



**ASX ANNOUNCEMENT**

**FOR IMMEDIATE RELEASE TO THE MARKET**

**PPK Group Limited – ASX Code: PPK**

**Friday 17 June 2022**

**Amended trading policy**

PPK Group Limited (ASX Code: PPK) encloses a copy of its amended trading policy, pursuant to Listing Rule 12.10.

The amended trading policy was adopted on Tuesday 14 June 2022.

This announcement has been made and authorised by the PPK Group Board.

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## SECURITY TRADING POLICY

### 1 INTRODUCTION

- 1.1 This Security Trading Policy ('Policy') has been adopted by PPK Group Limited (the 'Company') to describe its approach to the dealing in securities in the Company by relevant personnel.
- 1.2 The Policy describes:
  - 1.2.1 the controls and processes designed to protect both the Company and the relevant personnel; and
  - 1.2.2 the legal and regulatory need for and basis of those controls and processes.
- 1.3 Any questions related to this Policy should be directed to the Company Secretary in the first instance.
- 1.4 Capitalised terms have the meaning set out in section 12.

### 2 POLICY OBJECTIVE

- 2.1 The Board believes that it is generally beneficial for personnel of the Company to own securities in it. However, in the performance of their duties, such personnel may necessarily come into possession of information concerning the Company that is not known to the broader market.
- 2.2 The overarching objective of this Policy is not only to assist such personnel to avoid wrongdoing, but also to avoid any appearance or suggestion of wrongdoing.

### 3 WHY IS THIS POLICY REQUIRED?

- 3.1 Certain officers of the Company are under a variety of legal and regulatory obligations, in particular not to use information concerning the Company to gain an improper advantage, or to engage in insider trading or market manipulation.
- 3.2 The Company is required to have this Policy in place and to take reasonable steps to monitor and enforce compliance with its provisions.
- 3.3 The Company will treat breach of this Policy as a significant matter, potentially constituting serious misconduct.

### 4 WHO IS COVERED BY THIS POLICY?

- 4.1 As a listed entity, the Company is required to have a trading policy that, among other things, includes restrictions on the trading of its securities by its Key Management Personnel.
- 4.2 The Board has considered the nature and structure of the Company and has determined that this Policy should apply to all Designated Personnel and their Closely Related Parties.

4.3 It is the duty of each member of the Designated Personnel to ensure that their Closely Related Parties are aware of this Policy and avoid any such trading.

## **5 WHAT SECURITIES DOES THIS POLICY APPLY TO?**

5.1 This Policy applies to all securities in the Company, which includes shares, debentures, options and rights issued under any equity-based remuneration scheme.

5.2 This Policy also applies to trading in any derivative products issued over or in respect of the above securities.

## **6 INSIDER TRADING**

*What is 'insider trading'?*

6.1 'Insider trading' is a broad term used to describe situations where individuals make trading decisions based on certain information that is not 'generally available' to the broader market.

6.2 During the performance of his or her duties, a member of the Designated Personnel may come into possession of information regarding activities or potential activities that is not publicly available. Ordinarily, that information will relate to the Company or its subsidiaries.

6.3 It is an offence under the Corporations Act for a person in possession of Inside Information to:

- use the Inside Information to deal in securities; or
- communicate the Inside Information to others who will, or who are likely to, use that Inside Information to deal in securities.

6.4 Inside Information can also constitute 'market sensitive information' which the Company is required to disclose to the market under the continuous disclosure regime.

6.5 The effect of the above is that a member of the Designated Personnel who possesses Inside Information must not:

- trade in the Company's securities;
- procure another person to trade in the Company's securities;
- directly or indirectly "tip" the information to another person with the knowledge that the person could deal in the Company's securities; or
- do any of the above in respect of third party securities, using information gained in connection with the performance of his or her duties at the Company.

6.6 A member of the Designated Personnel should carefully consider whether he or she has any Inside Information before dealing in securities covered by this Policy.

*What does 'information' include?*

6.7 A broad meaning should be given to the term 'information', which in this sense includes matters of supposition or speculation, or matters relating to the intentions or likely intentions of a person or entity.

6.8 It does not matter how or in what capacity the person came into possession of the information, as the prohibition will apply regardless.

*When is information 'generally available'?*

6.9 Information is 'generally available' if it consists of readily observable matter, or it has been disseminated in a manner likely to bring it to the attention of investors and a reasonable period has elapsed.

6.10 As a listed entity, in many cases this will mean that the relevant information has been released to the market by the Company via the ASX's announcement platform.

*What kinds of information might materially impact price or value?*

6.11 Information will be considered to have a material effect on price or value if the information would be likely to influence persons who commonly invest in securities such as the Company's securities whether or not to do so.

6.12 If the Company has previously chosen to disclose similar information to the market under the continuous disclosure regime, this may be a useful indication that the relevant information is of a kind that might have a material effect on price or value.

6.13 Examples of this type of information include:

- proposed changes in the capital structure, capital returns and buy backs of the Company's securities;
- information relating to the Company's financial results;
- a material acquisition, divestment or realisation of assets;
- proposed dividends or share issues;
- changes to the Board structure or composition;
- material operational changes, such as the loss or gain of a major customer; or
- proposed changes in the nature of a business of the Company.

*Trading with Inside Information*

6.14 A member of the Designated Personnel who possesses Inside Information is prohibited from trading in those securities under insider trading laws even where:

- the trading occurs outside of the Blackout Periods;
- the person has been given clearance to trade under this Policy; or
- the trading falls outside of the scope of this Policy.

**7 WHAT CLOSED PERIODS ARE PRESCRIBED BY THIS POLICY?**

7.1 From a general perspective, dealing in securities in the lead up to the release of periodic financial reports or market announcements is considered to be particularly high risk.

7.2 The Board has considered the nature and structure of the Company and has decided to adopt a 'blackout period' rather than a 'trading window' approach. This means that, subject to the remainder of this Policy, there are certain times of the year when members of the Designated Personnel are generally prohibited from trading in the Company's securities.

7.3 The Board may impose additional ad hoc blackout windows throughout the year at its discretion. Members of the Designated Personnel are required to seek prior clearance to trade during such declared windows in the same manner as during the standard Blackout Periods.

## **8 GENERAL RESTRICTIONS ON TRADING**

8.1 This Policy distinguishes between:

8.1.1 trading outside of the Blackout Periods, which can be undertaken without prior written clearance; and

8.1.2 trading during a Blackout Period, which can only be undertaken in exceptional circumstances with prior written clearance.

8.2 These restrictions apply in addition to (rather than in place of) the broader legal and regulatory requirements.

### *Restriction on dealing during the Blackout Periods*

8.3 Subject to the remainder of this Policy, members of the Designated Personnel are prohibited from dealing in the Company's securities during the following periods:

- the period starting on 11 July and ending on the business day immediately following the date of the announcement of the Company's annual results;
- the period starting on 11 January and ending on the business day immediately following the date of the announcement of the Company's half year results;
- the period starting 14 calendar days before release of the Chairman's address to the AGM and ending on the business day immediately following the date of that announcement; and
- any other periods declared by the Board under section 7.3, ordinarily on recommendation by the Company Secretary.

These periods are referred to as the '**Blackout Periods**'.

8.4 In light of the deferred settlement of securities, a trade that is placed and executed prior to the commencement of a Blackout Period is not a breach of this Policy.

### *Confirmation of Trade at all times*

8.5 Each member of the Designated Personnel must:

8.5.1 immediately notify the Company Secretary of any dealing in the Company's securities by that member or its Closely Related Parties;

8.5.2 provide a copy of the confirmation of trade as soon as possible; and

8.5.3 provide a copy of any prior written clearance of that trade given by the Approver.

## 9 EXCEPTIONAL CIRCUMSTANCES DURING A BLACKOUT PERIOD

### *Scope of exceptional circumstances*

- 9.1 In certain exceptional circumstances, a member of the Designated Personnel may seek and be granted prior written clearance to deal with securities during a Blackout Period.
- 9.2 In order to receive clearance, the member of the Designated Personnel must demonstrate that he or she is not in possession of Inside Information and that any one of the following applies:
- the person is in severe financial hardship;
  - the proposed transfer is required to give effect to a court order, court enforceable undertaking or other legal or regulatory requirement; or
  - the person is subject to another exceptional circumstance.
- 9.3 In determining whether section 9.2 is satisfied, the Approver will have regard to the following factors:
- a person will be in **severe financial hardship** if the person has a pressing financial commitment and the proposed sale or transfer of their securities is the only reasonable course of action to overcome these circumstances; or
  - a person will be subject to **another exceptional circumstance** if the person's circumstances are truly unusual in nature and the proposed sale or disposal of the securities is the only reasonable course of action to overcome those circumstances.

### *Procedure for obtaining clearance in exceptional circumstances*

- 9.4 Subject to section 11, a member of the Designated Personnel who wishes to seek prior written clearance to deal during a Blackout Period must lodge a request with the Approver in writing, with a copy to the Company Secretary. Such request should provide reasonable details of the proposed dealing and the grounds on which the approval is sought.
- 9.5 The clearance must be sought before the proposed trade and must be in writing (by email or otherwise) to the Approver. The request must include the nature and proposed timing of the dealing and if it involves a Closely Related Party, the name and relationship of the party.
- 9.6 Requests for clearance to deal in the Company's securities during a Blackout Period should be sent to:
- 9.6.1 the Chairman, for a request from each other member of the Designated Personnel; or
- 9.6.2 the Chairman of the Audit and Remuneration Committee for a request from the Chairman, or if the Chairman is unavailable for an extended period,
- (in each case, the '**Approver**').
- 9.7 The Approver will weigh the hardship to the member of the Designated Personnel against the actual or possible detriment to the Company and its shareholders. The Approver may give or withhold approval at his or her discretion, without giving reasons.
- 9.8 If given, the clearance remains valid for 5 business days or such other period specified in writing by the Approver. The clearance automatically expires if the member of the Designated

Personnel comes into possession of Inside Information before the trade is executed. The Approver may withdraw that clearance at any time prior to the trade being executed.

## **10 OTHER RESTRICTIONS ON DEALINGS THAT APPLY TO DESIGNATED PERSONNEL**

### *Margin lending arrangements*

- 10.1 A member of the Designated Personnel must obtain clearance from the Approver for any proposed dealing in the Company's securities in connection with a margin loan.
- 10.2 For the purposes of this Trading Policy, a margin loan means any borrowing or financial accommodation established for the purpose of investing in the Company's securities where, if the market value of the Company's securities falls below a specified level, the lender can make a margin call requiring the borrower to either deposit additional funds or to dispose of the Company's securities to maintain a minimum margin.
- 10.3 If a Designated Personnel receives a margin call directly or indirectly involving the Company's securities, they must immediately inform the Company Secretary so a determination of whether disclosure to the market is required.

### *No Hedging of remuneration*

- 10.4 A member of the Designated Personnel must not enter into an arrangement (with anyone) which would have the effect of limiting his or her exposure to the economic risk associated with holding any vested or unvested securities in the Company, issued or granted under any equity-based remuneration scheme operated by the Company.

### *No Short-Term Dealing or Short Selling*

- 10.5 Each member of the Designated Personnel must not deal in the Company's securities on a short-term trading basis without first obtaining clearance from the Approver. Short-term trading includes buying and selling securities on market within a 3 month period, but does not include dealing with securities within a short period after vesting or issuing of securities under an equity-based remuneration scheme operated by the Company.
- 10.6 In no circumstances must a member of the Designated Personnel short sell any of the securities covered by this Policy.

## **11 DEALINGS THAT ARE EXCLUDED FROM THIS POLICY**

- 11.1 The restrictions on dealing in this Policy during a Blackout Period do not apply to:
- a transfer of securities from a member of the Designated Personnel to a Closely Related Party;
  - a transfer that results in no effective change in the beneficial interest in the security, for example a transfer to or from a superannuation fund;
  - an acquisition of securities under an employee incentive scheme;
  - an acquisition of securities pursuant to any dividend reinvestment plan;
  - an acquisition of securities by the trustee of an employee incentive scheme;

- indirect trading by a fund or a scheme where the investment decisions are made by a third party, provided that the fund or scheme does not invest exclusively in the Company's securities;
- the conversion of a convertible security;
- an undertaking to accept, or the acceptance of, a takeover offer; or
- trading under an offer or invitation made to all or most of the security holders in the Company, such as a share purchase plan, a rights issue or an equal buy-back plan where the timing and structure of the plan has been approved by the Board.

However, such dealings remain subject to the Insider Trading prohibitions in the Corporations Act, as set out in section 6.

## 12 DEFINITIONS

12.1 For the purposes of this Policy:

12.1.1 '**Approver**' has the meaning given in section 9.6.

12.1.2 '**Blackout Periods**' has the meaning given in section 8.3.

12.1.3 '**Board**' means the board of directors of the Company.

12.1.4 '**Closely Related Party**' means:

- a company controlled by a member of the Designated Personnel;
- a trust of which a member of the Designated Personnel is a trustee or a beneficiary;
- a spouse, partner or dependent child of a member of the Designated Personnel; or
- any other person, trust, or other entity in which the member of the Designated Personnel may be considered to have a Relevant Interest.

12.1.5 '**Designated Personnel**' means:

- Key Management Personnel;
- Senior Executives; and
- all other Employees.

12.1.6 '**Employees**' means all employees of the Company or a subsidiary that are not Key Management Personnel or Senior Executives, including any contractors designated as such in writing.

12.1.7 '**Inside Information**' means information that is not generally available but which, if generally available, might materially impact the price or value of a company security.

12.1.8 '**Key Management Personnel**' has the meaning given in AASB 124 Related Party Disclosures.

12.1.9 '**Relevant Interest**' in respect of a security, means the power to dispose of, or control the disposal of, that security.



12.1.10 '**Senior Executives**' means executive officers of the Company who do not constitute Key Management Personnel.

12.1.11 '**trade**' or '**deal**' means, in relation to securities, to apply for, acquire or dispose of, the securities or to grant, accept, acquire, exercise or discharge an option or other right or obligation to acquire or dispose of the securities or any other transaction involving a beneficial interest or a change in beneficial ownership of the securities or to enter into an agreement to do any of those things.

Amended: June 2022