
**QUESTIONS AND ANSWERS IN RELATION TO
BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS
FOR THE MAIN MARKET
(As at 1 January 2022)**

CHAPTER 13 – ARRANGEMENTS AND RECONSTRUCTIONS

Subdivision of shares

13.1 Can a Cash Company, a PN17 Issuer or a listed issuer with inadequate level of operations apply for subdivision of its shares?

A Cash Company, PN17 Issuer and listed issuer with inadequate level of operations may now apply for subdivision of their shares even though the subdivision is not undertaken as part of their proposal or plan to regularise their condition pursuant to paragraph 8.03, 8.03A and 8.04 of the Main LR respectively, provided that they comply with the requirements in Chapter 6 as if the subdivision is a bonus issue as stipulated in paragraph 13.04(1) of the Main LR. Among others, the Cash Company, PN17 Issuer and listed issuer with inadequate level of operations must ensure that their share price adjusted for the subdivision of shares is not less than RM0.50 based on the daily volume weighted average share price during the 3-month period before the application date.

13.1A Is a listed issuer allowed to submit its application for subdivision of shares to Bursa Securities on its own?

Similar to a bonus issue under Chapter 6, a listed issuer may submit its application for a Specified Subdivision¹ on its own under paragraph 13.04(1) of the Main LR. Apart from this, applications for all other subdivision of shares must be submitted through a Recognised Principal Adviser.

13.2 [Deleted]

13.3 [Deleted]

13.4 Is there a requirement as regards the number of shares which one share of a listed corporation can be subdivided into?

No, there is no requirement on the manner in which the shares must be subdivided, provided that the listed corporation's share price adjusted for the subdivision of shares must not be less than RM0.50 based on the daily volume weighted average share price of the listed corporation's shares during the 3-month period before the application date.

¹ A **Specified Subdivision** is defined in paragraph 13.04(3) of the Main LR as a subdivision of shares which –

- (a) is not conditional upon any other corporate proposal; or
- (b) is conditional upon another corporate proposal but –
 - (i) that other corporate proposal is a bonus issue; or
 - (ii) that other corporate proposal has been completed or become unconditional.

Others**13.5 What are the enhancements in relation to a Specified Capital Restructuring² exercise (“Specified Capital Restructuring”) under the SPEEDS processing?**

Specified Capital Restructuring (i.e. capital reduction, consolidation of shares or shares cancellation) will no longer require a suspension on the trading of securities. In addition, such corporate exercise can be completed earlier, i.e. on the next market day after the books closing date.

13.6 Is a listed issuer required to submit any document to Bursa Depository before the books closing date for the purpose of processing the Specified Capital Restructuring under SPEEDS?

A listed issuer must submit an undertaking letter in the prescribed format to Bursa Depository on the announcement date of the books closing date for Specified Capital Restructuring that is to be processed under SPEEDS. The undertaking letter must include the following:

- (a) The current share capital and number of issued shares of the listed issuer;
- (b) Designated CDS account for the crediting of fractional shares /rights;
- (c) Options on the allotment of fractional rights; and
- (d) An undertaking that the new share certificates shall be submitted to Bursa Depository on the books closing date.

13.7 Is there any fee imposed by Bursa Depository for the processing of shares from the Specified Capital Restructuring under SPEEDS and if so, how much is the fee?

Bursa Depository will impose on the listed issuer a processing fee of RM0.50 per account processed under SPEEDS. The processing fee is inclusive of the fee for the Record of Depositors (“ROD”). The fee of RM2.20 for the crediting of shares per account allotted remains the same.

13.8 When is the share registrar required to submit the new certificates to Bursa Depository for the Specified Capital Restructuring to be processed under SPEEDS?

For share registrars located within Klang Valley, the new certificates must reach Bursa Depository by 5.30 p.m. on the books closing date and in respect of outstation share registrars, the new certificates must be faxed to Bursa Depository by 5.30 p.m. on the books closing date before being delivered to Bursa Depository. In relation to Specified Capital Restructuring, Bursa Depository will return the old certificates to the relevant share registrar on the listing date.

² “Specified Capital Restructuring” means capital restructuring involving share cancellation and reduction in the number of shares held by each shareholder of a listed issuer.