



PSTX RULEBOOK

PITCHIN SECONDARY TRADING MARKET

26TH JUNE 2024

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SECTION A. DEFINITIONS AND INTERPRETATIONS

Ask	Has the same meaning as Sell order.
Bid	Has the same meaning as Buy Order.
Buy Order	Means an order that is placed by a Buyer on the PSTX for the purchase of Shares.
Buyer	Has the same meaning as Eligible Buyer.
Digital Register	Means a digitized data digital registry system that maintains all the shareholdings of the Issuers. for the registration of all securities of an Issuer with sophisticated competent cyber security in place
Direct Shareholder	Means as provided in Section D (1).
ECF	Means the activity of equity crowdfunding as permitted by the laws and regulations of Malaysia.
Eligible Buyer	Means as provided in Section D (1). Traders registered on pitchIN who buys shares on pitchIN Secondary
Eligible Seller	Means as provided in Section D (1). Shareholder or its nominee holding the equity of the Issuer which is eligible to be sold on pitchIN Secondary Market
Eligible Share	Means shares of an Issuer who has successfully funded through the Platform
Founder	Has the same meaning as Promoter.
Guidelines	means the Guidelines on Recognised Markets issued by the SC-GL/6-2015(R11-2024), as may be amended from time to time, and include such other guidelines, orders, directives, by-laws, regulations and policies as may be issued from time to time by the relevant authority in respect of equity crowdfunding in Malaysia;
Hosting	Means the offer of the share capital of an Issuer on the Platform for subscription by Investors.
Indicative Share Price	Means as provided in Section D (3).
Investor	Means a person who invests in any Hosting on the Platform.

Issuer	A private limited company or LLP that has successfully funded through the Platform.
Last Traded Price	Means as provided in Section D (3).
Nominee Structure	An arrangement which holds equities on behalf of ECF investors in an Issuer while investors maintain full interest in the equity
Operating Schedule	Means as provided in Section D (4)
Order	Means either A a Buy Order or a Sell Order that is placed on the PSTX by an Eligible Buyer or Eligible Seller.
Order Book	Means in accordance with Section D (3).
Pitch Nominees	Means as provided in Section D (1).
pitchIN	Means Pitch Platforms Sdn Bhd [Registration No. 201501033144 (1158464-T)].
pitchIN Secondary Market	Means a market for the trading of shares of Issuers operated as part of the Platform by the Platform Operator.
Platform	Means the platform at www.pitchin.my and any subdomain thereof operated by the Platform Operator to provide ECF services and any other service as may be introduced from time-to-time.
Platform Operator	Means Pitch Platforms Sdn Bhd [Registration No. 201501033144 (1158464-T)], being the owner and operator of the Platform, and its subsidiaries(pitchIN)
Promoter	The person or persons who started the business of the company before the Issuer successfully funded through the Platform who may be also identified as the Founder. The Platform shall have the discretion to identify and determine the Promoter of an Issuer
PSTX	Has the same meaning as pitchIN Secondary Market.
PSTX Account	Means in accordance with Section D (3).
PSTX Team	Means the team of which consists of staff employed by the Platform Operator assigned to carry out the PSTX operations.
SC	Means the Securities Commission of Malaysia.
Sell Order	Means and order that is placed by a Seller on the PSTX for the sale of Shares.

Seller	Has the same meaning as Eligible Seller.
Shares	Has the same meaning as Eligible Shares. Shares of an Issuer who has successfully funded through the Platform
SSM	Companies Commission of Malaysia (Suruhanjaya Syarikat Malaysia)
Substantial Shareholder	Any shareholder with 20% or more equity in a company hosted on the secondary market
Traders	Means either Eligible Buyers and/or Eligible Sellers of the PSTX collectively.
Trading Session	The period when the market is open and matching of orders can take place
User	Means any person who browses, visits, access and/or uses the Platform and/or PSTX, whether active, semi-active or inactive users, and includes the Issuer and Investor that has successfully registered on pitchIN and furnished all required information.

SECTION B. ADMINISTRATION AND OPERATIONS

1. SECONDARY MARKET PLATFORM

- 1.1. The pitchIN Secondary Market is operated under the brand name PSTX by the Platform Operator, a Registered Market Operator (RMO) with the SC and is also a licensed Platform Operator of the Platform.
- 1.2. PSTX and pitchIN's ECF are operated in conjunction with one another, using the same underlying technology on the Platform and may be sharing the same Users.

2. PURPOSE AND SCOPE

- 2.1. The PSTX functions as a platform for the trading of Eligible Shares of Issuers that have been hosted and successfully funded via ECF on the Platform.
- 2.2. The aim of PSTX is to create a platform where Investors can trade Eligible Shares and thus improve liquidity in the Eligible Shares of Issuers as well as to promote increased participation in the Platform in a secure, fair and transparent manner for the benefit of the Issuer, the Eligible Buyer, the Eligible Seller and the Platform in parallel.
- 2.3. The role of the Platform Operator is that of a facilitator and coordinator for the trading between Eligible Buyers and Eligible Sellers in a secure, fair and transparent manner.
- 2.4. The Platform Operator does not in whatsoever and howsoever manner provide any advice, including but not limited to investment, legal, taxation or other advice, with respect to any aspect of the transactions conducted through PSTX.
- 2.5. The Platform Operator makes no representation and warranty in whatsoever and howsoever manner on the credit worthiness of the Issuers and viability of any business whose shares are traded on PSTX. The Eligible Buyers and Eligible Sellers should consult with their own professional tax, legal and financial advisors before making any transactions on the Platform as investing in this asset class involves a deal of risk.

3. ADMINISTRATION

- 3.1. The terms and conditions of usage of PSTX and the rules and processes that govern PSTX are detailed in the PSTX User Terms and Conditions and PSTX Rulebook documents that can be downloaded from the Platform.

SECTION C. TERMS OF USE

1. AGREEMENT TO BE BOUND BY ALL TERMS OF THE PSTX

All Users of the PSTX understand that by accessing, using, or continuing to access and use the PSTX, they have read, understood, and agreed to be bound by all terms and conditions of the Platform.

2. COMMUNICATIONS

- 2.1. Participants will provide true, accurate, current and complete contact information as may be prompted by any registration forms or information requests on the Platform.
- 2.2. Notices to relevant participants will be sent by email, the Platform and/or text messages.
- 2.3. Any notice sent out by the platform shall be deemed delivered when sent to the contact information on record at the platform system.
- 2.4. The Participant agrees to receive electronically all documents, communications, notices, contracts, and agreements, schedules or information statements, arising from or relating to the Participant's registration on the Platform.

3. RISKS

- 3.1. The Eligible Buyers and the Eligible Sellers acknowledge that they understand the risks associated with investing in Issuers and that they may lose all or part of their invested capital.
- 3.2. The Platform is secured by sophisticated cyber security that maintain the safety and stability of all activities and transactions. However, the Platform may be temporarily unavailable from time to time for maintenance or other reasons. The Platform Operator does not warrant the use of and access to the Platform will be uninterrupted, error free or free of computer viruses or computer bugs or that defects will be corrected, or give any warranty as to their security, functionality, accuracy or reliability. The Platform Operator assumes no responsibility for any monetary losses, error, omission, interruption, deletion, defect, delay in operation or transmission.

4. COMPLAINTS AND DISPUTES

- 4.1. In the event the User has any complaints with respect to any aspect of the Platform, the User may report it to the Platform Operator at the contact details provided on the Platform. The Platform Operator shall on a best effort basis respond to the complaints within seven (7) Business Days upon receipt of the complaints.
- 4.2. In the event of a dispute regarding the interpretation of the rules that govern PSTX, the Platform Operator shall make a final and conclusive decision.
- 4.3. When a concern regarding a trade or trades is brought to the attention of the Operator within thirty (30) days of its occurrence, the Platform Operator shall conduct an investigation and make known its response to the party concerned within seven (7) Business Days upon receipt of the concern.
- 4.4. If a dispute or difference shall arise amongst the Platform Operator and a User, a single arbitrator acceptable by all the parties in dispute will be appointed. Failing that, a single arbitrator to be appointed from the Asian International Arbitration Centre (AIAC).

5. RULES ARE SUBJECT TO CHANGE

- 5.1. These terms and conditions and rules of the PSTX are subject to change. The Platform Operator may suspend any of the provisions of these rules or make or impose new rules to ensure the orderly and fair operations of the PSTX. Any suspension, variations or changes will be reflected in the current versions of the documents placed on the Platform. Users will be notified by email and notice on platform.

6. TRADING SYSTEM

- 6.1. The User acknowledges that the PSTX trading mechanism will be built around non-repudiation principles that will have the capability to confirm the validity of contracts and the parties involved in a particular communication or contract.
- 6.2. The system will be backed by a digitised data system for the registration of all securities of an Issuer and transactions with sophisticated competent cyber security in place.
- 6.3. The Platform Operator will implement sophisticated cyber security that maintains the safety and stability of all activities and transactions over the Platform.
- 6.4. The User acknowledges that the Platform Operator will offer the system on a best effort basis aimed at providing uninterrupted service to Users.

- 6.5. The User acknowledges that in the event of service disruption, the Platform Operator will endeavour to bring the system up again in the shortest time possible. The Platform Operator will not be liable for any loss incurred by any User through a system disruption or failure.

SECTION D. TRADING

1. PARTICIPANTS OF THE PSTX

1.1. Eligible Issuer

Means an Issuer that is eligible to be hosted on PSTX in accordance with the Guidelines and PSTX Rulebook.

1.2. User

A registered user of the PSTX;

1.2.1. Means any person who browses, visits, access and/or uses the Platform and/or PSTX, whether active, semi-active or inactive users, and includes the Issuer, who;

1.2.2. Means the persons who are 18 years of age and/or any duly incorporated legal entity; and

1.2.3. Who has furnished all necessary information requested by the Platform.

1.3. Eligible Seller

A SSM Shareholder and/or an Investor of the Issuer who is eligible to be sold on PSTX.

1.4. Eligible Buyer

Means any registered User of the PSTX who places a bid on the PSTX.

1.5. Trading Limits

Buyers must abide by the investment and/or trading limits set out by the SC for ECF in the Guidelines, as the following, are applicable to local and foreign investors:

1.5.1. Sophisticated investors

No restrictions on investment amount;

1.5.2. Angel investors

A maximum of RM500,000 within a 12-month period; and

1.5.3. Retail investors

A maximum of RM5,000 per issuer with a total amount of not more than RM50,000 within a 12-month period.

1.6. Pitch Nominees

- 1.6.1. Means Pitch Nominees Sdn Bhd [Registration No. 201601017095 (1188026-P)].
- 1.6.2. For the purposes of PSTX, Pitch Nominees is the nominee shareholder registered in SSM as part of the Nominee Structure in facilitating trading in PSTX.

1.7. Direct Shareholders

- 1.7.1. Means the shareholders of an Issuer that holds Eligible Shares in the Issuer and is registered directly in the Issuer's shareholding via SSM, which may include the Promoters.

2. PRODUCTS HOSTED

- 2.1. The PSTX will only host the same class and/or classes of shares that were offered to Investors by the Issuers in the respective Issuer's ECF campaign on the Platform.
- 2.2. Explanation:
 - 2.2.1. If an Issuer offered Redeemable Preference Shares (RPS) during their ECF campaign, then only their RPS shares will be tradeable on the PSTX, while the ordinary shares of the Issuer held by any other shareholder of the Issuer will not be tradeable on PSTX.
 - 2.2.2. If an Issuer offered ordinary shares during their ECF campaign, then all of the Issuer's ordinary shares will be eligible to be tradeable on PSTX.
 - 2.2.3. If an Issuer issued two or more classes of shares (for example ordinary shares and RPS shares) during an ECF campaign or subsequent ECF campaigns, the PSTX may host the ordinary shares and RPS shares as separate trading counters on the PSTX.

3. COMMENCEMENT OF TRADING

3.1. Issuer's Shares Trading Eligibility

- 3.1.1. The Trading of an Issuer's Eligible Shares may commence anytime upon the expiry of the sixth (6th) month from the date of the allotment of the Issuer's shares to the Investor and/or its nominee pursuant to the ECF campaign.
- 3.1.2. Shares held by a Promoter shall be allowed to be traded on the PSTX upon the expiry of the sixth (6th) month from the date of the

first completed transaction of the Eligible Shares of the Issuer being traded on the PSTX.

3.2. PSTX Account

- 3.2.1. A PSTX Account is the User's account on PSTX used to store funds for the purposes and/or use for Trading on PSTX; and
- 3.2.2. To begin Trading, Users are required to activate their respective PSTX Accounts.

3.3. Order Book

An Order Book is a list of all open and/or unmatched Orders of Eligible Shares for each Issuer listed on PSTX.

3.4. Indicative Share Price

- 3.4.1. An Indicative Share Price is the price of the Eligible Shares at the start of an Issuer's listing on the PSTX;
- 3.4.2. An Indicative Share Price of the respective Eligible Shares' counter will be provided as a guide for Traders on the PSTX, which may be determined through one of the following:
 - a. ECF Share Price;
 - b. Company Valuation Report;
 - c. Major secondary trade(s); and/or
 - d. Subsequent funding rounds of the Issuer.

3.5. Last Traded Price

- 3.5.1. Last Traded Price is the actual price at which Eligible Shares are Traded between Traders on PSTX.
- 3.5.2. The Last Trade Price reflects the real-time price movement of the Bid and Ask of an Issuer's Eligible Shares.

4. TRADING CYCLE

- 4.1. PSTX will open on the Trading Days as provided in the Operating Schedule.
- 4.2. The Trading Hours occur on the Trading Days as provided in the Operating Schedule.
- 4.3. Pre-Trading Days and Pre-Trading Hours are defined and understood as provided in the Operating Schedule.
- 4.4. Post-Trading Day is defined and understood as provided in the Operating Schedule.

4.5. Public Holidays:

- 4.5.1. PSTX will be closed for all public holidays observed in the Federal Territory of Kuala Lumpur that falls on a Wednesday or a Thursday.
- 4.5.2. If a public holiday falls on a Wednesday of any given week, the PSTX will only operate on the Thursday of that given week.
- 4.5.3. If both Wednesday and Thursday of any given week are public holidays, the PSTX shall not operate on that week.
- 4.5.4. Notice of non-trading during a public holiday will be given to all Users.

4.6. The Trading Hours are subject to change by the Platform Operator with prior notification of at least three (3) business days to be posted in the Platform.

4.7. Order Entry

- 4.7.1. With the aims of facilitating price discovery as well as creating a transparent and orderly market for the PSTX, Orders placed for the week can be entered by Users starting from the Order Entry Days, provided in the Operating Schedule;
- 4.7.2. With the same aim of market transparency, the PSTX will continue to display all unmatched Orders until the Order Book Reset, as provided in the Operating Schedule, occurs.
- 4.7.3. New Order entries will be allowed in accordance with the Order Entry Days
- 4.7.4. All Orders will be visible to Users on the PSTX.

4.8. Operating Schedule

Order Entry Days	Starting from Tuesdays (10:00 AM) until Thursdays (5:00 PM)
Pre-Trading Days	Refer to the day(s) during the Order Entry Days prior to the Trading Days.
Pre-Trading Hours	Refer to the time during the Order Entry Days prior to the Trading Hours.
Trading Days	Wednesdays and Thursdays
Trading Hours	10:00 AM – 5:00 PM on the Trading Days
Post-Trading Day	Refers to the Fridays after the Trading Days prior to the Order Book Reset.

Order Book Reset	Fridays (10:00 PM)
MYR Deposits	<ul style="list-style-type: none"> • Processed daily during business hours (09.30am – 06.00pm). • Investor account balances will be updated upon sighting the incoming deposit in the Trust Account.
MYR Withdrawals	<ul style="list-style-type: none"> • Processed daily during business hours (09.30am – 06.00pm). • Arrival of funds in investors bank accounts are subject to processing times of relevant bank and bank transaction hours.

4.9. Scheduled Downtime

The Platform Operator shall notify all Users through email and/or by posting a notice on the platform at least forty-eight (48) hours in advance prior to any downtime caused by a scheduled maintenance of the PSTX.

4.10. Unscheduled Downtime

4.10.1. PSTX will inform all Users in the event an unscheduled downtime occurs through email and/or by displaying on the landing page of the Platform. Information will contain support channel contact details and estimated recovery time.

4.10.2. Further updates will be sent via email and/or displayed on the landing page of the Platform if the downtime is prolonged beyond an initial estimated recovery time.

5. TRADING PROCESS

5.1. Placing Orders/Creating Orders on the Order Book

5.1.1. Users who wish to place/create a Bid/Buy Order must have Malaysian Ringgit (MYR) equal or more to the value of the Bid in their PSTX Account balance before being able to place a Bid on the Order Book.

5.1.2. Users who wish to place/create an Ask/Sell Order must have Eligible Shares equal to, or more than, the number of Eligible Shares that they intend to place as an Ask in the Order Book.

- 5.1.3. Placing a Bid and/or Ask on the Order Book shall be subjected to the Digital Register in determining Eligible Shares that are tradeable at the point in time of creating the Order.
- 5.2. Subject to Section D (5.1.1), Section D (5.1.2) and the Trading Limits, Orders placed for any Eligible Shares of Issuers can be placed by any Traders.
- 5.3. Other than Orders that are flagged for review, eligible Bids/Buy Orders or Sell Orders/Asks will be visible on PSTX immediately after the Orders are placed.
- 5.4. Orders cannot be placed for:
 - 5.4.1. Orders with Trading prices that are outside the seventy-five percent (75%) range of the Last Traded Price; and/or
 - 5.4.2. If no there are no Trades that have occurred on PSTX for the Issuer's Eligible Shares, Orders with Trading Prices that are outside the seventy-five percent (75%) range of the Indicative Share Price.
- 5.5. Orders may be flagged for following reasons:
 - 5.5.1. Founders, Promoters and/or Substantial Shareholders at the point of hosting (defined as Shareholders who owns twenty percent (20%) or more equity in the Issuer) selling more than 20% of their starting equity on the PSTX.
 - 5.5.2. Users placing Buy Order in which upon matching and execution will result in their equity holdings of a particular Issuer to be 20% or more.
 - 5.5.3. Market integrity and surveillance purposes of the PSTX.
- 5.6. Flagged Orders will be reviewed by the PSTX Team and may:
 - 5.6.1. Be cleared to be listed on the Order Book;
 - 5.6.2. Declined to be listed on the Order Book; and/or
 - 5.6.3. Have the Orders processed manually.
- 5.7. Users whose Orders are declined or manually processed will be informed accordingly by the PSTX Team.
- 5.8. Manual Processing:
 - 5.8.1. The aim of the PSTX is to facilitate trading of Eligible Shares issued during an ECF campaign and improve liquidity options for the Investors.

- 5.8.2. Bulk (large) Orders that may cause clauses in Issuers Shareholders Agreements to come into effect, such as pre-emption clauses, will require to be manually processed by the PSTX Team.
- 5.8.3. Trades that are completed via manual processing may require notices to be sent to all Investors and may require shareholders' engagements sessions to be held.
- 5.8.4. The process that will be followed during manual processing is as follows:
 - a. A bulk order is flagged by the system;
- 5.8.5. The PSTX Team will reviews the Order and if deemed necessary, the PSTX Team will consult with relevant parties including the Founders, Promoters and/or other shareholders of the Issuers to determine if the Trade may be allowed to be posted/created or transacted outside of the PSTX; If yes, the PSTX Team will check if the Trade could trigger any clauses that require approval from the Issuer's Shareholders.
- 5.8.6. If no, trading of Eligible Shares in the Issuer will be suspended with the Users being informed of the need to process their respective Order manually.
- 5.8.7. All market participants will be informed of the duration of the Issuer's suspension period;
- 5.8.8. During the suspension period, Orders for the Issuer's Eligible Shares will not be executed and new Orders will not be able to be entered into the PSTX. Existing orders may be cancelled by Investors.
- 5.8.9. All market participants will be given a minimum of twenty-fours (24) hours' notice prior to the PSTX resuming trading activities.
- 5.8.10. All Orders displayed on the Order Book will be removed twenty-four (24) hours before trading activity recommences to allow for Traders to input new Orders.
- 5.8.11. Upon the completion of all the actions taken by the PSTX, which may include notice periods, shareholders briefings, compliance with all the relevant clauses of agreement(s) related to the shareholding rights of the Issuer, execution of Share transfers, and registration of Shares, the Order may have been transacted manually in which case it will be reported in the PSTX to all market participants for fairness and transparency.

- 5.8.12. Orders that are not processed manually during the suspension period of an Issuer, in which engagement with existing shareholders may occur, will then be placed on the Order Book of the PSTX.

6. MATCHING ALGORITHM

- 6.1. Orders are accepted by the Secondary Market System on a first-to-take-up-bid basis.
- 6.2. Bids and Offers will be matched as follows:
- 6.2.1. **Bids** (price and amount) will be registered and time stamped.
- 6.2.2. **Asks** (price and amount) will be registered and time stamped.
- 6.2.3. **Sorting:**
- a. All Bids (price and amount) will be sorted as follows:
 - i. Bid prices in descending order (highest to lowest); and
 - ii. Bid prices that are the same price will be arranged according to time stamp with bids that come in earlier queueing earlier in the Platform.
 - b. All Asks (price and amount) will be sorted as follows:
 - i. Ask prices in ascending order (lowest to highest); and
 - ii. Asks prices that are the same price will be arranged according to time stamp. Asks that come in earlier will queue earlier.
- 6.2.4. **Matching**
- a. Orders placed during market Pre-Trading Hours
 - i. At PSTX open time, Bids that are equal or higher than existing Asks will be matched to Asks by priority of the Sell Order price and then time of the Orders.
 - b. Bids placed during market open hours
 - i. Any Bids that are equal to, or higher than, the existing Offers, will be matched at such existing Offers' price and number of Shares, until all Orders are matched.
 - ii. Any Asks that are equal to, or lower than, the existing Bids, will be matched at such existing Bids' price and number of Shares, until all Orders are matched.

- iii. For orders entered during the Pre-Trading Hours, the system will match Bids at the existing Asks' prices and number of Shares.
- iv. Orders may be partially matched and any Orders that are unmatched will continue to be shown as Bids or Asks on the Order Book.

Examples of queued Orders and their potential scenarios are shown in **Appendix 1**.

6.3. Order Types

6.3.1. The PSTX supports the following types of orders:

a. **Limit Orders**

A Limit Order is an Order to buy or sell a given number of Shares at a specific price or better. A Buy Order will only be executed at the limit price, or lower, while a ASell Order will only be executed at the limit price, or higher. The Limit Order will remain active until it is either matched/filled or cancelled by the Trader. Limit Orders may be partially matched/filled. When the Traders enter a specific price and number of Shares to create a Limit Order, the exact Malaysian Ringgit balance and number of Shares will be reserved until the Limit Order is executed against it or if the Limit Order is cancelled by the Traders.

b. **Market Orders**

A Market Order is an order to buy or sell against the current Order Book. The Trader may specify:

- i. The maximum number of the given shares to buy using Malaysian Ringgit; or
- ii. The maximum number of shares to sell using Malaysian Ringgit.

Market orders will be matched against Limit Orders resting in the Order Book based on price-to-time priority, until the requested number of shares is filled. Trades will be matched at the prices of the existing Orders in the Order Book.

6.4. Trading Parameters

Parameters	Value
Price Scale for Bid/Ask for share price that is less than RM50:00	RM0.01 (increments of RM0.01)
Price Scale for Bid/Ask for share price that is equal to or more than RM50:00	RM0.01 (increments of RM0.50)
Volume Scale	0 Decimals (1 Unit of Share)
Minimum Order Volume (Per Order)	1 Unit of Share
Maximum Order Volume (Per Order)	100,000 Units of Shares
Minimum Price (Per Order)	RM 0.01
Maximum Price (Per Order)	RM 500,000.00
Order Priority	i. Price (Main Priority) ii. Time
Order Validity	Good-till-Cancelled (Whichever is Earlier) <ul style="list-style-type: none"> • Unfilled orders will be maintained on the Order Book until it is cancelled by the User; or • Unfilled orders will be automatically cancelled by the system in accordance to the Order Book Reset.

6.5. Order Cancellation Policy and Resolution

- 6.5.1. Orders cannot be varied once posted on the Order Book unless it is cancelled.
- 6.5.2. Unmatched Orders can be cancelled at any time. Any partial matching prior to cancellation will be honoured.
- 6.5.3. An Order shall not be cancelled under whatsoever circumstances once it is matched.

- 6.5.4. Cancellation is manually triggered by the Users. Users are advised that records of cancellations are maintained, and that repeated cancellations will be reviewed as potential spoofing under the PSTX market manipulation monitoring.

7. PSTX ACCOUNT FUNDING AND SETTLEMENT

- 7.1. The PSTX operates on a “cash-upfront” basis whereby Buyers will be required to deposit sufficient amounts of Malaysian Ringgit to their PSTX Account to fulfil the intended Buy Order.
- 7.2. Conversely, Sellers can only place Sell Orders up to the number of Shares which they own in accordance to the Digital Register.
- 7.3. Direct Shareholders that intend to place Sell Orders on the PSTX are required to declare their ownership of the shares and to also provide sufficient information to ensure accuracy of ownership details at the time of the Order. The sale will be deemed valid at the time of matching.
- 7.4. Any attempt to sell shares that are not owned by or no longer owned by a Trader would be deemed as a fraudulent activity and shall be liable to legal actions.
- 7.5. Upon depositing the Malaysian Ringgit into the Users’ PSTX Account, the Users will be eligible to place Limit Orders or Market Orders to buy the Shares. The Malaysian Ringgit will be deducted from the Buyer’ PSTX Account when the trade is executed, inclusive of trading fees imposed by the PSTX Platform and subsequently the proceeds of the completed Buy Orders will be credited into the Sellers’ PSTX Account.
- 7.6. For instances whereby ownership transfers are being conducted from a Direct Shareholder to Pitch Nominees, the proceeds of the share sale will not be allowed for withdrawal until the transfer is successfully registered with the SSM.
- 7.7. The PSTX will record and display the exact amount of Malaysian Ringgit that is being held for the particular Seller. Conversely, the Buyer is not allowed to sell the Shares immediately until it has been successfully registered with the SSM that Pitch Nominees is the owner of the shares.
- 7.8. When Orders are matched partially or entirely, the transactions are settled immediately by debiting and crediting the relevant Shares and MYR balances in the respective Traders’ PSTX Account.

- 7.9. The Seller, Buyer and the Issuer will all receive notifications of the transactions. The Digital Register will then be updated to reflect the new shareholding, as follows:
- 7.9.1. Where shares are traded but remains within the Nominee Structure, a Digital Share Certificate will accompany the latest owner of the Share to indicate ownership.
 - 7.9.2. Where Shares are held directly by the Seller in SSM, Pitch Nominee will initiate the transfer of the Shares to the Nominee through SSM upon completion of the trade. Only upon the successful registration with the SSM, the Digital Register will be updated with the particulars of the Buyer and a Digital Share Certificate will be issued to the Buyer. The aforementioned Traded Shares are only eligible to be traded on PSTX subsequently when the Digital Share Certificate is issued.
 - 7.9.3. For circumstances whereby the Buyer, with the consent of the Issuer, requires the ownership of the Shares to be registered directly with the SSM, the Shares can only be traded subsequently upon the completion of the SSM registration process, followed by an update to the Digital Register
- 7.10. For any Share transfer activities that require SSM registration to be fulfilled, Users will be notified that there will be a minimum of fourteen (14) working day requirement for the transaction to be completed. The shares related to the transaction, including the proceeds of the share sale will be recorded by the PSTX as “pending” and will be unavailable for subsequent trading on the PSTX (and withdrawal of MYR) until the SSM registration process has successfully completed.
- 7.11. Pursuant to Section D (7.10), the Platform Operator ensures no responsibility for price changes that may occur in the PSTX during the SSM registration process.
- 7.12. All Users’ MYR funds are held in a Trust Account provided by a licenced Financial Institution in Malaysia.
- 7.13. Malaysian Ringgit Deposit and Withdrawal Schedule:
- 7.13.1. **Deposits**
Processed daily via FPX or Online Banking (Interbank Giro, Instant Transfer, DuitNow). Trading account balances will be updated upon

the Platform Operator sighting the exact amount deposited to the designated Trust Account.

7.13.2. Withdrawals

Processed daily during Business Hours, excluding weekends. Bank account balances will be updated in accordance to the Traders' standard banking operations.

8. ERROR TRADES

8.1. Overview

8.1.1. An Error Trade is a transaction that may result from an error:

- a. In the entry of the number of Shares of an order,
- b. In the entry of the price of an Order; and/or
- c. In the entry of the name of the security.

8.1.2. The Platform Operator also has the discretion to decide and deem a transaction to be an Error Trade.

8.1.3. Users are reminded to exercise due care when entering Orders in the trading system to avoid Error Trades. As a further safeguard, the PSTX has a double confirmation mechanism in place prior to the confirmation of entering of Orders in the PSTX.

8.1.4. Traders who believe that an Error Trade has occurred may file a trade reversal request to the Platform Operator, together with an administrative fee of RM200.00 charged per report.

8.1.5. The report on Error Trade must be filed by the Investor within 24 hours of the trade.

8.2. Error Trades Policy

PSTX's Error Trades policy promotes the predictability, fairness and consistency of actions taken.

8.3. Error Trades Rules

8.3.1. Double Confirmation Order Entry System

- a. The PSTX puts forth the Supremacy of the Double Confirmation Order Entry System unless other factors become relevant.

- b. Under this rule, Orders entered are deemed to be valid since Users will be asked to confirm their Orders twice before Orders are created/placed.
- c. Buy Orders that are claimed to be placed as Sell Orders, and vice versa, are deemed valid under the Double Confirmation Order Entry System.
- d. Trades that are claimed to have placed wrong MYR and/or number of shares, are deemed valid under the Double Confirmation Order Entry System.

8.3.2. No Cancellation Range

- a. Orders are valid when placed within the range of seventy-five percent (75%) of the Last Traded Price or Indicative value, whichever is applicable.
- b. Orders placed outside the No Cancellation Range will be blocked and reviewed for possible Error Trades and possible reversion.

8.3.3. System Failure

Clearly established system failures such as hacking, disruption of order confirmations, malfunction that cause error orders will be completely reversed.

- 8.3.4.** Cases that are claimed to be an Error Trade by Users that do not fall into any of the above categories will be reviewed by the Platform Operator and a final decision will be made on a case-to-case basis.

8.4. Error Trade Committee

- 8.4.1. All Error Trade reports will be reviewed by persons in the PSTX Committee recognised by the Platform Operator to be designated to review Error Trades and will decide on the final decision of the claimed Error Trades.
- 8.4.2. If an Error Trade cannot be reversed, the Error Trade Committee will decide, after its review, on a resolution that is binding on all relevant parties to the Error Trade.
- 8.4.3. The outcome of the Error Trade Committee's review shall be final and conclusive.

9. MARKET INTEGRITY

9.1. The Platform Operator is committed to ensuring the viability of the PSTX for the benefit of the Users. Towards this end, the Platform Operator has put in place market watch measures that will enhance the integrity of the PSTX.

9.2. The Platform Operator will work towards ensuring all Trades on the Platform are carried out in a secure, fair and transparent manner. These market watch processes are aided by automated and self-developed tools to detect potentially manipulative activities such as:

9.2.1. **Quote Spoofing**

The repeated placing/creation of Orders with the intention of manipulating the price of the Shares by creating Buy Orders or Sell Orders, especially in large quantities, without actually intending to complete the Orders.

9.2.2. **Pump and Dump**

Trades resulting in large price swings of an Issuer's Shares where prices of the Shares are inflated either through:

- a. Small Orders that are placed at increasing prices; or
- b. By the release of information designed to increase the price of the Shares;

To a point where there is significant buying interest of the Shares that enable the perpetrator(s) of the Pump and Dump to rapidly dispose their Shares at new heights.

9.2.3. **Wash Trading**

Trades where one or more persons acting in concert to simultaneously Buy and Sell an Issuer's Shares among themselves to create a false impression of market activity on the Issuer's Shares.

9.3. The market watch process will also collect and retain transaction records by all PSTX Traders which may be used as evidence for internal and external investigations carried out by regulatory bodies and relevant enforcement authorities in the event of a dispute.

9.4. Bids and Asks flagged through these processes will require manual review by the Platform Operator before being allowed to be visible on PSTX.

- 9.5. Users are also advised that all data pertaining to PSTX transactions are monitored in real time and recorded.
- 9.6. Under the same measures to enhance the integrity of the PSTX, the Platform Operator may also request for any specific information it believes is relevant for its enquiry from any User and any other party it believes holds information relevant to its investigation. In doing so, it will be guided by the objective of ensuring a fair and transparent market that is in the interest of all stakeholders which includes the Issuers, the Sellers, the Buyers and the PSTX.
- 9.7. To ensure fair and transparent trading, the Platform Operator may also suspend the trading of the Shares of any Issuers while an investigation is being carried out with the duration and terms of the suspension to be decided by the Platform Operator.
- 9.8. The process of investigation shall be followed are as follows:
 - 9.8.1. The Platform Operator will place a notice on the PSTX informing Users that it is investigating a Trade or Trades in an Issuer's shares and whether the Trading of the particular Issuer is suspended.
 - 9.8.2. The Platform Operator will subsequently place a notice of its investigation results and actions taken, if any, on the PSTX and such investigation results shall be final and conclusive.
 - 9.8.3. If the investigation concludes that there were Error Trades or any other Trades that are deemed non-compliant with the PSTX website terms that were executed, the Platform Operator reserves the right to unwind all affected trades within the last forty-eight (48) hours period and is not responsible to compensate any losses that may arise from such Trade reversals.
- 9.9. The Platform Operator may also suspend, cancel or remove any Ask and Bid that it concludes is being carried out contrary to the aim of ensuring a fair and transparent market.
- 9.10. Under the same market watch measures, all Users, staff and management of the Platform Operator and any other party is obliged to declare any conflict of interest to the PSTX Committee.

10. TRANSPARENCY OF TRADES

- 10.1. All Trades on PSTX as well as known deals completed outside the PSTX will be listed on the company information page of the Issuer.

- 10.2. The Platform will display the historical Trade prices, the number of shares traded and the date of all the past trades.

11. TRADING OUTSIDE THE PSTX

- 11.1. PSTX will not restrict the Trading of shares outside of the PSTX. For Trades that occurred outside of PSTX, fees will be chargeable in accordance with the Fee Structure for Trades Outside of PSTX.

11.1.1. No fees to be charged by the Platform Operator for existing Direct Shareholders of Issuers, who are transferring their shares to a potential Buyer who will also be listed as a Direct Shareholder.

11.1.2. For Direct Shareholders who are transferring their shares to a potential Buyer who will become part of the Nominee Structure – the chargeable fees shall be the amount equivalent to thirty percent (30%) of the fees that would have been chargeable if the trade had been done on the PSTX by placing a Sell Order on the Order Book. Buyers in this instance pays no fees.

11.1.3. For Investors whose shares are held by the Nominee Structure – chargeable fees shall be the amount equivalent to fifty percent (50%) of the fees and 50% of the Buyer fees that would have been chargeable if the deal had been done on pitchIN Secondary.

12. TRADING HALT, SUSPENSION AND DEHOSTING OF ISSUER FROM PSTX

12.1. Trading Halt

12.1.1. An Issuer can request for a trading halt on its shares for up to two (2) days of the Trading Days to facilitate an announcement which it reasonably believes will have impact on trading of its shares.

12.1.2. The Issuer shall request for a suspension of trading in writing with details of the reason for the halt. If approved, a notice shall be published and sent to all users.

12.2. Market Suspension by the Platform Operator

- 12.2.1. The Platform Operator retains the right to suspend the operations of the PSTX if it concludes that an emergency event has taken place. The Platform Operator has the authority to determine when an emergency event has occurred whether such event is under the control of the Platform Operator or otherwise.
- 12.2.2. During Market Suspension, all existing orders will be maintained at the Order Book until the Order Book Reset. No new Orders can be entered and matched throughout the period. However, Orders can be removed during this period.
- 12.2.3. Once the Market Suspension has ended, Users will be able to input new Orders twenty-four (24) hours before the next Trading Day.
- 12.2.4. All Users will be notified of the Market Suspension including the reason(s) and duration by the Platform Operator.

12.3. Issuer Suspension by the Platform Operator

- 12.3.1. The Platform Operator may also suspend trading of a particular Issuer's market or particular transaction(s) if it concludes that it is in the best interests of the Users and especially the minority shareholders of the Issuers, to do so.
- 12.3.2. Suspension may be imposed in following cases:
 - a. Securities discrepancy concerns (E.g.: the Issuer has issued additional shares without following procedures)
 - b. Company trading status is unknown;
 - c. There is reason to believe that market moving information is being held back from the Platform Operator and/or the Users;
 - d. The Issuer is not responding to communications; and/or
 - e. Processing of bulk (large) Orders that represents twenty percent (20%) or more in equity ownership of the Issuer, whereby manual reviews would determine that existing shareholders' engagement needs to be held.
- 12.3.3. When an Issuer suspension is decided, the Platform Operator shall publish and send a notice to all Users informing of the suspension

of the entire PSTX or particular Issuers, the reason(s) for the Trading Halt and the number of days of the suspension.

- 12.3.4. During Issuer Suspension, all existing orders will be maintained at the Order Book until the Order Book Reset. No new orders can be entered and matched throughout the period. However, orders can be removed during this period.
- 12.3.5. Once the Issuer Suspension has ended, new Orders can only be entered twenty-four (24) hours before the next Trading Day.
- 12.3.6. Trading will resume on the next Trading Day following the end of the suspension.

12.4. Dehosting of Issuers

- 12.4.1. Shares of Issuers may be removed from trading on the PSTX by the Platform Operator or the SC.

12.4.2. Dehosting of Issuers by the PSTX Operator

- a. The Operator may de-host an Issuer if other trading options become available or if it concludes that it is in the best interest of minority shareholders.
- b. In each instance, pitchIN will consult with the Issuer and shareholders, and if necessary, the SC before deciding on de-hosting.
- c. Any transactions that are in the Settlement Phase shall be completed before trading is stopped.
- d. Some instances where pitchIN may initiate de-hosting process are as follows:
 - i. Company acquired by another entity (after SHA clauses are complied with);
 - ii. IPO – all shares tradeable on other exchanges;
 - iii. Merger (Operator will review and decide on best option);
 - iv. Drag Along rights in a Shareholders Agreement are exercised; and/or
 - v. Liquidation of the entity.

12.4.3. Dehosting of Issuers by the Securities Commission

The Operator will at all times comply with any request from the Securities Commission without undue delay.

13. FEES

13.1. Fees will be charged to Buyers and Sellers when they trade the Shares of the Issuers

13.2. PSTX Trading Fee Structure will be as follows:

13.2.1. **Trading Fees for Trades on PSTX** (based on the traded value of the traded Shares in aggregate)

		Trading Fees Charged to Sellers	Trading Fees Charged to Buyers
a.	For Trades below RM50,000.00.	<ul style="list-style-type: none"> • 3.5% Trading Fee to Sellers • Minimum Fee RM50.00 	<ul style="list-style-type: none"> • 2.5% Trading Fee to Sellers • Minimum Fee RM50.00
b.	For Trades that are RM50,000.00 and above.	<ul style="list-style-type: none"> • 3.0% Trading Fee to Sellers • Minimum Fee RM50.00 	<ul style="list-style-type: none"> • 2.0% Trading Fee to Sellers • Minimum Fee RM50.00

13.2.2. **Trading Fees for Trades Outside of PSTX** (based on the traded value of the Shares in aggregate)

	Scenarios	Trading Fees Charged to Sellers	Trading Fees Charged to Buyers
a.	Existing Direct Shareholders of Issuers, who are transferring their shares to a potential Buyer who will also be listed as a Direct Shareholder	No Fees	No Fees

b.	Direct Shareholders who are transferring their shares to a potential Buyer who will become part of the Nominee Structure	<ul style="list-style-type: none"> Amount equivalent to thirty percent (30%) of Fees Charged to Sellers based on the Fees for Trades on PSTX 	No Fees
c.	Trades occurring between Buyers and Sellers whose shares are held by the Nominee Structure	<ul style="list-style-type: none"> Amount equivalent to fifty percent (50%) of the Trading Fees Charged to Sellers based on the Fees for Trades on PSTX 	<ul style="list-style-type: none"> Amount equivalent to fifty percent (50%) of the Trading Fees Charged to Buyers based on the Fees for Trades on PSTX

13.2.3. **Costs**

For any and all other costs that may become chargeable including but not limited to stamp duty, company secretary fees, third-party transfer fees, bank charges and so on will be charged to the relevant participant. As an example, in the event stamp duty is imposed on the transfer, the total transacted consideration which need to be paid by the Buyer will have to include the purchase price, the transaction fee and the stamp duty.

13.2.4. All fees are subject to revisions by the Platform Operator from time to time as it deems necessary, including, but not limited to, for promotional purposes of the PSTX. Any revisions or variations of the fees will be published on the PSTX and notice will be sent to Users.

SECTION E. OBLIGATIONS OF THE ISSUERS

1. DISCLOSURES & INFORMATION

- 1.1. As part of the measures to ensure all trades on the Platform are carried out in a secure, fair and transparent manner, Issuers will submit reports of company performance, key indicators and fundraising activities into the Platform in the frequency, the manner and by the due date requested by the Operator.
- 1.2. All Issuers are obligated to disclose the following information based on the designated frequency to the Operator as the following:

Submission	Frequency
Business Update Report, inclusive of Management Accounts signed by Directors of the Company, for H1 of the year covering Jan-June.	Bi-annual (due 7 days after 30 th of June).
Business Update Report, inclusive of Management Accounts signed by Directors of the Company, H2 of the year covering July-Dec.	Bi-annual (due 7 days after 30 th of December).
Audited Financial Statements.	Annual (due 3 months after financial year end).

- 1.3. Registered Users will be updated with the Issuer’s financial information and business updates displayed on each Issuers’ trading counter on the respective Issuer’s PSTX page on the PSTX.
- 1.4. Issuers shall inform the Platform Operator of any material information that may impact the price discovery or valuation of the company within one (1) day of it becoming aware of such information. Information that has to be submitted include but is not limited to the following:
- 1.4.1. Any potential or substantiated legal action to which it is a party
 - 1.4.2. Any default of loans or other financial obligations.
 - 1.4.3. Departure of a Promoter, changes to Board of Directors or the shareholding of the main shareholders.
 - 1.4.4. Material changes to the Issuer’s business direction.
 - 1.4.5. Any large contracts or business obtained that will have a significant impact on the business.

- 1.5. Issuers will respond to any queries and request for information within the due date listed in the query.

SECTION F. MARKET INTEGRITY FUNCTIONS OF THE PSTX OPERATOR

1. The right to ask for the provision of information from all parties.
2. The issuance of directives, in relation to any matters governed by these PSTX rules from time to time as it deems necessary.
3. The suspension, ban or removal of any User if it concludes that activities of user is detrimental to the aim of PSTX.
4. The taking of any actions that will protect the users and maintain the integrity of the market.
5. The amendments of the PSTX rules
6. The making of new PSTX rules as it deems necessary.
7. The waiver of any PSTX rules from time to time as it deems necessary.
8. To interpret conclusively any provision in these PSTX rules in the event of any dispute over such PSTX rules.
9. In interpreting the PSTX rules, regard will be held to the spirit, intention and purpose of the PSTX rules and also, the substance over form of the rules will prevail and such interpretation done by the Platform Operator shall be final and conclusive.

SECTION G. PSTX PRICE MATCHING ALGORITHM

A. DURING TRADING HOURS

1. Trading Hours Matching Rules:
 - 1.1. New Orders are matched at existing open Orders prices.
 - 1.2. If a Buy Order is placed, and there are existing Sell Orders, at the same or lower price, the Orders will be matched. The Orders will be matched at the existing Sell Order price, starting from the lowest Sell Order price, until the Buy Order quantity is filled.
 - 1.3. If Sell Orders are placed, and there are existing Buy Orders, at the same or higher price, Orders will be matched. The Orders will be matched at the existing Buy Order prices, starting from the highest Buy Order prices, until the Sell Orders quantity is filled.
 - 1.4. The Order Book priority is ordered by price first, then time.
 - 1.5. For Buy Orders, the highest price will be given priority. If two Orders of the same price are placed, the Order placed earlier will be given priority
 - 1.6. For Sell Orders, the lowest price will be given priority. If two Orders of the same price are placed, the Orders placed earlier will be given priority.

2. Examples of Unmatched Buy Orders (excluding any fees incurred on the Trades):

Example 1– Unmatched Buy Order

2.1. Illustration 1								
2.1.1. Existing Order Book During Trading Hours:								
BUYER	TIME	PRICE (RM)	SHARE QUANTITY		SHARE QUANTITY	PRICE (RM)	TIME	SELLER
					10	10.00	11 AM	Chong
					10	11.00	10 AM	Siti

2.1.2. **Trade Activity:**

- Hafiz then creates a Buy Order for 10 Shares at RM 9.00 per share unit.

2.1.3. **Outcome:**

- Hafiz’s order was not matched because his BUY order is lower than any existing Sell Orders on the Existing Order Book during Trading Hours.

2.1.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	12 PM	9.00	10	10	10.00	11 AM	Chong
				10	11.00	10 AM	Siti

2.2. Illustration 2

2.2.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	12 PM	9.00	10	10	10.00	11 AM	Chong
				10	11.00	10 AM	Siti

2.2.2. Trade Activity:

- Bob then creates a Buy Order for 5 Shares at RM 9.50

2.2.3. Outcome:

- Bob is placed higher in the Order Book, because his price is higher than Hafiz, even though Bob placed his Buy Order later than Hafiz.

2.2.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Bob	1 PM	9.50	5	10	10.00	11 AM	Chong
Hafiz	12 PM	9.00	10	10	11.00	10 AM	Siti

2.3. Illustration 3

2.3.1. Existing Order Book During Market Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Bob	1 PM	9.50	5	10	10.00	11 AM	Chong
Hafiz	12 PM	9.00	10	10	11.00	10 AM	Siti

2.3.2. Trade Activity:

- Buyer Raju creates a Buy Order for 10 Shares at RM 9.50.

2.3.3. Outcome:

- No orders are matched because the Buy Order is lower than any existing Sell Orders.

- Raju is placed lower in the Order Book than Bob even though their price is the same because Raju placed the Buy Order later than Bob.
- But Raju is placed higher than Hafiz in the Order Book, because his Buy Order price is higher than Hafiz.

2.3.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Bob	1 PM	9.50	5	10	10.00	11 AM	Chong
Raju	5 PM	9.50	10	10	11.00	10 AM	Siti
Hafiz	12 PM	9.00	10				

Example 2 – Matched Buy Order Fully Filled

2.4. Illustration 1

2.4.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
				10	10.00	11 AM	Chong
				10	11.00	10 AM	Siti
				10	11.00	1 PM	Siew Luan

2.4.2. Trade Activity:

- Hafiz then creates a Buy Order for 15 Shares at RM 12.00 per share unit.

2.4.3. Outcome:

- Buy Orders will be matched and executed with existing Sell Orders.
- The Order Book will match 10 shares from Chong at RM 10.00 per share unit as the lowest sell price takes priority in the Order Book.
- The Order Book will match 5 shares from Siti at RM 11.00 per share unit as Siti created the Sell Order before Siew Luan, therefore her Sell Order takes priority over Siew Luan.
- After the above takes place, Hafiz has now bought 15 Shares and payment will be made to:
 - Chong for RM 100.00 (10 share units x RM10.00); and
 - Siti for RM 55.00 (5 share units x RM11.00)

- Chong now owns 0 share units.
- Siti owns 5 share units.
- Since Siti's Sell Order is partially matched, a SELL order remains in the Order Book for the remaining share units.
- Since Siew Luan's Sell Order is not matched the Sell Order remains in the Order Book.

2.4.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
				5	11.00	10 AM	Siti
				10	11.00	1 PM	Siew Luan

Example 3 – Matched Buy Order Partially Filled

2.5. Illustration 1

2.5.1. Existing Order Book During Market Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
				10	10.00	11 AM	Chong
				10	11.00	10 AM	Siti
				10	11.00	1 PM	Siew Luan

2.5.2. Trade Activity:

- Hafiz then creates a Buy Order for 50 shares at RM 12.00 per share unit.

2.5.3. Outcome:

- Buy Orders will be matched with and executed against existing Sell Orders.
- The Order Book will match 10 Shares from Chong at RM10.00 per share unit as Chong's lowest Sell Order price takes priority in the Order Book.
- The Order Book will match 10 Shares from Siti at RM11.00 per share unit as Siti created the Sell Order before Siew Luan, therefore her Sell Order takes priority over Siew Luan.

- The Order Book will lastly match 10 Shares from Siew Luan at RM11.00 per share unit.
- After the above takes place, Hafiz has now bought 30 Shares, and payment will be made to:
 - i. Chong for RM100.00 (10 share units x RM10.00);
 - ii. Siti for RM110.00 (10 share units x RM11.00); and
 - iii. Siew Luan for RM110.00 (10 share units x RM11.00).
- All Sell Orders on the Order Book during the Trading Hours have been matched.
- Hafiz's Buy Order will now be showing a Buy Order of 20 share units due to the Sell Orders on the Order Book being only partially matched with his Buy Order.

2.5.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	2 PM	12.00	20				

Example 4 – Unmatched Sell Order

2.6. Illustration 1

2.6.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10				
Bob	10 AM	9.00	10				

2.6.2. Trade Activity:

- Chong then creates a Sell order for 10 Shares at RM 11.00 per share unit.

2.6.3. Outcome:

- No Sell Orders are matched with the existing Buy Orders because Chong's Sell Order is higher than any existing Buy Orders

2.6.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10	10	11.00	1 PM	Chong

	Bob	10 AM	9.00	10				
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2.7. Illustration 2

2.7.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10	10	11.00	1 PM	Chong
Bob	10 AM	9.00	10				

2.7.2. Trade Activity:

- Siti then creates a Sell order for 10 Shares at RM 12.00 per share unit.

2.7.3. Outcome:

- No Sell Orders are matched with the existing Buy Orders because Siti's Sell Order is higher than any existing Buy Orders.
- Siti is placed lower in the Order Book, because the price of her Sell Order is higher than Chong's Sell Order.

2.7.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10	10	11.00	1 PM	Chong
Bob	10 AM	9.00	10	10	12.00	2 PM	Siti

2.8. Illustration 3

2.8.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10	10	11.00	1 PM	Chong
Bob	10 AM	9.00	10	10	12.00	2 PM	Siti

2.8.2. Trade Activity:

- Siew Luan then creates a Sell order for 5 Shares at RM 11.00 per share unit

2.8.3. Outcome:

- No Sell Orders are matched because all the Sell Orders are higher than any existing Buy Orders in the Order Book.
- Siew Luan’s Sell Order is placed lower than Chong’s Sell Order, even though their price is the same because Siew Luan created the Sell Order later than Chong.
- However, Siew Luan’s Sell Order is placed higher than Siti’s Sell Order, because Siew Luan’s Sell Order price is lower than Siti’s Sell Order price.

2.8.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10	10	11.00	1 PM	Chong
Bob	10 AM	9.00	10	5	11.00	5 PM	Siew Luan
				10	12.00	2 PM	Siti

Example 5 – Matched Sell Order Fully Filled

2.9. Illustration 1

2.9.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10				
Bob	10 AM	9.00	10				

2.9.2. Trade Activity:

- Chong then creates a Sell Order for 15 Shares at RM9.00 per share unit.

2.9.3. Outcome:

- Sell Orders are matched with and executed against existing Buy Orders.
- The Order Book will match 10 shares from Hafiz’s Buy Order at RM10.50 per share unit as Hafiz’s Buy Order price is the highest in the Order Book.
- The Order Book will match 5 Shares from Bob’s Buy Order at RM9.00 per share unit as the Bob’s remaining Buy Order needs to be filled and matches with Chong’s remaining Sell Order.

- After the above takes place, Chong has now sold 15 shares, and payment will be made to Chong from:
 - i. Hafiz for RM105.00 (10 share units x RM10.50);
 - ii. Bob for RM45.00 (5 share units x RM9.00)
- Despite Chong's Sell Order being fully matched, Bob's Buy Order was only partially matched and remains on the Order Book for a Buy Order of 5 share units.

2.9.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Bob	2 PM	12.00	20				

Example 6 – Matched Sell Order Partially Filled

2.10. Illustration 1

2.10.1. Existing Order Book During Trading Hours:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	9 AM	10.50	10				
Bob	10 AM	9.00	10				
Raju	11 AM	9.00	10				

2.10.2. Trade Activity:

- Chong creates a Sell Order for 50 shares at RM 9.00 per share unit.

2.10.3. Outcome:

- Sell Orders are matched with and executed against existing Buy Orders.
- Firstly, the Order Book will match 10 Shares from Hafiz at RM10.50 as Hafiz's highest Buy Order price takes priority in the Order Book.
- Secondly, the Order Book will match 10 Shares from Bob at RM9.00 as despite Bob's and Raju's similar Buy Order price, Bob's Buy Order which was created earlier than Raju's Buy Order will take priority in the Order Book.
- Lastly, the Order Book will match 10 Shares from Raju at RM9.00 as Chong's Sell Order for 50 shares have not been fully matched

with despite matching with and executed against Hafiz’s and Bob’s Buy Orders.

- After the above takes place, Chong has now sold 30 Shares, and payment will be made to Chong from
 - i. Hafiz for RM105.00 (10 share units x RM10.50);
 - ii. Bob for RM90.00 (10 share units x RM9.00); and
 - iii. Raju for RM90.00 (10 share units x RM9.00).

- Despite all Buy Orders have been matched, Chong’s Sell was only partially matched and remains on the Order Book for a Sell Order of 20 share Units.

2.10.4. New Order Book after the Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
				20	9.00	1 PM	Chong

B. PRE-TRADING HOURS

1. Pre-Trading Hours Matching Rules:

- 1.1. Pre- Trading Hours Orders are Buy Orders and/or Sell Orders that are placed before the Trading Hours during the Order Entry Days.
- 1.2. All Buy Orders are prioritised in accordance with the following:
 - 1.2.1. Highest Buy Order price;
 - 1.2.2. If there are Buy Orders for similar prices, then the earliest Buy Orders placed will be prioritised.
- 1.3. All Sell Orders are prioritised in accordance with the following:
 - 1.3.1. Lowest Sell Order price; and
 - 1.3.2. If there are Sell Orders for similar prices, then the earliest Sell Order placed will be prioritise.
- 1.4. When the PSTX opens:
 - 1.4.1. The Buy Order that is prioritised in accordance with the Order Book rules that is placed during the Pre-Trading Hours will be prioritised to be matched and executed against the Sell Orders that is placed during the Pre-Trading Hours.
 - 1.4.2. If the Buy Order price is higher or equal to the Sell Order price, the trading price will be matched at the Sell Order price.
 - 1.4.3. The subsequent Buy Orders are fully filled with the remaining prioritised Sell Orders.
 - 1.4.4. If the Buy Order price is higher or equal to the Sell Order price, the price will be matched at the Sell Order price
 - 1.4.5. The Buy Orders and Sell Orders will continuously be matched by the Order Book until no more Orders can be matched by the Order Book.

2. Examples of Orders are Placed during the Pre-Trading Hours

Note: The following excludes any fees incurred on the Trades:

2.1. Illustration							
2.1.1. Existing Order Book During Market Hours (With Orders Placed During Pre-Trading Days)							
BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Hafiz	1 PM	15.00	20	15	11.00	5 AM	Chong
Bob	3 PM	15.00	5	15	11.50	10 AM	Siti

Raju	2 PM	14.00	10	50	12.00	11 AM	Siew Luan
Daniel	11 AM	13.00	60	10	13.00	4 PM	Sarjit
Saiful	10 AM	10.00	25	10	15.00	3 PM	Ainun

2.1.2. **Trade Activity:**

- Market Opens (10:00 AM on Wednesday)

2.1.3. **1st Outcome: Hafiz's Buy Order:**

- Chong will receive the payment of RM 165.00 (15 share units x RM11.00) due to being prioritised to match with Hafiz's Buy Order for 15 shares.
- Siti will receive the payment of RM57.50 (5 share units x RM11.50) due to matching with Hafiz's remaining Buy Order;
- After the above takes place, Hafiz has now bought 20 Shares after paying a total of RM222.50.

2.1.4. **New Order Book after the 1st Outcome takes place:**

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Bob	3 PM	15.00	5	5	11.50	10 AM	Siti
Raju	2 PM	14.00	10	50	12.00	11 AM	Siew Luan
Daniel	11 AM	13.00	60	10	13.00	4 PM	Sarjit
Saiful	10 AM	10.00	25	10	15.00	3 PM	Ainun

2.1.5. **2nd Match: Bob's Buy Order**

- Siti will receive the payment of RM57.50 (5 share units x RM11.50) due to matching with Bob's Buy Order;
- After the above takes place, Bob has now bought 5 Shares after paying a total of RM 57.50.

2.1.6. **New Order Book after the 2nd Outcome takes place:**

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Raju	2 PM	14.00	10	5	11.50	10 AM	Siti

Daniel	11 AM	13.00	60	50	12.00	11 AM	Siew Luan
Saiful	10 AM	10.00	25	10	13.00	4 PM	Sarjit
				10	15.00	3 PM	Ainun

2.1.7. **3rd Match: Raju's Buy Order:**

- Siti will be receiving the payment of RM57.50 (5 share units x RM11.50) due to matching with Raju's Buy Order;
- Match 5 shares from Siew Luan will be receiving the payment of RM60.00 (5 share units x RM12.00) due to matching with Raju's Buy Order; and
- After the above takes place, Raju now owns 10 shares after paying a total of RM 117.50.

2.1.8. New Order Book after the 3rd Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Daniel	11 AM	13.00	60	45	12.00	11 AM	Siew Luan
Saiful	10 AM	10.00	25	10	13.00	4 PM	Sarjit
				10	15.00	3 PM	Ainun

2.1.9. **4th Match: Daniel's Buy Order:**

- Matched 45 Shares from Siew Luan will be receiving the payment of RM540.00 (45 share units x RM12.00) after matching with Daniel's Buy Order;
- Matched 10 Shares from Sarjit will be receiving the payment of RM130.00 (10 share units x RM13.00) after matching with Daniel's Buy Order;
- After the above takes place, Daniel has now bought 55 Shares after paying a total of RM 670.00.
- Despite the above, Daniel still has 5 Shares remaining on his Buy Order as there are no more Sell Orders that are equal to, or lower than his Buy Order price.

2.1.10. New Order Book after the 4th Outcome takes place:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Daniel	11 AM	13.00	5	10	15.00	3 PM	Ainun
Saiful	10 AM	10.00	25				

2.1.11. **5th Match: Saiful's Buy Order**

- Saiful's Buy Order is not matched with any Sell Orders as his Buy Order price is not higher or equal to any available Sell Orders created on the Order Book.

2.1.12. Final Order Book at the closing of Trading Day:

BUYER	TIME	PRICE (RM)	SHARE QUANTITY	SHARE QUANTITY	PRICE (RM)	TIME	SELLER
Daniel	11 AM	13.00	5	10	15.00	3 PM	Ainun
Saiful	10 AM	10.00	25				