

Continuous Disclosure and Shareholder Communications Policy

Boyuan Holdings Limited

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Continuous Disclosure and Shareholder Communications Policy

Date adopted by
the Board

1. Introduction

1.1 Continuous disclosure

As a publicly listed company, the Company has obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of all information which may have, or could reasonably be expected to have, a material effect on the price or value of its securities.

The ASX Listing Rules contain provisions requiring the continuous disclosure of information to keep the market informed of events and developments as they occur.

ASX Listing Rule 3.1 provides that once the Company 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 Company's securities, the Company must immediately disclose that information to the ASX.

Further, ASX Listing Rule 15.7 requires that an entity not release information intended for release to the market to anyone until it has given the information to the ASX, and has received an acknowledgement from the ASX that the information has been released to the market.

The Company is committed to complying with the continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act.

1.2 Shareholder Communications

The Company acknowledges the importance of effective communication with its shareholders and market participants. The Board recognises its duty to ensure that its shareholders are informed of all material developments affecting the Company's operations and affairs.

To ensure that its shareholders are properly informed, the Company is committed to:

- (a) communicating effectively with its shareholders;
- (b) providing shareholders with ready access to balanced and understandable information about the Company and its corporate proposals; and

- (c) making it easier for shareholders to participate in general meetings of the Company.

1.3 Purpose of Policy

This Policy provides that information will be communicated to shareholders and the market through:

- (a) the Annual General Meeting and other general meetings called to seek the approval of shareholders to a particular matter(s) as appropriate;
- (b) the Annual Report which is available to shareholders;
- (c) the Half-Yearly Directors' and Financial Reports; and
- (d) other announcements released to the ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be distributed to shareholders.

1.4 ASX Corporate Governance Council's Corporate Governance Principles

The Company has adopted the recommendations provided in the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition, 2014)* as amended from time to time and, in particular, the recommendations regarding continuous disclosure and shareholder communications.

2. Definitions

General terms and abbreviations used in this Policy have the meanings set out below:

Accounting Standards	has the meaning given to that term in section 9 of the Corporations Act.
Annual General Meeting	means the annual general meeting of the Company.
Annual Reports	means the annual reports of the Company.
ASIC	means the Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities market operated by ASX Limited, as the case may be.

ASX Listing Rules	means the listing rules of the ASX, as amended from time to time.
Board	means the board of Directors of the Company.
Chair	means the chair of the Board.
Company	means Boyuan Holdings Limited ACN 608 897 963.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Employee	includes executive Directors, managers and all other staff engaged either on a contract of employment or a salaried basis; and, where the context requires, non-executive Directors.
Half-Yearly Directors' and Financial Reports	means half-yearly Directors' and financial reports produced and issued by the Company.
Officer	means a senior executive of the Company.
Managing Director	means the managing director, or equivalent chief executive officer, of the Company.
Policy	means this "Continuous Disclosure and Shareholder Communications Policy".
Secretary	means the company secretary of the Company.

3. Determining “disclosable” information

3.1 ASX Listing Rule

ASX Listing Rule 3.1 provides as follows:

"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."

Pursuant to its legal, statutory and ASX listing requirements (particularly ASX Listing Rule 3.1), the Company must immediately (that is 'promptly and without delay') disclose all information concerning it, of which it is or becomes aware, that a reasonable person would expect to have a material effect on the price or value of its securities.

3.2 **Material effect on price or value**

Section 677 of the Corporations Act provides that a reasonable person is taken to expect information to have a material effect on the price or value of an entity's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities. Relevant considerations include matters of fact, opinion, and intention, and need not be measurable in financial terms. The effect on the share price can be positive or negative.

The Managing Director, in consultation with the Chair, has responsibility for determining whether a particular piece of information is material or falls within the exception, otherwise the information should be provided to the ASX for a determination.

4. **Continuous disclosure compliance**

The Secretary is responsible for:

- (a) ensuring that each Employee receives a copy of:
 - (i) this Policy; and
 - (ii) ASX Guidance Note 8 of the ASX Listing Rules (Continuous Disclosure: ASX Listing Rules 3.1-3.1B), which highlights the general principles and obligations set out in Chapter 3 of the ASX Listing Rules pertaining to continuous disclosure;
- (b) conducting education sessions for new Employees;
- (c) ensuring that each Employee is aware of and adequately understands his or her responsibility to protect confidential information (including, when instructing advisers or conducting negotiations in relation to any matter that may give rise to price-sensitive information);
- (d) implementing an effective reminder system regarding the obligations of Employees to notify the Managing Director of matters that may be disclosable by the Company under this Policy, and to otherwise comply with this Policy, which may be via email, in staff meetings or by annual refresher courses;
- (e) including in the reminder system a requirement that all Employees report potential breaches of this Policy directly to the Managing Director; and

- (f) ensuring that Directors and Officers are briefed in detail regarding the continuous disclosure regime.

5. Information to the ASX

The Board has designated the Secretary as the person responsible for coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules, the Company will notify the ASX immediately of information:

- (a) concerning the Company that a *reasonable person* would expect to have a *material effect* on the price or value of the Company's securities; and
- (b) that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

6. Disclosure agreements

In accordance with ASX Guidance Note 22 of the ASX Listing Rules (Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities), each Director of the Company from time to time must enter into a Director Disclosure Agreement with the Company.

The Secretary is to maintain records of signed copies of these agreements.

7. Release of ASX announcements

7.1 Release to ASX

The Company recognises that non-public, material information affecting the prospects of the Company, be it positive or negative, must be released in a timely manner. When released, such information must be made broadly available to the market. Accordingly, all new material information will be released, in the first instance, to the ASX.

7.2 Procedure

The procedure for the release of ASX announcements by the Company is as follows:

- (a) prior to release to the market, the Board will review and provide written approval to the Secretary in respect of all key announcements;
- (b) any and all Company personnel named in the announcement will review the content of the announcement for factual accuracy in respect of information attributable to them and provide written consent for inclusion of their names in the announcement to the Secretary;

- (c) the Chair (and in his or her absence the Managing Director) is to give the final sign-off before release to the ASX;
- (d) all announcements are to be released electronically by the Secretary;
- (e) after confirmation of the release has been obtained from the ASX, the Secretary will circulate the release to all Directors and Officers of the Company;
- (f) all announcements released are to be posted on the Company's website as soon as practicable; and
- (g) the Secretary is to maintain a register and copy of all announcements released.

8. False markets, market speculation and rumours

As a policy matter, the Company will not comment on rumours. However, the Board may decide to make a statement in response to market speculation or rumours if:

- (a) it considers it is obliged at that time to make a statement to the market about a particular matter; or
- (b) the ASX asks for information,

to prevent or correct a false market occurring in Company securities.

If the ASX asks the Company to give it information to correct or prevent a false market, the Secretary is responsible for giving the information to the ASX after following the procedure in paragraph 7.

For the avoidance of doubt:

- (a) the substantive content of all market presentations relating to the Company's annual or half yearly financial results; and
 - (b) any statement relating to the future earnings performance of the Company,
- must be referred to, and approved by, the Board before being disclosed to the market.

9. Communication channels

9.1 Website

The Company will actively promote communication with shareholders through a variety of measures, including the use of the Company's website (<http://www.boyuan.com.au/>) and email. The Company's reports and ASX announcements will be available to view and download from its website or the ASX website (<http://www.asx.com.au/>) under ASX code "BHL".

In particular, where appropriate, after confirmation of receipt by the ASX, the following will be posted to the Company's website:

- (a) relevant announcements made to the market via the ASX;
- (b) media releases;
- (c) investment updates;
- (d) Company presentations and media briefings;
- (e) copies of press releases and announcements for the preceding three years; and
- (f) copies of annual and half yearly reports including financial statements for the preceding three years.

The Company will also maintain an email list to facilitate the distribution of the Company's announcements via email in a timely manner.

9.2 Annual General Meeting

In order to ensure a high level of accountability and to encourage shareholder identification with the Company's strategy and goals, the Board encourages full participation of shareholders at the Annual General Meeting.

The Company will use general meetings as a tool to communicate effectively with shareholders. Shareholders will have a reasonable opportunity to ask questions of the Board and otherwise to participate in the meeting.

The external auditor of the Company will be asked to attend each Annual General Meeting and to be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Important issues requiring shareholder approval are put to the vote of shareholders for their approval. The shareholders are also responsible for voting on the appointment of Directors.

9.3 Reports to Shareholders

The Annual Report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the Annual Report). The Board ensures that the Annual Report includes:

- (a) relevant information about the operations of the Company during the year;
- (b) changes in the state of affairs of the Company;
- (c) details of future developments; and
- (d) any other disclosures required by the Corporations Act.

The Annual Report will be posted on the Company's website and will be available for download.

The half-yearly report contains summarised financial information and a review of the operations of the Company during that period. Half-yearly audited financial statements prepared in accordance with the requirements of the Accounting Standards and the Corporations Act are lodged with ASIC and the ASX. The half-yearly audited financial statements are sent to any shareholder who requests them.

9.4 **ASX Announcements**

Regular ASX announcements released by the ASX will be placed on the Company's website as soon as practicable after release.

10. Dealing with the media and analysts

All media enquiries relating to the Company are to be coordinated by the Secretary in consultation with the Chair. Media comment will be made only by the Chair or other authorised spokesperson of the Company.

The Chair will approve all press releases referring to material issues prior to release.

The Company will provide private briefings to analysts, institutions and stockbrokers to enhance their understanding of the Company. These private briefings must not involve the disclosure of price-sensitive information. Such disclosure would constitute selective disclosure. If any new information is provided in the presentation, a copy must be lodged with the ASX prior to that meeting.

If an analyst asks a question at a private briefing which touches on a price-sensitive area, then the Company's spokesperson can only use publicly available information in the answer. Where this is not possible, then the Company's spokesperson should decline to answer the question or take it on notice and answer it after a general disclosure to the ASX has been made. If price-sensitive information is inadvertently disclosed at a private briefing, then the information must be announced to the ASX as soon as practicable. As such, at any private briefing at least two executives should be present and a detailed record of the meeting taken.

In respect of telephone conversations with investors, analysts and the media, a record should be made of the conversation.

11. Questions

Any questions about the Company's continuous disclosure obligations or this Policy should be referred to the Secretary.

12. Review

This Policy will be reviewed regularly by the Board, having regard to the changing circumstances of the Company.

All new management or other relevant staff will be provided with a copy of this Policy as part of their induction into the Company. Any updates or amendments as approved by the Board will be notified to Employees by the Secretary.

13. Compliance

Breaches of this Policy may lead to disciplinary action being taken against the relevant Employee including dismissal in serious cases.

14. Variation

The Board may change this Policy by resolution.

15. Disclosure of Policy

This Policy will be made available, and updated as required, on the Company's website (http://www.boyuan.com.au/corporate_governance/) in a clearly marked "Corporate Governance" section.