

## **CORPORATE DISCLOSURE POLICY**

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## 1. OBJECTIVES

The Board of Directors of Prolexus Berhad ("the Board") has adopted this Corporate Disclosure Policy ("Policy") to assist Prolexus Berhad ("the Company") in providing communications to the shareholders, stakeholders and the public generally in a timely manner while protecting the Company's interest.

The shareholders, stakeholders and the public generally include:-

- Shareholders and prospective shareholders
- Analysts, fund managers and investment bankers
- The financial press and other media
- Government and regulators
- Banks and creditors
- Business partners, suppliers and any other organisation

This Policy shall apply to all directors, officers and employees of Prolexus Berhad Group of Companies ("the Group") including any other persons authorised by the Board to speak on behalf of the Company.

The primary objectives of the Policy are as follows:-

- 1) to ensure accurate, clear, timely, complete disclosure of all relevant and material information concerning the Group;
- 2) to enhance corporate credibility and investor confidence of having a structured approach as to the communication of material information; and
- 3) to reinforce the Company's compliance with the continuous disclosures' obligations in accordance with the Main Market Listing Requirements of Bursa Securities.

The Policy is subject to periodic review to ensure their relevance and compliance.

## **2. DISCLOSURE STRUCTURE & RESPONSIBILITIES**

### **2.1 Board of Directors**

- 1) The Board is ultimately responsible for ensuring that the Policy is implemented effectively and disclosure requirements are fulfilled.
- 2) The Board delegates the implementation of the Policy to the Disclosure Committee.
- 3) The Board reviews and adopts the changes and updates of the Policy as recommended by the Disclosure Committee.
- 4) The Board appoints the spokespersons for communication with the shareholders, stakeholders and the public generally.

### **2.2 Disclosure Committee**

- 1) Members of the Disclosure Committee are as follows:-
  - a) Managing Director
  - b) Executive Director
  - c) Chief Financial Officer
  - d) Company Secretary
- 2) The Chief Financial Officer shall serve as the primary contact person and is authorised to engage any employees of the Group or any other persons as and when he deemed necessary and appropriate to the matter at hand.
- 3) The responsibilities of the Disclosure Committee are as follows:-
  - a) to ensure timely disclosure and announcement of material information in accordance with the Main Market Listing Requirements of Bursa Securities;
  - b) to respond to any query raised by Bursa Securities;
  - c) to implement and monitor compliance of this Policy; and
  - d) to review this Policy from time to time and to recommend updates to the Board.

## **2.3 Authorised Spokespersons**

- 1) The Managing Director, Executive Director and Chief Financial Officer shall serve as the Authorised Spokespersons to speak and respond on behalf of the Company to shareholders, stakeholders and the public generally in regards to the Group's operations, financial position, prospects, strategies, products, services, management and governance.
- 2) The Authorised Spokespersons may, from time to time designate any employees of the Group or any other persons to speak on behalf of the Company as back-ups, or to respond to specific enquiries from the shareholders, stakeholders and the public generally.
- 3) Persons who are not Authorised Spokespersons must not respond under any circumstances to enquiries from shareholders, stakeholders and the public generally. All the enquiries should be referred to the Authorised Spokespersons or to such persons as designated by the Authorised Spokespersons from time to time.

## **3. DISCLOSURE CONTROLS & PROCEDURES**

### **3.1 Material Information**

- 1) Immediate announcements must be made of material information in accordance with the Main Market Listing Requirements of Bursa Securities.
- 2) The general guideline to determine materiality are as follows:
  - a) Any information that is reasonably expected to impact on the price, value or market activity of the Company's securities; or
  - b) Any information that is reasonably expected to impact the decision of holder of securities of the Company or an investor in determining his choice of action.
- 3) Any material information that is being withheld temporarily, the Company is committed to ensuring strictest confidentiality is maintained by limiting the number of people with access to the material information and ensuring the security of all confidential documents.

### **3.2 Rumours & Reports**

- 1) It is the Company's policy not to respond or comment on market speculation and rumours, unless Bursa Securities requested the Company to make a statement in response to a market rumour that appeared to contain material information or may be expected to affect the price of the Company's securities or trading activities.
- 2) The Disclosure Committee shall make due enquiry before publicly clarify, confirm or deny the report or the rumour.
- 3) After the endorsement of the Board, the Company shall submit its response to Bursa Securities via the Bursa Link.

### **3.3 Unusual Market Activity**

- 1) The Disclosure Committee shall carry out an enquiry to ascertain the cause of any unusual market activity in its securities.
- 2) After the endorsement of the Board, the Company shall submit its response regarding the unusual market activity to Bursa Securities via the Bursa Link.

### **3.4 Unwarranted Promotional Disclosure Activity**

- 1) The Company shall not participate in any promotional disclosure activity which may have misled investors or cause unwarranted price movement and trading activity in the Company's securities.
- 2) Such activity includes news release, public announcements, predictions, reports or advertisement, which are unjustifiable, exaggerated, flamboyant, overstated or over-zealous.

### **3.5 Insider Trading**

- 1) The Company affirms its awareness of the provisions of Section 188 of the Capital Markets and Services Act 2007 (Amended 2010) in regards to insider trading.
- 2) Directors, management and employees of the Company and its subsidiaries shall not trade on the basis of any material information that has not been disclosed to the public.

### **3.6 Closed Period**

- 1) Closed period is defined as a period commencing from 30 calendar days before the targeted date of announcement to Bursa Securities of the Company's quarterly results, up to the date of the announcement of the Company's quarterly results.
- 2) During closed periods, the directors and Authorised Spokespersons are prohibited from commenting on current period earnings estimates and financial assumptions. Communication must be limited to commenting on publicly available or non-material information.

### **3.7 Analyst Reports**

- 1) The Company recognises the important role performed by research analysts in assisting the establishment of an efficient market.
- 2) Notwithstanding the above, the Company is not responsible for, and does not endorse the analyst reports that contain commentary on the Company or any statements or opinions therein.

### **3.8 Industry Conferences Presentations**

- 1) The Disclosure Committee will review all presentations, hand-out materials and speech notes to ensure accuracy and consistency with other public disclosures.
- 2) Any presentation made or hand-out materials distributed at any industry conferences or investors events by directors or Authorised Spokespersons shall be made available on the Company's website within one week.

### **3.9 Corporate Website**

- 1) All the Company's publicly disclosed material information and presentations will be made available at the Company's website.
- 2) The Corporate Division is to ensure the Company's website be kept up-to-date with the Company's latest disclosures.

### **3.10 Confidential Information**

- 1) In general, all information regarding the Group, its operations, financial condition and future prospects, should be regarded as material and price-sensitive, and must be treated as confidential unless it is already available to the public.
- 2) Access to information shall be restricted only to relevant persons who have a legitimate reason consistent with their duties or obligations to the Company or its subsidiaries.
- 3) Any employee privy to confidential information is prohibited to communicate to any other persons unless it is necessary in the course of business or required by law or authorised by the Disclosure Committee.
- 4) Confidential information should not be discussed in places where the discussion may be overheard and caution should be exercised when reading confidential information on smart phones or devices in public places.

### **3.11 Leakage and Accidental Disclosure**

- 1) In the event of an information leakage or accidental disclosure of unpublished material information, the situation should be addressed to the Disclosure Committee.
- 2) If deemed necessary, the Company will make an appropriate announcement to the Bursa Securities soonest possible, which may be followed by a press release and/or other communication methods.

### **3.12 Procedures for Disclosures**

- 1) An announcement to Bursa Securities will be prepared by the Company Secretary or the external adviser duly appointed by the Board;
- 2) The Board is required to provide written approval of each announcement prior to its release unless blanket approval is given to routine announcements;
- 3) The Chief Financial Officer will review and validate the information contained in the announcement;
- 4) The Chief Financial Officer will endorse the final announcement for release to Bursa Securities; and



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- 5) No disclosure of material information shall be made on individual or selective basis unless such information has previously been fully disclosed and disseminated to the public.

#### **4. ENFORCEMENT**

- 1) Any employee who violates this Policy may be cautioned or face disciplinary action which includes termination of employment with the Group.
- 2) If any of the employees of the Group has doubt as to his/her responsibilities under this Policy, he/she should seek clarification and guidance from the Chief Financial Officer.