



## **JOINT MEDIA RELEASE**

*Kuala Lumpur, 25 February 2020*

### **SC and Bursa Malaysia announce the setting up of a Regulatory Subsidiary**

Kuala Lumpur, 25 February 2020 – The Securities Commission Malaysia (“SC”) and Bursa Malaysia Berhad (“Bursa Malaysia”) today announced that Bursa Malaysia will establish a wholly-owned subsidiary to assume the regulatory functions currently undertaken by Bursa Malaysia (“Bursa RegSub”).

“The SC and Bursa Malaysia have been working closely to further enhance the governance structure of the exchange by segregating its regulatory functions from its commercial objectives to address perception of potential conflicts of interest between these two roles. The Bursa RegSub will be governed by a board of directors, a majority of whom will be independent of Bursa Malaysia, and the Chairman of Bursa RegSub will be appointed from amongst the independent board members.

In this regard, Bursa Malaysia remains accountable to the SC to ensure that Bursa RegSub is allocated sufficient financial and human resources to enable it to discharge its regulatory functions effectively. The SC will continue to regulate Bursa Malaysia directly as a listed company as well as a market operator while maintaining oversight of the regulatory functions performed by Bursa RegSub,” said Datuk Syed Zaid Albar, Chairman of the SC.

“Malaysia’s capital market is globally recognised as forward-looking, well-regulated and ranks highly in investor protection. The Exchange will continue to work with all stakeholders in our effort towards building a vibrant and competitive marketplace,” said Datuk Shireen Ann Zaharah Muhiudeen, Chairman of Bursa Malaysia.

The establishment of Bursa RegSub will put Malaysia’s stock market regulatory framework in line with jurisdictions such as Singapore, Japan and Brazil. The SC and Bursa Malaysia will review and finalise the implementation details to ensure a seamless transition of the exchange’s regulatory function to the subsidiary, which is expected to be operational by the end of 2020.

**SECURITIES COMMISSION MALAYSIA  
BURSA MALAYSIA BERHAD**

### **About Securities Commission Malaysia**

The Securities Commission Malaysia (SC), a statutory body reporting to the Minister of Finance, was established under the Securities Commission Act 1993. It is the sole regulatory agency for the regulation and development of capital markets. SC has direct responsibility for supervising and monitoring the activities of market institutions, including the exchanges and clearing houses, and regulating all persons licensed under the Capital Markets and Services Act 2007. More information about SC is available on its website at [www.sc.com.my](http://www.sc.com.my). Follow SC on twitter at @SecComMy for more updates.

### **About Bursa Malaysia**

Bursa Malaysia is an approved exchange holding company under Section 15 of the Capital Markets and Services Act 2007. A public company limited by shares under the Companies Act 2016, Bursa Malaysia operates a fully-integrated exchange, offering equities, derivatives, offshore, bonds as well as Islamic products, and provides a diverse range of investment choices globally.

For more information on Bursa Malaysia, visit [www.bursamalaysia.com](http://www.bursamalaysia.com)

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