

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 company~~listed corporation in respect of voluntary suspension and withdrawal by the ~~listed company~~listed corporation from the Official List; and
- (b) the powers of the Exchange with regard to:-
 - (i) trading halt, suspension and de-listing of a ~~listed company~~listed corporation 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 company~~ in any of the following circumstances:-
 - (a) in the event of any substantial corporate exercise or capital restructuring of a ~~listed company~~listed corporation;
 - (b) 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;
 - (c) in any circumstances as provided in these Requirements;
 - (d) in the event of any breach of these Requirements by a ~~listed company~~listed corporation;
 - (e) upon notice by the ~~Commission~~SC to the Exchange that in its opinion a ~~listed company~~listed corporation 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 any guidelines issued by the SC~~Commission's Guidelines~~ for the ~~MESDAQ~~ACE Market, or that it is necessary or expedient in the public interest and where it would be for the protection of investors;
 - (f) in the event of maturity of a listed debt security, ~~warrant, or convertible security or structured warrant; or~~
 - (g) upon the suspension of the trading of such securities listed on another stock exchange;
 - (h) upon the commencement of a voluntary winding-up of a listed corporation in accordance with the Companies Act 1965; or
 - (i) where the Exchange deems it appropriate for some other reason.

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

(a) Rule 8.02(3); or

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

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

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

(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 company-listed corporation pursuant to sub-Rules (1)(b), or (d) or (g) above.

[Cross reference: Guidance Note 2; Guidance Note 3]

16.03 Voluntary suspension

The Exchange may at any time, at its discretion, suspend trading of the listed securities of a listed company-at the request of the listed company-listed corporation.

[Cross reference: Guidance Note 12]

16.03A04 Trading Halt

Without prejudice to the powers of the Exchange under Rule 16.02, the Exchange may at any time, halt the trading of anythe listed securities of a listed company upon -

(a) the listed corporation releasing of a material announcement; by the listed company; or

(b) the Exchange being notified that the trading of the securities is halted or suspended on the securities exchange where it is quoted.

[Cross reference: Guidance Note 14]

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

16.0405 Withdrawal of listing

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

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

16.0506 Request for withdrawal

Subject to Rule 16.07, A ~~listed company~~ listed corporation may not request to withdraw its listing from the Official List, unless: -

- (a) ~~the listed company~~ listed corporation 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 company~~ listed corporation 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 company~~ listed corporation appoints an independent adviser from the Register of Sponsors, 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.

16.0607 Withdrawal in a take-over offer or a corporate proposal

Notwithstanding Rule 16.06, a listed corporation 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 corporation, upon 100% of the listed shares of the listed corporation being held by a shareholder either individually or jointly with the associated of the said shareholder,

And the listed corporation has announced the offeror's intention not to maintain the listed corporation's listing status pursuant to Rule 9.19(48).

16.08 Application for withdrawal

A ~~listed company~~ listed corporation 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 company~~ listed corporation from listing on the Official List.

16.0810 Withdrawal of other securities

Where a ~~listed company~~listed corporation 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 company~~listed corporation and listed on the Official List.

16.0911 De-listing by the Exchange

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

- (a) where the ~~listed company~~listed corporation fails to comply with these Requirements, subject to consultation with the SCCommission;
- ~~(b) there has been a continuous suspension of the listed company's securities for 1 year, subject to the Exchange having a discretion to remove the listed company from the Official List earlier (after consultation with the Commission) or not to apply this Rule;~~
- ~~(e)~~ in other circumstances as provided under Rules ~~8.14, 8.15(3), 8.15(5), 8.16 or 9.26~~ 8.03, 8.04, 8.05, 9.28 and paragraph 2.0 of Guidance Note 20, whereupon the Exchange ~~shall~~will notify the SCCommission of the same;

[Cross reference: Guidance Note 20]

- ~~(c) upon the de-listing of the listed corporation or the de-listing of such securities on another stock exchange;~~
 - ~~(d) in circumstances provided under Rule ~~4.11(b)~~ 4.19(e), subject to consultation with the SCCommission; or~~
 - ~~(e) where in the opinion of the Exchange, circumstances exist which do not warrant the continued listing of a ~~listed company~~listed corporation or any class of its listed securities, subject to consultation with the SCCommission 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 company; or~~
 - ~~(iii) where a structured warrant has been fully exercised prior to before expiry or maturity; or~~
 - ~~(iv) such other circumstances as may be approved by the Commission.~~~~
- (2) The Exchange shall de-list a ~~listed company~~listed corporation ~~in circumstances provided under Rule 8.15(6) or~~ in any one of the following circumstances:
- ~~(a) pursuant to a directive, requirement or condition imposed by the SCCommission, 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 corporation in accordance with the Companies Act 1965; or~~
 - ~~(d) upon a winding-up order being made against a listed corporation.~~

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

- (3) For the purpose of sub-Rule 1(a) above, failure to comply with these Requirements ~~shall~~will exclude failure to comply with Rules ~~8.14, 8.15, 8.16 or 9.26~~ 8.03, 8.04, 8.05 and 9.28.

[Cross reference: Guidance Note 2; Guidance Note 3]

PART D - ENFORCEMENT

16.4012 Breach by subsidiaries

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

16.4113 Breach by directors

A director of a ~~listed company~~listed corporation must not: -

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

16.4214 Provision of information by directors

Where a ~~listed company~~listed corporation 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 company~~listed corporation that: -

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

16.4315 Attendance before the Exchange

The directors, officers, employees, ~~or advisers and Sponsors~~ of a ~~listed company~~listed corporation ~~and/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.

16.4416 Power to obtain documents

The Exchange may, for investigation purposes: -

- (a) by notice in writing require an applicant, a ~~listed company~~listed corporation, its directors, officers, employees, advisers, ~~Sponsors~~, 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.

16.1517 Listed companyListed corporation 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 company~~listed corporation under these Requirements, such applicant or ~~listed company~~listed corporation must ensure that such officer or employee complies with the said direction or obligation.

16.1618 Breach of these Requirements

- (1) In the event of any breach of these Requirements by any applicant, ~~listed company~~listed corporation or its directors, officers, advisers, ~~Sponsors~~ 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 ~~SCC~~Commission of any decision to take or impose any action or penalty referred to in Rule 16.4719 below, except where the decision is made in consultation with the ~~SCC~~Commission.

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 and ~~listed companies~~corporation:-
 - (i) issuance of a caution letter;
 - (ii) issuance of a private reprimand;
 - (iii) issuance of a public reprimand;
 - (iv) imposition of a fine of such amount as may be determined by the Exchange ~~from time to time~~not exceeding RM1 million;
 - (v) issuance of a letter directing the ~~listed company~~listed corporation 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 ~~SCC~~Commission);
 - (viii) imposition of condition(s) on the delivery or settlement of trades entered into in respect of the ~~listed company~~listed corporation's securities;
 - (ix) suspension of trading of the listed securities ~~of a listed company~~;
 - (x) de-listing of any listed securities;
 - (xi) de-listing of a ~~listed company~~listed corporation or any class of its listed securities; or

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- (xii) mandate education or training program to be undertaken/implemented by the company for its directors and/or management;
 - (xiii) any other action which the Exchange may deem appropriate.
- (b) in relation to directors or officers of an applicant or a ~~listed company~~ listed corporation, a Controlling Person as defined in Rule 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 ~~of such amount as may be determined by the Exchange from time to time~~ 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 company~~ listed corporation'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 ~~and Sponsors~~ :-
- (i) issuance of a caution letter;
 - (ii) issuance of a private reprimand;
 - (iii) issuance of a public reprimand;
 - (iv) imposition of a fine ~~of such amount as may be determined by the Exchange from time to time~~ not exceeding RM1 million;
 - (v) issuance of a letter directing the adviser ~~or Sponsor~~ 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 SC Commission);
 - (viii) in the case of an Adviser or Sponsor, suspension of any or all rights attaching to registration on the ~~Register of Advisers and/or Register of Sponsors~~ on such terms and for such period as the Exchange thinks fit;
 - (ix) Removal of the Adviser or Sponsor from the ~~Register of Advisers and/or the Register of Sponsors~~. In the case of an Adviser, removal from either the

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~~Register of Advisers or the Register of Sponsors for any reason whatsoever will automatically result in removal from both Registers; or~~

- (xi) any other action which the Exchange may deem appropriate.
- (2) Where an applicant, a ~~listed company~~listed corporation or its directors, officers, ~~or advisers, or Sponsors~~or advisers, or Sponsors 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 sub-Rule (1) above, the Exchange may impose additional actions or penalties as specified in sub-Rule (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 company~~listed corporation.

16.1820 Cumulative actions or penalties

The imposition of any one or more of the actions or penalties set out in Rule 16.4719 does not preclude the Exchange from later taking or imposing such further actions or penalties, as stipulated under Rule 16.4618 above against an applicant, a ~~listed company~~listed corporation, a director or officer of a ~~listed company~~listed corporation, an adviser ~~or a Sponsor~~or a Sponsor or any other person to whom the Requirements are directed, as the Exchange thinks fit on the same facts or further facts, including de-listing in the case of a ~~listed company~~listed corporation.

16.1921 Other rights

The exercise of the powers in Rules 16.4618 and 16.4719 does not in any way prejudice the other rights of the Exchange against an applicant, a ~~listed company~~listed corporation, a director or officer of a ~~listed company~~listed corporation, an adviser ~~or a Sponsor~~or a Sponsor, or a person to whom the 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 company~~listed corporation, ~~and/or its advisers, or both or Sponsors~~and/or its advisers, or both or Sponsors in the event of any failure by such ~~listed company~~listed corporation, ~~and/or its advisers, or both or Sponsors~~and/or its advisers, or both or Sponsors 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 company~~listed corporation, or its directors, officers, advisers, ~~Sponsors~~Sponsors 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 Rules 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 and application for withdrawal of listing

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

(Rule 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) A statement that the circular has been reviewed and approved by the listed corporation's Sponsor or Adviser, as the case may be;
- (3) 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. In relation to a circular which has not been perused by Bursa Malaysia Securities Berhad before its issuance, a statement to that effect;
- (~~34~~) The reasons and facts concerning the withdrawal of securities of the ~~listed company~~ listed corporation;
- (~~45~~) The opinion of the board of directors in respect of the withdrawal;
- (~~56~~) A letter of opinion of the independent adviser in connection with the withdrawal of the securities of the ~~listed company~~ listed corporation as well as the fairness and reasonableness of the exit offer by way of an appendix; ~~and~~
- (~~67~~) 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 company~~ listed corporation 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 company~~ listed corporation 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 company~~ listed corporation 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~~;

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- (d) a statement of all material litigation, claims or arbitration involving the ~~listed company~~listed corporation and/or any of its subsidiaries, including those pending or threatened against such companies. —The following particulars ~~shall~~must be disclosed:-
- (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 of the documents~~thereof~~) may be inspected at the registered office of the ~~listed company~~listed corporation:-
- (i) the memorandum and articles of association;
 - (ii) the audited ~~accounts—financial statements~~ of the ~~listed company~~listed corporation/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 6(b) above;
 - (v) the material contracts referred to in subparagraph 6(c) above; and
 - (vi) the relevant cause papers in respect of the material litigation referred to in subparagraph 6(d) above; and
- (78) 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**

(Rule 16.0608)

- (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;

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- (4) The confirmation that the ~~listed company~~listed corporation has obtained approval of its shareholders and the holders of any other class of listed securities, if applicable, in accordance with Rule 16.0506; and
- (5) Any other information or explanation as may be required by the Exchange.

[End of Appendix.]