a company, and any one or more of them acquires voting rights and such acquisition has the effect of increasing their collective holding of voting rights to 30% or more of the voting rights of the company; (c) any person holds not less than 30%, but not more than 50%, of the voting rights of a company and that person acquires additional voting rights and such acquisition has the effect of increasing that person's holding of voting rights of the company by more	**Rule 4.01 Malaysian Take-Overs Rules**	Unless otherwise exempted by the SC, a mandatory offer shall apply to an acquirer in the following situations: (a) where the acquirer has obtained control in a company (i.e. holding 33% or more voting shares); or (b) where the acquirer has triggered the creeping threshold meaning an acquisition of more than 2% of the voting shares or voting rights of a company in any period of 6-months by an acquirer holding over 33% but not more than 50% of the voting shares or voting rights of the company, irrespective of how control has been effected or the creeping threshold has been triggered, including by way of a scheme.

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
	than 2% from the lowest percentage holding of that person in the 12 month period ending on and inclusive of the date of the relevant acquisition; or (d) two or more persons are acting in concert, and they collectively hold not less than 30%, but not more than 50%, of the voting rights of a company, and any one or more of them acquires additional voting rights and such acquisition has the effect of increasing their collective holding of voting rights of the company by more than 2% from the lowest collective percentage holding of such persons in the 12 month period ending on and inclusive of the date of the relevant acquisition.		
Note 1 on dispensation of Rule 26 of HK Takeovers Code	In respect of whitewash waivers, when the issue of new securities as consideration for an acquisition, or a cash subscription, or the taking of a scrip dividend, would otherwise result in an obligation to make a mandatory offer, the Executive will normally waive the obligation if the whitewash waiver and the underlying transaction(s) are separately approved by at least 75% and more than 50% respectively of the independent vote that are cast either in person or by proxy at a shareholders' meeting. For this purpose "independent vote" means a vote by shareholders who are not involved in, or interested in, the transaction in question. The grant of whitewash waiver is also subject to the person to whom the new securities are to be issued or any person acting in concert with him	**Rule 4.08 Malaysian Take-Overs Rules**	In respect of whitewash waivers, an offeror may apply for an exemption from a mandatory offer obligation when the issue of new securities as consideration for an acquisition, or a cash subscription, or the taking of a scrip dividend, would otherwise result in an obligation to make a mandatory offer. The SC may consider granting an exemption if an offeror and persons acting in concert have satisfied the following conditions: (a) there is no acquisition of shares or instruments convertible into shares and options in respect of shares (other than subscriptions for new shares or new instruments convertible into or options in respect of new shares which have been

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
	has not acquired voting rights in the offeree company (save for subscriptions for new shares which have been fully disclosed in the whitewash circular) in the 6 months before the announcement of the proposals but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the company (which would include informal discussions) in relation to the proposed issue of new securities. A waiver will not be granted or if granted will be invalidated if, without the prior consent of the Executive, any acquisitions or disposals of voting rights are made by such persons in the period between the announcement of the proposals and the completion of the subscription.		disclosed in the whitewash circular) by the offeror and persons acting in concert with him, in the 6 months prior to the announcement of the proposals but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the company in relation to the proposed issue of new securities until completion of the subscription; and (b) approval has been obtained from independent holders of voting shares or voting rights of the offeree at a meeting of the holders of the relevant class of voting shares or voting rights to waive their rights to receive the mandatory offer from the offeror and persons acting in concert.
Rule 32.1 of HK Takeovers Code	In the case of a share buy-back by general offer or an off-market share buy-back, as such terms are defined in the HK Takeovers Codes, the Executive will treat an application for a waiver from the requirement to make a mandatory offer in accordance with Rule 26 of the HK Takeovers Code as if it were an application for a whitewash waiver in accordance with Note 1 on dispensations from Rule 26. The Executive will normally grant such a waiver if: (a) the HK Takeovers Code implications of the share buy-back are disclosed in the repurchasing company's offer document;	**Rule 4.15 Malaysian Take-Overs Rules**	An offeror who triggers a mandatory offer obligation as a result of a share buy-back scheme will be exempted from the mandatory offer obligation subject to fulfilling the conditions below: (a) there is no acquisition/purchase of voting shares or voting rights in the company (save for subscriptions for new shares which have been fully disclosed in the whitewash circular) by the offeror and persons acting in concert with him, before the date on which the authority of the share buy-back expires, if such acquisitions, taken together with the share buy-back would cause them to incur a mandatory offer obligation; and (b) approval has been obtained from independent holders of voting shares or

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
	(b) the share buy-back is approved in accordance with applicable shareholder approval requirements of the Share Buy-backs Code by those shareholders who could not become obliged to make a mandatory offer as a result of the share buy-back; and (c) a procedure on the lines of that set out in Note 1 on dispensations from Rule 26 of the HK Takeovers Code and Schedule VI is followed.		voting rights of the offeree at a meeting of the holders of the relevant class of voting shares or voting rights to waive their rights to receive the mandatory offer from the offeror and persons acting in concert.
Note 6 to Rule 4 of HK Takeovers Code	For the purpose of determining whether a disposal or acquisition is of a "material amount" in the context of frustrating an offer, the Executive will, in general, apply the same tests as those set out in the HK Listing Rules to determine whether a transaction is a "discloseable transaction". Under HK Listing Rule 14.06(2), a discloseable transaction means a transaction or a series of transactions by a listed issuer where any percentage ratio is 5% or more, but less than 25%.	**Note 6 to Rule 16.01 Malaysian Take-Overs Rules**	In determining whether an asset is material for the purpose of any sale, disposal or acquisition of, assets of the offeree which amounts to the frustration of an offer, the SC may take the following factors into consideration in determining whether an asset is "material": (a) whether the value of the assets to be disposed of or acquired, based on the latest audited financial statements, is 10% or more compared with the net assets of the offeree (on a consolidated basis, if applicable); (b) whether the aggregate value of the consideration to be received or given, based on the latest audited financial statements, is 10% or more, compared with the net assets of the offeree (on a consolidated basis, if applicable); or (c) whether the profit (after deducting all charges except taxation and extraordinary items) attributable to the assets to be disposed of or acquired compared with

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
			those of the offeree, based on the latest audited financial statements is 10 per cent or more. Notwithstanding the above, a relative value lower than 10% may be considered "material" if, in the opinion of the SC, the assets to be disposed of or acquired could adversely affect the earnings capability of the offeree that would render the offeree less attractive to the offeror. Where the board of directors of the offeree undertakes several transactions in relation to its assets which separately are not of a material amount, the SC may aggregate such transactions as a factor in determining whether the assets in relation to these transactions are of material amount.
Rule 8.4 of HK Takeovers Code	The offeree company should send to its shareholders the offeree board circular no later than 14 days after the date of the offer document, containing the information set out in Schedule II of the HK Takeovers Code, together with any other information it considers to be relevant to enable its shareholders to reach a properly informed decision on the offer.	**Rule 11.03 (1) Malaysian Take-Overs Rules**	The offeree board shall issue its comments, opinion and views on the takeover offer, in a circular to offeree shareholders and holders of convertible securities of the offeree within 10 days from the despatch of the offer document.
Rule 20.1 of HK Takeovers Code	Shares represented by acceptances in any offer shall be paid for by the offeror as soon as possible but in any event within 7 business days following the later of the date on which the offer becomes, or is declared, unconditional and the date of receipt of a duly completed acceptance. In the case of an offer which is unconditional from the start, the consideration must be posted or delivered within 7 business days following the receipt of duly completed acceptances.	**Rule 14.01 Malaysian Take-Overs Rules**	The offeror, in any take-over offer, shall pay the cash consideration to all persons accepting the takeover offer within 10 days from: (a) the date the offer becomes or is declared wholly unconditional, if the valid acceptances are received during the period when the take-over offer is still conditional; or

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
			(b) the date of the valid acceptances, if the valid acceptances are received during the period after the take-over offer is or has become or has been declared wholly unconditional.
Rule 2 HK Share Buy-backs Code	Off-market share buy-backs must be approved by the Executive before a repurchasing company acquires any shares pursuant to such share buy-back. Such approval will normally be conditional upon, among other factors, approval of the proposed off-market share buy-back by at least three-fourths of the votes cast on a poll by disinterested shareholders in attendance in person or by proxy at a general meeting of shareholders duly convened and held to consider the proposed transaction.	**Section 127(1) and Section 127(3) CA 2016 Paragraphs 12.03 and 12.04 of MMLR**	Section 127(1) of the CA 2016 provides that a company whose shares are listed on a stock exchange may purchase its own shares subject to its constitution. Section 127(3) of CA 2016 further provides that a company may purchase its own shares otherwise than through a stock exchange if the purchase is permitted under the relevant rules of the stock exchange and made in accordance with such requirements of the stock exchange. Paragraph 12.03 of the MMLR state that a listed corporation must seek authorisation from its shareholders by way of an ordinary resolution in the case where a listed corporation intends to purchase its own shares. However, it must be noted that Paragraph 12.04 requires that a listed corporation must ensure that any purchase of its own shares is effected only on the market of Bursa Securities.
N/A	No comparable provision under the HK Takeovers Code.	**Rule 4.14 of Malaysian Take-Overs Rules**	An offeror may apply for an exemption from making a mandatory general offer under Paragraph 4.01 of the Malaysian Take-Over Rules for an acquisition that has been approved by a relevant sector regulator based on national policy.
Note 5 on dispensations on Rule 26 of HK Takeovers Code	Situations may arise where a person, or group of persons acting in concert, acquires 30% or more of the voting rights of a company at a time when another person, or group of persons acting in concert, already holds 30% or more of the voting rights of that company.	**Rule 4.12 of Malaysian Take-Overs Rules**	An offeror may apply for an exemption from a mandatory offer obligation if he is able to satisfy the SC that the remaining holders of voting shares of an offeree have given written affirmations that they will not accept a takeover offer, if such an offer is made.

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
	In such a situation the Executive will not normally waive the requirement for that person or group of persons to make a general offer under Rule 26 of the HK Takeovers Code unless: (a) there is a single person holding 50% or more of the voting rights of the company who states that he will not accept the offer which the purchaser would otherwise be obliged to make; or (b) the Executive is provided with written confirmation from the holders of 50% or more of the voting rights of that company that they would not accept the offer which the purchaser would be obliged to make.		The SC may consider an application for an exemption provided that: (a) the offeree is an unlisted public company; and (b) where the offeror holds more than 50% of the voting shares of the offeree, all the remaining holders of voting shares have provided an undertaking in writing that they do not wish to accept a take-over offer if one is made in accordance with the provisions of the Malaysian Take-Overs Code; or (c) where the offeror holds less than 50% of the voting shares of the offeree, an undertaking in writing by the remaining holders of voting shares, holding more than 50% of the voting shares of the offeree, that they do not wish to accept a take-over offer if one is made in accordance with the provisions of the Malaysian Take-Overs Code.
Note 4 on dispensations on Rule 26 of HK Takeovers Code	If, due to an inadvertent mistake, a person incurs an obligation to make an offer under Rule 26 of the HK Takeovers Code, the Executive will not normally require an offer if sufficient voting rights are disposed of within a limited period to persons unconnected with him.	**N/A**	No comparable provision under the Malaysian Take-Overs Code and Rules.
Note 6 on dispensations on Rule 26 of HK Takeovers Code	A waiver from the obligation to make a general offer under Rule 26 of the HK Takeovers Code will normally be granted where a shareholder, who together with persons acting in concert with him holds 50% or less of the voting rights of a company, places part of his holding with one or more independent persons and then, as soon as is practicable, subscribes for new shares up	**N/A**	No comparable provision under the Malaysian Take-Overs Code and Rules.

HK Provision	HK Requirement	Malaysian Provision	Malaysian Requirement
	to the number of shares placed at a price substantially equivalent to the placing price after taking account of expenses incurred in the transaction. Such a waiver is required even if the placing and top-up are to be effected simultaneously whether by way of placing and subscription agreements that are inter-conditional or otherwise. For purposes of the 2% creeper the placing shareholder shall be deemed to have a lowest percentage holding equal to the lower of the lowest percentage holding which he had in the 12 month period prior to or immediately after the placing and top-up transaction. Reference is made in this regard to Note 14 to Rule 26.1. A waiver under this Note will not be required where a shareholder, together with persons acting in concert with him has continuously held more than 50% of the voting rights of a company for at least 12 months immediately preceding the relevant placing and top-up transaction.		

Appendix III

Submission Guidance for Malaysian Companies under the Simplified Listing Framework

The table below outlines the application, prospectus and submission requirements applicable to a Malaysian Company simultaneously seeking a primary listing in Hong Kong and a secondary listing in Malaysia; or a primary listing in Malaysia and secondary listing in Hong Kong.

<table>
<tr><th></th><th>Primary listing: Hong Kong[1]
Secondary listing: Malaysia</th><th>Primary listing: Malaysia
Secondary listing: Hong Kong[2]</th></tr>
<tr><td colspan="3">Single Application Submission</td></tr>
<tr><td rowspan="2">Application materials</td><td>Applicant submits to SEHK:
Full application materials required by SEHK; and
Full application materials required by SC and the additional information as set out in Appendix III of the Guidance for Listing of Hong Kong Companies on MAIN Market of Bursa Malaysia Securities Berhad issued on 30 September 2026.</td><td>Applicant submits to the SC:
Full application materials required by the SC; and
Full application materials required by SEHK.</td></tr>
<tr><td colspan="2">Note:
The submission package should be structured in two separate, clearly identified parts:
(i) SEHK application materials; and
(ii) SC application materials.
Should the same application materials/ documents be required in both parts, references can be made to the relevant materials/ documents in the other part of the submission.</td></tr>
<tr><td>Other matters relating to the Application</td><td colspan="2">1. Type of listing
Applicants should specify in the submissions to the authorities whether the listing is:
Hong Kong Primary / Malaysia Secondary; or
Malaysia Primary / Hong Kong Secondary.
2. Guidance for Hong Kong-licensed sponsor
The sponsor should submit information regarding the applicant’s principal activities when it files the sponsor engagement notification to</td></tr>
</table>

[1] An overseas issuer seeking a primary listing in Hong Kong must be incorporated in a jurisdiction that is included on SEHK’s List of Overseas Jurisdictions of Incorporation.
[2] For a secondary listing in Hong Kong, the applicant must be a public company incorporated in Malaysia that is already listed or is the subject of an application for listing on the Main Market of Bursa Securities.
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	Primary listing: Hong Kong[1] Secondary listing: Malaysia	Primary listing: Malaysia Secondary listing: Hong Kong[2]
	SEHK. **3. Authorisation for primary listing authority to file documents with secondary listing authority** In its submission, an applicant should include an authorisation permitting the primary listing authority to file with the secondary listing authority all materials and documents submitted relating to the application, including those submitted by its advisors and agents on its behalf, and an acknowledgement that both the primary listing authority and the secondary listing authority will have access to such materials and documents. **4. Application for relief / waiver from compliance with guidelines or listing requirements** Applications for relief / waiver, if applicable, are to be submitted as part of application materials. **5. Document format** Applicants are reminded that documents submitted should be in text-searchable PDF format.	
Prospectus	Single prospectus submitted **to SEHK**, incorporating the requirements by SC.	Single prospectus submitted **to SC**, incorporating requirements by SEHK.
Submitting party	**SFC-licensed sponsor** Application for secondary listing in Malaysia to be signed by a recognised principal adviser or an SFC-licensed sponsor[3]	**Recognised principal adviser** Application for secondary listing in Hong Kong to be signed by an SFC-licensed sponsor
Regulatory queries and applicant's responses	**Single set of regulatory queries issued by:** SEHK **Responses to queries to be submitted to:** SEHK	**Single set of regulatory queries issued by:** SC **Responses to queries to be submitted to:** SC
Listing and quotation application to Bursa Securities	• Applicant must comply with the applicable provisions of the MAIN Market Listing Requirements relating to a secondary listing. • Applicant **concurrently submits** its listing application and supporting documents for the listing and quotation of its shares on the MAIN Market as part	• Applicant must comply with the applicable provisions of the MAIN Market Listing Requirements relating to a primary listing. • Applicant **concurrently submits** its listing application and supporting documents for the listing and quotation of its shares on the MAIN Market **to SC**.

[3] Referring to an SFC licensed sponsor that has affiliate within the same group who are either recognised principal adviser or a Capital Markets Services Licence holder for the regulated activity of advising on corporate finance in Malaysia, and is allowed by the SC to sign application to the SC.

	Primary listing: Hong Kong[1] Secondary listing: Malaysia	Primary listing: Malaysia Secondary listing: Hong Kong[2]
	of SC Application Materials **to SEHK**.	
Reporting Accountant ("RA")	• For listing in Malaysia, the RA must be registered with the Audit Oversight Board (AOB) of the SC. If a foreign audit firm is appointed to become the RA, such foreign audit firm will be required to apply for recognition by the AOB. Please refer to the website of AOB for further information on Recognition of Audit Firms and Individual Auditors. It is advisable to start the process at least three months before the date of submission of the IPO application. • For listing in Hong Kong, the RA must be independent of the issuer to the same extent as required of an auditor under the Companies Ordinance (Cap. 622) and must comply with the independence requirements issued by Hong Kong Institute of Certified Public Accountants or International Federation of Accountants. An applicant must normally appoint a firm that is a Registered PIE Auditor and is not prohibited from acting under the Accounting and Financial Reporting Council Ordinance (Cap. 588).[4]	
Prospectus exposure	**Coordination on exposure and registration of draft prospectus** The applicant should coordinate the timing of the exposure of the draft prospectus or updated prospectus, as applicable, and the registration of the prospectus in the respective jurisdictions. The applicant should discuss the proposed timetable with both authorities at an early stage and keep them informed of any subsequent changes.	

[4] If the Applicant intends to appoint an overseas audit firm as its reporting accountants, please refer to Chapter 2.1 of the Guide for New Listing Applicants. Information on the registration of Hong Kong auditors as PIE auditors and the recognition of non-Hong Kong auditors as PIE auditors can be found on the website of the Accounting and Financial Report Council.