



Smiles^{Inclusive}
Together We Smile

Continuous Disclosure Policy

Smiles Inclusive Limited ACN 621 105 824

adopted on 12 March 2018

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1. Introduction

- 1.1 Smiles Inclusive Limited ACN 621 105 824 (**Company**) is a public company which is listed on the Australian Securities Exchange (**ASX**).
- 1.2 The Company is committed to:
- (a) complying with its disclosure obligations under the ASX Listing Rules (**Listing Rules**) and the *Corporations Act 2001* (Cth) (**Act**); and
 - (b) ensuring that the Company's stakeholders are able to access externally available information issued by the Company.
- 1.3 This policy has been endorsed by the board of directors of the Company (**Board**). The Board bears the primary responsibility for the Company's compliance with its disclosure obligations and is therefore responsible for overseeing and implementing this policy. The ultimate decision on whether material information needs to be disclosed to the ASX or otherwise rests with the Board. It is a standing agenda item at all Board meetings to consider any information that must be disclosed in accordance with the Company's continuous disclosure obligations.
- 1.4 The Company has appointed the Company secretary (**Secretary**) to serve as its ASX liaison officer, being the person responsible for communicating with ASX with respect to all Listing Rule matters. The Secretary is primarily responsible for co-ordinating the disclosure of information to regulators and shareholders on behalf of the Company, in consultation with the Board.
- 1.5 This policy should be reviewed in conjunction with the Company's Securities Trading Policy.

2. Continuous disclosure

- 2.1 The Listing Rules require the Company to immediately disclose to the ASX information concerning the Company or its wholly-owned subsidiaries (**Group**) that is 'price sensitive', in the sense that a reasonable person would expect the information to have a material effect on the price or value of the Company's securities (**Price Sensitive Information**). This information needs to be disclosed to ASX under Listing Rule 3.1 unless an exception applies at that time.
- 2.2 A reasonable person would be taken to expect information to have a material effect on the price of the Company's securities if the information would, or would be likely to, influence investors in deciding whether to trade in or hold those securities.
- 2.3 ASX provides examples in Listing Rule 3.1 and Guidance Note 8 of types of information that, depending on circumstances, could require disclosure by an entity. Relevantly, the types of information that may need disclosure include for example:
- (a) transactions that will lead to a significant change in the nature or scale of the Group's activities;
 - (b) a material acquisition or disposal;
 - (c) the granting or withdrawal of a material licence;
 - (d) the entry into, variation or termination of a material agreement;
 - (e) becoming a plaintiff or defendant in a material law suit;
 - (f) the fact that the Group's earnings will be materially different from the market expectations;

- (g) the appointment of a liquidator, receiver or administrator;
- (h) the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- (i) under subscriptions or over subscriptions to an issue of securities;
- (j) giving or receiving a notice of intention to make a takeover; and
- (k) any rating applied by a rating agency to the Group or its securities and any change to such a rating.

There are many other types of information that could give rise to a disclosure obligation.

2.4 However, disclosure under the Listing Rules is not required where each of the following conditions is satisfied:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential, and the ASX has not formed the view that the information has ceased to be confidential; and
- (c) the information falls within one or more the following categories:
 - (i) it would be a breach of the law to disclose the information;
 - (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 internal management purposes of the company; or
 - (v) the information is a trade secret.
- (d) The Company must meet its continuous disclosure obligations as soon as any one of (a), (b) or (c) of paragraph 2.4 is no longer satisfied.

2.5 There is also specific information which ASX has determined must be disclosed in accordance with Listing Rules 3.4 to 3.21 (inclusive). No exceptions apply in relation to these matters.

3. Avoiding premature disclosure

- 3.1 The Company must not publicly disclose Price Sensitive Information until it has given that information to ASX and has received an acknowledgment from ASX that the information has been released to the market.
- 3.2 In order to ensure that Price Sensitive Information is kept confidential until Company has received an acknowledgment from ASX under clause 3.1, the Company should:
 - (a) establish internal systems that set out the standards of behaviour and procedure for handling Price Sensitive Information; and
 - (b) provide training programs to relevant employees on how to handle Price Sensitive Information.

4. Correcting a false market

- 4.1 Under the Listing Rules, if the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to provide information to it to correct or prevent a false market, the Company must provide the information.
- 4.2 The Company is required to give the ASX this information even if the exceptions to disclosure (as set out in paragraph 2.4) apply.
- 4.3 The ASX is likely to consider that there is or is likely to be a false market in a Company's securities if:
- (a) the Company has information that has not been released to the market (for example, because of the exceptions to disclosure (as set out in paragraph 2.4) apply);
 - (b) there is a reasonably specific rumour or media comment in relation to the Company that has not been confirmed or clarified by an announcement to the market; and
 - (c) there is evidence that the rumour or comment is having, or the ASX forms a view that the rumour or comment is likely to have, an impact on the price of the Company's securities.

5. Timing of releases

- 5.1 Any price sensitive information must be released to the market through the ASX. Following confirmation of receipt from ASX, the Company will place all information disclosed on its website.
- 5.2 ASX has given guidance that the obligation to disclose Price Sensitive Information 'immediately' does not mean that the information has to be disclosed instantaneously. In the context of continuous disclosure it means acting 'promptly and without delay'.
- 5.3 Acting promptly and without delay means attending to something as quickly as it can be done in the circumstances and not deferring, postponing or putting it off until a later time.

6. Market speculation

As a general rule, the Company will not comment on market speculation unless required by the ASX or it is determined by the Board to be necessary or appropriate in the circumstances.

7. Authorised spokespersons

- 7.1 Officers authorised to speak on behalf of the Company on market disclosure issues are:
- (a) the chair of the Board (**Chair**);
 - (b) chief executive officer and managing director (**CEO**); and
 - (c) the Secretary.
- 7.2 Any other staff contacted for comment by third parties (including the media) must always refer the inquiry to the CEO, Secretary or the Chair.

8. Trading halts

- 8.1 The Company may request a trading halt from the ASX to prevent trading in the Company's securities by an inefficient and uninformed market.
- 8.2 The Secretary will manage the process of seeking a trading halt in consultation with the Board.

9. Briefings to investors and analysts

- 9.1 From time to time, authorised spokespersons may conduct open or one-to-one briefings with investors or analysts.
- 9.2 As a matter of policy, the Company will not disclose any price sensitive information at such briefings that has not previously been disclosed to the market generally.
- 9.3 If previously undisclosed price sensitive information is disclosed at such briefings, it must immediately be reported to the Secretary who will consider whether the information should be released to the market through ASX.
- 9.4 Any briefing materials should be provided to the Secretary prior to use, to confirm compliance with this policy.

10. Review of analysts' reports

- 10.1 The Company recognises the important role performed by analysts in assisting in the establishment of an efficient market for securities in the Company.
- 10.2 Notwithstanding paragraph 10.1 above, the Company is not responsible for and does not endorse analyst reports that contain commentary on the Group. Information in such reports may be reviewed to correct factual inaccuracies on historical matters, but any such comments cannot be construed as endorsement of the content of any report. The Company will not comment on profit forecasts contained in analyst reports or provide non-disclosed price sensitive material in response to such reports.