

Contact Persons:

24 AUGUST 2017

Corporate Department

Tay Weng Hwee
Partner
DID: +603 6208 5900
Fax: +603 6201 0122
Email: tw@lh-ag.com

Chia Loong Thye
Partner
Tel: +604 370 1122
Fax: +604 370 5678
Email: cl@lh-ag.com

Ooi Bee Hong
Partner
DID: +603 6208 5805
Fax: +603 6201 0122
Email: obh@lh-ag.com

Megat Hizaini Hassan
Partner
DID: +603 6208 5863
Fax: +603 6201 0122
Email: mh@lh-ag.com

Aniza Osman
Partner
DID: +607 278 3833
Fax: +607 278 2833
Email: ao@lh-ag.com

Steven Tee Shin Yau
Partner
DID: +603 6208 5853
Fax: +603 6201 0122
Email: syt@lh-ag.com

Ong Eu Jin
Partner
DID: +603 6208 5801
Fax: +603 6201 0122
Email: oej@lh-ag.com

Aaron Gerard Sankar
Partner
DID: +603 6208 5811
Fax: +603 6201 0122
Email: ags@lh-ag.com

Tan Gek Im
Partner
Tel: +604 370 1122
Fax: +604 370 5678
Email: tgi@lh-ag.com

Bella Chu Chai Yee
Partner
DID: +603 6208 5887
Fax: +603 6201 0122
Email: cy@lh-ag.com

A LEAP for the Entrepreneur

On 25 July 2017, the Leading Entrepreneur Accelerator Platform, or LEAP, Market was launched by the Prime Minister with the aim of providing an alternative for SMEs to raise funds via the capital market.

The establishment of the LEAP Market offered by Bursa Malaysia is premised on the following principles:^[1]

- Cost-efficient fund raising and listing;
- Appropriate rules and regulation based on intended SMEs and companies;
- Qualified market for sophisticated investors.

Potential issuers, in particular SMEs, which currently largely depend on financing from banks to raise funds can now apply to Bursa Malaysia to be listed on the LEAP Market to raise funds from the equity market.

Bank Negara Malaysia classifies "SME" as follows.^[2]

Category	Micro	Small	Medium
Manufacturing	Sales turnover not exceeding RM300,000 <u>OR</u> full-time employees less than 5	Sales turnover from RM300,000 to less than RM15 million <u>OR</u> full-time employees from 5 to less than 75	Sales turnover from RM15 million to not exceeding RM50 million <u>OR</u> full-time employees from 75 to not exceeding 200
Services & Other Sectors		Sales turnover from RM300,000 to less than RM3 million <u>OR</u> full-time employees from 5 to less than 30	Sales turnover from RM3 million to not exceeding RM20 million <u>OR</u> full-time employees from 30 to not exceeding 75

An applicant must be a public company incorporated in Malaysia and the application for admission to the LEAP Market must be made through an approved adviser, who will assess the suitability of the applicant in accordance with the LEAP Market Listing Requirement. The full list of approved advisers appears [here](#).

In order to be listed on the LEAP Market, an applicant must have a clearly

identifiable core business and must have at least 10% of the total number of ordinary shares for which listing is sought in the hands of public shareholders at admission.

The LEAP is a qualified market with a higher investment risk and is available only to sophisticated investors (accredited investors, high-net worth entities and individuals mentioned in Schedule 6 and 7 of the Capital Markets and Services Act 2007).

SMEs who have expressed interest to be admitted to the LEAP Market include:

- Cloudaron Pte Ltd;
- Agrofresh International Group Sdn Bhd;
- Red Ideas Holdings Sdn Bhd;
- Polymer Link Sdn Bhd;
- Trustgate Bhd;
- Accent Wellness Global Sdn Bhd;
- East West One Group Sdn Bhd;
- Macfeam Sdn Bhd;
- Upstream Downstream Process & Services Sdn Bhd;
- ProEight Sdn Bhd; and
- Safetyware Sdn Bhd.^[3]

Click [here](#) for the LEAP Market Listing Requirements.

If you have any queries or would like to know more regarding the LEAP Market, please do not hesitate to contact the author or her team partner Mr **Ong Eu Jin** (oej@lh-ag.com).

Eileen Tan Yuh Wen

Lee Hishammuddin Allen & Gledhill

Level 6, Menara 1 Dutamas
Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Malaysia

T +603 6208 5888
F +603 6201 0122/0136
E enquiry@lh-ag.com
W www.lh-ag.com

Published by the Corporate Department

© Lee Hishammuddin Allen & Gledhill. All rights reserved. The views and opinions attributable to the authors or editor of this publication are not to be imputed to the firm, Lee Hishammuddin Allen & Gledhill. The contents of this publication are intended for purposes of general information and academic discussion only. It should not be construed as legal advice or legal opinion on any fact or circumstance.

[Feedback](#)

[Unsubscribe](#)

^[1] <<http://www.bursamalaysia.com/market/leap/background/>>

^[2] Bank Negara Malaysia's Circular on New Definition of Small and Medium Enterprises (SMEs) (BNM/RH/CIR 028-1) <http://www.bnm.gov.my/files/2013/sme_cir_028_1_new.pdf>

^[3] Cecilia Kok, "Prime Minister launches Bursa's Leap Market" *The Star Online* (26 July 2017) <<http://www.thestar.com.my/business/business-news/2017/07/26/prime-minister-launches-bursas-leap-market/>>