

Our Ref: SR/YYT(LACLA)/LD25/07

16 August 2007

Via email

**The Company Secretary  
(Listed Issuers)**

Dear Sir/Madam

**AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES  
BERHAD IN RELATION TO TRADING HALT**

Please be notified that pursuant to section 9 of the Securities Industry Act 1983, amendments have been made to the Listing Requirements of Bursa Malaysia Securities Berhad ("LR") in relation to trading halt. Trading halt refers to a temporary halt in the trading of quoted securities of the listed issuer for a maximum period of one trading session that may be effected by Bursa Securities upon release of a material announcement. A listed issuer is not permitted to request for a trading halt but may request for a suspension in accordance with the LR.

The said amendments to the LR which includes the issuance of a new Practice Note No. 20/2007 (hereinafter collectively referred to as "the Amendments") are attached herewith as **Appendix 1**.

**Objectives**

The Amendments were made to enhance market efficiency by ensuring trading interruption is kept to a minimum whilst ensuring that sufficient dissemination is made to the market. Currently, a suspension will be effected on the trading of the securities of the listed issuer where a material announcement is released before or during trading hours and the suspension imposed will last for the entire day to allow sufficient time for dissemination of the information. However, given that announcement is easily accessible by investors via Bursa's website, it is timely to reduce the period of suspension.

**Key Changes**

The salient features of the trading halt have been incorporated in the new Practice Note No. 20/2007 which sets out the following :-

- (1) The type of material announcements that may warrant a trading halt ie. announcements relating to any of the following matters :-
  - (i) interim financial reports;
  - (ii) bonus issues or fund raising exercises;
  - (iii) a subdivision of shares or consolidation by the listed issuer;
  - (iv) a transaction requiring an announcement to be made under Chapter 10 of the Listing Requirements;
  - (v) declaration of a dividend or distribution;

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- (vi) a change in the dominant shareholder of the listed issuer;
  - (vii) a notice of take-over being served on a listed issuer;
  - (viii) commencement of winding-up proceedings against the listed issuer or any of its subsidiaries or major associated companies;
  - (ix) rejection of the corporate proposals previously announced by the shareholders or regulatory authorities;
  - (x) the prospects, revenue or profit estimate, forecast, projection or internal targets of the listed issuer and any circumstances or development which are likely to materially affect the results or outcome thereof,
  - (xi) any clarifying announcement pursuant to Chapter 9 of the Listing Requirements including the response to a rumour or report or unusual market activity; or
  - (xii) any other announcements which Bursa Securities considers material.
- (2) The duration of the trading halt that may be imposed ie. :-
- (a) one trading session where the material announcement is released before 9.00 a.m., between 1.00 p.m. to 2.30 p.m and after 6.30 p.m.; and
  - (b) the remaining period of the morning or afternoon trading session, as the case may be where the material announcement is released during trading hours.

There will be a window period to make material announcements during the session break ie. between 12.30 p.m. to 1.00 p.m. whereby material announcements released during the window period will not result in a trading halt.

Notwithstanding the above, Bursa Securities may, at its discretion suspend the trading of the listed issuer's securities for the entire trading day or such period as Bursa Securities deems appropriate to provide sufficient dissemination of the material announcement.

- (3) The periods of trading halt shall not be applicable to listed issuers that have requested for suspension in the trading of their securities pending a material announcement. Hence, the securities of such listed issuers will not be quoted on the same day even though the relevant announcement is made during trading hours.

In addition, given that the period for purposes of dissemination of announcements is reduced under trading halt, the Amendments also includes consequential amendments to remove :-

- (a) the waiting period of at least 1 full market day after the material announcement before insiders may trade under paragraph 9.15 of the LR;
- (b) the additional 1 full market day after the announcement which involves price-sensitive information or quarterly results in the definition of closed period under paragraph 14.04 of the LR; and
- (c) the period of suspension of 1 additional market day after release of the material announcement for purposes of dissemination in a request for suspension under paragraph 5.1 of Practice Note No. 2/2001.

### **Implementation**

The Amendments shall take effect from **3 September 2007**. Please be informed that a listing circular will be issued to inform the market of the imposition of a trading halt on a particular security.

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**Additional information**

A copy of Questions and Answers pertaining to the above is attached as **Appendix 2** to illustrate how the trading halt operates.

Please take note that the Amendments and the Questions and Answers are available for reference on the Bursa Malaysia's web site at <http://www.bursamalaysia.com>.

For further information or any enquiries on the said Amendments, kindly contact:-

Legal Advisory and Corporate Legal Affairs  
9<sup>th</sup> Floor, Bursa Malaysia Berhad  
Exchange Square, Bukit Kewangan  
50200 Kuala Lumpur  
Telephone number: 03-20347000  
Facsimile:03-2732 0065

**Contact Persons:**

Ms Yew Yee Tee (Ext 7336)  
Ms Boo Huey Fang (Ext 7019)

Thank you.

Yours faithfully



**SELVARANY RASIAH**  
Chief Legal Officer

YYT/bhf

Encl.

## AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD IN RELATION TO TRADING HALT

Existing Provisions		Amended Provisions	
Paragraph		Paragraph	
9.08	<p>Thorough public dissemination</p> <p>(1) - (3) [As per existing provisions]</p> <p>(4) Disclosures of material information can often be made after the market closes. If the disclosure is made immediately before or during trading hours, the Exchange will consider whether a temporary suspension in trading of the listed issuer's securities is necessary. Such a temporary suspension provides an opportunity for the dissemination and evaluation of the information released.</p> <p>(5) [As per existing provision]</p>	9.08	<p>Thorough public dissemination</p> <p>(1) - (3) [No change]</p> <p>(4) Disclosures of material information can often be made after the market closes. If the disclosure is made immediately before or during trading hours, the Exchange <b>may impose</b> a temporary <b>halt or</b> suspension in trading of the listed issuer's securities. Such a temporary <b>halt or</b> suspension provides an opportunity for the dissemination and evaluation of the information released.</p> <p>(5) [No change]</p>
9.15	<p>Prohibition from trading</p> <p>(1) Insiders must not trade on the basis of material information which is not known to the investing public.</p> <p>(2) Further, insiders must refrain from trading, even after material information has been released to the press and other media, for a period sufficient to permit thorough public dissemination and evaluation of the information. The period of time will be dependent both on how thoroughly and quickly after its release the information is published by the press and newswire services.</p> <p>(3) In addition, following dissemination of the information, insiders must refrain from trading until the public has had an opportunity to evaluate it thoroughly. Where the effect of the information on investment decisions is readily understandable, the required waiting period will be shorter than where the information must</p>	9.15	<p>Prohibition from trading</p> <p>(1) [No change]</p> <p>(2) - (3) [Deleted]</p>

	Existing Provisions		Amended Provisions
Paragraph		Paragraph	
	<p>be interpreted before its bearing on investment decisions can be evaluated. While the waiting period is dependent on the circumstances, the Exchange recommends that, as a basic policy, insiders must wait for at least one full market day after the announcement of the material information to the Exchange. Where publication is not so widespread, a minimum waiting period of 2 full market days is recommended. Where publication does not occur, or if it should otherwise appear appropriate, it may be desirable to obtain an opinion of counsel before insiders trade.</p>		
14.02	<p>Definitions</p> <p>For the purpose of this Chapter, unless the context otherwise requires :-</p> <p>(d) "one full market day" excludes the day on which an announcement is made. Therefore, for the purposes of paragraphs 14.04 and 14.08(c), regardless of what time the Exchange receives an announcement on a given day, dealings can only commence after one full market day from the day on which the announcement is made;</p>	14.02	<p>Definitions</p> <p>For the purpose of this Chapter, unless the context otherwise requires :-</p> <p>(d) "one full market day" excludes the day on which an announcement is made. Therefore, for the purposes of <b>paragraph 14.08(b)</b>, regardless of what time the Exchange receives an announcement on a given day, dealings can only commence after one full market day from the day on which the announcement is made;</p>
14.04	<p>General restriction on dealings</p> <p>Subject to paragraph 14.06 below, the directors and principal officers referred to in paragraph 14.03 (referred to as "affected persons" in this Chapter) must not engage in dealings during the following closed periods:-</p> <p>(a) during the period commencing from the time information is obtained, up to <u>one full market day</u> after the announcement to the Exchange of a matter that involves price-sensitive information in relation to the securities concerned; and</p> <p>(b) during the period commencing from one month prior to the</p>	14.04	<p>General restriction on dealings</p> <p>Subject to paragraph 14.06 below, the directors and principal officers referred to in paragraph 14.03 (referred to as "affected persons" in this Chapter) must not engage in dealings during the following closed periods:-</p> <p>(a) during the period commencing from the time information is obtained, up to the date of announcement to the Exchange of a matter that involves price-sensitive information in relation to the securities concerned; and</p> <p>(b) during the period commencing from one month prior to the</p>

	Existing Provisions		Amended Provisions
Paragraph		Paragraph	
	targeted date of announcement to the Exchange of the quarterly results, <u>up to one full market day</u> after the announcement of a listed issuer's results for the financial quarter.		targeted date of announcement to the Exchange of a listed issuer's quarterly results, up to the date of announcement of the quarterly results.
	CHAPTER 16 SUSPENSION, WITHDRAWAL, DE-LISTING AND ENFORCEMENT		CHAPTER 16 <b>TRADING HALT</b> , SUSPENSION, WITHDRAWAL, DE-LISTING AND ENFORCEMENT
16.01	<p>Introduction</p> <p>This Chapter sets out the following :-</p> <p>(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</p> <p>(b) the powers of the Exchange with regard to:-</p> <p>(i) suspension and de-listing of a listed issuer or any class of its listed securities by the Exchange; and</p> <p>(ii) enforcement of these Requirements.</p>	16.01	<p>Introduction</p> <p>This Chapter sets out the following :-</p> <p>(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</p> <p>(b) the powers of the Exchange with regard to:-</p> <p>(i) <b>trading halt</b>, suspension and de-listing of a listed issuer or any class of its listed securities by the Exchange; and</p> <p>(ii) enforcement of these Requirements.</p>
	PART B – SUSPENSION		PART B – <b>TRADING HALT AND SUSPENSION</b>
	New provision	<b>16.03A</b>	<p><b>Trading Halt</b></p> <p><b>Without prejudice to the powers of the Exchange under paragraph 16.02, the Exchange may at any time, halt the trading of the listed securities of a listed issuer upon release of a material announcement by the listed issuer.</b></p>
Practice Note No. 2/2001	<p>3.2 Without limiting the aforesaid, any announcement relating to any of the following matters will be regarded as a material announcement for the purposes of subparagraph 3.1(b) above:-</p> <p>(a) periodic financial results;</p>	Practice Note No. 2/2001	<p>3.2 Without limiting the aforesaid, any announcement relating to any of the following matters will be regarded as a material announcement for the purposes of subparagraph 3.1(b) above:-</p> <p>(a) <b>interim financial reports;</b></p>

Existing Provisions		Amended Provisions	
Paragraph		Paragraph	
	(b) – (e) [As per existing provisions]		(b) – (e) [No change]
Practice Note No. 2/2001	<p>5.0 Announcements</p> <p>5.1 In the event a suspension is granted by the Exchange in relation to paragraph 3.1(a), the listed issuer must comply with the following, where applicable:-</p> <p>(a) where the suspension granted by the Exchange is for 2 market days, the listed issuer must make the relevant announcement to the Exchange on the 1st market day of suspension; or</p> <p>(b) where the suspension granted by the Exchange is for 3 market days, the listed issuer must make the relevant announcement to the Exchange no later than the 2nd market day of suspension; and</p> <p>(c) in both cases, the market day following the making of the announcement shall be for the purpose of disseminating such announcement.</p>	Practice Note No. 2/2001	<p>5.0 Announcements</p> <p>5.1 In the event a suspension is granted by the Exchange in relation to paragraph 3.1(a), the listed issuer must make the relevant announcement to the Exchange <b>on or before the expiry of the period of suspension that is approved by the Exchange pursuant to paragraph 4.1.</b></p>
Practice Note No. 2/2001	<p>6.2 Therefore, to ensure that suspension is effected in a timely manner, a listed issuer should submit its written request for suspension on the market day preceding the date suspension is requested to commence, before 2.00p.m. For example, if A Bhd intends to have its securities suspended on Wednesday for 3 days, it should submit its written request for suspension on Tuesday, before 2.00p.m. Where the submission is made at 12.00p.m. on Tuesday and the Exchange decides on Tuesday to allow the suspension, suspension will be effected immediately on Tuesday itself, but the computation of the period of suspension will not take into account the suspension on Tuesday. An announcement pursuant to subparagraph 5.1(b) must be made by A Bhd on or before Thursday.</p>	Practice Note No. 2/2001	<p>6.2 Therefore, to ensure that suspension is effected in a timely manner, a listed issuer should submit its written request for suspension on the market day preceding the date suspension is requested to commence, before 2.00p.m. For example, if A Bhd intends to have its securities suspended on Wednesday for 3 days, it should submit its written request for suspension on Tuesday, before 2.00p.m. Where the submission is made at 12.00p.m. on Tuesday and the Exchange decides on Tuesday to allow the suspension, suspension will be effected immediately on Tuesday itself, but the computation of the period of suspension will not take into account the suspension on Tuesday. An announcement pursuant to <b>paragraph 5.1</b> must be made by A Bhd on or before <b>Friday</b>.</p>

	Existing Provisions		Amended Provisions
Paragraph		Paragraph	
Practice Note No. 2/2001	<p>6.3 However, if a listed issuer submits its written request for suspension 2 or more market days prior to the date suspension is requested to commence, and where suspension is allowed, the computation of the period of suspension shall include the day of suspension where the suspension is effected at 9.00a.m. For example, B Bhd intends to have its securities suspended on Wednesday for a period of 3 days. Instead of submitting the written request on Tuesday morning, it submits its request at 2.00p.m. on Monday. Where the Exchange decides at 4.00p.m. on Monday to allow the suspension and immediately thereupon effects the suspension, the three-day period of suspension will include the suspension on Tuesday. Hence, suspension will be lifted on Friday, instead of Monday, as intended by B Bhd. B Bhd must make an announcement pursuant to subparagraph 5.1(b) on or before Wednesday and not on Thursday.</p>	Practice Note No. 2/2001	<p>6.3 However, if a listed issuer submits its written request for suspension 2 or more market days prior to the date suspension is requested to commence, and where suspension is allowed, the computation of the period of suspension shall include the day of suspension where the suspension is effected at 9.00a.m. For example, B Bhd intends to have its securities suspended on Wednesday for a period of 3 days. Instead of submitting the written request on Tuesday morning, it submits its request at 2.00p.m. on Monday. Where the Exchange decides at 4.00p.m. on Monday to allow the suspension and immediately thereupon effects the suspension, the three-day period of suspension will include the suspension on Tuesday. Hence, suspension will be lifted on Friday, instead of Monday, as intended by B Bhd. B Bhd must make an announcement pursuant to <b>paragraph 5.1</b> on or before <b>Thursday</b> and not on <b>Friday</b>.</p>



# **BURSA MALAYSIA SECURITIES BERHAD**

## **PRACTICE NOTE NO. 20/2007**

### **TRADING HALT**

**Issued in relation to paragraph 16.03A of the Listing Requirements;**

**And**

**Pursuant to paragraph 2.08 of the Listing Requirements.**

#### **1.0 Introduction**

- 1.1 Pursuant to Paragraph 16.03A of the Listing Requirements, a trading halt may be imposed on the listed issuer's securities by the Exchange upon release of a material announcement by the listed issuer before or during trading hours.
- 1.2 The purpose of trading halt is to enable dissemination of the material information disclosed and facilitate the evaluation of such information.
- 1.3 This Practice Note sets out the following :-
  - (a) the types of material announcements which may warrant trading halt; and
  - (b) the periods of trading halt.
- 1.4 Nothing in this Practice Note shall be read to restrict the powers of the Exchange to suspend the trading of the listed issuer's securities pursuant to paragraph 16.02 of the Listing Requirements.

#### **2.0 Material announcement which may warrant trading halt**

- 2.1 For the purpose of paragraph 16.03A of the Listing Requirements, the types of announcement which will be regarded as a material announcement includes any announcement relating to any of the following matters :-
  - (a) interim financial reports;
  - (b) bonus issues or fund raising exercises;
  - (c) a subdivision of shares or consolidation by the listed issuer;
  - (d) a transaction requiring an announcement to be made under Chapter 10 of the Listing Requirements;
  - (e) declaration of a dividend or distribution;
  - (f) a change in the dominant shareholder of the listed issuer;
  - (g) a notice of take-over being served on a listed issuer
  - (h) commencement of winding-up proceedings against the listed issuer or any of its subsidiaries or major associated companies;

- (i) rejection of the corporate proposals previously announced by the shareholders or regulatory authorities;
- (j) the prospects, revenue or profit estimate, forecast, projection or internal targets of the listed issuer and any circumstances or development which are likely to materially affect the results or outcome thereof,
- (k) any clarifying announcement pursuant to Chapter 9 of the Listing Requirements including the response to a rumour or report or unusual market activity; or
- (l) any other announcements which the Exchange considers material pursuant to paragraph 9.03(2) of the Listing Requirements.

### **3.0 Periods of trading halt**

3.1 The periods of trading halt that may be imposed by the Exchange are as follows :-

- (a) where the material announcement is released during trading hours, the trading halt imposed will be for the remaining period of the morning or afternoon trading session, as the case may be; and
- (b) where the material announcement is released before 9.00 a.m., between 1.00 p.m. to 2.30 p.m and after 6.30 p.m., the trading halt imposed will be for the whole morning or afternoon trading session, as the case may be.

3.2 However, a trading halt will not be imposed where the material announcement is released during the trading session break from 12.30 p.m. to 1.00 p.m.

3.3 Notwithstanding paragraphs 3.1 and 3.2 above, the Exchange may, at its discretion, suspend the trading of the listed issuer's securities for the entire day or such period as the Exchange deems it appropriate.

3.4 For the avoidance of doubt, the periods of trading halt as stated herein shall not be applicable to the securities of a listed issuer suspended pursuant to a request for suspension under paragraph 16.03 of the Listing Requirements and Practice Note No. 2/2001. Hence, the securities of a listed issuer which is suspended will not be quoted on the same day of the release of the relevant announcement.

### **4.0 Effective Date**

4.1 This Practice Note takes effect on 3 September 2007.

**QUESTIONS AND ANSWERS RELATING TO AMENDMENTS TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“LR”) AND THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE MESDAQ MARKET (“MMLR”) ON TRADING HALT**

- 1. During PLC A’s Board Meeting held on Monday, 3 September 2007 at 11.00 am, the Board had resolved, amongst others, the declaration of a dividend. After the meeting ended at 12.45 pm, PLC A made an immediate announcement on the declaration of dividend. Will trading halt be imposed on PLC A’s securities?**

Pursuant to paragraph 3.2 of Practice Note No. 20/2007 / Guidance Note No. 14/2007, a trading halt will not be imposed on PLC A’s securities as the announcement on the declaration of dividend is made and released during the trading session break from 12.30 pm to 1.00 pm and investors have the opportunity to digest the information prior to the commencement of trading at 2.30 pm. However, it is to be noted that where Bursa Securities is of the view that the period is insufficient for purposes of dissemination of a material announcement, Bursa Securities may, at its discretion impose a suspension pursuant to paragraph 3.3 of Practice Note No. 20/2007 / Guidance Note No. 14/2007.

- 2. PLC B announced its quarterly report for the financial period ended 30 September 2007 (“3<sup>rd</sup> QR”) on 30 November 2007 at 7.00 pm. Will trading halt be imposed on PLC B’s securities on 3 December 2007 (ie. the next market day)?**

It is to be noted that pursuant to paragraph 3.1 of Practice Note No. 20/2007 / Guidance Note No. 14/2007, Bursa Securities may impose a trading halt where the material announcement is released after 6.30 pm. Hence, not all material announcements released after 6.30 pm will definitely be subject to trading halt. Bursa Securities may, where appropriate, extend the cut-off time as it deems fit to ensure timely release of material announcements and trading halt will not be imposed on the next market day.

In the circumstances, trading halt will not be imposed on PLC B on 3 December 2007 if the 3<sup>rd</sup> QR is released within the extended cut-off time approved by Bursa Securities. In this respect, PLC B is advised to contact the Bursa LINK operation hotline at 03-20347493 and give prior notice of its intention to announce the 3<sup>rd</sup> QR after 6.30 pm.