

HIGHLIGHTS

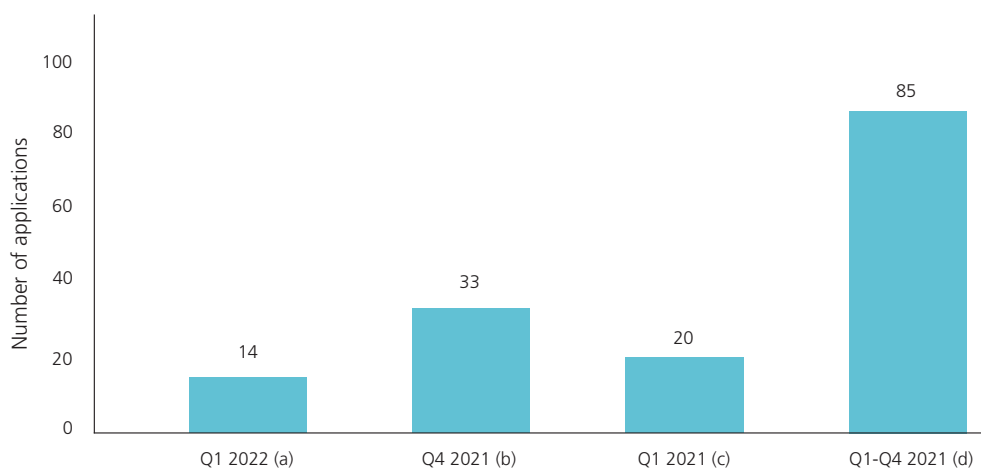
- The SC approved 1 substantive application for a corporate proposal by companies in Q1 2022.
- There were 13 corporate bonds and sukuk lodgments submitted under the Lodge and Launch (LOLA) framework.
- The total funds to be raised from the proposals approved by/lodged with the SC in Q1 2022 amounted to RM25.18 billion from corporate bonds and sukuk.
- In Q1 2022, the SC considered 19 submissions in relation to take-overs, mergers and compulsory acquisitions.
- In Q1 2022, the net asset value (NAV) of unit trust funds decreased from RM526.90 billion as at 31 December 2021 to RM517.63 billion as at 31 March 2022.

EQUITIES, CORPORATE BONDS AND SUKUK

The SC approved 1 substantive application¹ for the corporate proposal in Q1 2022. In addition, there were 13 corporate bonds and sukuk lodgments submitted under the Lodge and Launch Framework (LOLA Framework).

Chart 1

Substantive applications approved and lodged



Note:

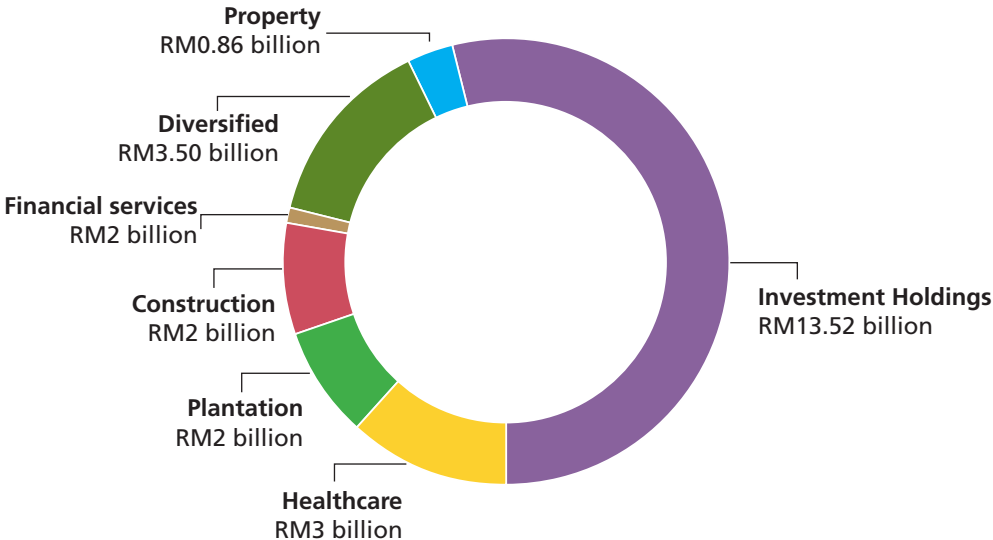
- (a) Includes 13 corporate bonds and sukuk lodged under LOLA framework.
- (b) Includes 27 corporate bonds and sukuk lodged under LOLA framework.
- (c) Includes 17 corporate bonds and sukuk lodged under LOLA framework.
- (d) Includes 72 corporate bonds and sukuk lodged under LOLA framework.

¹ Substantive applications include initial public offerings, reverse take-overs, transfer listings to Main Market of Bursa Malaysia, secondary listing proposals, and corporate bonds/sukuk proposals.

The total funds to be raised from the proposals approved by/lodged with the SC in Q1 2022 amounted to RM25.18 billion from corporate bonds and sukuk. The investment holdings sector contributed the largest amount of funds raised, amounting to RM13.52 billion or 54%.

Chart 2

Funds approved/lodged to be raised by sectors: RM25.18 billion



TAKE-OVERS AND MERGERS

The SC considered 19 submissions in relation to take-overs, mergers and compulsory acquisitions in the Q1 2022, comprising the following:

- Clearance of 4 take-over offer documents including documents relating to a scheme for control;
- Clearance of 4 independent advice circulars including for whitewash exemptions;
- 4 applications for exemptions from the mandatory offer obligation; and
- 7 other applications in relation to the provisions of the CMSA/*Malaysian Code on Take-overs and Mergers 2016/Rules on Take-overs, Mergers and Compulsory Acquisitions*.

The 19 submissions considered represented a decrease of 32% compared with 28 submissions considered in Q12021.

The 4 take-over offers or schemes in Q1 2022 constituted RM0.237 billion in offer value, of which 1 was for an unlisted public company and the remaining 3 were privatisation proposals. The largest offer was the unconditional voluntary take-over offer by Hock Seng Lee Enterprise Sdn Bhd for Hock Seng Lee Bhd at RM0.117 billion, representing 49% of the total offer value in Q1 2022. The second largest offer was by Brem Properties Sdn Bhd and Tan Sri Dato' Khoo Chai Kaa for Brem Holding Bhd at RM0.99 billion, representing 42% of the total offer value in Q1 2022, which was undertaken through a selective capital reduction and repayment exercise. Both target companies, of which their aggregate offer values represented 91% of the total offer value in Q1 2022, were listed on the Construction sector of the Main Market of Bursa Malaysia Securities Bhd.

The 4 applications for exemption from the mandatory offer obligation comprised 2 applications pursuant to whitewash exemptions and 2 applications in relation to the acquisition and transfer of shares undertaken within members of a group of persons acting in concert.

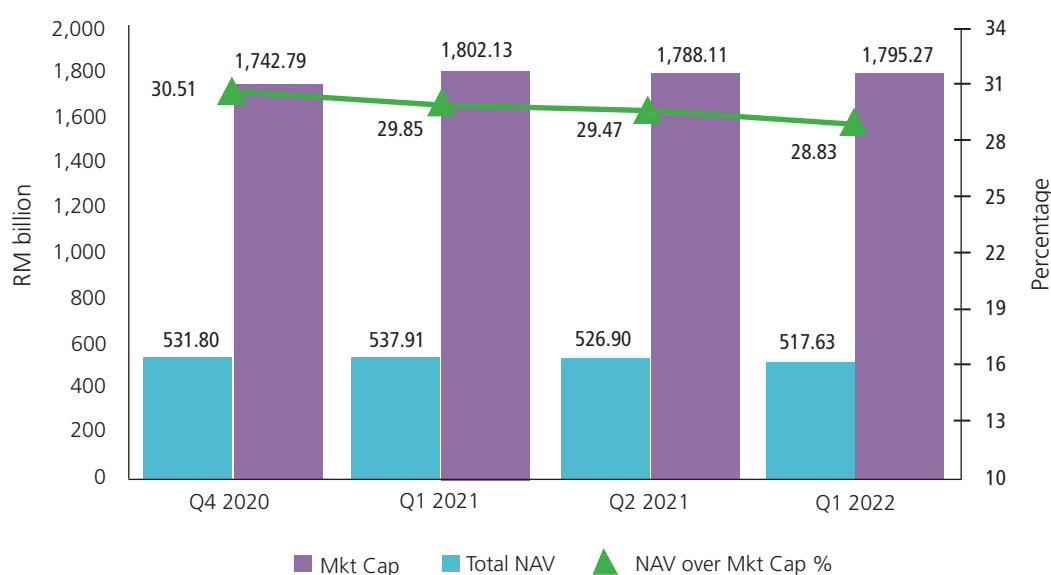
Of the 7 other applications considered by the SC, 4 applications related to extensions of time were sought.

UNIT TRUST FUNDS

In Q1 2022, the NAV of unit trust funds decreased from RM526.90 billion as at 31 December 2021 to RM517.63 billion as at 31 March 2022. The percentage of the total NAV against Bursa Securities market capitalisation has decreased from 29.47% as at 31 December 2021 to 28.83% as at 31 March 2022.

Chart 3

NAV of unit trust industry and Bursa Malaysia market capitalisation



New funds

In Q1 2022, a total of 12 unit trust funds were launched while 3 funds were terminated², which brought the total number of funds in operation to 749 funds as at 31 March 2022. Of the 12 new funds launched, 4 each were from the mixed assets category and fund-of-funds category, 3 from the equity category and 1 from the fixed income/bond/sukuk/debenture category.

The number of management companies approved to offer unit trust funds as at 31 March 2022 was 39.

² 2 funds reached their maturity and 1 fund wound-up voluntarily pursuant to unitholders' approval.

Table 1

	As at 31 March 2022	As at 31 December 2021
Total no. of launched funds	749	740
Units in circulation (billion units)	768.23	772.63

Fund categories

As at 31 March 2022, RM251.53 billion of the industry's total NAV was represented by mixed-asset funds. Equity funds ranked second with NAV of RM116.21 billion.

Table 2

Fund category	NAV (RM billion)	%
Mixed asset	251.53	48.59
Equity	116.21	22.45
Money market	67.87	13.11
Fixed income/Bond/Sukuk/Debenture	54.69	10.57
Feeder	12.03	2.32
Balanced	7.16	1.38
Fund of funds	4.22	0.82
Others	3.92	0.76
TOTAL	517.63	100.00

OTHER COLLECTIVE INVESTMENT SCHEMES

Wholesale funds

As at 31 March 2022, there were 429 wholesale funds in operation with a total NAV of RM79.75 billion. A total of 17 new wholesale funds were launched while 2 wholesale funds were terminated³ in Q1 2022.

Real estate investment trusts

As at 31 March 2022, there were 18 real estate investment trusts (REITs) listed on the Main Market of Bursa Securities. 4 REITs, namely Axis REIT, Al-'Aqar Healthcare REIT, Al-Salam REIT, and KLCC REIT are Shariah-compliant.

One REIT, i.e. KLCC REIT, was listed as part of a stapled security group.

The market capitalisation of the listed REITs (including the market capitalisation of the stapled group) was RM38.17 billion as at 31 March 2022.

³ 2 funds had no assets/unitholders.

Exchange-traded funds

As at 31 March 2022, there were a total of 19 exchange-traded funds (ETFs) listed on the Main Market of Bursa Securities. 6 ETFs are Shariah-compliant, i.e. MyETF Dow Jones Islamic Market Malaysia Titans 25, MyETF MSCI Malaysia Islamic Dividend, MyETF MSCI SEA Islamic Dividend, MyETF Dow Jones U.S. Titans 50, TradePlus Shariah Gold Tracker, and VP-DJ Shariah China A-Shares 100 ETF.

The market capitalisation of the listed ETFs was RM2.14 billion as at 31 March 2022.

Closed-end funds

As at 31 March 2022, 1 closed-end fund (CEF) was listed, i.e. icapital.biz Bhd. The market capitalisation of this fund was RM0.29 billion.

PRIVATE RETIREMENT SCHEMES

With the launch of Manulife Shariah PRS-Golden Asia Fund on 14 February 2022, there were 12 PRS comprising 60 private retirement funds offered by 8 providers as at 31 March 2022, with a total NAV of RM5.29 billion. There were 31 conventional funds while 29 were Shariah-compliant funds. Of the total NAV, conventional funds accounted for 67.14% while Shariah-compliant funds accounted for the remaining 32.86%.