



*The **ACME** Laboratories Ltd.*

**PRINCIPLES ON DISCLOSURE OF
MATERIAL INFORMATION (MI)
AND
PRICE SENSITIVE INFORMATION (PSI)**

THE ACME LABORATORIES LTD.
PRINCIPLES ON DISCLOSURE OF MATERIAL INFORMATION (MI)
AND
PRICE SENSITIVE INFORMATION (PSI)

1. BACKGROUND

Bangladesh Securities and Exchange Commission vide its' Notification no: BSEC/CMRRCD/2021-396/52/ Admin/140, dated December 28, 2022, has issued **“the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022.”**

Pursuant to Rule 3(2) of the Rules, The Acme Laboratories Limited (ALL) is required to formulate the **“Principles on Disclosure of Material Information (MI) and Price Sensitive Information (PSI)”** for fair Disclosure of Unpublished Price Sensitive Information. Accordingly, the Board of Directors of ALL has formulated the Principles on Disclosure of Material Information (MI) and Price Sensitive Information (PSI).

The Company believes that transparency and accountability are fundamental to fulfilling its vision and to strengthening public trust in its stakeholders. This Principle reaffirms and reflects the Company's commitment to transparency and promotion of good governance.

2. DEFINITION

All terms and/or words employed in these principles will adhere to the definitions ascribed to them in “the Bangladesh Securities and Exchange Commission (BSEC) Prohibition of Insider Trading Rules 2022”.

3. OBJECTIVE

The objective of the Principles is to establish the parameters to disclose the Material Information (MI) and Price Sensitive Information (PSI) of the Company. The Principles endeavor to segregate Material Information (MI) and Price Sensitive Information (PSI) in line with those rules and to preserve the trustworthy confidentiality of unpublished price sensitive information and prevent its misuse.

Despite the stated objective, the course of action also encompasses the following:

- 2.1 Assuring that the information given by the company is correct, up to date, and delivered on time frame.
- 2.2 Ascertaining that the company's documents and public statements are correct and don't contain any misrepresentation.
- 2.3 Ensuring the company fulfills its disclosure obligations as a publicly traded company, in accordance with Listing Regulations, relevant securities laws, and other applicable regulations.
- 2.4 Safeguarding the confidentiality of material/price-sensitive information within the framework of the company's disclosure practices.
- 2.5 Setting up an opportunity for the stakeholders to know that the information the company provides them is true and accurate.

4. AUTHORIZED PERSONS TO DISSEMINATION/DISCLOSE INFORMATION:

Key Managerial Personnel (KMP) of The ACME Laboratories Ltd. are empowered to assess and, with the approval of the Board of Directors (BOD), disclose Price Sensitive Information (PSI) and Material Information (MI). The Managing Director, Head of Internal Audit and Compliance, Chief Financial Officer and Company Secretary are authorized personnel of The ACME Laboratories Ltd. shall evaluate the materiality of an event or information, considering its impact and significant changes that necessitate disclosure to the Bangladesh Securities and Exchange Commission (BSEC), stock exchanges, and other regulatory bodies. Additionally, they are responsible for ensuring compliance with the dissemination and publication of relevant information.

5. PROCEDURES FOR FAIR DISCLOSURE OF MATERIAL INFORMATION AND PRICE SENSITIVE INFORMATION

The ACME Laboratories is committed to adhering to the guidelines outlined in Rule 6 of the “the BSEC Prohibition of Insider Trading Rules 2022” regarding the disclosure and dissemination of Price-Sensitive Information (PSI). The Board of Directors of the ACME Laboratories Limited has considered the following information as PSI:

- (a) Report on financial position, results of financial position or basic information relating thereto;
- (b) Information regarding dividend and corporate declaration;
- (c) Information regarding changes in corporate structure, such as Merger/Amalgamation, Demerger, Acquisition, Disposal, Conversion or Transfer;
- (d) Information regarding changes in capital structure;
- (e) Information regarding the expansion of the business operation, changes etc;
- (f) Any information prescribed as PSI in any other rule or regulation or order or direction or notification made or approved or issued by the Commission;
- (g) Any other information prescribed by the Commission from time to time by notification in the Official Gazette.
- (h) Changes in financial statements, such as significant decreases or increases in income, expenses, cash flows, receivables, liabilities or assets, etc., and revaluation of amount of significant or most of the assets or information or statement or comment of significant decrease-increase;
- (i) The following comparative information of the financial statements:
 - i. Earnings per Share;
 - ii. Net Operating Cash Flow per Share;
 - iii. Net Asset Value per Share.
- (j) Significant changes in the value of assets or combination of the assets of the Company;
- (k) Any special instructions given by the regulatory authority regarding the reservation of provisions or any modification regarding the reservation of provisions;

- (l) Any changes in the accounting policies of the issuer;
- (m) Any decision relating to dividend;
- (n) Any decision on the declaration or issue of rights, bonus issues or similar benefits to security holders;
- (o) Acquisition or disposal of 5% or more existing assets;
- (p) Amalgamation/Merger of the Company with any other company or substantial acquisition of shares of other company, etc.;
- (q) Demerger of any unit of the Company;
- (r) Conversion or disposal of any unit of the Company;
- (s) Changes in corporate activities by way of capital reorganization or merger or demerger;
- (t) Any decision regarding private or public or rights offer of securities or changes in its capital structure;
- (u) Significant capital investment or significant change in the purpose of the organization;
- (v) Significant new contracts, product, patent, service or business changes;
- (w) Information relating to the decision of purchase and sale of any fixed asset or renovation or development of plant or machinery or expansion (BMRE) or establishment of new units;
- (x) Foreign loan agreement or investment agreement, etc.

6. MATERIAL INFORMATION (MI)

MI means any information relating to the business and affairs of the Company that results in or would reasonably be expected to result in significant investment decisions of the investors. The Board of Directors of the Acme Laboratories Limited has considered the following information as Material Information:

- (a) Corporate announcements or other information relating to the obtainability of investors;
- (b) Change in dividend distribution policy;
- (c) Proposal for takeover by any company or proposal for acquisition the internal service;
- (d) Any such change of ownership that may affect the control of the Company;
- (e) Change of name or address;
- (f) Repurchase or Redemption of Securities;
- (g) Any decision on share consolidation, share exchange, conversion of security into equity security or conversion of debentures into shares;
- (h) Significant changes in rights of security holders;
- (i) Any significant development or change in the Company's technology, production or establishment;

- (j) Significant recovery of long-term bad debts funds;
- (k) Changes of Board of Directors including resignation or dismissal or changes of Chief Executive, CEO, CFO, Company Secretary;
- (l) Changes of Statutory Auditor or Corporate Governance Compliance Auditor, Credit Rating Company;
- (m) Initiation of legal proceedings or development of regulatory matters or any significant judgment or order;
- (n) Delisting of securities from the stock exchange or change of category into another category;
- (o) Any significant management contract, investor relations agreement, service agreement, or related party transaction that could materially affect the financial statements;
- (p) Exchange of significant advances or loans between inter-company or subsidiary or associate entities; or exchanging loans with directors;
- (q) Borrowing and repayment of debt amounting to 25% or more of the paid-up capital or net asset value, whichever is higher;
- (r) Mortgage/pledge or discharge of significant assets;
- (s) Failure to pay loan or debt to any bank or creditor or debt obligation of letter of credit for a period exceeding 06 (six) months;
- (t) Significant new loan agreements;
- (u) Signing of any important agreement or cancellation or substantial amendment of previously announced/ signed agreement;
- (v) Loss of any significant assets of the Company or the Issuer or any event that affects its reputation;
- (w) Cancellation or significant modification of any announced project;
- (x) Submission of qualified report by auditor of the Company.

7. DISCLOSURE

The Principles on Disclosure of Material Information (MI) and Price Sensitive Information (PSI) shall be disclosed on the website (www.acmeglobal.com) of the Company.

8. MODIFICATION AND AMENDMENTS

The Board may, from time to time, make modifications and amendment(s) to these principles as necessitated by the legal and regulatory requirements due to changes in applicable laws and/or regulations or as deemed fit on a review.

9. EFFECTIVE DATE

The Principles will come into effect on its adoption by the Board i.e., from January 30, 2024.