

CORPORATE DISCLOSURE POLICY AND PROCEDURES

1. Introduction

As a public listed issuer, the Company strives to disclose timely and accurate disclosure of all material information to ensure investors have equal access to such information in facilitating the evaluation of securities.

2. Objective

This Corporate Disclosure Policy and Procedures is formulated not only on procedures covered under Chapter 7 of the Group Human Resource Policies and Procedures for all employees but to ensure the shareholders and investors able to obtain equal access of comprehensive, accurate and high standard of corporate information in line with Bursa Malaysia Securities Berhad's ("Bursa") Listing Requirement and Malaysia Code of Corporate Governance.

3. Scope and Applicability

This Policy applies to all employees and Directors of the Group in order to uphold a good governance in all disclosure to be made by the Group either :-

- (a) Oral statements made in group or individual meetings, telephone conversations, interviews and press conference; and
- (b) Documents whether electronically via phone, emails, file submitted to regulators or posted on the Company's website OR written documents, news release, letters, statements and reports .

Each employee is guided by the Group Human Resource Policy to comply with all rules and regulation adopted by the Company inclusive this Policy and any violation is subject to disciplinary action for which including termination of employment.

4. The Policy

- 4.1 The Group Human Resource Policy has governed on the conduct on the handling of confidential information and shall not disclose or divulge to any party. Any secret of confidential information relating to any project or other records that has come to the knowledge of the employee in the course of his work shall NOT be made known to any outside party without first obtaining a written approval from CEO, after obtaining the consent from EXCO, provided that the Bursa Listing Requirement has first been complied with.
- 4.2 Any secret or confidential information leakage shall be thoroughly investigated by the Company. Those who are found negligent in safeguarding such information or found to have obtained such information unlawfully shall be treated as collaborators in breaching the regulations of the Company and appropriate actions shall be taken against them.
- 4.3 Any employee who found breach of any misconduct shall first be investigated by the immediate reporting line i.e. HOC/SBGH/COO then if found suspicious, will be table for the Board's committee, Executive Committee (EXCO) to act on the misconduct, of which all related report of misconduct shall report to Company Secretary as the primary contact person.

- 4.4 The functions and responsibilities of EXCO in relates to disclosure are :-
- a) Maintain an awareness and understanding of the disclosure rules and regulations;
 - b) Ascertain whether any corporate development which constitute material information and ensure that this Policy and Bursa Listing Requirements are complied with;
 - c) Monitoring the compliance of this Policy by review or assess any violation and if necessary, implement appropriate remedial actions; and
 - d) Consistently update this Policy from time to time in ensuring compliance with Bursa Listing Requirements and other regulatory requirements.
- 4.5 Core Areas concerning the disclosure in compliance with Chapter 9.02 of the Bursa Listing Requirements to be responsible by the EXCO are as follows :-
- 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.
- 4.6 No employees shall be allowed to communicate with the Press and any media, whether online or digital, on any matters relating to the Company whether directly or indirectly. The authorized spokesperson for the Company is the CEO of the Company and any other officers as may be authorized by CEO with written approval from CEO obtained.
- 4.7 No material information shall be disclosed to any parties before it has first made to the public vide Bursa announcement site.
5. The Procedures
- 5.1 An announcement, if required to be made, will be prepared by the Company Secretary or the appointed merchant bank in accordance with the applicable securities law and Listing Requirements and the announcement shall then be approved by the CEO.
- 5.2 The Head of Corporate Finance and/or the Group Accountant of the Finance Department will review and validate all the financial data contained in the announcement to ensure that disclosure is consistent with the prevailing accounting standards and guidelines.
- 5.3 The Company Secretary or the appointed merchant bank shall release the approved announcement to Bursa Securities CEO.
- 5.4 The MIS Department will then upon received of the confirmation from Bursa Link on the announcement publish the said announcement to Kobay website.
- 5.5 Withholding and Maintaining Confidentiality of Material Information
- Pursuant to Chapter 9.05 of the Bursa Listing Requirements, the Company may withhold or delay disclosure of material information temporarily in the following exceptional circumstances, provided that complete confidentiality is maintained.

- (a) When the facts are in the state of flux; or
 - (b) When the disclosure will prejudice the Company's ability to pursue its corporate objectives; or
 - (c) When any other regulations restricted the disclosure
- 5.6 The Company shall take precautionary measures to minimize the leakage of material information inclusive but not limited to securely stored those physical copies of confidential documents in a locked cabinets with only access restricted to authorized employees only and no employees shall read or discuss confidential information in a public places.
- 5.7 All employees shall ensure the usage of electronic mail and internet facilities provided by the Company are confined to their duties and are prohibited to disclose or disseminate any sensitive or confidential information of the Company over the network, whether voluntary or involuntarily.
- 5.8 No disclosure of material information is made on an individual or selective basis to journalists, analysts, fund managers or other persons unless such information has previously been fully disclosed and disseminated to the public. In the event that such non-public material information has been inadvertently disclosed or commented, the Company shall immediately announce to Bursa .
- 5.9 The Company do maintained a website (www.kobaytech.com) for which acts as a channel to disseminate information and to allow access of information by shareholders and the public as a whole. Such information are available at the "Investor Relation" site includes but not limited to the following :-
- a) Announcement made to Bursa includes periodic financial statements and annual reports;
 - b) Submission to Bursa e.g. Circular to Shareholders, minutes of general meetings;
 - c) Past five (5) years financial highlights; and
 - d) Information which may be relevant and useful to the shareholders.
- 5.10 Whenever the Company becomes aware of a rumour or report (whether is true or false) that contains material information, the Company shall make due inquiry and immediately clarify, confirm or deny the rumour or report publicly via announcement with sufficient facts to support the clarifications, confirmation or denial.
- 5.11 When there is unusual trading activity, price movement, or both occurred, the Company will immediately undertake to conduct a due inquiry to seek the cause of such unusual market activity (UMA). If the UMA was resulted from the announcement of material information disclosed publicly vide Bursa, no further announcement will be made by the Company. However, if the UMA either indicates a misinterpreted material information or leak of undisclosed information or unable to determine the cause of UMA, the Company shall take appropriate measures to inform the Board with all the facts for clarification of UMA then make necessary announcement to Bursa in relates to the UMA.
- 5.12 Under Chapter 9.14 and 9.15 of the Bursa's Listing Requirements, insider (for which the meaning given under section 188 of Capital Markets and Services Act (CMSA) and the Companies Act, must not trade on the basis of undisclosed material information whether directly or indirectly procured unless such information has been disclosed to the investing public.

6. Review of the Policy

- 6.1 The Policy will be periodically reviewed by the Board to ensure it remains current and effective in accordance with the Company's practices and in compliance with the new/amended regulations.
- 6.2 In the best practice of corporate governance, this policy will be made available on the Company's website www.kobaytech.com.