

**SMIS CORPORATION BERHAD  
(Company No. 491857-V)  
Insider Dealing Policy**

**Insider Dealing Policy**

**1. Introduction**

This policy is intended to address SMIS Corporation Berhad (“SMIS” or “the Company”) and all subsidiary companies within the SMIS Group, hereinafter refer to as the Group.

Insider dealing or trading defines as the purchase or sale of the Company’s securities affected by or on behalf of a person with knowledge of relevant but non-public material information regarding that company. The insider is in a position to make massive gains by selling or buying securities before information that might affect the price of the Company’s securities (price-sensitive information) is made public.

There are three (3) elements that need to be fulfilled to constitute insider dealing:

- 1.1. The trading is effected pursuant to knowledge of relevant but non-public material “Information” regarding the Company;
- 1.2. The trading is effected by an “Insider”;
- 1.3. The effect of that “Information” is that when it is made available to the public, it will affect the price or volume of the Company’s securities.

**2. Objectives**

- 2.1. This policy aims to:
  - 2.1.1. Prevent Insider dealing of securities;
  - 2.1.2. Ensure transparency and fairness in dealing with all stakeholders of the Group;
  - 2.1.3. Maintain the confidentiality of price sensitive Information; and
  - 2.1.4. Adherence to Capital Markets and Services Act 2007 (“CMSA”).

**3. Definition of Securities**

- 3.1. Securities means:
  - 3.1.1. Shares in or debentures of the Group; and
  - 3.1.2. Any right (such as warrants), option or interest in respect thereof.

**4. Definition of Information**

- 4.1. The definition of Information under CMSA 2007 Section 183 includes:
  - 4.1.1. matters of supposition and other matters that are insufficiently definite to warrant being made known to the public;
  - 4.1.2. matters relating to the intentions, or likely intentions, of a person;

- 4.1.3. matters relating to negotiations or proposals with respect to commercial dealing or dealing in securities;
- 4.1.4. information relating to the financial performance of a corporation;
- 4.1.5. information that a person proposes to enter into, or has previously entered into one or more transactions or agreements in relation to securities or has prepared or proposes to issue a statement relating to such securities; and
- 4.1.6. matters relating to the future.

## **5. Definition of Insider**

- 5.1. A person is an “Insider” if that person:
  - 5.1.1. being an employee, officer or Board member of the Group or through having access to the information by virtue of his or her employment, office or profession.
  - 5.1.2. possesses information that is not generally available which on becoming generally available a reasonable person would expect it to have a material effect on the price or the value of securities; and
  - 5.1.3. knows or ought reasonably to know that the information is not generally available.

## **6. Prohibition**

- 6.1. CMSA prohibits an Insider in possession of certain Information to:
  - 6.1.1. acquire, dispose of, or procure, directly or indirectly, or enter into an agreement for or with a view to the acquisition or disposal of the Company’s securities;
  - 6.1.2. encourage or discourage other persons to deal in any Group’s securities or exercise any options or other rights over such securities; and
  - 6.1.3. disclose directly or indirectly, whether through the form of electronic or manual, to any person who do not need such information to discharge their duties.

Any person who commits insider trading, he or she may be subjected to certain criminal and civil actions under Malaysian Law which includes CMSA.

## **7. Exception**

- 7.1. The exceptions to this policy are:
  - 7.1.1. The concerned person do not have any access or has not received any Information up to the time of signing the undertaking;

7.1.2. The concerned person has made a full and true disclosure in the matter and has gained approval from the Company and the relevant authorities; and

7.1.3. Any exceptions stated in CMSA.

## **8. Reporting and Disclosure**

8.1. The Company shall disclose the Information to the relevant authorities if deemed necessary.

8.2. All Directors, senior management and employees of the Group are required to disclose the details of their securities transactions to the Group or any relevant authorities if deemed necessary or requested to do so.

Dated: 30 May 2013