

## **Corporate Disclosure Policy**

### **1. INTRODUCTION**

Fima Corporation Berhad Berhad (“FimaCorp” or “the Company”) is committed to provide its shareholders, stakeholders, investors and the public in general with comprehensive, accurate and quality information on timely basis to enable them in making informed investment decisions. The purpose of this Policy is to develop and maintain an established framework for making disclosure of corporate information on the Company.

### **2. OBJECTIVES**

The objectives of this Corporate Disclosure Policy (“Disclosure Policy”) are as follows:

- i.To raise awareness and provide guidance to the Board of Directors (“Board”), Management and employees on the Company’s disclosure requirements and procedures/policies;
- ii.To provide guidance and policies in disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media, regulators and the investing public;
- iii.To ensure compliance with all applicable legal and regulatory requirements on disclosure of material corporate information; and
- iv.To build good investor relations with the investing public that inspires trust and confidence.

### **3. SCOPE AND APPLICATION OF THE DISCLOSURE POLICY**

This Disclosure Policy applies to the conduct of all Directors, Management, employees, advisors and service providers/contractors, where applicable of the Company and its subsidiaries (“the Group”). For subsidiaries in other countries in which the Group operates, this Disclosure Policy, where applicable, is to be read appropriately in accordance with the relevant legislation, if any, and are also advised to adhere to the internal practices for all disclosures.

This Disclosure Policy covers, but is not limited to the followings:

- i.Disclosure documents as required to be filed with the regulators;
- ii.Financial and non-financial disclosures;
- iii.Press releases;
- iv.Letter to shareholders;
- v.Presentations by senior management;

- vi. Information contained on the Company's website and other electronic communications;
- vii. Interviews with media;
- viii. News conferences; and
- ix. Any other dealings with the general public.

This Disclosure Policy does not apply to communication made in the ordinary course of business of the Company and its subsidiaries not involving material information.

#### **4. STRUCTURE OF THE DISCLOSURE POLICY**

The Board is ultimately responsible for ensuring that this Disclosure Policy is implemented effectively and consistently, and that the disclosure requirements as set out herein are strictly complied.

The implementation of the Disclosure Policy is delegated by the Board to the Disclosure Committee of the Company.

A. The members of the Disclosure Committee are as follows:

- i. Managing Director (MD);
- ii. Chief Operating Officer;
- iii. Financial Controller;
- iv. Company Secretaries; and
- v. Any other member of senior management as may be appointed by the MD.

The Chief Operating Officer shall be appointed as the Disclosure Committee Manager who shall be the primary contact person for the members and shall be responsible for the engagement of other Disclosure Committee members, as and when necessary to consider the matter at hand. In the event of his/her absence, any other duly appointed alternate may be contacted on matters pertaining to the Disclosure Policy.

B. The functions and responsibilities of the Disclosure Committee include:

- i. Creating awareness and understanding of the disclosure requirements;
- ii. Determining whether information is material information;
- iii. Timely, complete and accurate disclosure of material information or event in accordance with Main Market Listing Requirements ("MMLR") of Bursa Malaysia and applicable securities laws;

iv. Implementing and monitoring of compliance with the Disclosure Policy and undertaking reviews of any violations, including assessment and implementation of appropriate consequences and remedial actions; and

v. Reviewing and updating the Disclosure Policy from time to time to ensure compliance with the MMLR of Bursa Malaysia and other applicable regulatory requirements.

C. Authorised Spokesperson(s)

i. The authorised spokesperson(s) for the Company is the Chairman and MD and any other appointed officers as may be authorised by the spokesperson(s).

ii. The authorised spokesperson(s) shall not disclose material information that has not been previously made public. He/she may, from time to time, respond to specific inquiries from the investment community or media.

iii. Directors, Management and employees of the Group other than the authorised spokesperson(s) shall not respond to inquiries from investment community or media unless authorised to do so by the authorised spokesperson(s). All such queries should be referred to the authorised spokesperson(s).

iv. If there is any doubt about the appropriateness of supplying information to an outside party, an employee of the Group should contact the authorised spokesperson(s) for advice.

## 5. MAINTAINING CONFIDENTIALITY

Any employee of the Group, who is privy to confidential corporate information is prohibited from communicating such information to anyone else, unless required in the ordinary course of business or required by law or as authorised by the Disclosure Committee. Efforts will be made to limit access to such confidential information to only those who “need to know” the information. In the event that outside parties are known to have undisclosed material information covering the Company/Group, they will be told/informed by the Disclosure Committee that they must not divulge such information to anyone else. Such outside parties may be requested to confirm their commitment to non-disclosure under a written confidentiality agreement with the Company as and when determined by the Company.

For prevention of misuse or inadvertent disclosure of material information, the following general procedures should be observed at all time:

i. Documents and files containing confidential information should be kept in a safe place or within the Company’s secured IT system, with accessibility restricted to individuals who “need to know” in the necessary course of their work.

- ii. Confidential matters should not be discussed in places where discussion may be overheard, including but not limited to, elevators, hallways, restaurants, restrooms, airplanes or taxis.
- iii. If confidential matters must, of necessity or urgency, be discussed on wireless devices in public places, caution should be exercised by the participants.
- iv. Visitors should be accompanied by Company personnel to ensure that they are not left alone in offices or sites containing confidential information.

## **6. MATERIAL INFORMATION**

Material information is defined as any information (including material facts and material changes) relating to the business and affairs of the Company, which is reasonably expected to have a material effect on:

- i. the market price, value of the FimaCorp's securities, or activity in the trading of its securities; and
- ii. a decision to buy, sell or continue holding the FimaCorp's securities, which is made by and existing holder of those securities, or someone considering an investment in those securities.

Without limiting to the generality of the above paragraph, material information may also include information which:

- i. concerns the Company's assets and liabilities, business, financial condition or prospects;
- ii. relates to dealings with employees, suppliers, customers and others;
- iii. relates to any event affecting the present or potential dilution of the rights or interests of the Company's securities; or
- iv. relates to any event materially affecting the size of the public holding of its securities.

The following are some examples of events which may require immediate disclosure as set out in the MMLR. It gives a general description of matters which would be regarded as material information. This list is not exhaustive, and is for guidance purposes only:

- i. Quarterly Reports of interim financial results, and the Company's annual audited financial statements.
- ii. Material changes in the Company's business or its strategy or investment plans.
- iii. Other events that may be expected to have a material effect on the Company's operations, financial condition or future prospects.
- iv. Significant borrowings and any ratings attached to those borrowings.

- v. Any change in shareholders which might affect control of the Company.
- vi. Any new issue of securities by the Company, or in the terms of its existing securities.
- vii. Any information concerning dividends.
- viii. Any reorganisation or reconstruction of the Company.
- ix. Material litigation and court decisions.
- x. Mergers, acquisitions and other major corporate developments.
- xi. Any change in the composition of the Board of Directors of the Company.
- xii. Any event of default in respect of a material financial obligation of the Company.
- xiii. Introduction of material new products.

The following guidelines will be followed by the Company to fulfil its obligations to make immediate announcements of material information:

- i. The Company will immediately announce events as set out in Paragraph 9.19 of the MMLR upon its occurrence;
- ii. Where the materiality for an event or transaction can be quantified, the decision on materiality will be in accordance with the threshold of the percentage ratio set out in the MMLR; and
- iii. Where the materiality for an event or transaction cannot be quantified, the Company will undertake a materiality assessment of the information before making an announcement. The factors to be considered in making the materiality assessment are:
  - 1. the anticipated impact of the information on the Group's entire scope of activities;
  - 2. the anticipated impact of the information on the Group's financial position or performance; or
  - 3. the relevance of the information on the factors that determine the price of the Company's securities.

## **7. WITHHOLDING OF MATERIAL INFORMATION**

The Company will only withhold information consistent with those as outlined in the MMLR and other applicable legislations. These include:

- i. when such 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.
- iii. where company or securities laws may restrict the extent of permissible disclosure before or during a public offering of securities or a solicitation of proxies.

Whenever the information is being temporarily withheld, the Company must ensure that strict confidentiality is maintained.

## **8. DISCLOSURE PRINCIPLES**

The Company will adhere to the following disclosure principles by complying to release all material information under the MMLR and other applicable legislations, and in the following manner:

- i. Material information will be announced immediately to Bursa Malaysia first and then made publicly available.
- ii. All investor must have equal access to material information.
- iii. Consistent approach to materiality.
- iv. Material information to be temporarily kept confidential if detrimental to the interest of the Company until a Disclosure Committee determines it is appropriate to publicly disclose or that the Company has a legal obligation to do so.
- v. Content of disclosure must be factual and non-speculative.
- vi. Immediate correction of material error in disclosure if an earlier disclosure contained a material error at the time it was originally released/distributed.

## **9. PUBLIC DISCLOSURE MATERIALS**

Public disclosure materials must:

- i. Seek input from a Disclosure Committee and/or other person designated by the Disclosure Committee.
- ii. Be approved by a Disclosure Committee.
- iii. Be vetted for content, bearing in mind confidentiality and/or approval obligations contained in existing contractual obligations, if any.

iv. For press release, include the name and contact details of at least one representative designated by a Disclosure Committee to communicate with the investment community and/or the media.

## **10. PROCEDURES FOR DISCLOSURE**

i. All releases of announcements of material information to Bursa Malaysia will be managed by the Company Secretaries.

ii. The Group Secretarial, the appointed adviser and appointed investment bank, where applicable will draft the announcement to be reviewed by the Disclosure Committee to ensure compliance and accuracy of the contents.

iii. The finance, legal or other relevant divisions/departments may be required to review or verify data, as and when necessary.

iv. Approval by the Disclosure Committee or their designate person will be obtained before the announcement is released. The release of announcements to Bursa Malaysia will be made in accordance with the MMLR.

v. Once the announcements or press releases have been made, it must also be posted and made available on the corporate website.

vi. When required, the Company will file a material report with Bursa Malaysia.

vii. The Disclosure Committee is responsible for keeping the Board informed of all material developments and significant information disseminated to the public.

## **11. MISREPRESENTATIONS AND ACCIDENTAL DISCLOSURE**

In the event it is found that material information has been leaked, or there has been accidental disclosure or a misrepresentation in information publicly disclosed by the Company, or is materially erroneous or if there was or may have been a failure to make timely disclosure of material information, the Disclosure Committee should be informed promptly.

Upon carrying out a reasonable investigation on the information, the Disclosure Committee must take immediate steps to ensure that the material information, or correction thereafter, is promptly disclosed in accordance with the MMLR and other applicable legislation.

## **12. UNUSUAL MARKET ACTIVITY**

The Company will undertake due enquiry when there is unusual trading activity or price movement of the Company's securities irrespective whether a written Unusual Market Activity query is issued by Bursa Malaysia. The due enquiry will be undertaken with the relevant persons in order to determine the cause and thereafter to issue a clarifying announcement to Bursa Malaysia.

### **13. MARKET RUMOURS**

The Company's general policy is not to comment, either affirmatively or negatively, on rumours unless they appear to contain material information, or may be expected to affect the price of FimaCorp's securities or trading activity in those securities.

When a report or rumours about the Company contains material errors, the Disclosure Committee shall consider the matter and undertake due enquiry before deciding on the form of statement to be made regarding the rumours or report.

If the Company is requested by Bursa Malaysia or other regulatory authorities to make a statement on a rumour or otherwise, such request should be discussed by the Disclosure Committee and a determination shall be made as to the obligation of the Company to make such a statement.

This Disclosure Policy also applies to rumours on the internet, social media and other electronic communication. Employees should not respond to rumours, and all rumours should be referred to the Disclosure Committee for appropriate action.

### **14. INSIDER TRADING**

Pursuant to the Capital Markets and Services Act 2007 ("CMSA"), a person is an "insider" if that person:

- i.possesses information that is not generally available, which on becoming generally available, a reasonable person would expect it to have a material effect on the price or value of the securities; and
- ii.know or ought reasonably to know that the information is not generally available.

The restriction of insider trading is governed by Section 188 of the CMSA and Paragraph 9.14 and 9.15 of the MMLR. An insider must not:

- i.acquire or dispose of the securities of the Company, or enter into an arrangement for or with a view to the acquisition or disposal of the securities of the Company; or
- ii.procure, directly or indirectly, an acquisition or disposal of, or the entering into an agreement for or with a view to the acquisition or disposal of the securities of the Company, on the basis of the material information which is not known to the investing public.

Directors and employees of the Company and subsidiaries with insider knowledge of undisclosed material information are prohibited from trading in the Company's securities until after the information has been publicly disclosed.

## **15. COMMUNICATIONS WITH FINANCIAL ANALYSTS, MEDIA AND INVESTING PUBLIC**

i. The authorised spokesperson(s) is permitted to participate in briefing sessions with financial analysts, media and investing public on behalf of the Company.

ii. Persons who are authorised by the authorised spokesperson(s) to speak at briefings or interviews, must forward the briefing materials/information and obtain approval/clearance from the Disclosure Committee before the actual briefing or interview.

iii. The Company will provide only factual and non-speculative information during such briefings.

iv. If material non-public information is inadvertently disclosed at such a briefing, the Company will take immediate action to achieve broad public dissemination of the information in accordance with all applicable legal and regulatory requirements.

v. The Company will not comment on opinions made by analysts except where it is a factual error.

vi. A record of all briefings (which include handouts) will be maintained by the Company Secretaries.

## **16. REVIEWING ANALYST REPORTS**

The Company may be requested to review draft analysts' reports from time to time. Only the authorised spokesperson(s) will comment on the analysts' reports, and such comments will be limited to identifying publicly disclosed factual information that could affect the analysts' reports and to pointing out inaccuracies or omissions with reference to publicly available information.

## **17. CONSEQUENCES OF NON-COMPLIANCE WITH THIS POLICY**

Any employee who violates this Disclosure Policy may be cautioned or face disciplinary action up to and including termination of his or her employment with the Company. If it appears that the employee may have also violated certain securities laws, the Company may refer the matter to the appropriate regulatory authorities for further investigations.

## **18. REVIEW OF POLICY**

The Disclosure Committee shall have oversight responsibility for this Disclosure Policy.

The Disclosure Committee will review and provide advice for this Disclosure Policy to be updated from time to time as needed to ensure compliance with changing regulatory requirements and to ensure the Disclosure Policy continues to be effective in providing accurate and timely disclosure in accordance with the Company's disclosure obligations.

Approval of this Disclosure Policy is the responsibility of the Board.

This Disclosure Policy has been approved by the Board on 24 May 2016.