

## PARTICIPATING ORGANISATIONS' CIRCULAR

Date: 2 December 2025

No.: G 32 of 2025

### Enforcement Action Pursuant to the Rules of Bursa Malaysia Securities Berhad

2 December 2025

### BURSA MALAYSIA SECURITIES PUBLICLY REPRIMANDS, FINES AND ORDERS TO STRIKE OFF TWO DEALER'S REPRESENTATIVES FOR MISCONDUCTS AND VIOLATION OF RULES

Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)] (**Bursa Malaysia Securities**) has taken enforcement actions against two (2) Dealer's Representatives (**DRs**) for breaches of the Rules of Bursa Malaysia Securities and directives in relation to conflicts of interest breaches, and in addition, for one of the DRs namely Kang Ai Na, for her involvement in the manipulative trading activities in a group of clients' accounts, as follows:

No.	Details of DR	Sanctions imposed
1.	Chih Yi May ( <b>CHIH</b> )	(a) Public reprimand; (b) Fine of RM50,000; and (c) Order to strike off CHIH as a Registered Person of Bursa Malaysia Securities, if she was still a Registered Person.
2.	Kang Ai Na ( <b>KANG</b> )	(a) Public reprimand; (b) Fine of RM391,000; and (d) Order to strike off KANG as a Registered Person of Bursa Malaysia Securities, if she was still a Registered Person.

At the material time of the breaches:

- (a) CHIH was a Commissioned Dealer's Representative (**CDR**) of Maybank Investment Bank Berhad (**MIBB**) at its Principal Office; and
- (b) KANG was a CDR of Kenanga Investment Bank Berhad (**KIBB**) at its Principal Office.

CHIH had contravened and/or triggered the provisions of Rules 3.14(d), (e) & (i), 3.16, 5.01(a) of the Rules of Bursa Malaysia Securities and Paragraph 1.1(1)(e) of Directives No. 5-001 of the Participating Organisations' Directives and Guidance (**Directives No. 5-001**).

KANG had contravened and/or triggered the provisions of Rules 3.14(d), (g) & (i), 3.16, 5.01(a) & (b), 5.16(1)(a), (b) & (c) and 15.09(a) & (g) of the Rules of Bursa Malaysia Securities and Paragraphs 1.1(1)(a), (b), (e) & (h) of Directives No. 5-001.

Bursa Malaysia Securities places strong emphasis on market integrity and maintenance of an orderly and fair market and will not tolerate any acts or practices which could lead to manipulative activities and/or compromise the integrity of the market. Bursa Malaysia Securities views seriously all breaches and any misconducts that impinge on the integrity and professional conduct of DRs and Registered Persons and those compromise market integrity as such misconducts may adversely affect and damage market integrity and public confidence. Bursa Malaysia Securities will not hesitate to take appropriate actions against anyone who engages in such misconducts, including striking off a Registered Person from the Register and imposing a fine which commensurate with the severity of the breach.

## **BACKGROUND**

The finding of the breaches and imposition of the sanctions on CHIH and KANG were made pursuant to Rule 15.02 of the Rules of Bursa Malaysia Securities after according due process to CHIH and KANG, taking into consideration all facts and circumstances including the following: -

### **Breaches by CHIH:**

- (1) CHIH had, whilst a CDR at MIBB, placed herself in a position of conflict of interest by acting as an authorised person with authority to give trade instructions for a corporation (**Entity 1**) that opened and maintained a trading account with another Participating Organisation (**PO**) (**PO1**) (**Entity 1 Account at PO1**) and at the same time acted as the CDR of MIBB in handling MIBB's clients' accounts including Entity 1's account opened with MIBB. She had failed to disclose to MIBB that she was an authorised person for Entity 1 Account at PO1 upon being queried by MIBB (**COI Breach by CHIH**).
- (2) In relation to the COI Breach by CHIH, it was noted that: -
  - (a) Prior to CHIH became a CDR at MIBB, she was appointed as an authorised person for Entity 1 Account at PO1.
  - (b) After CHIH became a CDR of MIBB, she did not cease to be the authorised person for Entity 1 Account at PO1 to avoid situations of conflict of interest/duties as a CDR of MIBB.
  - (c) CHIH did not disclose to MIBB that she was appointed as an authorised person for Entity 1 Account at PO1 when she joined MIBB as a CDR. In relation to this, CHIH had failed to disclose to MIBB that she was the authorised person of Entity 1 Account at PO1 upon being queried by MIBB Compliance pursuant to the trading concerns raised by Bursa Malaysia Securities' Market Surveillance (**Bursa MS**) with regard to a group of clients' irregular trading activities observed by Bursa MS and when MIBB was required by Bursa MS to obtain further clarification on CHIH's relationship/connection with the clients at MIBB including Entity 1.
  - (d) For a period of about 3 months, there were trades executed in Entity 1 Account at PO1 which involved 13 counters for significant quantity of buy and sale trades. As one of the four authorised persons appointed by Entity 1 to give trade instruction for Entity 1 Account at PO1, CHIH had given trade instructions on behalf of Entity 1 Account at PO1 while acting as a CDR at MIBB.
- (3) By acting in her dual roles, i.e. as a DR at MIBB acting for her clients at MIBB including for Entity 1's account at MIBB, and at the same time as an authorised person for Entity 1 Account at PO1 with authority to give, and had given, buy and sell instructions in her capacity as one of the authorised persons for Entity 1 Account at PO1, there was a clear

conflict of interest/duties by CHIH. As such, CHIH had placed herself in situations of conflicts of interest/duties, failed to effectively discharge her duties as a DR of MIBB and acted in a manner that undermined or compromised her role as a DR.

**Breaches by KANG:**

- (4) During the relevant period of about 15 months (**Relevant Period**): -
- (a) KANG had placed herself in a position of conflict of interest by acting in her capacity as an authorised person for Entity 1 Account at PO1 whilst being a CDR at KIBB. In this regard, she had acted as an authorised person with authority to give trade instructions for Entity 1 Account at PO1 and at the same time acted as the CDR of KIBB in handling clients' accounts at KIBB including Entity 1's account opened with KIBB. KANG had failed to disclose that she was an authorised person for Entity 1 Account at PO1 upon being queried by KIBB (**COI Breach by KANG**).
  - (b) In relation to the COI Breach by KANG:
    - (i) Whilst being a CDR of KIBB, KANG was appointed as one of the four authorised persons to give instructions to buy and sell securities for Entity 1 Account at PO1.
    - (ii) The DR in charge of Entity 1 Account at PO1 had confirmed that all the 4 authorised persons, including KANG, had given trade instructions for Entity 1 Account at PO1.
    - (iii) For a period of about 3 months, there were trades executed in Entity 1 Account at PO1 in 14 counters including 2 of the 4 counters mentioned in the trading concerns raised by Bursa MS [i.e. Bintai Kinden Corporation Bhd (**BINTAI**) and Kejuruteraan Asastera Berhad (**KAB**)] involving significant quantity of buy and sale trades. There were numerous trades being crossed on market between Entity 1 Account at PO1 and the accounts of KANG's clients at KIBB on several trading days in 8 counters.
    - (iv) KANG had failed to disclose to KIBB that she was the authorised person with authority to give trade instructions for Entity 1 Account at PO1 when she was queried by KIBB in response to the trading concerns raised by Bursa MS.
  - (c) In addition, KANG was involved in false market/manipulative trading activities (**False Market/Manipulative Trading Activities**) via online trading facilities of a group of clients (**Group of clients**) i.e. her clients at KIBB and some of these clients/common clients who had also maintained accounts with other POs.
 

These False Market/Manipulative Trading Activities were undertaken and continued to be undertaken in the accounts of the Group of clients in the securities of 4 counters namely, Dataprep Holdings Berhad, Hextar Industries Berhad (formerly known as SCH Group Berhad), KAB and BINTAI (collectively, **4 Counters**), despite numerous trading concerns were raised together with illustrations highlighted by Bursa MS.
  - (d) The False Market/Manipulative Trading Activities in the 4 Counters by KANG over a period of about 12 months during the Relevant Period involved the activities of: -
    - (i) Increasing bid and price maintenance activities giving rise to increases in the share prices;

- (ii) Cross trading activities that were coordinated among the Group of clients' accounts giving rise to a false/misleading appearance of the market for and active trading in the securities of the 4 Counters;
  - (iii) Order book manipulation of layering and stacking activities which created an artificial impression of/inflated demand for the aforesaid counters, cancellation of the buy orders or avoiding priority which indicated that these buy orders were not intended to be traded and, upon avoiding priority, the selling of shares to the remaining buyers or other market participants at the best bid price; and
  - (iv) the coordinated trading activities in the Group of clients' accounts with the entry of frequent buy and sell orders for the Group of clients via their online trading facilities, with manipulative trading activities being undertaken in these Group of clients' accounts as evidenced from the orders entered for the Group of clients through the same Internet Protocol (IP) addresses of KANG's User ID for the BTX system (**her BTX ID**) which indicated the improper use/abuses of the Group of clients' accounts giving rise to False Market/Manipulative Trading Activities.
- (e) KANG was in control of/involved in/participated/facilitated the Group of clients' trading activities and failed to avoid/refrain from engaging in the False Market/Manipulative Trading Activities. Despite trading concerns raised by Bursa MS, KANG continued to be part of a syndicate group in carrying out False Market/Manipulative Trading Activities in the securities of the 4 Counters that involved her clients at KIBB who also maintained accounts with other POs.
- (f) As shown from the IP addresses of KANG having logged into KIBB's trading platform, i.e., the BTX system via her BTX ID and the same IP addresses of the Group of clients' online trading facilities being logged into to create online buy or sell orders, KANG had shared with and/or allowed access to the BTX system using her BTX ID by person(s) not authorised to have access to the BTX.

This unacceptable practice and activities of KANG could give/had given rise to abuses and compromised clients' trade information residing in her BTX ID that could have been accessed by unauthorised person(s) to the BTX system using her BTX ID and for purposes of carrying out False Market/Manipulative Trading Activities including coordinated manipulative trading activities from the same IP addresses by the Group of clients.

- (5) The sanctions were imposed on CHIH and KANG having considered factors including: -
- (a) The materiality/extent/impact of COI Breaches by CHIH and KANG over a period of 6 months and 15 months respectively. In this regard, there were elements of concealment by CHIH and KANG of their dual roles as they had failed to inform their POs that they were the authorised persons of Entity 1 Account at PO1 upon being queried by their POs.
  - (b) Both CHIH and KANG had failed to observe professional conduct, standards of integrity and fair dealing, effectively discharge their duties as the DRs of their POs and acted in a manner that undermined/compromised their roles, obligations and functions/responsibilities as DRs, thereby contravening the relevant Rules of Bursa Malaysia Securities.

- (c) The severity/materiality/extent/impact of the False Market/Manipulative Trading Activities in the Group of clients' accounts that were controlled/ /participated/facilitated by KANG through their online trading facilities with such activities being undertaken via the same IP addresses as that of KANG's BTX ID.
  - (d) The commission earned by KANG from the False Market/Manipulative Trading Activities.
  - (e) The sanctions underlined the severity/extent of the breaches and the importance of observing professional conduct, standards of integrity, fair dealing and orderliness of dealing activities which is one of the fundamental obligations/duties of a DR and cornerstone of market integrity/investors' protections which must be upheld at all times and should not be compromised. This factor and the severity of the breaches by CHIH and KANG outweighed their acknowledgement/non-dispute of their breaches at the enforcement stage.
  - (f) The striking off was imposed having considered the aggravating factors and CHIH's and KANG's misconducts of concealment of being the authorised persons to give trade instructions for a corporation/Entity 1, which was also the clients at the POs they were acting as the CDRs. For KANG, in addition, she was involved in extensive manipulative trading activities in the Group of clients' accounts and traded through several POs. All these impinged on their integrity and honesty as RPs and brought into question as to whether they were fit and proper persons to be in the industry.
- (6) The public reprimand was imposed to serve as a deterrence to other Registered Persons and create awareness on the serious view taken by Bursa Malaysia Securities against such misconducts that involved dishonesty, concealment, conflict of interest and/or market offences. It further underlines the importance of the Registered Person's duty to act honestly, observe professional conduct/standards of integrity and ensure market integrity at all times.
- (7) As Registered Persons acting in the capacity of a DR, CHIH and/or KANG must at all times:
- (a) observe professional conduct, standards of integrity and fair dealing;
  - (b) act with due skill, care and diligence and with due regard for the integrity of the market;
  - (c) act honestly and in the best interest of the client and the PO;
  - (d) not act in a manner that may compromise their Registered Person's function and position and to identify and manage any potential or actual conflict of interest in relation to the discharge of their obligations and functions under the Securities Laws, the Rules and the Directives;
  - (e) perform their duties efficiently, honestly and fairly;
  - (f) not to engage in/refrain from engaging in irregular or unhealthy practice;
  - (g) not to engage in act or practice that might lead to a false or misleading appearance of active trading in, with respect to the market for, or the price of, any securities on the stock market of the Exchange or directly or indirectly be tantamount to stock market manipulation and/or doing anything which may result in or has the effect of the market not being orderly and fair; and

- (h) carry out their duties in a manner that contribute to the maintenance of an orderly and fair stock market.

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Investigation and Enforcement Department

## ADDENDUM

Rules 3.14(d), (e), (g) & (i), 3.16, 5.01(a) & (b), 5.16(1)(a), (b) & (c) and 15.09(a) & (g) of the Rules of Bursa Malaysia Securities and Paragraphs 1.1(1)(a), (b), (e) & (h) of Directives No. 5-001 provide, amongst others, that:

- Throughout the term of a Registered Person's (**RP**) registration, a RP must:
  - (a) observe professional conduct, standards of integrity and fair dealing;
  - (b) act honestly and in the best interest of the Client and the PO;
  - (c) carry out the RP's duties in a manner that contributes to the maintenance of an orderly and fair stock market; and
  - (d) not act in a manner that may compromise the RP's function and position.
- A RP must identify and manage any potential or actual conflict of interests in relation to the discharge of obligations and functions under the Securities Laws, the Rules and the Directives.
- A PO and RP must, in the conduct of the PO's business: -
  - (a) adhere to just and equitable principles and act with due skill, care and diligence and with due regard for the integrity of the market;
  - (b) not through any act or omission, do anything which may result in or has the effect of the market not being orderly and fair.
- A PO and RP must act: -
  - (a) with due skill, care and diligence;
  - (b) honestly and fairly; and
  - (c) in the best interest of the PO's Clients.
- Any Participant, which includes a RP who, in any circumstances, directly or indirectly:
  - (a) commits a breach of or violates any of the Rules; and
  - (b) fails to perform his duties efficiently, honestly or fairly,
 will be in breach of the Rules and be dealt with in accordance with the provision of the Rules relating to the disciplinary proceedings.
- A PO and RP must not engage in any unlawful or irregular or unhealthy practice and must not participate in any operation by others that might have the same result.
- A PO and RP must:
  - (a) observe professional conduct and high standards of integrity and fair dealing;
  - (b) conduct their business in a manner that contributes to the maintenance of an orderly and fair market;
  - (c) not engage in any unlawful or irregular or unhealthy practice;
  - (d) not engage in any act or practice: -
    - (i) that might lead to a false or misleading appearance of active trading in any securities on the stock market of the Exchange or a false or misleading appearance with respect to the market for, or the price of, any such securities; or
    - (ii) directly or indirectly be tantamount to stock market manipulation, and must not participate in any operation by others that might have the same result.