

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
**(Incorporated in Malaysia)**

**CORPORATE DISCLOSURE POLICY**

**1.0 Introduction**

The Board of Directors of Genetec Technology Berhad (“**Genetec**” or the “**Company**”) is committed to timely and factual disclosure to the public regarding the business, operations and financial performance of the Company, consistent with legal and regulatory requirements, to enable orderly behaviour in the market. This Corporate Disclosure Policy (“**the Policy**”) provides the Company’s approach to disclosure of material information and maintaining the confidentiality of information.

**2.0 Objective of Corporate Disclosure Policy**

The objective of the Policy are to:

- (a) reinforce Genetec’s commitment to the continuous disclosure obligations imposed by Securities Commission and the rules of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) (“**ACE Market LR**”);
- (b) raise awareness and provide guidance to the Board of Directors, Management, Officers and employees on the Company’s disclosure requirements and practices;
- (c) ensure that all persons to whom the Policy applies understand their obligations to preserve the confidentiality of material information; and
- (d) promote effective communication with shareholders, stakeholders, potential investors and general public.

**3.0 Application of the Policy**

The Policy applies to the conduct of all Directors, Authorised Spokesperson, Management, Officers and other employees of the Company and its subsidiaries who have access to confidential corporate information with regard to handling and disclosing material information. It covers, but is not limited to the following:

- (a) Disclosure documents filed with the Malaysian securities regulators and written statements made in the Company’s annual and quarterly reports;
- (b) Financial and non-financial disclosure;
- (c) Press releases;
- (d) Circular/letters to shareholders;
- (e) Presentation by Senior Management;
- (f) Information contained on the Company’s website and other electronic communications;
- (g) Management discussion and analysis;
- (h) Oral statements made in meetings and telephone conversations with analysts and investors;
- (i) Interviews with the media;
- (j) Speeches, press conferences, conference calls and webcasts;
- (k) Any other dealings with the general public.

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#### **4.0 Communication of the Policy**

Copies of the Policy are made available to Directors, Officers and employees, either directly or by posting of the Policy on the Genetec website at [www.genetec.net](http://www.genetec.net). All Directors, Officers and employees will be informed whenever significant changes are made. New Directors, Officers and employees will be informed of the Policy.

#### **5.0 Administrative Responsibility**

##### **5.1 General**

Subject to applicable laws and circumstances determined by the Board as requiring immediate public disclosure, the Policy shall be administrated and interpreted by the Designated Person.

##### **5.2 Designated Person**

The Finance Controller will be the individual primarily responsible for ensuring that Genetec complies with all legal and regulatory disclosure requirements, including:

- (a) Overseeing the Company's corporate disclosure practices and monitoring compliance with the Policy;
- (b) Determining whether information is material information; and
- (c) Timely disclosure of material information in accordance with applicable securities law and ACE Market LR.

##### **5.3 Authorised Spokespersons**

The Managing Director (“**MD**”) and/or Financial Controllers (“**FC**”) (the “**Authorised Spokespersons**”) are the individuals responsible for communication with investment analysts, shareholders, potential investors and the media; for initiating and overseeing presentations, conference calls and other communications with analysts and other members of financial community; and for overseeing the electronic communications aspect of the Policy. In carrying out their responsibilities, the Authorised Spokespersons will seek to ensure that no undisclosed material information is made available to any selected group. If, for any person, undisclosed material information is disclosed to analysts, the media or others, the MD and/or FC should be immediately notified.

#### **6.0 Confidentiality of Information**

All Directors, Officers and employees of Genetec are prohibited from disclosing material undisclosed information, and shall not communicate confidential information, to anyone outside of Genetec, unless it is necessary to do so in the course of business; required by law; or authorised by the Designated Person.

Every effort shall be made to limit access to such confidential information to only those who need to know the information, and such persons shall be advised that the information is to be kept confidential.

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
**(Incorporated in Malaysia)**

Outside parties who receive or are privy to undisclosed confidential information concerning the Company will be told that they must not reveal such information to anyone else. Management shall ensure that such outside parties confirm their commitment to non-disclosure under a written confidentiality agreement.

## **7.0 Procedures and Practices on Corporate Disclosure**

### **7.1 Material Information Release Guidelines**

In accordance with the ACE Market LR, material information is generally considered to be any information relating to the business, operations and financial performance of the Company and its subsidiaries that results in, or would reasonably be expected to result in, a significant change in:

- (i) the market price, value or market activity of the Company's securities, or
- (ii) the decision of a holder of securities of the Company or an investor in determining his choice of action.

The following are some examples of events which may require immediate disclosure to Bursa Malaysia by the Company as set out in the ACE Market LR (non-exhaustive):

- the entry into a joint venture agreement or merger;
- the acquisition or loss of a contract, franchise or distributorship rights;
- the introduction of a new product or discovery;
- a change in management;
- the borrowing of funds;
- the commencement of or the involvement in litigation and any material development arising from such litigation;
- the commencement of arbitration proceedings or proceedings involving alternative dispute resolution methods and any material development arising from such proceedings;
- the purchase or sale of an asset;
- a change in capital investment plans;
- the occurrence of a labour dispute or disputes with sub-contractors or suppliers;
- the making of a tender offer for another corporation's securities;
- the occurrence of an event of default on interest or principal payments or both in respect of loans;
- a change in the general business direction;
- a change of intellectual property rights;
- the entry into a memorandum of understanding;
- the entry into any call or put option or financial futures contract; or
- a change in the business plan of the listed corporation that has been previously disclosed.

### **7.2 General Guidelines**

In complying with the continuous disclosure obligations under the applicable laws and the ACE Market LR in a timely manner, the Company shall be governed by the following principles in disseminating material information:

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
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*(i) Immediate announcement to Bursa Malaysia*

Subject to the terms of the Policy, material information must be immediately announced to Bursa Malaysia as set out in the Paragraph 9.19 of the ACE Market LR as per Appendix I and as amended from time to time.

*(ii) Consistent approach to materiality*

The Company would make every endeavour to take a consistent approach in determining materiality of information, in addition to whether the circumstances or events are measurable and trigger the materiality threshold in the percentage ratio calculation method set out in the ACE Market LR.

*(iii) Withholding Confidential Information*

The Company will only withhold material information from public for legitimate business purposes. These include but are not limited to:

- (a) when immediate disclosure would prejudice the ability of the Company to pursue its corporate objectives; or
- (b) when the facts are in a state of flux; or
- (c) where the Company or securities laws restrict such disclosures.

In such cases, the information will be kept confidential until the Designated Person determines it is appropriate to publicly disclose or that the Company has a legal obligation to do so.

If confidentiality of information is lost or cannot be maintained, the Company will immediately announce the information to Bursa Malaysia.

*(iv) Factual and non-speculative disclosure*

Disclosure must be factual and non-speculative and must include any information wherein the omission of which would make the rest of the disclosure misleading.

*(v) Prompt disclosure of unfavourable material information*

Unfavourable material information must be disclosed promptly and completely, consistent to favourable information.

*(vi) Inadvertent disclosures to be disclosed immediately via announcements*

If previously undisclosed material information has been inadvertently disclosed, such information must be broadly disclosed immediately via announcements. In certain circumstances, applicable securities laws allow for selective disclosure where doing so is in the necessary course of business.

*(vii) Immediate correction of material error in disclosure*

Disclosure must be corrected immediately if the Company subsequently learns that an earlier disclosure by the Company contained a material error at the time it was originally distributed.

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
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*(viii) Equal access to material information*

All investors must have equal access to material information. Selective disclosure is not allowed.

**7.3 Responding to Market Rumours/Reports**

In general, the Company does not respond to inquiries regarding market rumours/reports unless there is significant reaction in the market for the Company's listed securities or affects investment decision.

However, should rumours/reports be published in any form whatsoever and howsoever, not limited to an article or otherwise, published in a newspaper, newswire, magazine, a broker's market report or any other publication, the Designated Person shall consider the matter and undertake due enquiry before deciding on the form of statement to be made regarding the rumour.

**7.4 Public Disclosure Materials**

Announcements to Bursa Malaysia and where applicable, press releases, responses to public queries or media interviews ("**Public Disclosure Materials**") must contain sufficient detail in plain language to enable investors and media personnel to understand the true substance, importance and relevance of the information so that investors and other important stakeholders may make informed investment decisions.

Once the Designated Person determines that a development is material and must be disclosed, the release of an announcement will be authorised.

The Public Disclosure Materials must:

- (i) be circulated for input to the relevant personnel as may be designated by the Designated Person;
- (ii) approved by the Designated Person;
- (iii) be checked for content keeping in mind confidentiality and/or approval obligations contained in partnership and/or joint venture agreements;
- (iv) be issued in accordance with the ACE Market LR; and
- (v) for press release, include the name and contact numbers (phone, e-mail and fax) of at least one Company's representative/investor relations representative who has been designated by the Designated Person to communicate with the investment community and/or the news media.

**7.5 Restriction on Insider Trading**

Under Section 188(1) of the Capital Market & Services Act 2007 ("CMSA"), 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 the securities; and
- (b) knows or reasonably ought to know that the information is generally not available.

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
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Under Section 188(2) of the CMSA states that an insider shall not, whether as principal or agent, in respect of any securities to which information in subsection 188(1) relates:

- (a) acquire or dispose of, or enter into an agreement for or with a view to acquisition or disposal of such securities; or
- (b) procure, directly or indirectly, an acquisition or disposal of, or the entering into an agreement for or with a view to the acquisition or disposal of such securities.

Based on the above definitions, these persons would include but not limited to the following:

- (i) Directors and Officers of the Company and subsidiaries;
- (ii) Employees;
- (iii) Persons who provide business or professional services to Genetec; and
- (iv) Any other person or company informed about undisclosed material information about Genetec by any of the above parties.

As such, the persons stated above with insider knowledge of undisclosed material information, is prohibited from trading in the Company's securities until after the information has been publicly disclosed.

#### 7.6 Closed Period

Under the ACE Market LR, closed period is defined as a period commencing 30 calendar days before the targeted date of announcement up to the date of the announcement of Genetec's quarterly results to Bursa Malaysia.

From time to time, the Directors and principal officers will be advised by the company secretary on the trading restrictions in the Company's securities in accordance with the provisions of the ACE Market LR.

#### 7.7 Communications with Analysts, Investors and Media

The Authorised Spokesperson(s) may meet with analysts, institutional investors, media and other market professionals individually or in small group and will initiate contact or respond to their calls in a timely, consistent and accurate fashion in accordance with the Policy.

The Company will provide only factual and non-speculative information. If material non-public information is inadvertently disclosed at such meeting, the Company will immediately disclose such information via Public Disclosure Materials.

#### 7.8 Reviewing Analyst Reports

Analysts may request the Company to review draft analyst's reports from time to time and only the Designated Person will comment on the analysts' reports. Such comments will be limited to identifying publicly disclosed factual information that could affect the analysts' reports and to pointing out inaccuracies or omissions with reference to publicly available information.

**GENETEC TECHNOLOGY BERHAD (445537-W)**  
**(Incorporated in Malaysia)**

**7.9 The Company's Website**

The Company's website ([www.genetec.net](http://www.genetec.net)) provides an avenue for the shareholders and the investing public to access information pertaining to the Company. It contains an "Investor Relations" section.

All disclosures and material information documents of interest to investors will be made available and accessible to the public on the website soon after their release to Bursa Malaysia and/or through the newswire service. These includes corporate proposals, general meetings, announcements, financial reporting and all other announcements that are required pursuant to ACE Market LR.

The Finance Department and company secretary are responsible for ensuring that the information contained in the "Investor Relations" section of the website is kept up to-date with the Company's latest disclosures.

**8.0 Consequences of Non-Compliance with the Disclosure Policy**

Failure to comply to the Policy may result in severe consequences, which could include internal disciplinary action, termination of employment or consulting arrangements without notice. The violation of the Policy may also violate certain securities law wherein the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or possibly imprisonment.

**9.0 Review of the Policy**

The Board of Directors of Genetec shall from time to time as deem necessary to determine whether the Policy is effective in ensuring accurate, complete and timely disclosure in accordance with Genetec's disclosure obligations.

The Board has adopted the Policy on 21 May 2014.