

KERJAYA PROSPEK PROPERTY BERHAD

Registration No. 199401001358 (287036-X)

CORPORATE DISCLOSURE POLICY & PROCEDURES

Introduction

Pursuant to the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Listing Requirements (“**Bursa Listing Requirements**”), a listed issuer must, in accordance with Bursa Listing Requirements, disclose to the public all material information necessary for informed investing and take reasonable steps to ensure that all who invest in its securities enjoy equal access to such information.

For good corporate governance, the Board of Directors of the Company (“**Board**”) has adopted this Corporate Disclosure Policy (“**Policy**”) to ensure accurate, clear, timely and complete disclosure of material information are appropriately made to public for informed decision.

The Policy applies to all Directors, management, officers and employees of the Company and its subsidiaries (“**Group**”).

Objectives

The objectives of this Policy are as follows:

- (a) to provide guidelines and policies on disseminating corporate information to shareholders, stakeholders, analysts, media, regulators and the investing public;
- (b) to ensure compliance with the continuous disclosure obligations prescribed in the Bursa Listing Requirements with an aim in ensuring that all communications to the investing public about the business and affairs of the Company are informative, timely, factual and accurate, and consistent and broadly disseminated;
- (c) to raise awareness and provide guidance to the Board, management, officers and employees of the Group the relevant disclosure requirements and practices and to ensure that all persons to whom this Policy applies understand their obligations to preserve the confidentiality of material information; and
- (d) to promote effective communication with shareholders and encourage their participation at general meetings.

The Company shall adhere to the following 6 specific corporate disclosure policies as set out in the Bursa Listing Requirements:-

- (a) immediate disclosure of material information;
- (b) thorough public dissemination;
- (c) clarification, confirmation or denial of rumours or reports;
- (d) response to unusual market activity;
- (e) unwarranted promotional disclosure activity; and
- (f) insider trading

Procedures and Practices

1. Disclosure of Material Information

- (i) Information is considered material, if it is reasonably expected to have a material effect on:
 - (b) the price, value or market activity of the Company’s securities; or
 - (c) the decision of a holder of securities of the Company or an investor in determining his choice of action.

- (ii) Material information may include information which:
 - (a) concerns the Company's assets and liabilities, business, financial condition or prospects;
 - (b) relates to dealings with employees, suppliers, customers and others;
 - (c) relates to any event affecting the present or potential dilution of the rights or interests of the Company's securities; or
 - (d) relates to any event materially affecting the size of the public holding of its securities.

- (iii) The following are some examples of events which may require immediate disclosure by the Company:
 - (a) the entry into a joint venture agreement or merger;
 - (b) the acquisition or loss of a contract, franchise or distributorship rights;
 - (c) the introduction of a new product or discovery;
 - (d) a change in management;
 - (e) the borrowing of funds;
 - (f) the commencement of or the involvement in litigation and any material development arising from such litigation;
 - (g) the commencement of arbitration proceedings or proceedings involving alternative dispute resolution methods and any material development arising from such proceedings;
 - (h) the purchase or sale of an asset;
 - (i) a change in capital investment plans;
 - (j) the occurrence of a labour dispute or disputes with sub-contractors or suppliers;
 - (k) the making of a tender offer for another corporation's securities;
 - (l) a change in general business direction;
 - (m) a change of intellectual property rights;
 - (n) the entry into a memorandum of understanding; or
 - (o) the entry into any call or put option or financial futures contract.

2. Responsibilities and Procedures for Disclosure of Material Information

- (i) The Executive Directors/Company Secretary will manage all of the Company's release of announcements of material information to Bursa Securities.
- (ii) The Company Secretary will assist in drafting the relevant announcement for review by the Executive Directors to ensure accuracy of the contents in the announcement.

- (iii) The Executive Directors have duty to review and verify the accuracy of all financial data and all information contained in the announcement.
- (iv) All announcements must be approved by the Executive Directors or his designated management personnel before the release of the announcements to Bursa Securities.
- (v) To ensure the news or material information are better understood and widely disseminated, the Company may request Bursa Securities for a suspension in the trading of the Company's securities, so that an announcement can be made during trading hours.
- (vi) For press release, after review by the Executive Directors, announcement on the same must first be released before releasing to the media to ensure widest possible public dissemination.
- (vii) The Executive Directors should after the release of the press release monitor the media reporting to ensure accurate media reporting and to take any corrective measures, if necessary.

3. Maintenance of Disclosure Record

The Company Secretary shall maintain all disclosure documents prepared and filed with the relevant authorities in a secured space.

4. Withholding of Material Information

The Company may temporarily refrain from publicly disclosing material information, provided that complete confidentiality is maintained.

Where material information is withheld, the Company must refrain from delaying disclosure for an unreasonable period of time since it is unlikely that confidentiality can be maintained beyond a short period of time. In case of doubt, the presumption must always be in favour of disclosure.

The Company will only withhold material information from the public:

- (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; or
- (iii) where the laws prohibit the disclosure of such information.

If material information is being withheld, the Company must ensure that strictest confidentiality is maintained at all times to minimise leakage of information. Notwithstanding the foregoing, in the event that material information is or is believed to have been inadvertently disclosed to their parties or where the material information has become generally available through the media or otherwise, the Company must immediately announce the information to Bursa Securities.

5. Thorough Public Dissemination

The Company shall release material information to the public in a manner designed to obtain its fullest possible public dissemination and ensure that no disclosure of material information is made on an individual or selective basis to analysts, shareholders, journalists or other persons unless such information has previously been fully disclosed and disseminated to the public. If material information is inadvertently disclosed at any meetings with analysts, shareholders, journalists or others, the Company would publicly disseminate such material information in a prompt manner.

6. Responding to Market Rumours or Reports

- (i) Whenever the Company becomes aware of a rumour or report, the Company should consult with its directors, major shareholders and such other persons familiar with the matter, to ascertain whether:
 - (a) the rumour or report contains undisclosed material information; and
 - (b) immediate disclosure is required to clarify, confirm or deny the rumour or report.
- (ii) The Company shall not respond to or clarify articles or reports that are considered general in nature, unless such information has an impact on the price of its securities or affects investment decision.
- (iii) The Company shall make an immediate announcement to deny or clarify the rumour or report and provide facts sufficient to support the denial or to clarify any misleading aspects of the rumour or report.
- (iv) The Company shall make a reasonable effort to bring the relevant announcement to the attention of the particular group that initially distributed the rumour or report.
- (v) In the case of an erroneous newspaper article, a copy of the announcement should be sent to the newspaper's financial editor, or in the case of an erroneous broker's market report, a copy of the announcement should be sent to the broker responsible for the report.
- (vi) If the rumour or report contained material information that is correct, an announcement setting forth the facts must be prepared for public release. Such announcements are essential even if the matter has yet to be presented to the Board for consideration.
- (vii) In the case of a rumour or report predicting future sales, earnings or other quantitative data, no response from the Company is ordinarily required, unless such report is manifestly based on or contains erroneous information, or is wrongly attributed to the Company, the Company must respond promptly to the supposedly factual elements of the rumour or report as required under the Bursa Listing Requirements. In addition, the Company must include in the announcement a statement to the effect that the Company has made no such prediction and currently knows of no facts that would justify making such a prediction.
- (viii) If immediate disclosure is not required under the Bursa Listing Requirements, the Company should decide whether to make a voluntary announcement clarifying, confirming or denying the rumour or report after consulting the Board.

7. Unusual Market Activity

- (i) Where unusual price movement, trading activity, or both (“**unusual market activity**” or “**UMA**”) occurs, the Company must immediately:
 - (a) undertake due enquiry with the relevant persons such as its directors, major shareholders and persons familiar with the affairs of the Company, to determine the cause; and
 - (b) issue a clarifying announcement.
- (ii) The Company must ensure that the enquiry or information gathering process is carried out efficiently and the announcement is made on an immediate basis irrespective of whether a written UMA query is issued by Bursa Securities.
- (iii) If the Company determines that the UMA results from material information that has already been publicly disclosed pursuant to the Bursa Listing Requirements, generally no further announcement is required. However, if the UMA indicates that such information may have been misinterpreted, a clarifying announcement is required.
- (iv) If the UMA results from a “leak” of previously undisclosed information, the information in question must be publicly disclosed.
- (v) If the UMA results from a rumour or report, the Company shall comply with item 6 above.
- (vi) If the Company is unable to determine the cause of the UMA, the Company must announce that there have been no undisclosed developments which would account for the UMA.

8. Company’s website

- (i) The Company must publish on its website all announcements made to Bursa Securities as soon as practicable after the same are released on Bursa Securities’ website.
- (ii) The following should also be uploaded to the Company’s website:
 - Board Charter;
 - Code of Conduct & Ethics;
 - Annual Report of the Company;
 - Corporate Governance Report;
 - Shareholders’ rights relating to general meeting;
 - Stakeholders’ Communication Policy;
 - Terms of Reference of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee;
 - Whistleblowing Policy & Procedures; and
 - Anti-bribery and Corruption Policies
- (iii) The Company’s website must contain the email address, name(s) of designated person(s) and their contact numbers to enable the public to forward queries to the Company.
- (iv) The Executive Directors and management shall monitor the Company’s website to ensure the website is current, informative and contain all information which may be relevant to the Company’s shareholders including analyst’s briefings.

9. Unwarranted Promotional Disclosure Activity

Under the Bursa Listing Requirements, the Company must refrain from any form of promotional disclosure activity which may mislead investors or cause unwarranted price movement and activity in the Company's securities. Such activity includes news releases, public announcements, predictions, reports or advertisements which are not justified by actual developments concerning the Company, exaggerated, flamboyant, overstated or over-zealous.

10. Restrictions on Insider Trading

- (i) Any person who has access to material information of the Company, its financial condition and its operations that have not been disclosed to the investing public, is regarded as an insider.
- (ii) Insiders must not trade on the basis of material information which is not known to the investing public, nor pass on that information to help another person to deal in the Company's securities.
- (iii) The relevant provisions of the Capital Markets and Services Act 2007 and the Companies Act 2016 shall apply to all insiders.
- (iv) The Company Secretary would advise the Board from time to time on the trading restriction in the Company's securities in accordance with the provisions of the Bursa Listing Requirements.

Consequences for Non-Compliance with the Policy

Failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action or termination of employment or consulting arrangements without notice. The violation of the Policy may also violate certain securities laws.

If the Company discovers that an employee has violated such securities laws, it may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Authorised Spokesperson

The authorised spokesperson for the Company is the Chairman of the Board and the Executive Directors and any other officers as may be authorised by the Chairman or the Executive Directors.

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

Employees other than the authorised spokesperson must not respond under any circumstances to inquiries from the investment community or media unless authorised to do so by the authorised spokesperson. All such queries should be referred to the authorised spokesperson promptly.

Review of Policy

The Policy shall be reviewed periodically (subject to at least once in every 3 years) in accordance with the needs of the Company.

Approved on 26 May 2023.