

Corporate Disclosure Policy

1. Introduction

As a public listed company, VSTECS Berhad (formerly known as ECS ICT Berhad) (“VSTECS” or the “Company”) and its subsidiaries (“The Group”) are committed to provide accurate, timely, consistent and fair disclosure of corporate information to enable informed and orderly market decision by investors. This information is directed to a diverse audience of shareholders, stakeholders and the public generally.

In formulating this policy, the Company has taken into account the recommendations contained in the Malaysian Code on Corporate Governance and its disclosure obligations contained in the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

2. Rationale and Objective

The rationale and objective of this Policy are as follows:

- a) To raise awareness and provide guidance to the Board of Directors (“the Board”), Management, Principal Officers and Employees on the Company’s disclosure requirements and practices;
- b) To provide guidance and policies in disseminating corporate information to, and in dealing with shareholders, stakeholders, analyst, media, regulators and the investing public;
- c) To reinforce the Company’s commitment in compliance with legal and regulatory requirements on disclosure; and
- d) To build good investor relations with the investing public that inspires trust and confidence.

3. Applicability and Compliance

The Policy applies to all Directors, Management, Principal Officers and Employees of The Group and those authorised to speak on their behalf. This Policy covers, but is not limited to the following:

- a) Disclosure documents filed with the Malaysian regulators and written statements made in the Company’s annual and quarterly reports;
- b) Annual General Meeting;
- c) Financial and non-financial disclosure;
- d) Press releases;
- e) Letters to shareholders;
- f) Presentations by Senior Management;
- g) Information contained on the Company’s website and other electronic communications;
- h) Oral statements made in Group meetings, individual meetings and telephone conversations, interviews with media, conversations with members of the investment community (which includes analysts, investors, investment dealers, broker, investment advisers and investment managers) or with employees;

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- i) Press Conferences;
- j) Conference Call; and
- k) Any other dealings with the general public.

This Policy does not apply to communication made in the ordinary course of business of The Group not involving material information.

4. Structure for Corporate Disclosure

The Board is ultimately responsible for ensuring that the Policy is implemented effectively and the disclosure requirements as set out are fulfilled.

The implementation of the Policy is delegated by the Board to the Management of The Group.

The members of Corporate Disclosure Committee are as follows:

- i) Non-Executive Chairman
- ii) Executive Director/Chief Executive Officer
- iii) Chief Financial Officer
- iv) Company Secretary (Internal)

Functions and responsibilities of the Committee include the following:

- i) Maintaining an awareness and understanding of the disclosure rules and guidelines;
- ii) Ascertaining whether corporate developments, transactions and other events constitute material information and if so, ensuring the procedures outlined in the Policy are fully adhered;
- iii) Timely disclosure of material information in accordance with Main Market Listing Requirements of Bursa Securities; and
- iv) To response to any query raised by Bursa Securities.

Authorised Spokespersons

The Company designated a limited number of spokesperson responsible for communication with investment community, regulator and media.

Primary Spokespersons:

- i) Non-Executive Chairman; and
- ii) Executive Director/Chief Executive Officer

The Company's Non-Executive Chairman and Executive Director/Chief Executive Officer have been appointed to communicate with audience constituents and respond to questions in relation to the corporate vision, strategies, developments, future prospects, financial plans and operation matters.

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Secondary spokesperson:

- i) Chief Financial Officer; and
- ii) Company Secretary (Internal)

The Chief Financial Officer and Internal Company Secretary may only communicate to audience constituents on information already in the public domain, unless they are authorised by the Primary Spokespersons to undertake broader communications.

5. Core Areas

The six (6) specific core areas concerning disclosure 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.

5A. Immediate disclosure of material information

Material information is any information which is expected to have a material effect on the following:

- a) The price, value or market activity of any of the securities of the Company; or
- b) The decision of a holder of securities or an investor in determining his choice of action.

The following guidelines will be followed by the Company to fulfil its obligation to make immediate announcement of material information:

- a) For the prescribed events as set out in Paragraph 9.04 and 9.19 of the Listing Requirements of Bursa Malaysia, the Company will immediately announce the event upon its occurrence;
- b) Materiality can be rather subjective and the Company will take the approach of assessing the likely effect of the information on the price scope of activities and financial position or performance of the Company's securities, in addition to whether the circumstances or event are measurable to trigger the materiality thresholds in the percentage ratio calculation method set out in the Main Market Listing Requirement of Bursa Malaysia.

Procedures for Disclosure

- a) All announcements to Bursa Securities will be prepared and/or reviewed by the Company Secretary, or the appointed merchant bank in accordance with the applicable securities law and Listing Requirements and all announcements shall then be approved by the Non-Executive Chairman or Executive Director/Chief Executive Officer.

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- b) The Chief Financial Officer or the Finance Manager will review and validate all financial data contained in the announcement to ensure that disclosures are consistent with the prevailing accounting standards and guidelines.
- c) The Company Secretary or the appointed merchant bank shall release the announcement to Bursa Malaysia once the announcement is approved by the Non-Executive Chairman or Executive Director/Chief Executive Officer.

5B. Thorough Public Dissemination

Equal Access to Material Information

- a) The Company shall release material information to the public in a manner designed to obtain its fullest possible public dissemination.
- b) 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.
- c) Any public disclosure of material information must be made by an announcement first to Bursa Securities or simultaneously to Bursa Securities, the press and the newswire services.

5C. Clarification, Confirmation or Denial of Rumours or Reports

- a) The Company does not comment on rumours or reports unless there is significant reaction in the market for the Company's listed securities. The Company's authorised spokespersons will respond consistently to all verbal rumours by responding "***It is our Policy not to comment on market rumours or speculation***".
- b) However, should rumours be published in the printed form and relate to specific material information, the Corporate Disclosure Committee shall consider the matter and undertake due enquiry before deciding on the form of statement to be made regarding the rumour.
- c) All announcements made must contain sufficient facts to support the clarification, confirmation or denial of the rumour or report.

5D. Response to Unusual Market Activity ("UMA")

- a) Where unusual trading activity, price movement, or both occurs on the securities of the Company, the Company will immediately undertake a due enquiry to seek the cause of the UMA.
- b) If the Company determines that the UMA results from material information that has already been publicly disclosed pursuant to the Listing Requirements, no further announcement is required. However, if the UMA indicates that such material information may have been misinterpreted, the Company will issue a clarifying announcement to Bursa Malaysia. Appropriate measures will be taken to inform the Board, if deemed necessary, on such further clarifications.
- c) If the UMA results form a "leak" of previously undisclosed information, the information in question will be publicly disclosed with the Listing Requirements.
- d) If the Company is unable to determine the cause of the UMA, the Company will announce that there have been no undisclosed developments which would account for UMA.

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5E. Unwarranted Promotional Disclosure Activity

The Company will refrain from any form of promotional disclosure activity which may mislead investors or cause unwarranted price movement and trading activity in the Company's securities. Such activity includes news releases, public announcements, predictions, reports or advertisements, which are unjustifiable, exaggerated, flamboyant, overstated or over-zealous.

5F. Insider Trading

The Company has an Insider Trading Policy. For more information on the said Policy, please refer to our corporate website www.vsteecs.com.my.

6. Investor Relations Guidelines

The Company shall follow the guidelines given hereunder for all communication to investment community including media interviews:

a. Only Public information to be provided

The Company shall provide only public information to the analysts, research persons, institutional investors and media. Alternatively, the information given shall be made public at the earliest.

b. Discussion with media, analyst, institutional investors

In order to provide true and fair view of the Company, it is advisable that at least two members from the spokesperson categories be present at meetings with media, analysts, institutional investors and research persons and discussions should preferably be recorded in writing.

c. Handling of unanticipated questions

The Company shall be careful when dealing with analysts' questions that raise issue outside the intended scope of discussions. Unanticipated questions shall be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.

7. Periodic Review and Disclosure

a. The Corporate Disclosure Policy is to be regularly reviewed by the Board to ensure compliance to the Listing Requirements and other regulatory requirements, as and when required and communicate the new changes to all relevant parties.

b. The Company shall disclose this policy in its Corporate Website.

* Amended pursuant to the Board of Directors' approval on 19 March 2018.

** Updated on 30 November 2018 subsequent to the change of company name from "ECS ICT Berhad" to "VSTECS Berhad" with effect from 30 November 2018.