

Revision No.	00
Effective Date	26-02-2020



# **KIA LIM BERHAD**

**Company No.: 199501013667 (342868-P)**

## **CORPORATE DISCLOSURE POLICY**

The Board of Directors (“the Board”) of Kia Lim Berhad (“the Company”) is committed to provide accurate, clear, timely and complete disclosure of material information pertaining to the Company’s performance and operations to shareholders, investors and the public generally.

In formulating this policy, the Company has taken into account the recommendations contained in the Malaysian Code on Corporate Governance (“MCCG”) and its disclosure obligations contained in the Listing Requirements of Bursa Malaysia Securities Berhad.

## **OBJECTIVES**

The key objectives of the Corporate Disclosure Policy are as follows:-

1. To raise awareness and provide guidance to the Board, management and employees of the Company on the disclosure requirements and practices;
2. To provide guidelines and policies in disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media and the investing public;
3. To ensure compliance with all applicable legal and regulatory requirements on disclosure of material information; and
4. To build good investor relations with the investing public that inspires trust and confidence.

## **APPLICATION**

This Corporate Disclosure Policy applies to all Directors, management, employees and Authorized Spokesperson of the Group on the handling and disclosing of material information, and covers the documents filed with, and announcements made to, Bursa Malaysia Securities Berhad, Securities Commission and other regulators or authorities, Company’s annual report, financial statements, quarterly reports, press releases, letters, circulars to shareholders, electronic mail communication and information on the Company’s corporate website and statements made with financial analysts, investors and media.

## **AUTHORIZED SPOKESPERSON**

1. Disclosure of corporate information and communication with investment analysts, potential investors, media or other parties will be made only by individuals who have been authorized for this purpose;
2. The following personnel are currently authorized as the Company’s primary corporate spokespersons:-
  - a) Chairman;
  - b) Chief Executive Officer; and
  - c) General Manager.
3. Anyone who is not authorized must not respond under any circumstances to inquiries on price sensitive information from the investment community, media or other parties. All such inquiries shall be referred to the Authorized Spokespersons.

4. It is not the intent of this policy to restrict employees from speaking to outside parties. However, when doing so, employees must ensure that any Company information provided is in compliance with this policy and should contact a member of the Board if in doubt about the appropriateness of supplying certain information.

## **PROCEDURES AND PRACTICES ON CORPORATE DISCLOSURE**

### **1. Material Information**

- a) Material information is any information about the Company and its subsidiaries which are reasonably expected to have a material effect on:-
  - i) The market price, value or market activity of the Company's securities; and
  - ii) The decision of a holder of securities or an investor in determining his choice of action.And may include information which –
  - i) Concern the Company's assets and liabilities, business, financial condition or prospects;
  - ii) Relates to dealing with employees, suppliers, customers and others;
  - iii) Relates to any event affecting the present or potential dilution of the rights or interests of the listed issuer's securities; or
  - iv) Relates to any event materially affecting the size of the public holding of its securities.
- b) The following are the guidelines which the Company will follow to fulfill its obligation to make immediate announcement of materials information:-
  - i) For the prescribed events which may require immediate disclosure as set out in Paragraph 9.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
  - ii) Materiality can be very subjective and the Company will take the approach of assessing the likely effect of the information on the price scope of activities and financial position or performance of the Company's securities, in addition to whether the circumstances or event are measurable and trigger the materiality thresholds in the percentage ratio calculation method set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

### **2. Withholding Confidential Information**

- a) The Company will withhold material information from the public for legitimate business purposes. These include:-
  - i) When immediate disclosure would prejudice the ability of the Company to pursue its corporate objectives;
  - ii) When the facts are in a state of flux and a more appropriate moment for disclosure is imminent; and
  - iii) Where the company or securities laws restrict such disclosure.

- b) If the material information is being withheld, the Company must ensure that the 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. Response to Unusual Market Activity**

- a) The Company shall carry out an enquiry to ascertain the cause of any unusual market activity in its securities. In the case of any misinterpretations, clarification shall be provided via the appropriate channels in Bursa Malaysia Securities Berhad.
- b) If the Company is unable to determine the cause of the unusual market activity, the Company shall announce to Bursa Malaysia Securities Berhad that there have been no undisclosed developments which accounted for the unusual market activity.

### **4. Market Rumours**

- a) It is the Company's policy not to respond or comment on market speculation and rumours, unless they appear to contain material information or may be expected to affect the price of the Company's securities or trading activities in those securities.
- b) When a report or rumour (true or false) about the Company contains material information, the Company will make due enquiry and publicly clarify, confirm or deny the report or rumour.

### **5. Restrictions on Insider Trading**

- a) Anyone who has access to material information of the Company, its financial condition and its operations, is regarded as an Insider. Material information which is in the possession of an Insider and has not been disclosed to the investing public is Insider Information.
- b) Insiders may not deal in the Company's securities while in possession of Inside Information, nor may they pass on that information to help another person deal in the Company's securities.
- c) The relevant provisions of the Capital Markets and Services Act 2007 apply to all Insiders.
- d) The Company Secretary will advise the Board and principal officers on the trading restrictions in the Company's securities in accordance with the provisions of the Main Market Listing Requirements.

### **6. Procedures for Disclosure of Material Information**

- a) An announcement, if required to be made, will be prepared by the Company Secretary or the appointed merchant bank in accordance with the applicable securities law and Listing Requirements and the announcement shall then be approved by the Board or CEO.
- b) The Board or General Manager will review and validate all the financial data contained in the announcement to ensure that disclosure are consistent with the prevailing accounting standards and guidelines.
- c) The Company Secretary or the appointed merchant bank shall release the announcement to Bursa Securities and/or Securities Commission once the announcement has been approved by the Board or CEO.

- d) After the release of the announcement to Bursa Securities, it will then be made available on the Company's website.

#### **REVIEW OF THE POLICY**

1. The Policy has been adopted by the Board 26 February 2020. And any subsequent amendments are subject to the Board approval.
2. The Policy will be periodically reviewed by the Board to ensure that it effective in accordance with any new regulations on the disclosure obligations and practices.
3. In the best practice of corporate governance, this Policy will be made available on the Company's website at [www.kialim.com.my](http://www.kialim.com.my).