



Matin Spinning Mills PLC

Principles of Disclosure of Material Information and Price Sensitive Information

A. **General Application:** This “Principles of Disclosure of Material Information and Price Sensitive Information Policy” (the “Policy”), has been approved by the board of directors (the “Board”) in the 137th Board meetings of Matin Spinning Mills PLC (the “Company”) as per directive no. BSEC/CMRRCD/Admin/140, dated 28th December 2022 issued by the Bangladesh Securities and Exchange Commission (Commission). The Policy is intended to regulate the disclosure of Material Information (MI) and Price Sensitive Information (PSI) by the Company. The Board shall time to time update the Policy in accordance with updated notifications issued by the Commission. The Policy shall be disclosed on Company’s official website. This Policy shall be effective from 1st July 2023.

B. Price Sensitive Information

According to Sub-Clause (1) of Clause 3 of the BSEC Notification, all information that possesses price sensitivity for the Company or any information that may influence an investor's investment decision shall be considered as Price-Sensitive Information and shall be disclosed by the Company. The following information shall be deemed as Price-Sensitive Information for the Company, such as:

- (a) Reports on financial status, financial results, or fundamental information related to financial conditions;
- (b) Information related to dividends and corporate announcements;
- (c) Information related to corporate structural changes, such as mergers, demergers, acquisitions, disposals, restructuring, or transfers;
- (d) Information related to the change in capital structure;
- (e) Information related to business expansion, changes, etc.;
- (f) Any information specified as Price-Sensitive Information in any enacted, approved, or issued regulations, rules, orders, or directives by the Commission and the Stock Exchanges.;
- (g) Any information specified by the Commission through government gazette notifications at specified times.

C. Material Information:

In addition to price-sensitive information, all the following information shall be considered material information for the Company, such as:

1. Changes in financial condition, such as:

- (a) Changes in financial statements, such as income, expenses, cash flow, receivables liabilities or assets, or significant changes in assets or revaluation of significant assets, or any information, disclosure, or comment related to significant decrease or increase in assets;
- (b) Comparative financial information:
 - (i) Earnings per share;
 - (ii) Net cash flow per share;
 - (iii) Net asset value per share;



- (c) Significant changes in the value of the Company's assets or the composition of assets;
- (d) Changes in provisioning by the Company's controlling authority or any changes to previously provided specific instructions and;
- (e) any changes in the Company's accounting policies, etc.

2. Information related to corporate announcements, such as:

- (a) Any decision related to dividends;
- (b) Decisions or issuance regarding right share, bonus share, or provision of similar benefits to security holders;
- (c) Corporate announcements or any other information related to shareholders;
- (d) Changes in dividend distribution policy, etc.

3. Information related to corporate structural changes, such as:

- (a) Acquisition or disposal of 5% or more of existing assets or any other significant asset;
- (b) Consolidation or acquisition with another company or acquisition or disposal of significant shares of another company;
- (c) Division (split) of any unit of the company;
- (d) Transformation or discontinuation of any unit of the company;
- (e) Changes in corporate activities through capital reorganization, consolidation, or division;
- (f) Proposal for acquisition of another company or proposal for acquisition of internal services;
- (g) Changes in ownership that can influence corporate control;
- (h) Changes in name or address, etc.

4. Information regarding changes in capital structure, such as:

- (a) Any decision regarding private or public rights offer, or changes in its capital structure;
- (b) Any decision regarding the repurchase or redemption of the company's share;
- (c) Any decision related to the consolidation of shares, share exchange, conversion of any security into equity securities, or conversion of bonds into shares; and
- (d) Significant changes in rights of security holders, etc.

5. Information regarding business expansion, changes, etc., such as:

- (a) Significant development or change related to the company's technology, production, or establishment;
- (b) Significant investment or notable change in the purpose of the company;
- (c) Significant new contracts, production, patents, services, or business changes;
- (d) Collection of significant long-term outstanding liabilities;



- (e) Changes, resignations, or retirements of key executives, CEO, CFO, Company Secretary (CS), or Top management personnel.
- (f) Change of statutory auditor, corporate governance compliance auditor, and credit rating company of the Company;
- (g) Initiation of legal proceedings or development of regulatory matters or any significant judgment or order;
- (h) Delisting of securities from the stock exchange or change from one category to another;
- (i) Significant management contracts, investor relations agreements, service agreements, or related party transactions that could materially affect the financial statements of the Company;
- (j) Decision on the acquisition or sale of any fixed asset or the refurbishment, development, or expansion of plants or machinery (BMRE) or information related to the acquisition of new business units or establishments;
- (k) Significant lending, borrowing, or advances between the parent company, subsidiary, or associate companies or any borrowing or lending with the director.

6. Information related to loan management, such as:

- (a) Borrowing and repayment of loans exceeding 25% or more of the paid-up capital or net asset value, whichever is higher;
- (b) Significant asset encumbrance or asset release;
- (c) Failure to repay a bank, creditor, or debenture within a period of more than 6 (six) months;
- (d) Significant new loan agreements; and
- (e) Foreign loan agreements or investment contracts, etc.

7. Miscellaneous, such as:

- (a) Canceling or materially amending any important agreement previously declared/signed;
- (b) Any significant damage or destruction of the Company's assets;
- (c) Canceling or materially amending any previously announced project; and
- (d) Submission of qualified reports by the company's auditor, etc.

D. Methods of Disclosure of Price Sensitive Information:

- (1) Any Price Sensitive Information (PSI) of the company will be immediately sent to the Commission and stock exchanges within 2 (two) hours of taking the decision or seeking approval from the relevant controlling authority or governing body or on the date that PSI becomes visible, signed by its Chairman, Chief Executive Officer or Company Secretary via email, fax, digital submission platform, or special message or in special cases through courier service; and the information should be promptly published in widely circulated two newspapers (one in Bangla and the other in English) and in an online news portal, as well as publish on the company's website, where's applicable.



- (2) No false or untrue Price-Sensitive Information shall be disclosed or supplied for the purpose of manipulating the share price of company, nor shall any individual be induced to provide false or untrue information.
- (3) The Price Sensitive Information sent and published by the company should contain the date and time of decision-making by the Board of Directors or in some cases indicate the date the information becomes visible;
- (4) If any proposed Price Sensitive Information (PSI) is submitted to the relevant controlling authority by the company for approval, that must be mentioned in the relevant PSI, as soon as the approval or decision received from the controlling authority, following the sub-section (1) procedure within 2 (two) hours the PSI must be republished;
- (5) Price-Sensitive Information should be disclosed in an easily understandable and reliable language for any kind of reader;
- (6) Every matter related to Price-Sensitive Information will be stored in the form of digital database;
- (7) The company will store all the published Price Sensitive Information and Material information on its website for at least 3 years.

A handwritten signature in black ink, appearing to be the initials "AW" or a stylized representation of the name Abdul Wahed.

Abdul Wahed
Chairman
Matin Spinning Mills PLC