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**CHAPTER 16 ~~TRADING HALT, SUSPENSION, WITHDRAWAL, DE-LISTING~~ AND ENFORCEMENT****PART A - GENERAL****16.01 Introduction**

This Chapter sets out the following:-

- (a) the requirements that must be complied with by a listed issuer in respect of voluntary suspension and withdrawal by the listed issuer from the Official List; and
- (b) the powers of the Exchange with regard to:-
  - (i) trading halt, suspension and de-listing of a listed issuer or any class of its listed securities by the Exchange; and
  - (ii) enforcement of these Requirements.

**PART B - TRADING HALT AND SUSPENSION****16.02 Suspension of trading imposed by the Exchange**

- (1) The Exchange may at any time suspend the trading of ~~any class of the listed securities of a listed issuer~~ in any of the following circumstances:-
  - (a) in the event of any substantial corporate exercise or capital restructuring of a listed issuer;
  - (b) in the event of a conversion exercise of singly quoted shares to shares which are separately quoted on the Official List;
  - (c) where, in the opinion of the Exchange, it is necessary or expedient in the interest of maintaining an orderly and fair market in securities traded on the Exchange;
  - (d) in any circumstances as provided in these Requirements;
  - (e) in the event of any breach of these Requirements by a listed issuer or management company;
  - (f) upon notice by the ~~Commission~~SC to the Exchange that in its opinion a listed issuer or management company has breached or has failed to comply with any provision of the CMSA, the Securities Industry (Central Depositories) Act 1991, the Securities Commission Act 1993 or the ~~Commission~~SC's ~~Guidelines on the Offering of Equity and Equity Linked Securities~~, or that it is necessary or expedient in the public interest and where it would be for the protection of investors;
  - (g) in the event of maturity of a listed debt security, ~~warrant~~, convertible security or structured warrant; ~~or~~
  - (h) upon the suspension of the trading of such securities listed on another stock exchange;
  - (i) upon the commencement of a voluntary winding-up of a listed issuer in accordance with the Companies Act, 1965; or
  - (ii) where the Exchange deems it appropriate for some other reason.

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(2) Subject to subparagraph (3) below, where the public shareholding spread of a listed issuer is 10% or less of its total listed shares (excluding treasury shares), the Exchange shall suspend trading of the securities of the listed issuer upon expiry of 30 market days from the date of immediate announcement by the listed issuer pursuant to -

(a) paragraph 8.02(3); or

(b) paragraph 9.19(48) where the listed issuer has announced that the offeror intends to maintain the listed issuer's listing status.

In this regard, the suspension will only be uplifted upon the listed issuer's full compliance with the public shareholding spread requirements under paragraph 8.02(1) or as may be determined by the Exchange.

(3) In a take-over offer for the acquisition of the listed shares of a listed issuer pursuant to the Take-Overs and Mergers Code or a corporate proposal undertaken by or in relation to a listed issuer, the Exchange shall suspend trading of the securities of the listed issuer upon expiry of 5 market days from the date of immediate announcement by the listed issuer that the offeror does not intend to maintain the listed issuer's listing status pursuant to paragraph 9.19(48).

~~(2)(4)~~ The Exchange ~~shall~~will notify the ~~Commission~~SC of any decision to suspend the trading of any class of the listed securities of a listed issuer pursuant to subparagraphs (1)(c), (e) or (h) above.

*[Cross reference: Practice Note 16]*

#### 16.03 Voluntary suspension

The Exchange may at any time, at its discretion, suspend trading of the listed securities ~~of a listed issuer~~ at the request of the listed issuer.

*[Cross reference: Practice Note 2]*

#### ~~16.03A04~~ 16.04 Trading Halt

Without prejudice to the powers of the Exchange under paragraph 16.02, the Exchange may at any time, halt the trading of ~~the any~~ listed securities ~~of a listed issuer~~ upon -

(a) the listed issuer releasing ~~of~~ a material announcement; ~~by the listed issuer~~

(b) the Exchange being notified that the trading of the securities or in the case of structured warrants, the underlying securities of the structured warrant, is halted or suspended on the securities exchange where it is quoted.

*[Cross reference: Practice Note 20]*

### PART C - WITHDRAWAL OF LISTING AND DE-LISTING BY THE EXCHANGE

#### 16.0405 Withdrawal of listing

(1) The Exchange may grant a listed issuer's request for withdrawal from the Official List.

(2) The Exchange ~~shall~~will notify the ~~Commission~~SC of any decision to approve a request for withdrawal from the Official List.

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#### 16.0506 Request for withdrawal

Subject to paragraph 16.07, Aa listed issuer may not request to withdraw its listing from the Official List, unless:-

- (a) the listed issuer convenes a general meeting to obtain ~~the approval of~~ its shareholders approval and a separate meeting for the approval of the holders of any other class of listed securities, if applicable and the circular sent to the shareholders and the holders of any other class of listed securities includes the information set out in Part A of Appendix 16A. The draft circular must be submitted to the Exchange together with a checklist showing compliance with Part A of Appendix 16A;
- (b) the resolution for the withdrawal of its listing is approved by a majority in number representing three fourths in value of the shareholders and holders of any other class of listed securities, if applicable, present and voting either in person or by proxy at the meetings and provided that such shareholders and holders of any other class of listed securities who object to the withdrawal is not more than 10% of the value of the shareholders and holders of any other class of listed securities present and voting either in person or by proxy. Where the constituent document of the listed issuer imposes a stricter condition in respect of the votes required to approve the withdrawal of listing, such stricter condition ~~shall~~ will apply in substitution of the foregoing provision;
- (c) the shareholders and holders of any other class of listed securities, if applicable, are offered a reasonable cash alternative or other reasonable alternative (~~referred to as "the exit offer" in this Chapter~~); and
- (d) the listed issuer appoints an independent adviser, which meets the approval of the independent directors, to advise and make recommendations for the consideration of the shareholders and holders of any other class of listed securities, if applicable, in connection with the withdrawal of its listing as well as the fairness and reasonableness of the exit offer.

#### 16.07 Withdrawal in a take-over offer or corporate proposal

Notwithstanding paragraph 16.06 above, a listed issuer may withdraw its listing from the Official List in the following circumstances:

- (a) in a take-over offer, upon 90% or more of its listed shares (excluding treasury shares) being held by a shareholder either individually or jointly with associates of the said shareholder; or
- (b) in relation to a corporate proposal undertaken by or in relation to the listed issuer, upon 100% of the listed shares of the listed issuer being held by a shareholder either individually or jointly with the associates of the said shareholder,

and the listed issuer has announced the offeror's intention not to maintain the listed issuer's listing status pursuant to paragraph 9.19(48).

#### 16.0608 Application for withdrawal

A listed issuer intending to withdraw its listing from the Official List must file with the Exchange an application which ~~shall~~ includes the information set out in Part B of Appendix 16A.

#### 16.0709 Additional requirements

The Exchange may at its discretion impose any additional condition for the withdrawal of any listed issuer from listing on the Official List.

**16.0810 Withdrawal of other securities**

Where a listed issuer applies to withdraw its ordinary shares from the Official List, such application ~~shall~~will be deemed to apply to the withdrawal of other classes of securities issued by the listed issuer and listed on the Official List.

**16.0911 De-listing by the Exchange**

(1) The Exchange may at any time de-list a listed issuer or any ~~class of its~~ listed securities from the Official List in any of the following circumstances:-

- (a) where the listed issuer fails to comply with these Requirements, subject to consultation with the ~~Commission~~SC;
- (b) in other circumstances as provided under paragraphs 8.03, 8.14A, 8.14B, 8.14C04, 8.15 or 9.2628 or paragraphs 2, 3, and 4 of Practice Note 29, whereupon the Exchange ~~shall~~will notify the ~~Commission~~SC of the same;

[Cross reference: Practice Note 29]

- (c) upon the de-listing of the listed issuer or the de-listing of such securities on another stock exchange; ~~or~~
- (d) in relation to a SPAC, when it fails to complete a qualifying acquisition within 36 months from the date of its admission to the Exchange; or

~~(d)~~(e) where in the opinion of the Exchange, circumstances exist which do not warrant the continued listing of a listed issuer or any class of its listed securities, subject to consultation with the ~~Commission~~SC where applicable, ~~except where the de-listing is due to:-~~

- ~~(i) the maturity or expiry of a class of securities;~~
- ~~(ii) a winding up order being made against a listed issuer;~~
- ~~(iii) where a structured warrant has been fully exercised prior to expiry or maturity; or~~
- ~~(iv) such other circumstances as may be approved by the Commission.~~

(2) The Exchange shall de-list a listed issuer ~~in circumstances provided under paragraph 8.15(6) or~~ in any one of the following circumstances:

- (a) pursuant to a directive, requirement or condition imposed by the ~~Commission~~SC, after which the Exchange will notify the SC of the decision to de-list;
- (b) upon the maturity or expiry of a class of securities;
- (c) upon the commencement of a voluntary winding-up of a listed issuer in accordance with the Companies Act, 1965;
- (d) upon a winding up order being made against a listed issuer;
- (e) where a structured warrant has been fully exercised before expiry or maturity; or
- (f) in the case of a structured warrant, upon the de-listing of the underlying securities by the securities exchange where it is quoted.

~~whereupon the Exchange shall notify the Commission of the same.~~

*[Cross reference: Practice Note 16; Practice Note 17]*

## PART D - ENFORCEMENT

### **16.1012 Breach by subsidiaries**

A breach of these Requirements by any one of the subsidiaries of a listed issuer ~~shall~~ will be deemed a breach of these Requirements by the listed issuer.

### **16.1413 Breach by directors**

A director of a listed issuer or management company, as the case may be, must not :-

- (a) cause, aid or abet a breach of these Requirements by such listed issuer or management company, as the case may be; or
- (b) permit, either knowingly or where he had reasonable means of obtaining such knowledge, ~~asuch~~ a listed issuer or management company, as the case may be, to commit a breach of these Requirements.

### **16.1214 Provision of information by directors**

Where a listed issuer, or management company makes an enquiry with any one of its directors for the purpose of making a disclosure pursuant to these Requirements, such director must provide information promptly to the listed issuer or management company that :-

- (a) is clear, unambiguous and accurate;
- (b) does not contain any material omission; and
- (c) is not false or misleading.

### **16.1315 Attendance before the Exchange**

The directors, officers, employees or advisers of a listed issuer, ~~management company~~, trustee or any other person to whom these Requirements are directed must, if so required by the Exchange, attend personally before the Board, any committee or officer(s) of the Exchange to provide any document, information and/or explanation for any purpose deemed appropriate by the Exchange and the Exchange may record statements from such persons.

### **16.1416 Power to obtain documents**

The Exchange may, for investigation purposes :-

- (a) by notice in writing require an applicant, a listed issuer, management company, trustee or ~~its~~ their directors, officers, employees or advisers, or any other person to whom these Requirements are directed, to produce for inspection any documents, books, papers, registers, records or accounts (whether recorded in documentary or electronic form) (referred to collectively as "**Information**" in this Part D) that are held by the person concerned or to which the person concerned has control or access over;
- (b) inspect and make copies of, or take notes from, such Information;
- (c) retain such Information for such periods as the Exchange deems fit; or

- (d) disclose or forward such Information to such authorities as the Exchange deems fit.

#### **16.4517 Listed issuer to ensure compliance**

Where a direction is issued or an obligation is placed on an officer or other employee of an applicant, ~~or a listed issuer or management company~~ under these Requirements, such applicant, ~~or listed issuer or management company~~ must ensure that such officer or employee complies with the said direction or obligation.

#### **16.4618 Breach of these Requirements**

- (1) In the event of any breach of these Requirements by any applicant, listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed, the Exchange may take or impose such actions or penalties as it considers appropriate.
- (2) The Exchange ~~shall~~will notify the ~~Commission~~SC of any decision to take or impose any action or penalty referred to in paragraph 16.4719 ~~below~~ except where the decision is made in consultation with the ~~Commission~~SC.

#### **16.4719 Types of actions or penalties**

- (1) Without prejudice to any of the powers granted to the Exchange under any written law in relation to the enforcement of these Requirements, the types of action or penalty that the Exchange may take or impose for a breach of these Requirements include any one or more of the following:-
- (a) in relation to applicants, listed issuers, management companies or trustees:-
- (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the listed issuer, management company or trustee to rectify the non-compliance, which direction ~~shall~~will remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;
  - (vii) non-acceptance of applications or submissions, with or without conditions imposed (after consultation with the ~~Commission~~SC);
  - (viii) imposition of condition(s) on the delivery or settlement of trades entered into in respect of the listed issuer's securities;
  - (ix) suspension of trading of the listed securities ~~of a listed issuer~~;
  - (x) de-listing of any listed securities;
  - (xi) de-listing of a listed issuer or any class of its listed securities; ~~or~~
  - (xii) mandate education or training program to be undertaken/implemented by the company for its directors and/or management; or

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- (xiii) any other action which the Exchange may deem appropriate.
- (b) in relation to directors or officers of an applicant, ~~or a listed issuer, management company or trustee, a Controlling Person as defined in paragraph 2.22,~~ or any other person to whom these Requirements are directed:-
  - (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the person in default to rectify the non-compliance, which direction ~~shall~~will remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;
  - (vii) imposition of a moratorium on or prohibition of dealings in the listed issuer's and/or other listed securities by the relevant director, officer or other person; or
  - (viii) any other action which the Exchange may deem appropriate.
- (c) in relation to advisers:-
  - (i) issuance of a caution letter;
  - (ii) issuance of a private reprimand;
  - (iii) issuance of a public reprimand;
  - (iv) imposition of a fine not exceeding RM1 million;
  - (v) issuance of a letter directing the adviser to rectify the non-compliance, which direction ~~shall~~will remain in force until it is revoked;
  - (vi) imposition of one or more condition(s) for compliance;
  - (vii) non-acceptance of applications or submissions or documents, made or prepared by the adviser, with or without conditions imposed (after consultation with the ~~Commission~~SC); or
  - (viii) any other action which the Exchange may deem appropriate.
- (2) Where an applicant, a listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed, has failed to comply with a direction or pay any fine imposed by the Exchange under subparagraph (1) above, the Exchange may impose additional actions or penalties as specified in subparagraph (1) on such persons. Such additional actions or penalties may include, without limitation, the imposition of additional fines in such manner as the Exchange deems fit (e.g. additional fines on a daily basis until the full amount due is paid to the Exchange) or suspension of trading or de-listing of securities in the case of a listed issuer.

**16.1820 Cumulative actions or penalties**

The imposition of any one or more of the actions or penalties set out in paragraph 16.4719 above does not preclude the Exchange from later taking or imposing such further actions or penalties, as stipulated under paragraph 16.4618, against an applicant, a listed issuer, management company, trustee or its directors, officers, advisers or any other person to whom these Requirements are directed, as the Exchange thinks fit on the same facts or further facts, including de-listing, in the case of a listed issuer.

**16.1921 Other rights**

The exercise of the powers in paragraphs 16.4618 and 16.4719 does not in any way prejudice the other rights of the Exchange against an applicant, a listed issuer, management company, trustee or its directors, officers or advisers or any other person to whom these Requirements are directed.

**16.2022 Confirmation by the Exchange**

The confirmation given by the Exchange that it has no further comments on any document that is submitted to the Exchange for perusal pursuant to these Requirements ~~shall~~will not preclude the Exchange from taking enforcement action against the listed issuer, ~~and/or~~ its advisers, ~~or both~~, in the event of any failure by such listed issuer, ~~and/or~~ its advisers or both to comply with these Requirements pertaining to the form and content of the said document.

**16.2123 Notification by the Exchange**

The Exchange may, at any time, and in its absolute discretion, refer the conduct of any applicant, listed issuer, management company, trustee or its directors, officers, advisers or any other person to whom these Requirements are directed, to any relevant authority or professional body, without giving notice to such persons.

**16.2224 Committee or sub-committee to decide**

The Exchange ~~shall~~will appoint a committee or sub-committee or officer(s) of the Exchange or Exchange Holding Company to discharge the exercise of its powers under paragraphs 16.4618 and 16.4719.

**16.2325 Rights of person**

The person who is the subject of enforcement proceedings by the Exchange may request for an oral hearing before the Exchange, make submissions and procure the attendance of witnesses to answer the case made against him by the Exchange.

[ End of Chapter ]



**Appendix 16A**

**Contents of circular & application for withdrawal of listing**

**APPENDIX 16A****Part A****Contents of circular in relation to withdrawal of listing**

(paragraph 16.0506(a))

- (1) A heading drawing attention to the importance of the circular and advising holders of securities who are in any doubt as to what action to take to consult appropriate independent professional advisers;
- ~~(2)~~ ~~(Deleted)~~
- ~~(3)~~(2) A statement that Bursa Malaysia Securities Berhad takes no responsibility for the contents of the circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the circular;
- ~~(4)~~(3) The reasons and facts concerning the withdrawal of securities of the listed issuer;
- ~~(5)~~(4) The opinion of the board of directors in respect of the withdrawal;
- ~~(6)~~(5) A letter of opinion of the independent adviser in connection with the withdrawal of the securities of the listed issuer as well as the fairness and reasonableness of the exit offer by way of an appendix; and
- ~~(7)~~(6) An appendix containing the following information:-
  - (a) a responsibility statement by the directors that the circular has been seen and approved by the directors of the listed issuer and that they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the circular misleading;
  - (b) where a person is named in the circular as having advised the listed issuer or its directors, a statement that such adviser ~~or expert~~ has given and has not withdrawn its written consent to the inclusion of the adviser's ~~or expert's~~ name and/or letter (where applicable) in the form and context in which it is included;
  - (c) a statement of all material contracts (not being contracts entered into in the ordinary course of business) entered into by the listed issuer and/or its subsidiaries within 2 years immediately preceding the date of the circular. The following particulars ~~shall~~must be disclosed in respect of each such contract:-
    - (i) the date of the contract;
    - (ii) the parties of the contract;
    - (iii) the general nature; and
    - (iv) the consideration and mode of satisfaction ~~thereof~~;
  - (d) a statement of all material litigation, claims or arbitration involving the listed issuer and/or any of its subsidiaries, including those pending or threatened against such companies. The following particulars ~~shall~~must be disclosed:-

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**Contents of circular & application for withdrawal of listing**

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- (i) the background;
  - (ii) the date of the suit;
  - (iii) the names of the plaintiff(s) and defendant(s);
  - (iv) the estimate of the maximum exposure to liabilities;
  - (v) directors'/solicitors' opinion of the outcome; and
  - (vi) the status;
- (e) a statement that from the date of the circular to the date of the general meeting the following documents (or copies ~~thereof~~ of the documents) may be inspected at the registered office of the listed issuer:-
- (i) the memorandum and articles of association;
  - (ii) the audited ~~accounts~~ financial statements of the listed issuer/group for the past 2 financial years and the latest unaudited results since the last audited ~~accounts~~ financial statements;
  - (iii) all reports, letters or other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in the circular;
  - (iv) the letters of consent referred to in subparagraph 7(b) above;
  - (v) the material contracts referred to in subparagraph 7(c) above; and
  - (vi) the relevant cause papers in respect of the material litigation referred to in subparagraph 7(d) above; and
- ~~(8)~~ (7) Any other information which the shareholders and holders of any other class of listed securities and their ~~professional~~ advisers would reasonably expect to find in a circular of that nature for the purpose of making an informed decision.

**Part B**

**Contents of application for withdrawal**

(paragraph 16.06 ~~08~~ 08)

- (1) The full and detailed reasons for the withdrawal;
- (2) The board resolution for the withdrawal;
- (3) The confirmation that the approval of any other relevant authority, if required, has been obtained;
- (4) The confirmation that the listed issuer has obtained approval of its shareholders and the holders of any other class of listed securities, if applicable, in accordance with paragraph 16.05 ~~6~~ 6; and
- (5) Any other information or explanation as may be required by the Exchange.

[ End of Appendix ]