

HAILY GROUP BERHAD

Registration No. 202001006412 (1362732-T)
(Incorporated in Malaysia)

BOARD CORPORATE DISCLOSURE POLICY

1. INTRODUCTION

HAILY GROUP BERHAD (“Haily” or “the Company”) and its subsidiaries (collectively referred to as “the Group”) is committed to upholding high standards of transparency and promotion of investor confidence through the provision of comprehensive, accurate and quality information on a timely and even basis.

In adopting this policy, the Company has taken into account the recommendations contained in the Malaysian Code on Corporate Governance 2021 (“MCCG”), the disclosure obligations contained in the ACE Market Listing Requirements (“ACE LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Corporate Disclosure Guide issued by Bursa Securities in September 2011.

2. RATIONALE AND OBJECTIVES

The primary objectives of this policy are:

- To promote and elevate a high standard of integrity and transparency through timely comprehensive, accurate, quality and full disclosure;
- To promote and maintain market integrity and investor confidence;
- To exercise due diligence to ensure the veracity of the information being disseminated is factual, accurate, clear, timely and comprehensive;
- To build good relationships with all stakeholders based on transparency, openness, trust and confidence;
- To have in place efficient procedures for management of information, which promotes accountability for the disclosure and dissemination of material information; and
- To enable shareholders and stakeholders to assess to the Company’s business information including financial reporting and other corporate reporting disclosure.

3. DISCLOSURE STRUCTURE AND RESPONSIBILITY

To achieve its objectives, the Company has adopted the following structure and responsibility.

3.1. Corporate Disclosure Policies and Procedures

The Company has adopted the following disclosure policies and procedures.

- Communicating and responding to all stakeholders in respect of all information relating to the Group through all forms of communication channels as outlined under 3.4 below.

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3.2. Designated Spokesperson:

- Chief Executive Officer (“CEO”)
- The designated Executive Director of the Company (“Executive Director”)
- Chairman of the Board of Directors (“Board”)

3.3. The Designated Spokesperson is responsible for:

- Proper dissemination of information and ensuring compliance with the disclosure obligations under the ACE LR.
- Communication, overseeing and co-ordinating disclosure of material information to all stakeholders in accordance with the ACE LR and ensuring appropriate security measures are in place to maintain the integrity of the information being disseminated.

3.4. Disclosure and Dissemination Channels

The Company is authorised to make use of a broad range of communication channels to disseminate information to its stakeholders and these include:

- Electronic facilities provided by Bursa Securities;
- Press releases;
- Corporate website;
- E-mail;
- Road shows, exhibitions, analyst briefings, interviews or events; and
- General meetings.

4. DOCUMENT MANAGEMENT

The Group has in place a structured and streamlined document management system for each of its operating subsidiaries and / or departments.

These documents are securely stored and where material and sensitive, are restricted in its circulation to authorised personnel and locked away.

The Group also has in place, a secured information technology (“IT”) system for communication and document management purposes supported and maintained by an outsourced IT provider.

Access to information in the IT system is secured and controlled through password protection and authorised access restrictions.

Financial information and other material information access including price-sensitive information is further restricted to only designated senior management employees in the finance/accounts department. The finance/accounts department’s information is not shared or accessible by other departments within the Group.

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5. RESTRICTIONS, PROHIBITIONS AND CONFIDENTIALITY

Only the following persons who “need to know” are authorised to have access and become privy to sensitive and material information that has not been disclosed and made available to the public:

- a) members of the Board;
- b) the Chief Financial Officer (“CFO”), Chief Operating Officer (“COO”) and senior executives in the finance/accounts department designated by the CEO/COO/CFO;
- c) the company secretaries, auditors, reporting accountants, lawyers, consultants and investment advisers on a “need to know basis” to enable such persons to carry out their roles and responsibilities at the appropriate time as may be determined by the CEO/COO/CFO;
- d) the authorised persons upon coming into possession of such confidential information are reminded:
 - of the need to keep the information strictly confidential.
 - of the restriction for insiders who are in possession of unreleased material information not to trade in the Company’s securities or the securities of such related third parties, where applicable.
 - to not tip any third party with such information.

6. WITHHOLDING OF MATERIAL INFORMATION

The Company may, in exceptional circumstances, 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.

The exceptional circumstances where disclosures can be withheld are limited and constitute an infrequent exception to the normal requirement of immediate public disclosure. For example, (1) when immediate disclosure would prejudice the ability of the Company to pursue its corporate objectives, (2) when the facts are in a state of flux and a more appropriate moment for disclosure is imminent; or (3) whether laws prohibit such disclosure. In cases of doubt, the presumption must always be in favour of disclosure.

7. WHERE CONFIDENTIALITY IS COMPROMISED

In the event, the confidentiality of the information has been compromised, the Company will take the appropriate steps to make an immediate announcement of the information (or clarify the status) to Bursa Securities.

Confidentiality is deemed to have been compromised where such information appears in analyst reports, media reports or market rumours accompanied by unusual market activity.

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Where the Company becomes aware of a rumour or report, true or false, the CEO/COO/CFO will consult with its Directors, major shareholders and such other relevant persons involved in the matter to determine:

- whether such rumour or report contains undisclosed material information, and
- whether immediate disclosure is required to clarify, confirm or deny such rumour or report.

Where an announcement is required, the approval of the Board will be obtained by way of circulation of a Directors Circular Resolution before releasing of the announcement.

As a general rule, it is not the Company's policy to respond or comment on market rumours and speculations, unless they appear to contain elements of undisclosed material information.

8. ALTERATION

Any alteration or amendments to this policy, shall first be presented to the Board for approval. Upon the Board's approval, the said alteration or amendments shall form part of this policy and this policy shall be considered duly revised or amended.

This Board's Corporate Disclosure Policy was approved and adopted by the Board on 2 September 2020.

This Board's Corporate Disclosure Policy was last reviewed and approved by the Board on 23 February 2022.