

CORPORATE DISCLOSURE POLICIES

This Corporate Disclosure Policies (“**CDP**”) sets out pertinent policies and procedures to assist and guide the Board of Directors (“**Board**”) of PESTECH International Berhad (“**Company**” or “**PESTECH**”) in relation to the Company’s disclosure of corporate information and activities to shareholders, other stakeholders and regulators. Document has been developed taking into consideration pertinent chapters in Bursa Malaysia Securities Berhad (“**Bursa Securities**”)’s Listing Requirements, the Securities Commission (“**SC**”)’s Equity Guidelines, Malaysian Code on Corporate Governance 2017 (“**MCCG 2017**”) and the Corporate Disclosure Guide (“**CDG**”) as published by Bursa Securities. The CDP is also aimed to assist the Board in furnishing information which is comprehensive and accurate and is made on a timely basis without any bias to selective disclosure.

The key objectives of the CDP are as follows:-

- a) to ensure compliance with applicable regulatory requirements on disclosure of material information;
- b) to formalise disclosure policies, guidelines and procedures, and as well as to adopt a consistent approach on disclosure practices throughout the Company and all its subsidiaries (the “Group”);
- c) to provide guidance to the Board, Management and employees on the Group’s disclosure requirements and practices; and
- d) to enable the persons to whom this CDP Document applies understand their obligations in preserving information integrity and confidentiality.

Application

This CDP applies to all Directors, Management, employees and Authorised Spokesperson of the Group on the handling and disclosing of material information, and covers the documents filed with, and announcements made to, Bursa Securities, SC 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.

Authorised Spokesperson

The Authorised Spokesperson for the Group shall be the Group Chief Executive Director or his designate.

Disclosure Authorisation

The authority for announcements to Bursa Securities is vested in the Board. The Board, assisted by Executive Directors and the Company Secretary, shall be responsible for the following:-

- a) determining whether information constitutes material information under the Bursa Securities Listing Requirements;
- b) ensuring timely disclosure of material information in accordance with Bursa Securities Listing Requirements and stipulations of the SC;
- c) responding to rumours or reports, and unusual market activity as provided under Paragraphs 9 and 10 respectively of Bursa Securities Listing Requirements; and
- d) monitoring adherence to the CDP, reviewing, assessing and implementing appropriate remedial actions in relation to any violation of the CDP.

The Authorised Spokesperson is authorized in approving of 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.

When communicating with the media, the investment community or other external parties, the Authorised Spokesperson shall exercise care to ensure comments which may spur speculation or rumours are not made.

Material information and immediate disclosures

a) Material information

Material information, in accordance with **Paragraph 9.03(2)** of Bursa Securities Listing Requirements, constitutes information which is reasonably expected to have a material effect on the following:-

- the price, value or market activity of any of the Company's securities; or
- the decision of a holder of securities of the Company or an investor in determining his/her choice of action.

b) Immediate disclosure of material information

The Board, with the assistance of the Executive Directors and Company Secretary, shall exercise judgment in determining whether the information in question is material and requires immediate disclosure. Events requiring immediate disclosure to Bursa Securities shall include, but not limited to those prescribed under **Paragraphs 9.04 and 9.19** of Bursa Securities Listing Requirements, and as may be amended or updated from time to time.

c) Withholding of material information

The Company may temporarily refrain from disclosing material information only in exceptional circumstances provided by **Paragraph 9.05(3)** of Bursa Securities Listing Requirements and provided that confidentiality is maintained.

d) Maintaining confidentiality

In case where material information is being temporarily withheld, the Company must ensure that strict confidentiality of such material information is maintained.

Public dissemination

The Company shall ensure that 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 previously been fully disclosed and disseminated to the public.

The Company shall not disclose any material information to the media, investment community or any external parties, even on an embargoed basis, until it has provided the information to Bursa Securities.

Clarification, confirmation or denial of rumours or reports

In the case where a rumour or report which has been circulated contain erroneous material information which the Company is aware of, the Company shall immediately announce to Bursa Securities a denial or clarification of the rumour or report. At the same time, the Company shall provide facts sufficient to support the denial or clarification of any misleading aspects of the rumour or report.

In the case where a rumour or report contains material information that is correct, the Company shall prepare an announcement for public release, setting forth the facts and including, but not limited to,

an indication of the state of negotiation or of corporate plans in the rumoured area.

Under normal circumstances, the Company shall not respond to any rumour or report predicting future sales, earnings or other quantitative data. However, if such rumour or report is manifestly based on, or contain, erroneous information, or is wrongly attributed to the Company which the Company is aware of, the Company shall respond promptly to the supposedly factual elements of the rumour or report as required above. The Board is entrusted with this responsibility, assisted by the Executive Directors and the Company Secretary.

Response to unusual market activity

Where unusual price movement, trading activity, or both (“unusual market activity”) occurs, the Company shall immediately undertake due enquiry to seek the cause of unusual market activity in its securities, regardless of the issuance of unusual market activity query by Bursa Securities. The Company shall consider, in particular, the nature of any information concerning the Group which may have accounted for the unusual market activity that:-

Generally, if the Company determines that the unusual market activity results from material information that has already been disclosed, no further announcement or response is required. If the unusual market activity results from a leak of previously undisclosed information, the Company shall disclose the information in question in accordance with Bursa Securities Listing Requirements. If the unusual market activity results from a rumour or report, the Company shall respond in accordance with Bursa Securities Listing Requirements and this CDP Document.

If the Company is unable to determine the cause of the unusual market activity, the Company shall announce to Bursa Securities that there have been no undisclosed developments which accounted for the unusual market activity.

Insider trading

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 and the Companies Act 2016.

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; and
- b) knows or ought reasonably to know that the information is not generally available.

Insiders shall not trade on the basis of material information which is not known to the investing public. Insiders shall not tip off or inform another person of such material information, irrespective of whether such person intends to trade on such information.

Closed Period

“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 Securities.

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

Forward-looking information

The Company may provide forward-looking which may include prospects, revenue, profits estimates, forecasts, projections or internal targets or key performance indicators which are based on historical and publicly disclosed data provided that it has been reviewed and approved by the Board.

The 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 materially from those envisaged in the forward-looking information.

Dealings with the media, investment community and other external parties

Only the Authorised Spokesperson is permitted to participate at 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.

The Company's Authorised Spokesperson shall only provide factual and non-speculative information which has been reviewed and/ or approved by the Board.

The Authorised Spokesperson shall decline to respond to the questions the disclosure of previously undisclosed material information during communication sessions with the media, investment community and any other external parties and, if appropriate, take the questions on notice for further action as determined by the Board.

Procedures for disclosure of material information

The Board shall manage all the Company's releases of announcement of material information to Bursa Securities through the Company Secretary.

The Authorised Spokesperson or persons delegated by him is authorized to approve all announcements, save and except for material announcement which triggers the material threshold set the Board, shall be approved by the Board before they are released to Bursa Securities by the Company Secretary.

In the event the Board believes that a trading halt is necessary to maintain efficient trading of the Company's securities and having the news or material information better understood and widely disseminated, the Company, via the Company Secretary, may request Bursa Securities for a suspension in the trading of the Company's securities, so that an announcement can be made.

Approval and Revision of the CDP Document

The Board shall review and assess the relevance and effectiveness of this CDP from time to time or when changes to regulatory requirements necessitate a revision..

The Document shall be held in the custody of, and filed by, the Company Secretary of PESTECH.