

K. SENG SENG CORPORATION BERHAD
(Company No. 198501000983 (133427 W))
(Incorporated in Malaysia)

CORPORATE DISCLOSURE POLICIES AND PROCEDURES (“CDPP”)

1. INTRODUCTION

- 1.1.** This Corporate Disclosure Policies and Procedures (“CDPP”) document is established by the Board of Directors (“Board”) of K. Seng Seng Corporation Berhad (“KSSC” or the “Company”) to set out pertinent policies and procedures to assist and guide KSSC and its group of subsidiaries (“Group”) in relation to disclosure of corporate information and activities to shareholders, regulators such as Bursa Malaysia Securities Berhad (“Bursa”) and the Securities Commission of Malaysia (“SC”), and other stakeholders.
- 1.2.** The key objectives of this CDPP are as follows:
- (a) to ensure compliance with applicable legal and regulatory requirements on the disclosure of material information;
 - (b) to formalise policies and procedures on and to guide the consistent approach towards the Group’s disclosure practices; and
 - (c) to enable the persons to whom this CDPP applies to understand their obligations in preserving information integrity and confidentiality.
- 1.3.** This CDPP is established considering the applicable laws, regulations, and guidelines, including Bursa’s Main Market Listing Requirements (“Listing Requirements”) and the Corporate Disclosure Guide (“CDG”) published by Bursa.

2. SCOPE

- 2.1.** This CDPP applies to all Directors, Management, Employees, and Authorised Spokesperson of the Group.
- 2.2.** This CDPP covers disclosure items including, but not limited to, the following:
- (a) material information which is reasonably expected to have a material effect on the price, value, or market activity of the Company’s securities or on the decision of a holder of securities of the Company or investors in determining their choice of actions;
 - (b) documents filed and announcement made to Bursa, SC, and other regulators or authorities, written statements made in the Company’s annual report, financial statements, quarterly reports, press releases, letters, circular to shareholders, electronic mail communication and information on the Company’s corporate website; and
 - (c) oral statements made in meetings, telephone conversations, interviews, and press conferences with financial analysis, investors, and the media.

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3. DISCLOSURE AUTHORISATION

- 3.1. The authority to make announcements to Bursa is vested in the Board of Directors.
- 3.2. The Board, assisted by the Executive Directors, the Chief Financial Officer, and the Company Secretary(ies), shall be responsible for the following:
- 3.2.1. determining whether information constitutes material information within the ambit of the Listing Requirements;
 - 3.2.2. ensuring timely disclosure of material information in accordance with applicable laws and regulations, in particular the Listing Requirements and stipulations of the SC and approving such disclosures;
 - 3.2.3. reviewing and approving the contents to be provided to the media, investment community, and other external parties, including the contents to be published in the Investor Relations section of the Company’s corporate website;
 - 3.2.4. responding to rumours or reports and unusual market activity; and
 - 3.2.5. monitoring adherence to this CDPP, reviewing, assessing, and implementing appropriate remedial actions in relation to any breaches of this CDPP.
- 3.3. Decisions shall be made by majority of the Board members.

4. AUTHORISED SPOKESPERSON

- 4.1. The Authorised Spokesperson who is authorised to speak on behalf of KSSC and its subsidiaries shall be the Group Managing Director, or his designate.
- 4.2. The Authorised Spokesperson:
- (a) may provide clarification on information which the Company has released to the public but must not comment on any material information which has not been released to the public; and
 - (b) may attend to all enquiries from media, investment community, or other external parties.
- 4.3. When communicating with the media, the investment community, or other external parties, the Authorised Spokespersons shall exercise care to ensure comments which may spur speculation or rumours are not made.

5. MATERIAL INFORMATION AND THOROUGH PUBLIC DISSEMINATION

5.1. Material Information

- 5.1.1. Material information, in accordance with **Paragraph 9.03(2)** of the Listing Requirements, constitutes information which is reasonably expected to have a material effect on the following:
- (a) the price, value, or market activity of any of the Company’s securities; or

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- (b) the decision of a holder of securities of the Company or an investor in determining his/ her choice of action.

5.1.2. Material information may include the following:

- (a) information concerning the Company’s assets and liabilities, business, financial condition or prospects;
- (b) information relating to dealings with employees, suppliers, customers and others;
- (c) information relating to any event affecting the present or potential dilution of the rights or interests of the Company’s securities; or
- (d) information relating to any event materiality affecting the size of the public holding of the Company’s securities.

5.2. Through Public Dissemination

5.2.1. The Company shall disclose material information in the most effective manner to the public. No disclosure of material information shall be made on an individual or selective basis to the media, investment community, or any other external party, unless such information has been fully disclosed and disseminated to the public previously.

5.2.2. Any material information must be announced first to Bursa and/or SC. The Company must not disclose any material information to the media, investment community or any external parties, even on an embargoed basis, until the information is announced to Bursa and/or SC.

6. IMMEDIATE DISCLOSURE OF MATERIAL INFORMATION

6.1. Immediate disclosure of material information

6.1.1. Material information must be immediately disclosed publicly, unless the Company determines that it is necessary to withhold the material information pursuant to **Paragraph 9.05** of the Listing Requirements.

6.1.2. The Executive Directors, the Chief Financial Officer, and the Company Secretary(ies) shall assist the Board in exercising judgement when determining whether the information in question is material and requires immediate disclosure.

6.1.3. The Listing Requirements prescribes a non-exhaustive list of events which requires immediate disclosure to Bursa. Reference shall be made to **Paragraphs 9.19, 9.19A, and 9.20** of the Listing Requirements.

6.1.4. The Listing Requirements also provides a list of non-exhaustive examples of events which may require immediate disclosure to Bursa. Reference shall be made to **Paragraph 9.04** of the Listing Requirements.

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6.2. Withholding of material information

6.2.1. The Company may temporarily refrain from disclosing material information only in exceptional circumstances and provided that confidentiality is maintained. The Company must refrain from delaying disclosure for an unreasonable period of time.

The Company shall note that exceptional circumstances where disclosures can be withheld are limited and are an infrequent exception. In cases of doubt, the presumption must always be in favour of disclosure.

6.2.2. **Paragraph 9.05(3)** of the Listing Requirements provides the following exceptional circumstances where disclosure may be temporarily withheld:

- (a) when immediate disclosure would prejudice the ability of the Company to pursue its corporate objectives;
- (b) when the facts are in a state of flux and a more appropriate moment for disclosure is imminent; or
- (c) where the laws prohibit the disclosure of such information.

6.2.3. The Board, assisted by the Executive Directors, the Chief Financial Officer, and the Company Secretary(ies), shall decide on whether a material information shall be withheld.

6.2.4. In the case where material information is being temporarily withheld, the Company must ensure that strict confidentiality of such material information is maintained, including limiting the number of persons having access to the material information and ensuring security of all confidential documents.

6.2.5. In the event that material information is or is believed to have been inadvertently leaked or made known to external parties or where the material information has become generally available through the media or the investment community, the Company must immediately announce such information to Bursa and ensure a full, complete and accurate disclosure is made to the public.

6.2.6. During a period where information is withheld from the public, the Group Managing Director shall ensure close monitoring of the Company's market activities.

Immediate announcement of the material information withheld must be made to Bursa if the following circumstances occur:

- (a) unusual market activity in the Company's securities which signifies that a “leak” of the information may have occurred;
- (b) rumours or reports concerning the information have appeared; or
- (c) where the Company learns that there are signs that insider trading may be taking place.

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7. CLARIFICATION, CONFIRMATION OR DENIAL OF RUMOURS OR REPORTS

- 7.1.** When the Company is aware that a report or rumour which contains error in the material information is being circulated, the Company must announce to Bursa a denial or clarification of the rumour or report with sufficient facts provided to support the denial or clarification.
- 7.2.** When a report or rumour contains material information that is correct, the Company shall respond promptly by making an announcement to Bursa confirming the facts of the matter and including, but not limited to, an indication of the state of negotiations or of corporate plans in the rumoured area.
- 7.3.** The Company shall not respond or comment to any rumour or report predicting sales forecast, earnings, or other quantitative data. However, if such rumour or report is manifestly based on, or contains, erroneous information, or is wrongly attributed to the Company, the Company must:
- (a) respond promptly to the supposedly factual elements of the rumour or report as required under **Paragraphs 7.1 and 7.2** above; and
 - (b) include in the announcement, a statement to the effect that the Company itself has made no such prediction and it is unaware of any facts that would justify making such a prediction.

8. RESPONSE TO UNUSUAL MARKET ACTIVITY

- 8.1.** Where unusual price movement, trading activity, or both (“unusual market activity” or “UMA”) occurs, the Company must immediately undertake a due enquiry to seek the cause of UMA in its securities, regardless of the issuance of UMA query by Bursa. The Company must consider, in particular, whether there is any information concerning the Company which would account for the UMA that:
- (a) has recently been publicly disclosed;
 - (b) has not been publicly disclosed, in which case the UMA may signify leak of information; or
 - (c) is the subject matter of a rumour or report.
- 8.2.** Generally, if the Company determines that the UMA results from material information that has already been publicly disclosed, no further announcement is required. However, if the UMA indicates that such information may have been misinterpreted, the Company must issue a clarifying announcement to Bursa.
- 8.3.** If the unusual market activity results from a leak of previously undisclosed information, the Company must publicly disclose the information in question in accordance with the Listing Requirements.
- 8.4.** If the UMA results from a rumour or report, the Company must respond in accordance with the Listing Requirements and **Paragraphs 7.1 to 7.3** as provided in this CDPP.
- 8.5.** If the cause of the UMA cannot be determined, the Company must announce that there have been no undisclosed developments which would account for the UMA.

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8.6. The Company shall ensure that its responses, including enquiries and/ or information gathering process, in relation to UMA are carried out efficiently, and that the announcement to Bursa is made immediately.

9. UNWARRANTED PROMOTIONAL DISCLOSURE ACTIVITY

9.1. The Company must refrain from any forms of promotional disclosure activity which may mislead investors or cause unwarranted price movement and activity in a Company’s securities.

10. INSIDER TRADING

10.1. The Company and parties who may be regarded as insiders must be fully aware of the provisions of the Capital Markets and Services Act 2007.

A person is an “insider” if that person:

- (a) 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 the value of securities (“price-sensitive information”); and
- (b) knows or ought reasonably to know that the information is not generally available.

10.2. Insiders must not trade on the basis of price-sensitive or material information which is not known to the investing public.

10.3. Insiders must not tip off or inform another person of such price-sensitive or material information, irrespective of whether such person intends to trade on such information.

10.4. Insiders are prohibited from dealing with the Company’s securities while in possession of such price-sensitive or material information which has not been previously disclosed, until after such information has been publicly disclosed.

11. CLOSED PERIOD

11.1. “Closed Period” is defined as a period commencing thirty (30) calendar days before the targeted date of announcement up to the date of the announcement of the Company’s quarterly results to Bursa.

11.2. During Closed Periods, all Authorised Spokesperson are prohibited from commenting on the current period earnings estimates and financial assumptions. Communications must be limited to commenting on publicly available or non-material information.

11.3. The Company may continue to participate in investment meetings and conferences organised by other parties, as long as material information which has not been publicly disclosed is kept confidential and undisclosed.

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11.4. From time to time, advice relating to trading restrictions in the Company’s securities, in accordance with the provisions of the Listing Requirements, shall be sought from the Company Secretary(ies) or external parties, if deemed expedient.

12. FORWARD-LOOKING INFORMATION

12.1. The Company may convey its future direction to the public, with the intention of assisting the market to evaluate and accurately value the Company’s securities, provided that such forward-looking information does not constitute undisclosed material information and has been reviewed and approved by the Board. The Company shall only disclose information such as prospects, revenue, profits estimates, forecasts, projections, internal targets, or key performance indicators which are based on historical and publicly disclosed data.

12.2. All documents containing forward-looking information shall be accompanied by a disclaimer cautioning investors of the risks and uncertainties which may cause actual results and developments to differ considerably from those envisaged in the forward-looking information. When making oral representation on forward-looking information, the Authorised Spokesperson shall exercise reasonable care and include such disclaimer to the same effect.

13. DEALINGS WITH THE MEDIA, INVESTMENT COMMUNITY AND OTHER EXTERNAL PARTIES

13.1. Only the Authorised Spokesperson is allowed to participate in briefing sessions, meet with, initiate contacts with, or respond to calls from, the media, investment community, or other external parties, including other market professionals, on behalf of the Company.

13.2. Subject to applicability, the Company may make available on its corporate website the materials and/ or information presented or used during analyst briefings.

13.3. When communicating with the media, investment community, or other external parties, the Authorised Spokesperson shall only divulge factual and non-speculative information which has been reviewed and/or approved by the Board and no confidential material information shall be revealed.

13.4. When the answering of unexpected questions during communication sessions involves, or may involve, the disclosure of previously undisclosed material information, the Authorised Spokespersons shall decline to respond or comment to the questions and, if appropriate, take the questions on notice for further action as determined by the Board.

13.5. In the event that material information which has not been previously disclosed is inadvertently disclosed at communication sessions with the media, investment community or any external parties, the Authorised Spokesperson shall immediately inform the Board and the Company shall immediately make full, complete, and accurate disclosure to Bursa and the public in accordance with the provisions of the Listing Requirements and this CDPP.

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14. PROCEDURES FOR DISCLOSURE OF MATERIAL INFORMATION

- 14.1.** The Board through the Company Secretary(ies) shall manage all the Company’s releases of announcement of material information to Bursa and/or the SC.
- 14.2.** All announcements are subjected to the Board’s approval before they are released by the Company Secretary(ies) to Bursa and/or SC.
- 14.3.** Prior to the approval by the Board, the Group Managing Director and the heads of the respective departments and functions to which the announcement is relevant shall review and verify the accuracy of the relevant information contained in the announcement.
- 14.4.** Subject to approval of the Board, in the event the Company believes that a trading halt is necessary to maintain efficient trading of the Company’s securities and having the content of the news or material information to be better understood and widely disseminated, the Company, via the Company Secretary(ies), may request Bursa for a voluntary suspension in the trading of the Company’s securities.

15. MISREPRESENTATION OF INFORMATION

- 15.1.** The Board shall be immediately notified if any person to whom this CDPP applies becomes aware of the following:
- (a) misrepresentation or suspected misrepresentation of information publicly disclosed by the Company;
 - (b) there has been or may have been a failure to make timely disclosure of material information; or
 - (c) any alleged breach or violation of this CDPP.
- 15.2.** The Board shall carry out a reasonable investigation of the notified matter and undertake necessary corrective actions, with the priority of ensuring prompt disclosure in accordance with the Listing Requirements and this CDPP.

16. DISCLOSURE RECORDS

- 16.1.** The Group Managing Director’s office shall maintain a file containing public information about the Group, including all significant press releases, transcripts or tape recordings of important conference calls, investor presentations, executive speeches, and as much as practicable, significant media articles on the Group.

17. CONSEQUENCES FOR NON-COMPLIANCE WITH THIS CDPP

- 17.1.** Non-compliance with this CDPP may constitute a breach of the Capital Markets and Services Act 2007, Companies Act 2016, the Listing Requirements and/ or the Group Code of Ethics, and may lead to financial penalties and/or imprisonment.
- 17.2.** Breaches or violations of this CDPP may result in disciplinary actions including dismissals in serious cases.

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18. REPORTING AND WHISTLEBLOWING

18.1. Any enquiries or advice required relating to this CDPP shall be directed to the Group Managing Director or his designate. Breaches or violations of this CDPP can be reported via the Group’s **Whistleblowing Policy** which provides protection regarding the identity of the whistleblower and against reprisal within the Group.

19. APPROVAL AND REVIEW

19.1. This CDPP is approved by the Board of KSSC on 5 May 2021.

19.2. This CDPP shall be reviewed regularly or when a revision is necessary due to changes in regulatory requirements.

19.3. The Group Managing Director’s office shall act as the custodian of this CDPP.