

CONFIDENCE CEMENT PLC.

Principles on Disclosure of Material Information & Price Sensitive Information.

1.0 Introduction:

This Policy shall be called “**Principles on Disclosure of Material Information and Price Sensitive Information**” (hereinafter referred to as “the Policy”) of Confidence Cement PLC. (hereinafter referred to as “Confidence Cement”).

The Policy has been framed in compliance with the Rule 3(2) of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading), Rules 2022 and Regulation 33 of the Stock Exchanges Listing Regulations, 2015 read with definitions 2(1) (hereinafter referred to as “Listing Regulations”) which inter-alia, requires every Listed Company to disclose material events or information to the Stock Exchanges (hereinafter referred to as “Exchange”) wherein its securities are listed.

2.0 Objectives of the Policy:

- 2.1 The objective of this policy is to ensure continuous, adequate, accurate and timely disclosure of material and price sensitive information by Confidence Cement PLC to the Stock Exchanges on an ongoing basis to enable the investors to make informed investment decisions.
- 2.2 Regulation 33 of the Listing Regulations requires listed entities to promptly inform the Stock Exchanges of all the material events as well as price sensitive information which will have a bearing on the performance / operations of the Company by applying the following factors to ensure fairness and efficiency in the market:
 - a. Timely disclosure of relevant information to investors; and
 - b. Adequacy and accuracy of the information disclosed.
- 2.3 Confidence Cement PLC shall make timely disclosures of the material event / price sensitive information to the Exchange(s), at the time of occurrence of the material event / price sensitive information and where applicable, make periodic disclosures on the associated material developments till such time the event is resolved / closed.

3.0 Definitions:

- 3.1 “**Affected person**” means any Director, Board member, CEO, Company Secretary, Senior Manager, Officers of the company and/or insiders.
- 3.2 “**Board of Directors**” shall mean the Directors on the Board of Confidence Cement PLC, so appointed.





- 3.3 **"Chairman"** means the Chairman of the Board of Directors of Confidence Cement PLC, so appointed.
- 3.4 **"Compliance Officer"** means the Company Secretary of the Company.
- 3.5 **"Immediate Family"** means parents, spouse, children or such type of person who is financially dependable to another person or who takes advice regarding the transaction of securities from that person.
- 3.6 **"insider"** is a person who has inside information through
- a. being a director, a beneficial owner, an employee or a shareholder of an issuer of securities listed on a regulated market or an issuer of derivative instruments related to such securities to which the inside information relates; or
 - b. having access to such information by virtue of employment, office or profession; or
 - c. where such person knows that the direct or indirect source of the information was a person contemplated in paragraph 3.6(a) or 3.6(b).
- 3.7 **"Inside information"** is specific or precise information, which has not been made public and which—
- a. is obtained or learned as an insider; and
 - b. if it were made public, would be likely to have a material effect on the price or value of any security listed on a regulated market or of any derivative instrument related to such a security.
- 3.8 **"Insider Trading"** Insider trading is the trading of a public company's stock or other securities based on material nonpublic information about the company that could substantially impact an investor's decision to buy or sell a security that has not been made available to the public.
- 3.9 **"Investors"** means existing and potential shareholders and investors in listed equity and debt instruments issued by Confidence Cement.
- 3.10 **'Material'** term wherever appears in the policy shall mean any individual transaction or arrangement which is significant to the operations or performance of the Company.
- 3.11 **"Price Sensitive Information"** shall mean any information which relates directly or indirectly to Confidence Cement PLC and which if published is likely to materially affect the price of securities of Confidence Cement.
- 3.12 **"Secretary"** means the Company Secretary of Confidence Cement, so appointed.



3.13 "Securities" shall mean Securities as defined in the Securities and Exchange Ordinance, 1969 and shall include shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of like nature issued by Confidence Cement PLC from time to time.

3.14 "Senior Management Personnel" shall mean personnel of the Company who are members of the core management team excluding the Board of Directors and would comprise of all members of management one level below the Whole Time Directors, including head of departments directly reporting to Whole Time Directors.

3.15 "Stock Exchange" means the Dhaka Stock Exchange Ltd and Chittagong Stock Exchange PLC of Bangladesh on which the securities of Confidence Cement are listed.

4.0 Scope:

4.1 The policy applies to affected persons.

4.2 The Affected Persons are required to comply with the BSEC listing rules and regulations and the Securities and Exchange Ordinance, 1969 with regard to dealing in the company's Securities. In particular, Affected Persons should take note of insider trading offences and related offences as outlined in the Securities and Exchange Commission Act-1993. Furthermore, the Affected Persons need to behave in a manner that protects the integrity and reputation of Confidence Cement PLC. All Affected Persons should therefore ensure that they understand and comply with the provisions and requirements set out in this Policy.

5.0 DETERMINATION OF MATERIALITY

Materiality has to be determined on a case-to-case basis depending on specific facts and circumstances relating to the information / event. In order to determine whether a particular event / information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:

5.1 Quantitative criteria

Materiality shall become applicable to an event / information where the value involved or the impact at least 10% of the net worth of the asset or as determined by the Commission from time to time

The above net worth shall be determined on the basis of audited consolidated financial statements of last audited financial year.



5.2 Qualitative criteria

Materiality shall become applicable to an event / information:

5.2.1 if the omission of which is likely to:

- (a) result in a discontinuity or alteration of event or information already
- (b) result in significant market reaction if the said omission came to light at a later date;

5.2.2 if in the opinion of the Board of Directors of Confidence Cement, the event information is considered material;

5.3 In circumstances where 'quantitative' test may not be applicable, 'qualitative' test may be applied to determine materiality.

5.4 The authority for determining the materiality of an event or information for the purpose of this clause shall be CFO and the Compliance Officer in consultation with the Directors / Chairman.

6.0 Price Sensitive Information (PSI), Material Information, Beneficial owners' information and its publication

Any listed company or listed fund or issuer or manager of fund or trustee shall consider the following information as Price Sensitive Information along with other events as defined by BSEC from time to time.

- a) Report on financial statements, results of financial position and basic information thereon.
- b) Corporate announcement and dividend
- c) Information relating to corporate structure such as merger, amalgamation, de-merger, acquisition, transformation and transfer.
- d) Information relating to capital structure.
- e) Information relating to business expansion and change of business etc
- f) Information relating to Fund management and changes in fund structure

In addition to the above material and price sensitive information, the prescribed material and price sensitive information in Annexure 'A' of this policy will also be considered.



7.0 Disclosure Obligations

- 7.1 All Senior Management Personnel / Officers of Confidence Cement shall be under an obligation to disclose material event and/or price sensitive information to the Compliance Officer.
- 7.2 Upon receipt of information mentioned at point no. 7.1, the Compliance Officer of Confidence Cement shall make disclosure of the material events / price sensitive information to the Stock Exchange(s) with information to CFO and Director(s) in line with the objective of the policy stated in clause 2.
- 7.3 With respect to events specified under clause 6.1 of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) - Rules-2022, disclosure shall be made within 2 hours of the conclusion of the Board Meeting.
- 7.4 All disclosures made by the company to the stock exchanges shall be hosted on the website of the company for a minimum period of three years.

8.0 Record keeping of Price Sensitive Information and Material Information

The issuer of listed security and Fund manager shall keep record of all published Price Sensitive Information and Material Information in their website for three years.

The company or fund or security issuer or manager of fund or trustee shall preserve data of beneficial owner as per method determined by BSEC and shall submit to the Commission and related Stock Exchanges.

9.0 Restriction on Dealing with Price Sensitive Information

The beneficial owner shall not disclose or disseminate any unpublished Price Sensitive Information to any one which was already submitted with the application for listed to the related regulatory body for approval.

The beneficial owner shall not involve in insider trading by him/herself or by other and shall not provide personal advice or help relating to insider trading.

10.0 Prohibition of Insider Trading

The trading of securities of issuer or fund or any kind of securities transfer or transmission shall be restricted by the persons defined by rules 5 2(A), 5 2(B), and 5 2(C) of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) - Rules-2022, during the prohibition period. As per the rule 5(2) the prohibited periods start from two months before the end of financial year up to the date of Board of Directors' meeting at which the Audited Annual Financial Accounts placed for approval.



11.0 Dissemination and Publication of PSI

The Compliance Officer of Confidence Cement shall make disclosure of the material events / price sensitive information to the Stock Exchange(s) as prescribed procedures laid down in Rules 6 of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) - Rules-2022 dated 28th December, 2022 as stated below:

- i) PSI will be communicated to BSEC, DSE & CSE within 2.0 hours after taking of the decision.
- ii) PSI will be signed by two persons. By the Chairman along with CEO or Company Secretary as per rules 6(1) of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) - Rules-2022.
- iii) PSI will be published on immediate effect in two widely circulated daily newspapers one in Bangla and one in English newspaper. At the same time issuer company shall publish the PSI in an online newspaper and shall upload the PSI in the website of the issuer company.
- iv) PSI will be sent to the Commission and Stock Exchanges through Email, Fax, Digital submission platform or by special messenger or by courier service in other cases.
- v) The issuer company shall not publish or shall not influence anybody to publish any news or false news which can affect the share price of the issuer company.
- vi) The date and time of the decision on PSI shall be mentioned in the intimation letter of PSI.
- vii) If any decision taken by Board relating to PSI and it is subject to approval of regulatory body then the PSI will be published stating that the matter was sent to the respective regulatory body for approval. After getting approval of the regulatory body the issuer company shall notify another PSI within 2.0 hours of the approval to the BSEC, DSE & CSE.
- viii) The history of PSI of the issuer company shall be recorded/ stored in a digital data basesystem.



12.0 Inside Information

Followings are to be treated as Inside information:

- Mergers, substantial acquisitions or disposals, far-reaching restructuring within the Confidence Cement, e.g., major acquisitions/disposals in financial terms, or minor acquisitions/disposals having a strategic dimension;
- Board decisions on equity increases or reductions, other changes in the share or capital structure;
- Annual or interim financial results, quarterly and half yearly unaudited financial results;
- Material change in Confidence cement's earnings situation, unforeseen sharp fall in earnings, surprising large-scale losses or unforeseen and remarkable earnings growth, which substantially change the general financial picture of Confidence Cement;
- Suspension of or drastic reduction in dividend payments, liquidity problems, impending suspension of payments;
- Important changes in Confidence cement's business, such as discontinuation of a major line of business, conclusion or dissolution of strategic alliances, major liability cases or radical market changes;
- Changes in the Board of Directors, CEO, CFO, Company Secretary, senior corporate management or auditors of Confidence cement.

13.0 Insiders

Followings are to be treated as Insider:

- The Chairman and the Managing Director & CEO of Confidence cement.
- Board members including Audit Committee members of the Company
- All senior management personnel including Heads of Divisions and Departments
- All Employees of Confidence cement.
- External auditors, Advisers, and Service providers of Confidence cement that have access to Inside Information.
- A person who owns 10% or more of the shares of the Company.

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14.0 Review, Clarification and Amendment

14.1 This Policy is subject to an annual review and amendment from time to time as circumstances warrant.

14.2 The Chairman and Company Secretary are authorized to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Chairman and Company Secretary are also authorized to amend this Policy from time to time based on changing requirements as prescribed by BSEC / Stock Exchange(s).

14.3 The policy shall come into effect from November 18, 2023. A copy of the policy shall be hosted on the website of the Company.

THE END


Engr. Rezaul Karim
Chairman


Md. Delowar Hossain FCS
Company Secretary



CONFIDENCE CEMENT PLC. MATERIAL EVENT / INFORMATION

The following event / information shall be necessarily disclosed to the Exchange(s) without applying any test of materiality:

(1) Factors regarding changing of financial position

- a) Change of Financial Statements such as Income, Cash flow, Receivable, Liabilities and Assets etc. significant increase or decrease.
- b) Following Comparative information of Financial Statements
 - 1) Revenue per Share
 - 2) Net Operating Cash flow per share
 - 3) Net Asset Value per share
- c) Asset Value of issuer Company or Fund or significant change of Assets.
- d) Special directions issuers of regulatory authority or modification of previous direction regarding maintaining of provisions.
- e) Changing of Accounting policy of issuer or fund.

(2) Information regarding Corporate announcement, such as

- a) Any decisions regarding Dividend
- b) Any Decisions for right issue, bonus issue to the security holders.
- c) Corporate announcement or any other information relating to investors receivable.
- d) Changing of dividend distribution policy.

(3) Information regarding changing of corporate structure, such as

- (a) Acquisition or liquidation existing assets (5% or more)
- (b) Merger or amalgamation
- (c) Demerging of any unit of the company
- (d) Converting or winding up of any unit of the company
- (e) Changing of corporate activities by capital reorganization or amalgamation or demerger.
- (f) Proposal for taking over the control of any company or the internal services.
- (g) The changing of ownership which may affect the control of the company.
- (h) Changing of Name and Address etc.

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(4) Information regarding the changing of capital structure, such as

- (a) Any decisions on private placement or public offer or right offer or changing of capital structure.
- (b) Repurchased or redemption of securities or fund unit.
- (c) Any decision regarding share consolidation, share transfer and converting of security into equity share or debenture into share.
- (d) Significant change regarding the rights of the shareholders.

(5) Information regarding the activities of business expansion and change, such as

- (a) Any significant development and change in company's technologies, production or physical structure.
- (b) Significant change in capital investment or objective of the company.
- (c) Significant change in new contract, production, patent, service or business.
- (d) Significant receive of long-term due funds.
- (e) Removal, resign or change of Board of Directors including CEO, CFO, CS.
- (f) Change of statutory auditor, corporate governance compliance auditor and credit rating company.
- (g) Any significant reward or order of the court regarding commencement of legal proceeding or development of regulatory issues.
- (h) Change of category or delisting of the securities by Stock exchanges.
- (i) Any significant change of management contract, investors relation agreement, service agreement or related party transaction which may affect the financial statements significantly.
- (j) Any information relating purchase or sale of fixed asset or decision on BMRE.
- (k) Transaction of significant amount of advances or loans between inter company or subsidiary or associates company or directors.

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(6) Information regarding loan management, such as


- (a) Payment or receive of loan 25% or more of paid up capital or networth of asset of the company whichever is higher.
- (b) Any creation or satisfaction of charge of assets.
- (c) Failure to payment of any Bank installment or creditor or debenture or liability for more than six months.
- (d) Significant new loan agreement.
- (e) Agreement of foreign loan or investment.

(7) Information regarding fund management and structure change, such as

- (a) Extension or shortening the duration of fund.
- (b) Closing of fund.
- (c) Converting of fund.
- (d) Investment 105 or more in a unit security or fund.
- (e) Profit or loss incurred on encashment of any significant investment and
- (f) Change of fund's trust formation and deeds etc.

(8) Others such as

- (a) Signing of new important contract or repeal or amendment of previous contract.
- (b) Any circumstances which affect the assets or goodwill of the issuer.
- (c) Cancellation of or amendment of previously announced project.
- (d) Submission of qualified audit report by the issuer or fund auditor.


Engr. Rezaul Karim
Chairman


Md. Delowar Hossain FCS
Company Secretary