

Bursa M'sia reins in trading of Harvest Court shares
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Harvest Court Industries Bhd shares were declared 'designated securities' and suspended for the day after a roller-coaster surge of trading over the past month in Bursa Malaysia.

The decision was announced through a listing circular on the Bursa Malaysia website this morning, a day after the share price of the timber-products company went up to RM2.14 yesterday.

This was a surge of 2,575 percent from the 8 sen registered on Oct 13.

'Designated securities' means that the trading of the counter will require investors to pay cash upfront on purchase, and a free balance of securities before selling, a move aimed at curbing excessive speculative activity.

Beside its shares, Harvest Court's warrants also faced similar decision.

Harvest Court, which has struggled with weak financial performance over the last few years, had appointed Prime Minister Najib Abdul Razak's second son Mohd Nazifuddin and business partner Raymond Chan as its directors on Oct 28.

It soon become the top performer in Bursa Malaysia.

According to a Nov 8 report in The Edge Financial Daily, Nazifuddin had on Nov 4 bought 2 million to 3 million shares in the company - 1.7 percent of the total - whereas Chan was said to have acquired a 13.83 percent stake.

Assess the company first

It also reported that Chan may inject a recycling company, 1Green Enviro Sdn Bhd, into Harvest Court.

In its reply to Bursa Malaysia's queries, however, Harvest Court has denied the injection.

In the circular, Bursa Malaysia had cautioned investors to assess the fundamentals of the company before they making any decision.

"Investors are advised that their investment decisions should be made on an informed basis including an assessment of the fundamentals of the company," reads the circular.

It also deemed the decision to designate the securities was "due to excessive speculation observed in the trading of both securities".

"(It) has been taken in the interest of ensuring a fair and orderly market."