



Principles on Disclosure of Material Information and Price Sensitive Information

Board Approval Date: January 30, 2024

1.0 INTRODUCTION

This document shall be called "Principles on Disclosure of Material Information and Price Sensitive Information" (hereinafter referred to as "the Principles") of Pharma Aids Limited (hereinafter referred to as "the Company").

2.0 BACKGROUND

The Principles is being adopted in compliance with the provisions of the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022 published via Notification No. BSEC/SMRRCD/2021-396/52/Admin/140 dated December 28, 2022. The Rules requires formulating "Principles on Disclosure of Material Information and Price Sensitive Information" which shall be disclosed in the official website of the Company.

3.0 OBJECTIVE

The objective of the Principles is to ensure consistent, adequate, accurate and timely disclosure of all Material Information (MI) and Price Sensitive Information (PSI) to the regulators to enable the investors to make informed investment decisions. The Principles shall be followed for any information that could affect an investor's decision to buy or sell the securities of the Company and may relate to the Company's financial performance, operations, management, or any other aspect of the business that could be relevant to investors.

4.0 DEFINITION & PARAMETERS

4.1 Price Sensitive Information: Price Sensitive Information (PSI) means any information, relating to a company or its securities, directly or indirectly, which upon becoming publicly available and generally disclosed, is likely to materially affect the price of the securities and shall ordinarily include, but not restricted to, information relating to the following:

- Information related to financial statements and basic information related to financial results;
- Information related to dividend and corporate declaration;
- Information related to change in corporate structure i.e. amalgamation/merger, demerger, acquisition, dissolution, modification or transformation;
- Information related to change in capital structure;
- Information related to business expansion, modification, change in operations, etc.;
- Any other information from MI (mentioned below in 4.2) considering its sensitivity on price of shares of the Company and which would be considered to make investment decision by a reasonable investor;
- Any other information as the Commission may determine from time to time vide any rules or regulations or order or directives or notifications; and
- Any other information as the Commission may determine from time to time through government Gazette notification.

4.2 Material Information: Material Information (MI) means those changes/information, relating to decisions, situations, conditions, events, financials or any other changes in the affairs of the Company or its directors/sponsors or its Managing Director/CEO, Company Secretary, Chief Financial Officer, Compliance Officer, that can have an impact on investment decision of the holders of the securities or potential investors. MI is "non-public" if it has not been generally disclosed. Information is considered to have been generally disclosed if the information has been disseminated in a manner prescribed by the Securities law and effectively reaches the marketplace. It may be stated that, all PSI are MI, but all MI may not be PSI.





Head Office:

345, Segun Bagicha (1st Floor),
Dhaka-1000, Bangladesh

Phone : +88 02 222220741, 222227742~43

Email : pal.hinfo@gmail.com

Website : pharmaaids.com

Factory:

Chandra, Kaliakoir,
Gazipur, Bangladesh

The following will be categorized as Material Information (MI):

(1) Information related to changes in financials, such as:

- a) Changes in financial statements, such as significant increases/decreases in income, expenditure, cash flow, receivables, liabilities, or assets, and information, comments, or statements related to revaluation or material increases/decreases of most or significant assets;
- b) Comparative information of the following financials:
 - Earnings Per Share (EPS);
 - Net Operating Cash Flow Per Share (NOCFPS);
 - Net Asset Value Per Share (NAVPS);
- c) Significant changes in the mix/type or value of assets; and
- d) Any changes in the accounting policies of the Company.

(2) Information related to corporate announcements, such as:

- a) Dividend related decisions;
- b) Declaration of rights, issuance of bonus or equivalent benefits to the shareholders;
- c) Corporate announcement or information related to investors' receivables; and
- d) Any changes in the Dividend Distribution Policy of the Company.

(3) Information related to change in corporate structure, such as:

- a) Acquisition or disposal of 5% or more of existing assets;
- b) Merger with another company or acquisition of significant shares by/of another company;
- c) Demerger of any unit of the Company;
- d) Transformation or retirement of any business unit;
- e) Change in corporate activities through capital reorganization, merger or demerger;
- f) Proposal for takeover or acquisition of any company or any of its internal services;
- g) Any change in ownership that may affect the control over the Company; and
- h) Change in name or address of the Company.

(4) Information related to change in capital structure, such as:

- a) Decisions related to private/public/rights share offer or change in its capital structure;
- b) Repurchase or redemption of the Company's securities through a plan;
- c) Decisions regarding share consolidation, share exchange, conversion of any security into equity security or conversion of debt bonds into shares; and
- d) Significant changes regarding the rights of the shareholders.

(5) Information related to business expansion, changes in operations, such as:

- a) Any significant change or improvement in the Company's technology, production, or establishments;
- b) Significant capital investment or significant change in the Company's objectives/purpose;
- c) Significant new contracts/agreements or change in production, patent, service or business;
- d) Significant collection of long pending receivables that were doubtful or written off;
- e) Resignation, demotion, or change of Managing Director/CEO, CFO, Company Secretary and the Board of Directors;
- f) Change of statutory auditor, corporate governance compliance auditor, or credit rating company;
- g) Initiation of any legal proceedings or progress in regulatory matters or any significant court order or verdict;
- h) Delisting of securities from stock exchange or a change in category;
- i) Significant management contracts, investor relations agreements, service agreements, or related party transactions that may significantly affect the financial statements;





PHARMA AIDS LIMITED

Manufacturer & Supplier of Pharmaceutical Glass Ampoules

Head Office:

345, Segun Bagicha (1st Floor),
Dhaka-1000, Bangladesh

Phone : +88 02 22220741, 22227742~43

Email : pal.hinfo@gmail.com

Website : pharmaaids.com

Factory:

Chandra, Kaliakoir,
Gazipur, Bangladesh

- j) Decision to buy or sell any fixed asset and information related to balancing, modernization, rehabilitation and expansion (BMRE) of plant or machinery, or establishment of new unit; and
- k) Substantial advances or loans provided or received between intra-company/subsidiary/associate companies or its directors.

(6) Information related to debt management, such as:

- a) Borrowing or repayment of debt worth 25% or more of paid-up capital or net assets value, whichever is higher;
- b) Mortgage or redemption of any significant assets;
- c) Failure of repayment of debt to any bank or creditor or letter of credit for more than 6(six) months;
- d) Agreement of any significant new loan; and
- e) Any foreign loan or investment agreement.

(7) Others, such as:

- a) Signing of any important agreement or cancellation or substantial amendment of previously declared/signed agreement;
- b) Loss/damage of any substantial assets of the Company or any event hurting the Company's reputation;
- c) Cancellation or substantial amendment of any previously declared project; and
- d) Qualified report submitted by the auditor.

5.0 AUTHORIZED PERSONS TO DETERMINE MATERIALITY & DISSEMINATE/DISCLOSE INFORMATION:

In order to ensure the accuracy and consistency of the Company's disclosures to relevant stakeholders the Chairman of the Board, the Managing Director/CEO, and the Company Secretary shall be responsible for determining the materiality/price sensitivity of an event or information and for communications on behalf of the Company.

MD/CEO may, from time to time, designate others to speak on behalf of the Company and respond to specific inquiries from the investment community or media.

Employees who are not authorized as spokespersons are not to respond to inquiries from the investment community or media unless specifically asked to do so by an Authorized Spokesperson and as such all queries must be immediately forwarded to the Company Secretary.

6.0 DISCLOSURE & ITS PROCEDURE:

The Principles will be available on the Company's website: <https://www.pharmaaids.com>. The Company shall upload on its website all Material Information and Price Sensitive Information and preserve them for a minimum period of 03 (three) years as per Rule No. 3(4) of the BSEC Prohibition of Insider Trading Rules 2022.

Procedure for disclosure of PSI is as under:

- a) The Company shall disseminate all PSI in writing to the BSEC and DSE within 2(two) hours of the decision taken in the Board meeting or on the same day immediately after knowing the event, as appropriate;
- b) The PSI shall be disseminated through e-mail or digital submission platform or messenger or courier service;
- c) The PSI shall be signed by the Chairman or MD/CEO or Company Secretary;
- d) The PSI shall be immediately published in the official website of the Company and also in 2(two) daily newspapers (one Bangla and other English) and an online newspaper;
- e) The Company shall mention the date and time of the decision of PSI by the Board of Directors or the date of the event, as the case may be;





PHARMA AIDS LIMITED

Manufacturer & Supplier of Pharmaceutical Glass Ampoules

Head Office:

345, Segun Bagicha (1st Floor),
Dhaka-1000, Bangladesh

Phone : +88 02 222220741, 222227742~43

Email : pal.hinfo@gmail.com

Website : pharmaaids.com

Factory:

Chandra, Kaliakoir,
Gazipur, Bangladesh

- f) If any price sensitive event is submitted to the BSEC and subject to approval by the BSEC, it shall be clearly mentioned in the declaration of PSI;
- g) If any price sensitive event gets approval from the regulators, it shall again be considered as a PSI and be disseminated accordingly within 2(two) hours of the decision; and
- h) The Company shall disseminate its PSI with simple and clear language to avoid any ambiguity.

7.0 REVIEW & AMENDMENTS

The Board of Directors may review and approve revisions whenever they deem it necessary and may delegate authority to Management to resolve any questions or issues that may arise in the course of putting the Principles into practice.

On behalf of the Board,

Faizul Hassan
Managing Director