

**PRINCIPLES ON DISCLOSURE
OF MATERIAL INFORMATION
AND PRICE SENSITIVE
INFORMATION**

**CROWN
CEMENT
PLC.**

1. PREAMBLE

1.1 This Policy shall be called “PRINCIPLES ON DISCLOSURE OF MATERIAL INFORMATION AND PRICE SENSITIVE INFORMATION” (hereinafter referred to as “the Policy”) of Crown Cement PLC. (hereinafter referred to as “CCPLC”).

1.2 The Policy has been framed in compliance with the provisions of the Clause No. 3(2) of the “Prohibition of Insider Trading Rules, 2022” dated 28 December 2022 of Bangladesh Securities and Exchange Commission requires every Listed Company to disclose Price Sensitive Information and other Material Events / Information to the Stock Exchanges (hereinafter referred to as “Stock Exchanges”) wherein its securities are listed and the Bangladesh Securities and Exchange Commission and other Stakeholders.

2. OBJECTIVES OF THE POLICY

2.1 The objective of this policy is to ensure continuous, adequate, accurate and timely disclosure of information by CCPLC to the Bangladesh Securities and Exchange Commission and the Stock Exchanges on an ongoing basis to enable the investors to make informed investment decisions.

2.2 Clause No. 3(2) of the Bangladesh Securities and Exchange Commission’s “Prohibition of Insider Trading Rules, 2022” dated 28 December 2022 requires listed entities to promptly inform the Stock Exchanges and the Commission of all the events as well as Price Sensitive Information 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 CCPLC shall make timely disclosures of the Event / Information to the Bangladesh Securities and Exchange Commission and the Stock Exchanges, at the time of occurrence of the Event / Information and where applicable, make periodic disclosures on the associated material developments till such time the event is resolved / closed.

3. DEFINITIONS

3.1 “Price Sensitive Information” shall mean any information which relates directly or indirectly to CCPLC and which if published is likely to materially affect the price of securities of CCPLC.

3.2 The term ‘Material’ wherever appears in the policy shall mean any individual transaction or arrangement which is significant to the operations or performance of the Company.

3.3 “Board of Directors” shall mean the Directors on the Board of CCPLC.

3.4 “Chairman” means the Chairman of the Board of Directors of CCPLC.

3.5 “Financial Officer” means the Chief Financial Officer of CCPLC, so appointed.

3.6 “Compliance Officer” means the Company Secretary of the Company, so appointed.

3.7 “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 including Head of Departments directly reporting to the Managing Director.

3.8 “Securities” shall mean the securities defined in the Companies Act, 1994, which shall include shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of like nature issued by CCPLC from time to time.

3.9 “Stock Exchanges” means the Dhaka Stock Exchange Limited and the Chittagong Stock Exchange Limited on which the securities of CCPLC are listed.

4. CLASSIFICATION OF MATERIAL EVENTS / INFORMATION

4.1 CONSIDER EVENT / INFORMATION AS PRICE SENSITIVE INFORMATION

The following Event / Information shall be necessarily disclosed to the Stock Exchanges as Price Sensitive Information without any test of materiality:

- (i) Information related to the financial position, financial results, financial statements, and other basic information related to the financial performance. List of Price Sensitive Information (PSI).
- (ii) Information related to the dividends and corporate declarations.
- (iii) Information related to the change of corporate structure (i.e. amalgamation, merger, de-merger, re-structuring, acquisition, winding up, transfer, and transformation, etc.)
- (iv) Information related to the change of capital structure.
- (v) Information related to the business extension, change, etc. if required.
- (vi) Information related to the fund management, and structural change of the fund.
- (vii) Any other information as defined by the BSEC as PSI through various rules, regulations, circulars and directives.
- (viii) Any information published by the BSEC in the official gazette defining PSI.

4.2 CONSIDER EVENT / INFORMATION AS MATERIAL INFORMATION

The following Event(s) / Information shall be disclosed to the Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges upon determining the Materiality of the Information:

(1) Events that may affect/change the Financial Position/ Financial Results, For Example-

- (i) Changes in Financial Statements, e.g. substantial increase and decrease of Profit, Expenses, Cash Flows, Receivables, Liabilities etc. and Revaluation of Assets or any disclosure on increase or decrease of Assets.

- (ii) Comparative Information of the following heads of the Financial Statements:
 - (a) Earnings Per Share (EPS)
 - (b) Net Operating Cash Flows Per Share (NOCFPS)
 - (c) Net Asset Value Per Share (NAVPS)
 - (iii) Substantial change in the value of Assets or mix of Assets of the Company, if any.
 - (iv) Any Special Regulatory Instruction or any changes in the previous Instructions given by the Regulators or Authorities in pertaining with keeping provision.
 - (v) Any changes in Accounting Policy that may have a significant impact on the Accounts of the Company.
- (2) Information on Corporate Announcement/ Declaration, such as-
- (i) Dividends recommended or declared by the Board of Directors or the decision to pass any Dividend, properly mentioning the Date, Time and Place of the Annual General Meeting where the Shareholders of Company will discuss and provide the final approval.
 - (ii) Any cancellation of Dividend with reasons thereof.
 - (iii) Issuance of Right Share, Bonus Shares etc. for the Security holders mentioning the date on which such aforesaid Shares shall be credited/dispatched;
- (3) Information on any changes in the Corporate Structure of the Company, such as-
- (i) Acquisition and disposal of any Assets jointly or individually that worth above 5% of its existing Assets.
 - (ii) Amalgamation/ Merger/ Restructuring of the Company with any another Company or Acquisition of Shares of another Company.
 - (iii) Demerger/ Division of any Units or Associate Company or Subsidiary of CCPLC.
 - (iv) Transformation or Disposal of any Units of the Company.
 - (v) In case of any changes occurred in Corporate Activities through Capital Reorganization/ Merger or Demerger/ Division of the Company.
 - (vi) Proposal of Taking over or Acquisition of Internal Facilities of another Company.
 - (vii) Changes in the Ownership of the Company that may significantly affect the overall control mechanism of the Company.
 - (viii) Intimation related to any change in the Name and Address of the Company.

- (4) Information on any changes in the Capital Structure of the Company, such as-
- (i) Private, Public or Right Offer of Security and or any decision related to changes in the Capital Structure of the Company.
 - (ii) Planned repurchase or redemption of Securities of the Company.
 - (iii) Decisions related to Split or Consolidation of Shares, Exchange of Shares, Conversion of any Securities into Equity Shares and or Conversion of debenture into Shares.
 - (iv) Any significant changes in ensuring the Rights of the Security holders.
- (5) Information on Business Expansion or Transformation:
- (i) Any major change or development in Technology, Manufacturing or Production, Installation or Expansion of Business of the Company.
 - (ii) Any change in Capital Investment Plan or substantial change in general character or nature of Business and purpose of the Company;
 - (iii) Any important Agreement or any change in the decision related to Production, Patent or Services or Business of the Company.
 - (v) Information regarding Realisation of Long-term Unrealised Funds.
 - (vi) Changes in the Board of Directors or Resignation/ Termination of any of the Key Managerial Personnel i.e. Chief Executive Officer, Chief Financial Officer, Company Secretary etc.
 - (vii) Changes in Statutory Auditors, Corporate Governance Auditors and revision in Credit Rating(s), if any.
 - (viii) Filing of any major Legal Procedure, development in Regulatory Framework or any important verdict or order.
 - (ix) Decision on voluntary delisting or changes in Category of the Security with the Stock Exchanges.
 - (x) Any Management Contract, Investment Relation Agreement, Service Agreement or Related Party Transactions that may have any substantial impact up on the Financial Statements.
 - (xi) Decisions on buying or selling of Permanent Assets, Repair, Development, Balancing, Modernisation, Rehabilitation of Plants and Machineries and Expansion (BMRE) of new Production Units of the Company.
 - (xii) Information on Loan Payment or Advance Loan Payment or Loan Received between Inter-company or Subsidiary or Associate Company or with any Director of the Company.

- (6) Information on Debt Management of the Company:

- (i) Taking or paying off 25% or more Loan of the Paid-up Capital or Net Asset Value, whichever is higher.
- (ii) Mortgaging or Releasing of significant Assets of the Company.
- (iii) Delay/ Default in payment of any Loan or Liability to the Bank or Creditor or LC Recipient more then 6 (Six) Months from the due date.
- (iv) Any new Loan Contract or Agreement that has a substantial amount.
- (v) Any significant Foreign Loan or Investment Agreement.

Any other information which will be prescribed as Price Sensitive Information by the published Notification/ Circular/ Order/ Government Gazette of the Bangladesh Securities and Exchange Commission from time to time.

(7) Other Information:

- (i) Signing of any important Agreement and or Revision(s) or Amendment(s) or Termination(s) of any previously signed Agreement.
- (ii) Any damage of the Company's Asset and event that tarnished image of the Company.
- (iii) Cancellation or significant Amendment(s) in previously decided Projects of the Company.
- (iv) Qualified Opinion submitted by the auditor, etc.
- (v) Any other Events or Information that may be consider Material for the Company not involving Commercial secrets.

5. DETERMINATION OF MATERIALITY

5.1 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(s) / information is material in nature, the following criteria(s) shall be applied:

- (i) If the Board of Directors of CCPLC in the opinion that any of the event / information may be considered Material for the Company.
- (ii) The authority for determining the materiality of a general event or information shall be the Chief Financial Officer and the Compliance Officer (Company Secretary) in consultation with the functional Director, Managing Director and the Chairman of the Company.

6. DISCLOSURE OBLIGATIONS

6.1 All Senior Management Personnel / Officers of CCPLC shall be under an obligation to disclose Material event and/or Price Sensitive Information to the Compliance Officer (Company Secretary).

6.2 Upon receipt of information mentioned at Clause No. 6.1 and after getting approval from the Board of Directors, if needed, the Compliance Officer of CCPLC shall make disclosure of the Material Events / Price Sensitive Information to the Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges in line with the objective of the policy stated in the Clause No. 2.

6.3 The Compliance Officer shall disclose all the Material Events / Information mentioned in Clause No. 4 duly signed by the Chairman, Chief Executive Officer or Company Secretary through E-mail, Fax, Digital Submission Platform, Special Messenger or in some cases through Courier Services to the BSEC and the Stock Exchange(s) as soon as reasonably possible and not later than 2 Hours (two hours) from the occurrence of events or information.

6.4 Decisions of the Meeting of the Board of Directors that may considered as Material Events and/or Price Sensitive Information shall be disclosed by the Compliance Officer to the BSEC and the Stock Exchanges, within 2 Hours (two hours) of closure of the Board Meeting duly mentioning the Time & Date of the Meeting.

6.5 The Material Events and/or Price Sensitive Information shall be published by the Company in 2 (Two) widely circulated National Daily Newspapers (one in Bangla and the other in English) and also 1 (One) On-line Portal as soon as possible.

6.6 All the Material Events and/or Price Sensitive Information disclosed by the Company to the BSEC and the Stock Exchanges shall be posted on the website of the Company and must preserve through a Digital Database for a minimum period of 3 (three) years as per the Clause No. 3(3) and 3(4) of the “(Prohibition of Insider Trading) Rules, 2022 of BSEC.

6.7 The Material Events and/or Price Sensitive Information shall be expressed in simple & plain language to avoid any kind of exaggeration.

7. AMENDMENT/ REVIEW TO THE POLICY

The Board of Directors shall review the Policy annually and shall authorize and instruct the Chief Financial Officer and the Company Secretary to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. Any subsequent amendment/ modification in the Listing Regulations and/ or applicable laws in this regard prescribed by the Bangladesh Securities and Exchange Commission shall atomically applicable for this Policy.