



## **CJ CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

### **CODE ON INSIDER TRADING**

#### **Introduction**

This Code on Insider Trading (“Code”) contains general guidelines for an employee of CJ Century Logistics Holdings Berhad and its subsidiaries (“Company”) to avoid falling foul of insider trading laws and regulations. To the extent that this Code requires a higher standard than required by commercial practice or applicable laws, rules or regulations, we adhere to these higher standards.

This Code applies to all directors, officers and employees of, and other persons acting in similar capacities for, the Company.

#### **General Rule**

This Insider Trading Code covers material non corporate information not yet publicly disclosed that may be used by securities investors as the basis for investment decisions (“Material Non-Public Information”). The Code arises from laws which prohibit trading securities on the basis of Material Non-Public Information, known as “inside” information.

Such trading, which is referred to as “insider trading” is against the Company’s policy and may subject participants to severe civil and criminal penalties.

The applicable legislation in Malaysia prohibiting insider trading is the Capital Market and Services Act 2007 (“CMSA”).

#### **What is Prohibited?**

##### **(a) Prohibited Trading**

In the course of your work, you may become aware of Material Non-Public Information - whether about the Company, its supplier, business ally or customer.

It is against the Company’s policy -- and is illegal – for you to trade in any company’s stock or other securities based on Material Non-Public Information. This is especially so if it is trading of securities of the Company and this prohibition also covers trading of securities of a company with which the Company does business, using the Material Non-Public Information obtained in the course of your employment or dealings with the Company.

Trading has a wide definition under the CMSA to include acquiring, disposing and procuring any person to acquire and dispose securities.

## **(b) Illegal Tipping**

Just passing along Material Non-Public Information to others who are not authorized to receive it (including spouses and other family members) and who use it for investment decisions may subject an employee to severe civil and criminal penalties, even though you may be unaware -- or doesn't approve -- of its use by those who receive it. This conduct is commonly referred to as "tipping" and is also prohibited by the Company's policy and the law.

## **(c) Prohibited Disclosure**

Any confidential information should not even be disclosed to others. The Company or its affiliates may also have expressly agreed to maintain the confidentiality of such information and passing it along to others may subject us to damages for breach of contract and substantial legal expense.

### **What is the Rationale?**

Insider trading is unfair to investors. It is unfair to allow some with inside information to use it for personal gain. Such a practice would give rise to unfairness to the investors who are not insiders or have no access to the information. Insider trading can diminish confidence in the country's capital market.

### **What is Material Non-Public Information?**

Material Non-Public Information is information that has not been made generally available to the public by means of a press release or other means of widespread distribution. Information is 'material' if a reasonable investor would consider it important in a decision to buy, hold or sell stock or other securities or has a material effect on the price or value of securities. As a rule of thumb, any information that would affect the value of stock or other securities should be considered material. Examples of information that is generally considered "material" include:

- Financial results or forecasts, or any information that indicates a company's financial results may exceed or fall short of forecasts or expectations;
- Important new products or services;
- Pending or contemplated acquisitions or dispositions, including mergers, tender offers or joint venture proposals;
- Possible management changes or changes of control;
- Pending or contemplated public or private sales of debt or equity securities;
- Acquisition or loss of a significant customer or contract;
- Significant write-offs;
- Initiation or settlement of significant litigation; and
- Changes in the Company's auditors or a notification from its auditors that the Company may no longer rely on the auditor's report.

An employee may disclose Material Non-Public Information to those authorized by the Company to receive it, such as its independent auditors, outside counsel representing the Company, and other consultants providing services to the Company. An employee can also disclose Material Non-Public Information which has been published and widely disseminated, such as that contained in the Company's press releases. However, to the extent that an employee is unsure as to whether information may be disclosed, they should seek confirmation from your supervisor or the Company's compliance officer.

## **Consequence of Breach**

It is the Company's policy that any employee who violates this Code or the applicable laws, rules, regulations or policies will be subject to appropriate discipline, up to and including termination of employment of the offending employee. This determination will be based upon the facts and circumstances of each particular situation. It could also lead to suspension without pay during the course of any investigation to determine if there has been a violation of this Code.

Employees who violate this Code or the applicable laws, rules, regulations or policies may expose themselves to substantial civil damages, criminal fines and prison terms. The Company may also face substantial fines and penalties and may incur damage to its reputation and standing. Therefore, please bear in mind that your conduct as a representative of the Company, if it does not comply with this Code or the applicable laws, rules, regulations or policies, can result in serious consequences for both you and the Company.

By way of illustration of the severity of insider trading, under the CMSA, a person contravening insider trading laws shall be punished on conviction to imprisonment for a term not exceeding 10 years and a fine not less than RM1 million.

## **Compliance with Laws And Regulations**

Each employee has an obligation to comply with all applicable laws, rules and regulations. You are expected to understand and comply with all laws, rules and regulations that apply to your job position. If any doubt exists about whether a course of action is lawful, you should seek advice from your supervisor or the Company's compliance officer. The laws, rules and regulations against insider trading are specific and complex. This Code is not intended to be a comprehensive rulebook and cannot address every situation that you may face. If you feel uncomfortable about a situation or have any doubts about whether it is consistent with this Code, please seek assistance. We encourage you to contact your supervisor for help first. If your supervisor cannot answer your question or if you do not feel comfortable contacting your supervisor, contact the Company's compliance officer.

## **Reporting Violations of the Code**

All employees have a duty to report any known or suspected violation of this Code, including any violation of the applicable laws, rules, regulations or policies relating to insider trading. If you know of or suspect a violation, immediately report the conduct to your supervisor or the Company's compliance officer. Failing to make such reports is itself a misconduct for which the Company can take disciplinary action, including dismissal.

Any employee who knowingly makes a false report against another employee may be subject to disciplinary action or termination. However, reports made in good faith, even if it turns out to be incorrect after investigations, will not be treated as a false report.