

COMMERCIAL CREDIT AND FINANCE PLC

Corporate Disclosures Policy

TABLE OF CONTENT

1. Purpose	3
1.1 Accuracy	3
1.2 Consistency	3
2. Version Control	3
3. Legal Framework	3
4. Types of Disclosures	3
4.1 Price sensitive information	3
4.1.1 Announcement to the Exchange	4
4.1.2 Content of Announcement	5
5. Where Information may be Withheld by the Entity	5
6. Clarifications on Unusual Trading Activities in a Listed Security	6
7. Clarifications of Rumors or Reports	6
8. Trading by Connected Parties	7
9. Major Transaction Requiring Immediate Disclosure	7
10. Regulatory Compliance	9

1. Purpose

CCFP is committed to providing timely disclosure of material information. Material information will be disclosed promptly after it is identified as having the potential to affect investment decisions.

1.1 Accuracy

All disclosed information will be accurate and complete. Efforts will be made to ensure that information is not misleading or selectively disclosed.

1.2 Consistency

Consistency in communication is crucial. Disclosures will be consistent with previous statements and will align with the organization's strategic goals and objectives.

2. Version Control

This policy will be reviewed once in every three (3) financial years or in the event of any changes in the regulatory or Environmental requirements. The updates will be recorded in the Version Control.

Version Code	Release Date	Prepared by	Approved by
1.0	XXXXX	Company Secretary	Board of Directors

3. Legal Framework

This document is prepared in accordance with the requirements of the following.

1. The Colombo Stock Exchange Listing Rule No.09
2. The Colombo Stock Exchange Listing Rule No.08 (Corporate Disclosures)
3. Applicable CCFP Polices and procedures:

4. Types of Disclosures

4.1 Price sensitive information

- a. A Listed Entity shall make immediate disclosure of price sensitive information to the Exchange in order to ensure the maintenance of a fair and orderly securities market.
- b. For the purposes of this Section 'price sensitive information' in relation to any listed Securities of an Entity is a reference to information which:-

(i) relates to specific matters relating to, or of concern (directly or indirectly) to the Entity and;

(ii) is not generally known to those persons who are accustomed or would be likely to deal in those listed Securities but which would if it were generally known to them be likely to affect materially the price of the listed Security.

Such information includes, but is not limited to, information known to the Entity, concerning the Entity's property, assets, business, financial condition and prospects; mergers and acquisitions; and dealings with employees, suppliers and customers; material contracts or development projects, whether entered into in the ordinary course of business or otherwise; as well as information concerning a significant change in ownership of the Entity's Securities owned by insiders, or a change in effective or voting control of the issuer, and any developments that affect materially the present or potential rights or interests of the issuer's shareholders.

c. The Exchange does not normally consider disclosure of an Entity's internal estimates or projections of its earnings or of other data relating to its affairs to be necessary. If such estimates or projections are released, they should be prepared carefully, on a reasonable factual basis, and should be stated realistically with appropriate qualifications.

Should subsequent developments indicate that actual performance will not be reflective of prior estimates or projections, they shall be promptly reported with adequate explanation of the reasons for the variance.

4.1.1 Announcement to the Exchange

Disclosure of price sensitive information should be made by way of an announcement to the Exchange. Such announcement shall be in writing, and shall be signed by an authorized officer of the Entity.

To facilitate the dissemination of information, copies of the announcement may be made simultaneously to the news media.

Under no circumstances should disclosure of price sensitive information be made on an individual or selective basis to analysts, shareholders or other persons unless such information has previously been disclosed and disseminated to the Exchange.

4.1.2 Content of Announcement

- **Each Announcement shall**
 - I. Be balanced and fair, be factual, clear and concise.
 - II. Avoid over-technical language, and should be expressed to the extent possible in Language comprehensible to the layman.
 - III. Contain sufficient quantitative information to allow investors to evaluate its relative importance to the activities of the Entity.

- **Announcement should avoid**
 - I. Omission of important unfavorable facts, or the slighting of such facts;
 - II. Presentation of favorable possibilities as certain, or as more probable than is actually the case;
 - III. Presentation of projections without sufficient qualification or without sufficient factual basis;
 - i. avoid negative statements phrased to create a positive implication;
 - ii. avoid the use of promotional jargon calculated to excite rather than to inform; and
 - iii. explain the consequences or effects of the information on the Entity's future prospects. If the consequences or effects cannot be assessed, explain why.

5. Where Information may be Withheld by the Entity

The CSE recognizes that in the following circumstances disclosures may be withheld for bona fide purposes. However, such situations constitute an infrequent exception to the normal requirement of immediate public disclosure. Hence, in cases of doubt, the presumption must always be in favour of disclosure.

- a. When immediate disclosure could prejudice the ability of the Entity to pursue its corporate objectives or a bona fide transaction that is contemplated.
- b. When the facts are in a state of flux and a disclosure could be counter productive and could mislead the public and the market.
- c. When the Entity is holding negotiations with a third party and has not reached an agreement in-principle on the relevant transaction.

Whenever price sensitive information is withheld on the aforesaid basis the Entity must ensure that strictest confidentiality is maintained of such information and that access to such information is to be granted only on a “need to know” basis. The Entity should also ensure that any persons with access to such unpublished price sensitive information should not trade in the Securities of the Entity and any connected Entity of which Securities may be affected by such information.

The Entity must be prepared to make an immediate public announcement if required by the Exchange. In the event that rumours concerning such information or the Entity should develop, immediate public disclosure is required.

6. Clarifications on Unusual Trading Activities in a Listed Security

- a) Where there is an unusual price movement or trading activity in the listed Security of an Entity without any apparent publicly available information, the Entity shall respond promptly to any inquiries made by the Exchange.
- b) The aforesaid requirement to respond to inquiries of the Exchange does not limit or qualify the responsibility of an Entity to unilaterally respond to unusual price movements or trading activities in its listed Securities.

7. Clarifications of Rumors or Reports

- a. Where there is a rumor or a report pertaining to an Entity, the Entity shall respond promptly to any inquiries made by the Exchange.

- b. The aforesaid requirement to respond to inquiries of the Exchange does not limit or qualify the responsibility of an Entity to unilaterally respond to any rumors or reports.

8. Trading by Connected Parties

Connected persons should not trade on the basis of price sensitive information that has not been disclosed to the public. Moreover, connected persons shall not trade in the Securities of the Listed Entity even after release of the information to the Exchange for a period, which should not be less than two (02) Market Days after the release of the information to permit thorough public dissemination and evaluation thereof. In computing this period of two (02) Market Days, the day on which disclosure is made will be excluded.

9. Major Transaction Requiring Immediate Disclosure

1. The acquisition of or an agreement to acquire whether contingent or not, assets of a value which is greater than half the value of the assets of the company before the acquisition;
2. The disposition of an agreement to dispose of, whether contingent or not, the whole or more than half by value of the assets of the company;
3. A transaction which has or is likely to have the effect of the company acquiring rights or interests or incurring obligations or liabilities of a value which is greater than half the value of the assets before the acquisition; or
4. A transaction or series of related transactions which have the purpose or effect of substantially altering the nature of the business carried on by the company.
 - a) Non-payment of interest on the 'due date' on account of Debt Securities.
 - b) Non-payment of capital on the redemption date on account of Debt Securities.
 - c) Joint ventures, mergers, acquisitions or take-overs.
 - d) A decision to declare dividends.
5. Any decision to change the stated capital of the Listed Entity including reduction of stated capital, Rights Issues, issue of shares credited as fully paid up by way of

capitalization of reserves, redemption, repurchases, minority buy-outs by the Entity and issue of shares of a class which is not already listed (irrespective of whether the company proposes or does not propose to obtain a listing for such shares issued).

6. Change in the Directors, Company Secretary, Registrars or Auditors of the Entity.
7. Any sale/purchase of shares, which amounts to 10% or more of the issued quantity of the respective class of shares of the Entity listed on the Exchange, through one transaction or series of transactions.
8. A change in control of the Entity.
9. Change of address of the registered office of the Entity or of any offices at which the register of the Securities of the Entity is kept.
10. A call of Securities for redemption.
11. An event of default on interest and/or principal payments in respect of loans not paid within thirty (30) days.
12. Appointment, resignation, suspension or removal of the Chief Executive Officer
13. Occurrence of any event which would result in the winding up of the Entity or any of its subsidiaries or the appointment of a receiver or liquidator of the Entity or any of its subsidiaries.
14. Details of guarantees and sureties granted if the total exceeds 20% of the Listed Entity's net worth as per the Balance Sheet Value. Entities shall only report those guarantees and sureties granted beyond the regular course of business.
15. Alteration or amendment of the rights and privileges of any unlisted Securities issued by the Entity.
16. A tender offer for another Entity's Securities.
17. Any changes in the corporate purpose and any material alterations in the Entity's activities or the initiation of new activities.
18. Any major transaction as defined in Section 185 of the Companies Act.
19. Any decision to summon a meeting of the Board by a Director in the event of insolvency in terms of Section 219 of Companies Act.
20. Any decision to summon an Extraordinary General Meeting by directors in the event of serious loss of capital in terms of Section 220 of the Companies Act.
21. The acquisition or loss of a contract.

22. A change in capital investment plans.
23. A labour dispute or dispute with sub-contractors or suppliers that will have a material impact on the Entity
24. Any investment that will have a material impact on the Entity
25. Judicial or quasi-judicial actions of any nature initiated by or against the Entity which are of material importance.
26. Any Licensing or Franchising Agreement or its cancellation which may materially affect the Entity's operations.
27. Any occurrence of an event of default under the terms and conditions of any issue of debentures, promissory notes, bonds, or any other Security issued by the Entity.
28. Any acquisition of voting rights that results in the Entity becoming the holding Entity.
29. Related Party transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per the latest Audited Financial Statements, whichever is lower.

10. Regulatory Compliance

CCFP will comply with all relevant securities laws and regulations (CSE Listing rules, Companies Act, Best Practices on Corporate Governance by ICASL) governing the disclosure of material and price sensitive information. The organization will stay informed about changes in legislation and adjust its practices accordingly.

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