

**Principles on Disclosure of Material Information
and Price Sensitive Information**
aamra networks limited

Preamble

This policy is being adopted in compliance with Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2021-396/52/ADMIN/140 dated December 28, 2022 published on January 30, 2023. According to Clause No. 3 (2) of the aforesaid Notification, the Company (ANL) is required to prepare Principles on Disclosure of Material Information and Price Sensitive Information following the guidelines provided in Schedule A of the said notification and publish the principles in its website. Accordingly, the Board of Directors of the Company ('the Board') has approved these Principles on Disclosure of Material Information and Price Sensitive Information for the Company at its meeting held on April 29, 2023.

Objective

The main objective of these Principles aims at ensuring that all investors have equal access to important information that may affect their investment decisions and that such information is adequately disseminated in a fair and timely manner in pursuance with the Listing Regulations and to provide an overall governance framework for determination of materiality.

In addition to that objectives are also aimed the following:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly traded company as laid down by the Listing Regulations, various securities laws, and any other legislations.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of material/ price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

Key Principles in Determining Materiality

An information or an event is material when it is likely to impact the normal price or value of the securities of the Company. Where the price or value of the securities of the Company in the normal course is likely to be affected based on the disclosure of an event or information, such event or information is to be regarded as 'Material'. Accordingly, the following events and guidelines shall be considered while testing materiality for disclosure of an event/information:

1. Influential elements related to changes in financial conditions, such as:
 - i. Changes in financial statements, such as significant increases-decreases in income, expenditure, cash flow, receivables, liabilities, or assets, and information, comments, or statements related to significant increase or decrease for revaluation of most or significant assets.
 - ii. The following financial statement comparable information:
 - a) earnings per share.
 - b) net operational cash flow per share.
 - c) net asset value per share
 - iii) substantial changes in asset value or asset mix.
 - iv) Changes in accounting policies

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2. Information regarding corporate announcements, such as:
 - i) any decision regarding dividend.
 - ii) decision to announce or issue bonus issue or similar benefits to security holders.
 - iii) Corporate announcements or other information regarding entitlement of the investors; and
 - iv) change in dividend distribution policy etc.

3. Information regarding changes in corporate structure, such as:
 - i) Acquisition or disposal of any assets valuing 5% or more of the existing assets.
 - ii) Merger, substantial acquisition of significant shares etc.
 - iii) Demerger.
 - iv) Conversion or liquidation.
 - v) Change of operations due to capital reorganization or merger or demerger.
 - vi) Proposal for takeover of control of management or service or products of other company.
 - vii) Change in ownership that may affect control of the Company.
 - viii) Change of name or address.

4. Information regarding changes in capital structure, such as:
 - i) any decision regarding private or public or rights offer of securities or changes in its capital structure.
 - ii) Planned repurchase or redemption of securities.
 - iii) Decision regarding consolidation of shares, exchange of shares, conversion of any security into equity security or conversion of debentures into shares; and
 - iv) Significant changes in rights of security holders, etc.

5. Information regarding expansion, change etc. of business activities, such as:
 - i) any significant development or change in company's technology, production or structure.
 - ii) Substantial capital investment or significant change in the organization's objectives.
 - iii) Significant new contracts, production, patent, service or change of business.
 - iv) Significant collection of long pending receivables.
 - v) Appointment, resignation, separation of the Board of Directors, Managing Director, Chief Executive Officer, CFO, Company Secretary.
 - vi) Change of statutory auditor or corporate governance code compliance auditor, credit rating company, etc.
 - vii) Initiation of legal proceedings or progress in regulatory matters or any significant court order or verdict.
 - viii) Delisting of securities from stock exchange or change in category.
 - ix) Significant management contracts, investor relations agreements, service agreements, or related party transactions that may affect the financial statements.
 - x) Decisions regarding sale or purchase of any fixed assets and information relating to repair/maintenance or improvement or expansion (BMRE) or establishments of new plant and machinery.
 - xi) Substantial advances or loans provided or received between intra-company/subsidiary/associate companies or directors etc.

6. Information related to debt management, such as:
 - i) Borrowing or repayment valuing 25% or more of paid-up capital or net assets value whichever is higher.
 - ii) Mortgage or unmortgaged of any significant assets.

- iii) Failure of repayment of debt to any bank or creditor or letter of credit for more than 06 (six) months.
 - iv) Significant new loan agreements and
 - v) Foreign loan agreement or investment agreement, etc.
7. Others, such as:
- i) Signing of any material agreement or cancellation or substantial amendment of previously declared/signed agreement.
 - ii) Loss of any substantial assets of the Company or any event damaging its reputation.
 - iii) Cancellation or substantial amendment of any previously declared project. and
 - iv) Qualified report submitted by the auditor, etc.

Key Principles in Determining Price Sensitive Information

The Company endeavors to preserve the confidentiality and prevent the misuse of un-disclosed price sensitive information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all the applicable laws and regulations.

The Board of Directors of aamra networks limited approved Insider Trading Policy based on BSEC's Prohibition of Insider Trading Regulations and also disclosed in the company's official website. The law in specific circumstances prohibit directors & its family members, officers, employees, auditors, consultants, bankers, managing agents, advisers and other persons who have relationship with the aforesaid persons from purchasing or selling securities of the Company with knowledge of material information regarding the Company that has not been generally disclosed to the public (commonly referred to as "Insider Trading").

These prohibitions against Insider Trading are intended to ensure equal opportunity among investors and to ensure that people who have access to material undisclosed information do not trade, or assist others in trading, to the disadvantage of investors generally. Additionally, there are also prohibitions against market manipulation and fraud.

Every director, officer, employees of the Company have a duty to safeguard the confidentiality of all such information which he/ she obtain in the course of performance of official duties. Directors, officers and Designated Person (CFO, CS, HIAC) of the Company should not use their position to gain personal benefit.

The following persons shall be considered as Insiders:

- > Promoters/Sponsor Shareholders
- > Directors
- > Principal Shareholder (Shareholders who hold 10% or more shares)
- > Family members of the directors (spouse, son, daughter, father, mother, brother and sister)
- > Officers
- > Employees
- > Auditors
- > Consultants
- > Bankers
- > Valuers
- > Credit Rating Agencies
- > Managing agents
- > Advisers
- > Suppliers
- > Vendors/contractors and
- > Other persons who have relationship with the aforesaid persons and scope to know any undisclosed material information.

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Undisclosed Price Sensitive Information (UPSI)

UPSI means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: Financial Results or related material information.

- ▶ Dividends;
- ▶ Change in capital structure through issuance of bonus or right shares;
- ▶ Purchase/ sell of fixed assets
- ▶ BMRE/Expansion or new unit installation
- ▶ Mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- ▶ Change in basic business activities
- ▶ Any other information time to time published by the commission.

Restricted Trading Period

Every sponsor, directors, employees, auditors and persons engaged in audit works, advisors or legal counsel and beneficial owners of securities mentioned in section 12 of Securities and Exchange Ordinance 1969 shall not buy, sell or otherwise receipt/handover of securities of the Company during the period starting from 1st May of every financial year to approval of annual financials by the Board.

Disclosure Procedure

Decisions relating to any price sensitive issue shall be communicated to the Securities and Exchange Commission and Stock Exchanges within 2 (two) hours of taking the decision by email, fax, digital submission platform or special messenger or, where appropriate, by courier service; and ensure immediate publication of the said statement in two widely circulated daily newspapers (one Bengali and one English) and an online newspaper and shall also publish on the website.

Price sensitive information shall be expressed in simple and clear language to avoid any kind of exaggeration.

A digital database of price sensitive information and its momentous movement shall be maintained.

Except as mentioned above as price sensitive information all the disclosures based on material information shall be hosted on the official website of the company.

Preservation

All price sensitive data and Material Information shall be preserved for at least the last 3 (three) years on the company's website.

the signature of its chairman, chief executive officer or company secretary, the commission and send to the concerned stock exchange

Authorize key managerial personnel (kmp) for the purpose of determining materiality of an event or information and for the purpose of making disclosures

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures ("Authorized Person(s)"):

- a. Chairman
- b. Managing Director/CEO
- c. Company Secretary

Dissemination of principles

These principles shall be hosted on the website of the Company.

Review and amendment of policy

This Policy shall be subject to periodical review by the Board.

