

# COMMUNICATIONS AND DISCLOSURE POLICY

## 1 Introduction

Credit Connect Capital Limited's ('Credit Connect Capital' or the 'Group') Communications And Disclosure Policy is designed to:

- (a) Outline the Groups approach to the continuous disclosure obligations imposed by law and to describe the processes implemented it to ensure compliance; and
- (b) ensure timely and accurate information is provided equally to all stakeholders (including shareholders, the market and other interested parties) regarding the Group.

Under the corporations act, the registered schemes are disclosing entities and must comply with the requirements of the continuous disclosure obligations imposed by the Corporations Act 2001. That requires the immediate disclosure of information to investors once an entity becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the scheme's securities. The disclosure obligation is subject to limited exceptions discussed below.

Compliance with the continuous disclosure requirements are important, not only to make sure there is not a breach of the Corporations Act 2001, but also to promote investor confidence and provide all investors with equal access to information.

**A breach of this policy will be regarded as a serious breach of the policies and procedures of the Company.**

## 2 Policy

### Disclosure Requirement

Once an entity is or becomes aware of any information that a reasonable person would expect to have a material effect on the price or value of the entity's securities (price-sensitive information), the entity must immediately give investors that information. An entity becomes aware of information if a director or executive officer (that is, a person concerned in, or taking part in, the management of the entity), has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of the entity.

### Price-sensitive Information

Information is price-sensitive if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the securities. A monetary test, using thresholds for accounting standards, may be used to assist in making a decision. However, qualitative materiality is also relevant, for example, whether a matter could significantly affect the company's image or reputation and whether a matter could significantly affect the company's ability to carry on business. The following are types of information that may be price-sensitive:

- a change in financial forecast
- an alliance, joint venture or acquisition
- a change in credit rating
- a significant new proposal or development
- ending an existing alliance or joint venture
- a significant funding arrangement
- a proposed issues of securities;
- a dividend or change in dividend policy
- a change in capital structure, including a buy-back of shares
- a significant bad debt or credit loss;
- a change in the directors or a significant change in senior management
- the half-yearly or full-time results.
- a change in borrowings;
- An impending mergers, acquisitions, reconstructions, takeovers, etc;
- a significant litigation;
- a significant changes in operations; and
- new products/services and technology;

Information is considered price sensitive if it would or would be likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell Credit Connect Capital Limited's Scheme securities. The nature of the information should be assessed against this qualitative test, considering the Group's business activities, size and place in the market.

#### **Withholding Disclosure**

Three separate tests must all be met in order for price-sensitive information to be withheld from disclosure:

##### **Test 1:**

A reasonable person would not expect the information to be disclosed.

##### **Test 2:**

The information is confidential and the board has not formed the view that the information has ceased to be confidential. An entity may give information to third parties in the ordinary course of its business and activities and continue to satisfy this requirement, provided the entity retains control over the use and disclosure of the information. For example, the information may be given to the entity's advisers for the purpose of obtaining advice or to a party with whom the entity is negotiating for the purposes of the negotiation.

##### **Test 3:**

One or more of the following 'carve-outs' applies:

- it would be a breach of law to disclose the information
- the information concerns an incomplete proposal or negotiation
- the information comprises matters of supposition or is insufficiently definite to warrant disclosure
- the information is generated for the internal management purposes of the entity
- the information is a trade secret.

### **3 Disclosure Procedure**

Credit Connect Capital's internal reporting procedures for ensuring potentially price sensitive information is notified to the Chief Executive Officer ('CEO') and Company Secretary include reports from Board meetings and various scheduled meetings of management. In addition, senior management has regular contact with the CEO and other managers. This regular contact enables Senior Executives and Directors to keep abreast of matters that are, or might become, price sensitive. Any potentially price sensitive issues arising from these contacts are to be notified to the Secretary who will, in consultation with the CEO, determine whether the matter requires reporting to the ASIC. All matters which may be considered by any person to be potentially price sensitive are to be immediately reported to the CEO or Company Secretary.

#### **Disclose Assessment**

Directors, senior management and all employees must immediately notify the Company Secretary as soon as they become aware of information that should be considered for release to investors.

The Company Secretary will:

- (a) review the material information reported;
- (b) determine, in consultation with the CEO or other members of the executive and Board, whether any of the material information is required to be disclosed to investors; and
- (c) co-ordinate the actual form of disclosure with the relevant members of management.

If a decision to determine whether disclosure is required, the following information must be provided to the Company Secretary:

- (a) a general description of the matter;
- (b) details of the parties involved;
- (c) the relevant date of the event or transaction;
- (d) the status of the matter (eg final/negotiations still in progress/preliminary negotiations only);
- (e) the estimated value of the transaction; and
- (f) the estimated effect on the Company's finances or operations; and

### **Loss of Confidentiality:**

Loss of confidentiality may be indicated by otherwise unexplained changes to the price of an entity's securities, or by reference to information in the media or analysts' reports, in particular if the information in the media is reasonably specific.

If there are price movements or changes in trading volumes, or media speculation, the board must make an assessment as to whether the relevant information remains confidential, so that the company can continue to rely on the carve-out from disclosure.

If the board makes an assessment that confidentiality has been lost, the need for a trading halt must be considered, pending a communication or release. The content of the announcement needs to be considered carefully, depending on the extent to which the information is not confidential.

### **Statements**

Only authorised spokespersons may speak to the media on behalf of the company. Care must be taken to make sure that comments are not made to the media that could result in rumours or speculation about the company. The company generally will not comment on media speculation and rumour unless required to do so by law. Care must also be taken to make sure that any public speeches or addresses do not result in rumours or speculation about the company or unauthorised disclosure.

### **Analysts, Stockbrokers and Institutional Investors**

Only authorised spokespersons may speak with analysts, stockbrokers and institutional investors.

The following requirements apply to discussions with analysts, stockbrokers and institutional shareholders:

- In dealing with questions that raise issues outside the intended scope of the discussion, the authorised spokesperson must only discuss information that has been released to investors and any parameters agreed with the board and Directors and CEO. If a question can only be answered by disclosing price-sensitive information or, by disclosing information outside the parameters agreed, the authorised spokesperson must decline to answer the question or take it on notice. If the question is taken on notice, and the response would involve the disclosure of price-sensitive information, the information must be released to all investors before responding.
- Comments on analysts' financial projections must be confined to errors in factual information and underlying assumptions. The authorised spokesperson must seek to avoid any response that may suggest that the company's or the market's current projections are incorrect. The authorised spokesperson must also refrain from expressing 'comfort' with analysts' consensus forecasts or a range of analysts' forecasts.
- Any slides and presentations used in briefings must be given to all investors before the briefing and also made available on the company website.

### **Unintentional Disclosures**

If any price-sensitive information is inadvertently disclosed by an employee or director in discussions outside the company or if any director or employee becomes aware of information that has not been disclosed in accordance with this policy, the employee must immediately contact the Company Secretary or CEO, so that appropriate action can be taken.

## 4 Responsibilities

The Board is responsible for ensuring that Credit Connect Capital complies with its continuous disclosure obligations. To this end, the Board is responsible for implementing and overseeing compliance with this Communications And Disclosure Policy. The Board and CEO, in conjunction with the Company Secretary, are responsible for determining whether information is price sensitive and should be released to the investors.

### Board

The board is responsible for approving this policy and any changes to it. The board is responsible for monitoring the effectiveness of the company's compliance with continuous disclosure requirements.

### Chief Executive Director

The CEO has a level of responsibility for making sure that the company complies with its disclosure obligations. Responsibilities under this policy include the following:

- (a) deciding whether they are in possession of price sensitive information and what information, if any, will be disclosed
- (b) providing information to the Company Secretary to enable the Company Secretary to maintain a register of decisions and releases.

In the absence of the CEO, the responsibilities of the CEO may be discharged by an authorised executive director.

### Company Secretary

The Company Secretary has been appointed as the person responsible for the overall administration of this Policy.

Responsibilities under this policy include the following:

- (a) ensuring that due diligence is completed on a communication or release before the announcement is made – confirming factual matters and any financial details
- (b) ensuring a communication or release is authorised under this policy before it is given to investors
- (c) delivering releases to investors
- (d) informing the CEO and board on receipt of confirmation of release of a communication or release
- (e) maintaining a register of all releases given to investors and of all decisions, and the reasons for decisions, not to make a communication or release when information is referred to the Company Secretary or CEO and Chairman under this policy
- (f) monitoring daily share price movements and trading volumes in the company shares – if significant trades or material movements in price or volume occur this must be immediately reported to the board
- (g) ensuring that the Company is compliant with its continuous disclosure obligations;
- (h) reviewing proposed external releases, and consulting with appropriate members of the Board of Directors, senior executives and/or external advisers as necessary;
- (i) implementing reporting processes and determining divisional guidelines (financial or qualitative) for materiality of information;
- (j) reporting on continuous disclosure issues regularly to the Board of Directors;
- (k) monitoring the effectiveness of this Policy, including the understanding by Company employees in general of the principles and spirit of continuous disclosure; and
- (l) regularly reviewing this Policy for legislative changes or development of best practice, and communicating any amendments to the Company's employees.

### Employees

All employees and directors are responsible for making sure that any price-sensitive information they have is kept confidential. Failure to do so may result in the Company breaching its continuous disclosure obligations. If an employee or director comes into possession of information that may be price-sensitive, the employee or director must immediately inform the CEO or Company Secretary.

## 5 Authorised Spokespersons

The Group authorised spokespersons are the Chief Executive Director, the Company Secretary and the Chairman and other persons authorised by the Company Secretary from time to time. They are the only Company employees who may speak to the media or other external parties in relation to matters subject to this Policy.

Authorised spokespersons should be briefed by the Company Secretary about prior disclosures by the Company before speaking with external parties. When communicating with external parties, an authorised spokesperson:

- (a) should ensure all comments relate to information within the public domain and/or are not material, as the disclosure of confidential information, even if inadvertent, may result in the information no longer falling within an exception to the Corporations Act 2001 and therefore being able to be disclosed to investors immediately;
- (b) may clarify information that the Company has released to investors but must not comment on material price sensitive information that has not previously been released;
- (c) should limit any comments to his or her area of expertise as much as possible; and
- (d) should report to the Company Secretary after the external communication is made, to determine if any confidential information has been disclosed and whether as a consequence any disclosure to investors is necessary.