

# CORPORATE DISCLOSURE POLICY

## 1. Purpose

The Corporate Disclosure Policy of KKB Engineering Berhad (“the Company”) sets out the requirements for disclosure including the quality of disclosure to provide shareholders and investors with comprehensive, accurate and quality information on a timely basis.

## 2. Scope

The Corporate Disclosure Policy of the Company sets out when disclosure is required by the Company.

The designated persons of the Company responsible for overseeing and coordinating disclosure of material information are as follows:

Name	E-mail	Telephone
i) Kho Pok Tong	<a href="mailto:kpt@kkbeb.com.my">kpt@kkbeb.com.my</a>	082-333 877
ii) Kho Poh Lin	<a href="mailto:kpl@kkbeb.com.my">kpl@kkbeb.com.my</a>	082-419 877
iii) Diwek Ak Dayus	<a href="mailto:bb@kkbeb.com.my">bb@kkbeb.com.my</a>	082-333 877

### 2.1 Immediate Disclosure of Material Information

- 2.1.1 The Company must announce immediately any material information. (i.e. reasonably expected to have an effect on price, value or market activity of the share or investment decision making)
- 2.1.2 The Company must announce immediately the occurrence of events prescribed under the Listing Requirements.
- 2.1.3 The Company must announce immediately transactions which trigger the prescribed materiality threshold.
- 2.1.4 The Company must announce its quarterly financial statement and annual reports.

### 2.2 Contents of Announcement or Circulars

- 2.2.1 The Company must emphasize substance over form when disclosing announcement or circulars.
- 2.2.2 The Company aims at ensuring the investing public has a good understanding of information disclosed.
- 2.2.3 The Company must disclose the total consideration together with the basis and justification for the consideration.
- 2.2.4 The Company must disclose the contribution to group’s net profit in a disposal transaction including the intended application of sale proceeds.
- 2.2.5 Contents in Circulars must be factual, clear and not lengthy to facilitate easy understanding.

## 2.3 Maintaining Confidentiality of Information

- 2.3.1 The Company will withhold or delay disclosure of material information temporarily where disclosure would prejudice the ability of the Company to pursue its corporate objectives.
- 2.3.2 If material information is being withheld the Company must ensure that confidentiality is maintained to minimize information leakage.
- 2.3.3 Persons involved in the confidential transactions or in possession of price sensitive information shall ensure strict confidentiality.
- 2.3.4 If confidentiality of information is lost the Company must undertake an enquiry to ascertain the leakage and take appropriate steps to announce to Bursa Securities.

## 2.4 Clarification, Confirmation or Denial of Rumours or Reports

- 2.4.1 Whenever the Company becomes aware of a rumour or report, it should ascertain whether it contains undisclosed material information and make immediate disclosure to clarify, confirm or deny the rumours.
- 2.4.2 The Company must not make evasive announcement that do not clarify, confirm or deny a rumours or report.

## 2.5 Unusual Market Activity

Where there is unusual trading activity or price movement in the Company's shares, the Company must upon query from Bursa Securities undertake due enquiry to determine the cause and issue a clarifying announcement.

## 2.6 Equal Access to Material Information

- 2.6.1 The Company can provide any information to journalists, analysts and fund managers as long as it does not include any undisclosed material information.
- 2.6.2 The Company must immediately announce to Bursa Securities any non-public material information which has been inadvertently disclosed when responding to question from journalists, analysts or fund manager.
- 2.6.3 When conducting meetings with outside parties, the Company keeps to a minimum number of authorized spokespersons.
- 2.6.4 The Company will disseminate information through its website to shareholders and to enhance investor relations including email address, name of designated person, contact numbers to enable public to forward queries.

### 3. **Other Disclosure**

#### 3.1 **Profit Guidance**

Where there is material improvement or deterioration in the Company's financial results, the Company will assess the impact and immediately provide a profit guidance statement on the likely impact.

#### 3.2 **Fraud/Financial Irregularity**

Where there is a fraud or financial irregularity taking place, the Company will immediately assess the materiality and immediately announce if it is material including the financial and operational impact and steps taken to address it.

#### 3.3 **Announcement by External Parties/Authorities**

The Company will immediately announce to Bursa Securities any announcement by a government ministry or agency regarding a government policy which is material to the Company including the business and financial impact.

#### 3.4 **Disclosing Purpose and Utilization of a General Mandate**

The Company may procure a general mandate from its shareholders at a general meeting to issue shares in accordance with Section 76 of the Companies Act 2016 and the requirements under the Listing Requirements.

#### 3.5 **Quality of Financial Disclosure and Timely Disclosure**

The Board is responsible for the preparation of timely and reliable financial statement and represents a true and fair view of the statement of affair of the Company.

To facilitate easy reference, the Company discloses in its annual report, financial highlight of major items for the last 5 years including disclosure in its notes to the quarterly report, a detailed analysis of the performance of all operating segments of the Group and details of major components in the statement of Cash Flows.

### 4. **Presentation and Content of the Management Discussion & Analysis (MD&A)**

4.1 In order to give shareholders a better understanding the Company makes a separate statement in its annual report a MD&A statement of its business operation and financial performance during the financial year including providing both positive and negative factors affecting the business, comparison over time and trends, factors and analysis of performance indicators, both financial and non-financial. The MD&A aims to provide an analysis of performance, opportunities and risks underlying the results and financial condition of the Company.

4.2 The MD&A also provide an analysis of the Group's future performance and each of its principles business segments including possible indication.

*This Policy is reviewed and approved by the Board on **9 February 2018***