

FREQUENTLY ASKED QUESTIONS (FAQ) – EXPEDITED REVIEW FRAMEWORK FOR SECONDARY LISTINGS

1. What is the Expedited Review Framework (Framework) for Secondary Listings and why was it developed?

This Framework is an initiative by the ASEAN Capital Markets Forum (ACMF) under its Implementation Plan endorsed by ASEAN Finance Ministers in 2009 to achieve the objective of facilitating greater integration of the region's capital markets.

The ACMF's Implementation Plan's Strategic Initiatives provides that ACMF members and ASEAN exchanges would "take necessary steps to promote cross-listings on ASEAN exchanges."

The objective of the Framework is to speed up the processing of secondary listing applications together with relevant disclosure/offer documents. The Framework has the effect of reducing the time-to-market for corporations seeking a secondary listing in a participating ASEAN country.

2. What does an expedited review mean?

The securities regulators and exchanges (where relevant) in the host jurisdiction will review secondary listing applications together with relevant disclosure/offer documents which are required to be issued by the corporation seeking the listing e.g. prospectuses, within 35 business days from the date of complete submission of the secondary listing application and disclosure/offer documents.

This represents a significant reduction compared to the normal review timeframe. Currently the period taken by the regulators and the stock exchanges in the 3 signatory jurisdictions to review the listing applications as well as the disclosure documents may be up to 16 weeks.

3. Who will be able to enjoy this expedited review?

A corporation which meets the following requirements would be eligible:

- Incorporated in one of the signatory jurisdictions;
- Shares listed on the main market of the exchange in a signatory jurisdiction;
- In full compliance (except where waivers have been granted) with all applicable listing requirements (including ongoing listing requirements) of the signatory jurisdiction where its shares are primarily listed;

- Appointment of a director, or such other representative, who is a resident in the host jurisdiction, if required by the host jurisdiction's laws;
- Financial statements are prepared in accordance with or reconciled to International Financial Reporting Standards or with accounting standards acceptable to the host jurisdiction;
- Simultaneous release of relevant information on both the home and host exchange;
- Must comply with the host jurisdiction's other relevant admission requirements relating to secondary listing, if any; and
- Must comply with any other requirements under relevant laws and regulations of the host jurisdiction or as specified by the host jurisdiction or host exchange.

4. Must a corporation be incorporated and primarily listed in the same signatory jurisdiction to enjoy the benefits of this Framework?

No. A corporation may enjoy the benefits of this Framework even if its place of incorporation and primary listing are in different signatory jurisdictions.

For example, a corporation incorporated in Thailand and primarily listed in Malaysia may enjoy the benefits of this Framework if it is seeking a secondary listing in Singapore.

5. Does this Framework modify the application process for secondary listings?

Under the Framework, a corporation seeking a secondary listing in a signatory jurisdiction will still be required to apply for the necessary approval(s). The Framework aims to shorten the timeframe of the review process, thus expediting time-to-market.

6. Who are the signatories to this Framework?

Currently, the securities regulators and exchanges of Malaysia, Singapore and Thailand are signatories to this Framework.

7. Can other ASEAN countries join this Framework?

ASEAN countries which meet the following pre-requisites can join the Framework:

- The securities regulator must be listed on Appendix A of the International Organization of Securities Commissions Multilateral Memorandum of

Understanding Concerning Consultation and Cooperation and the Exchange of Information (IOSCO MMOU);

- The ASEAN country must have been assessed to have attained a “Broadly Implemented” rating of IOSCO Principles¹ 16, 17 and 18, pursuant to the IOSCO Principles Assessment and Implementation Program or the Financial Sector Assessment Program (FSAP); and
- The stock exchange of the ASEAN country must be a member of the World Federation of Exchanges.

¹ Objectives and Principles of Securities Regulation of the International Organisation of Securities Commissions (June 2010)