

# EVENT

HOSPITALITY & ENTERTAINMENT



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## CONTINUOUS DISCLOSURE POLICY

### 1. OBLIGATIONS TO DISCLOSE INFORMATION

1.1 Event Hospitality & Entertainment Limited (“the Company”) is listed on the Australian Stock Exchange (ASX).

1.2 As a listed company, the Company is subject to the general principle that information, which may affect the price or value of its securities or influence decisions taken by investors to buy or sell its securities, must be disclosed publicly in a timely manner.

1.3 The ASX Listing Rule and the Corporation Law prescribes a regime under which a listed company must immediately notify the ASX of price sensitive information, which is:

*“any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities”.*

### 2 PURPOSE OF THIS POLICY

2.1 The key issue that is addressed by this policy is that there is an obligation on the Company to disclose certain information. If failure to disclose information that should have been disclosed is an intentional or reckless omission then the contravention is a criminal offence, potentially by the individuals involved as well as the Company.

2.2 The Board and senior management of the Company are committed to the provision of full and accurate disclosure.

2.3 This Disclosure Policy is intended to:

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- (a) assist the Company to fulfil its reporting obligations for continuous disclosure (ASX Listing Rule 3.1);
- (b) enable the Company to provide investors with information in the manner expected of listed companies to enable investors to make an informed assessment of the value of the Company's shares;
- (c) enable the Company to balance, in a disciplined way and consistent with its legal obligations, the information needs of investors, with the Company's needs to achieve business goals and protect confidential or commercially sensitive information; and
- (d) define the parameters of both formal and informal disclosure such that the Company manages investor expectations and minimises the potential for positive or negative surprises.

2.4 Additionally the policy aims to enhance the Company's credibility amongst investors by applying a disciplined approach to disclosure such that it maintains consistent disclosure levels "in good times and bad" and ensures that information for investors is easy to understand and accurate at all times.

2.5 The purpose of this policy is to establish a procedure within the Company, which facilitates and enhances compliance with the continuous disclosure requirement.

2.6 Public relations disclosures are excluded from this policy because they are part of everyday business promotional activities.

## **3. ISSUES IN RELATION TO DECIDING ON DISCLOSURE**

3.1 The continuous disclosure regime involves a high degree of judgment on the part of the Company to determine what has to be disclosed to the market and when disclosure must be made. While there are exceptions under the continuous disclosure regime which recognise that the Company is not required to disclose to the market certain price sensitive information, judgment will often be required to determine whether those exceptions apply in particular circumstances.

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- 3.2 In general, it is proposed that a rigorous approach be taken and that the Company be consistent in terms of the nature of its disclosures. To enable this to be achieved in a manner consistent with the Company's legitimate commercial interests, it is important that all decisions on the nature and timing of disclosure to the market are made in a controlled fashion in accordance with this policy or as the Board may otherwise determine.
- 3.3 The procedures outlined in this policy must be followed so that the Chairman, Chief Executive Officer, Director Finance and Accounting and other members of the Board (as appropriate), and the Company Secretary can be provided with sufficient information in a timely fashion to enable them to make the decisions as to whether disclosure is required and, if so, the nature and timing of that disclosure.
- 3.4 All individuals reporting directly to the Chief Executive Officer and individuals reporting directly to them are to be made aware in writing of the detail of this policy and the importance of compliance.
- 3.5 All individuals referred to in 3.4 are to make their immediate subordinates aware of the requirements of this policy and the need for them to ensure management is aware of any information which may need to be disclosed to the market through the ASX.
- 3.6 The Board shall consider at the conclusion of each Board Meeting whether there were any matters discussed at the meeting that require disclosure in accordance with the ASX Listing Rules and this policy.

## 4. WHAT NEEDS TO BE DISCLOSED

- 4.1 ASX Listing Rules 3.1 and 3.1A provides:

*“Once an entity is or 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 entity's securities, the entity must immediately tell ASX that information. This rule does not apply to particular information while each of the following applies:*

- (a) *One or more of the following 5 situations applies:*
- (i) *it would be a breach of a law to disclose the information;*

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- (ii) *the information concerns an incomplete proposal or negotiation;*
- (iii) *the information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- (iv) *the information is generated for the internal management purposes of the entity; or*
- (v) *the information is a trade secret.*

- (b) *The information is confidential; and*
- (c) *A reasonable person would not expect the information to be disclosed.*

4.2 Examples of matters that may require disclosure are:

- (a) disposal or purchase of a major asset;
- (b) major industrial disputes or other major personnel disruptions;
- (c) The Company's profit forecast changes, such that it is materially different to market expectations;
- (d) Significant changes in business outlook or major disruption to business operations;
- (e) Major product launches/disruptions to product;
- (f) Substantial litigation commenced or threatened;
- (g) Entering into major contracts;
- (h) Significant breaches of legislation, particularly trade practices, occupational health and safety or environmental.

4.3 In some circumstances the ASX Listing Rules may also require the Company to clarify misinformation in the market place.

4.4 The Board has the ultimate responsibility to ensure that the Company complies with its disclosure obligations under the ASX Listing Rules. It has delegated the day-to-day management of that responsibility to the Joint Disclosure Managers.

4.5 The **Joint Disclosure Managers** for the Company are the Chairman, Chief Executive Officer and Director Finance and Accounting, with reference to the Company Secretary on administrative matters.

4.6 Any of the Joint Disclosure Managers are to be advised immediately of any matter which might trigger a disclosure obligation and which has not been escalated to the management committee through the usual reporting and management processes.

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- 4.7 Material information will be disclosed in the manner required under the Corporations Law and ASX Listing Rules and by broad dissemination so that as many investors as possible will have access to the information. This means the Company will make a formal announcement to the ASX and then release the information to news services and major media outlets immediately after the ASX has acknowledged receipt.
- 4.8 The Listing Rules require that market sensitive information be disclosed to the ASX “immediately” upon the entity becoming aware of the information. “Immediately” means “promptly and without delay” i.e. doing it as quickly as it can be done in the circumstances (acting promptly) and not deferring, postponing or putting it off to a later time (acting without delay).
- 4.9 Under the Listing Rules, an entity becomes “aware” of information if, and as soon as, an officer of the entity (or in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity. The Company does not become “aware” of market sensitive information until such time as the Joint Disclosure Managers can meaningfully assess its materiality to the group.
- 4.10 Materiality is determined based on section 677 of the *Corporations Act 2001*. A reasonable person would be taken to expect information to have a material effect on the price and value of the Company’s shares if the information would, or would be likely to, influence person who commonly invest in securities in deciding whether to acquire or dispose of the Company’s shares. In assessing whether an entity has breached the Listing Rules by failing to disclose market sensitive information, the ASX will consider whether the movement in that entity’s share price is:
- 10% or more, in which case the ASX will generally regard that as confirmation that the information was market sensitive and therefore a potential breach of Listing Rule 3.1 and section 674 of the Corporations Act has occurred;
  - 5% or less, in which case the ASX will generally regard that as confirmation that the information was not market sensitive.

Where the movement in an entity’s share price is between 5% and 10% the ASX will have regard to a number of factors to determine whether the information should be regarded as market sensitive. This includes the nature and significance of the information, the market capitalisation of the entity, the beta of its securities, the bid-offer spread at which its securities normally trade, and whether there was a noticeable spike in the volume of its securities traded in the lead up to and shortly after the announcement.

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4.11 The Company Secretary must keep a record of all information disclosed to the ASX, and ensure all releases are placed promptly on the website.

## 5. SELECTIVE AND DIFFERENTIAL DISCLOSURE

5.1 The Company will not practice selective or differential disclosure. That is, the Company will not disclose information to selected individuals or groups (e.g. analysts or journalists) or in selected situations (e.g. analyst briefings), information which it would not be prepared to make available for general use at the same time.

5.2 The Company will not disclose information orally which it would not be prepared to disclose by formal release to the ASX.

5.3 The Company will respond to legitimate requests for information in the same manner, irrespective of whether the request comes from a small investor, a large investor, an analyst or the media. All requests for information from any investor or analyst should be directed to the Company Secretary.

## 6. ANALYSTS AND INSTITUTIONAL INVESTORS AND BLACKOUT PERIODS

6.1 Meetings with analysts and fund managers are largely limited to the Chief Executive Officer, Director Finance and Accounting and the Company Secretary. At least two representatives from the Company attend these meetings and notes are taken regarding the content of the discussions. The notes are subsequently reviewed and kept on file by the Company Secretary.

6.2 The Company's policy is not to conduct one-on-one meetings with analysts, fund managers and other investors during the following blackout periods:

- the period from the close of trading on 31 December each year until the half-year results announcement to the ASX;
- the period from the close of trading on 30 June each year until the full year results announcement to the ASX;
- the period starting 2 weeks before the Annual General Meeting ("AGM") until after the conclusion of the AGM (other than to discuss matters relevant to items being considered at the AGM); and
- any other period determined by the Board from time to time and notified to the Chief Executive Officer, Director Finance and Accounting and the Company Secretary.

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Any proposal to deviate from this policy must be subject to approval in advance from the Chairman and, if any briefings or meetings are held during these periods, there must be no discussion or provision of financial or other information in breach of the Company's continuous disclosure obligations.

## **7. REVIEW OF DRAFT ANALYST REPORTS AND EARNINGS ESTIMATES**

7.1 Any requests for the Company to review an analysts' financial model or draft research report should be directed to the Company's Director Finance and Accounting. When reviewing analysts' financial models or draft research report, the Company will review for factual content but will not, in doing this disclose to the analyst any information which has not previously been disclosed to the market.

7.2 When reviewing an analyst's conclusions, either general or financial, the Company may question assumptions that lead the analyst to draw conclusions but not the conclusions themselves.

7.3 The Company will make it clear to analysts that the Company's comments on factual information or assumptions in their reports, and equally the Company's decision to withhold comments, do not constitute an explicit, implicit or tacit endorsement by the Company of the report in total or its conclusions.

7.4 The Company must not comment on the current range of market estimates for the current year profit performance except with the prior approval of the Chairman, the Chief Executive Officer, the Director Finance and Accounting, or as otherwise authorised by the Board.

## **8. ONE-ON-ONE MEETINGS**

8.1 Only people authorised by the Board and limited to the Chairman, the Chief Executive Officer, or the Director Finance and Accounting may hold one-on-one meetings with journalists or analysts. (This does not apply to everyday public relations matters as noted above.)

8.2 In any one-on-one meetings (whether with journalists, analysts or otherwise), the Company will only discuss information that is in the public domain but which is not price sensitive i.e. where subsequent formal disclosure is not required.

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## **9. RESPONDING TO MARKET RUMOURS**

- 9.1 Any request to clarify or comment on a market rumour must be referred to the Joint Disclosure Managers.
- 9.2 As a general policy, the Company will not comment on market rumours or speculation unless specifically required to comply with its obligations under the ASX Listing Rules (see paragraph 4.3 above).

## **10. DUTY TO CORRECT/UPDATE INFORMATION**

- 10.1 If the Company discovers that a statement it has made is materially incorrect, or subsequent information renders it incorrect, the Company will issue an announcement via the ASX to correct the statement.
- 10.2 The Company will maintain the accuracy of information that is generally made available to the market. This includes forward-looking statements. Accuracy will be maintained on a regular cycle consistent with the regularity with which the information is distributed (e.g. annually, half yearly, quarterly).

## **11. USE OF TRADING HALTS**

- 11.1 If the market is or will be trading at any time after the Company first becomes obliged to give market sensitive information to ASX under Listing Rule 3.1 and before it can give an announcement with that information to ASX for release to the market, the Company will consider carefully whether it is appropriate to request a trading halt.
- 11.2 The Joint Disclose Managers are each authorised to request a trading halt in circumstances where they consider it necessary to do so to comply with the ASX Listing Rules.

## **12. MEDIA**

- 12.1 Any media enquiries should be referred to the Chief Executive Officer (excluding usual business public relations matters, which go to the public relations area in marketing).

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12.2 All guidelines in this policy related to communication with analysts also apply to communication with media on any matter which is not part of usual trading or which may have a material effect on the share price.

## **13. UPDATING THE POLICY**

13.1 This policy will be reviewed regularly and revised if circumstances warrant or more often as required by changes to ASX Listing Rules or other legally binding disclosure requirements.

*Approved: 15 May 2019*