

**RELEASE OF NEW FUND-RAISING FRAMEWORK &  
UNVEILING OF NEW BOARD STRUCTURE**

**SPEECH BY YABHG TUN MOHAMED DZAIDDIN HAJI ABDULLAH,  
CHAIRMAN, BURSA MALAYSIA BERHAD**

Yang Berhormat Dato' Seri Ahmad Husni Hanadzlah, Finance Minister II  
Yang Berbahagia Dato' Sri Zarinah Anwar, Chairman of Securities Commission  
Tan Sri-Tan Sri, Dato'-Dato'

Honoured guests,  
Members of the media,  
Ladies and gentlemen,  
Good afternoon.

It is an honour to be in the midst of the many different key players of the capital market – the listed companies, investment banks, investment community, and various interest groups.

It goes without saying that the capital market is the lifeblood of our economy and paves the way for the ongoing development of the country. We have certainly made many inroads in our passage towards being a preferred destination for listing and investment. We are witnessing progressive reforms and liberalisation of policies. Technology has opened up new frontiers in the way we invest, the way we trade and the way we do business. Our market has evolved to a new level of maturity, drawing interest from both local and foreign investment community. As the boundaries blur, there is greater challenge and competition ahead of us to fight for, retain and grow the share from our universal base of customers.

Ladies and gentlemen,

As regulators, we are tasked with the oversight of ensuring a fair, transparent and efficient market. We straddle this role with the need to develop and progress in tandem with the rapidly changing landscape. A truly competitive capital market, underscored by sound investor protection, will inspire investor confidence.

Malaysia has already made its mark on the global investment map. We are now building on our areas of strength in commodities as well as in the Islamic investment sectors. If we are going to pursue our aim to be a force to be reckoned with, we must raise the bar for competitiveness.

However, there is still a long way to go and we still have many challenges and gaps to manage. While I have the privilege to stand up here today, I would like to take this opportunity to share with you how we, the Exchange, view things for the Malaysian capital market. We have to remember that we are neither impervious nor immune to the challenges around us. The global economic and financial conditions have left a deep imprint, not just in our market, but globally as well. Under the circumstances where there is flight to safety, we have embarked on several initiatives to enhance sustainable liquidity on Bursa Malaysia.

We are cognisant of issues such as free float and liquidity in the market and we are taking measured steps towards improving the quality of our market holistically. This was one of the motivations behind the soon-to-be implemented enhancement to the benchmark index. The FTSE-Bursa Malaysia KLCI, with its liquidity and free float criteria, is aimed to improve the structure of the benchmark index. This is so that it becomes a higher quality platform which is compelling for international investors who gravitate towards tracking the performance of global-benchmarked indices. By all means, this does not mean that the new enhanced index will solve the problem of liquidity. This merely means that we are putting in place quality parameters so that more and more of our listed companies will understand the value this will ultimately bring to our market and measure up to the criteria set.

We are also looking at widening investment options for investors by introducing a broader range of products that cater for a variety of market conditions. To spur greater liquidity, we are banking on structured products that have a multiplier effect on the underlying securities. In order to encourage more issuers to list structured warrants on Bursa Malaysia, I am pleased to announce that effective immediately, the Exchange is introducing a fee incentive scheme for issuance of structured warrants to increase the number and type of structured products on Bursa Malaysia. Issuers can further expedite time to market on issuances of structured warrants with market making.

Ladies and gentlemen,

We are, right now, at a significant juncture in the evolution of the Malaysian capital market. To further our aim of being a more competitive player in the capital market, we are pleased to share with you that we have embarked on restructuring the regulatory framework for easy and efficient access to fund raising. This restructuring exercise necessitates the current board structures to be revised and streamlined. More importantly, this move is poised to make the bourse in line with international markets in positioning us as a conducive capital raising destination.

I must add that a lot of thought was put into this initiative. It entailed the whole market coming together to review the current structure and the direction that the new board framework will bring to the market. Needless to say, we took account of the industry feedback during the public consultation stage, which played a vital role in us refining the working concept and rules for the new boards. It is against this background that we would like to express our gratitude to those involved in providing valuable input.

Please allow me a few minutes to share with you the benefits this will bring to the market.

While the exchange already has internationally benchmarked rules and regulations in place, the listing rules for the new boards will be enhanced for greater access to meet the demand of prospective companies who see viable fund raising options in the Malaysian market.

In our pursuit for a dynamic and vibrant capital market, we are cognisant of the importance of investor protection in maintaining the quality of our market. The corporate governance aspect is very much dominant in the enhanced listing rules for the new boards. This is imperative in ensuring quality remains high to maintain investors' confidence in the market.

Now, more than ever, the continued growth and progress of the Malaysian Capital Market lies in the collective will of its participants and intermediaries – to be more responsible, to be more accountable.

Ladies and gentlemen,

We are pleased to announce that the new Listing Requirements of Bursa Malaysia will be released today. With these significant changes, we certainly look forward to a more vibrant and attractive platform for our issuers and investors.

Before I conclude, I would to extend our sincere appreciation to Yang Berhormat Dato' Seri Ahmad Husni Hanadzlah, Finance Minister II, for taking time to grace this auspicious event and to deliver his address. I would also like to express my heartiest gratitude to the Securities Commission, in particular to Yang Berbahagia Dato' Sri Zarinah Anwar for her unwavering support in the review and consultation of this restructuring exercise. Thanks also go to all the market participants who responded eruditely on their feedback during the public consultation period. I am encouraged by their passionate response which tells me that we all share the same vision of progressing our capital market to the next level.

Thank you.