

Being: SPX Guidance Note

For: Share Buy- Back Procedures

Last Updated: 12th February, 2020

The South Pacific Stock Exchange (SPX) provides the following guidelines which listed entities must comply with for its share buy-back programme:

1. A listed entity will not buy back shares if doing so would cause it to fall below the listing standards or the continuing listing requirements of the SPX;
2. A listed entity will comply with other SPX issued rules governing share buy-backs.
(Refer Section 47 of the SPX Listing Rules)
3. A listed entity will make an initial market announcement through the SPX Company Announcements Platform immediately after the approval of the buy-back programme by the listed company's shareholders. The initial market announcement must contain the following information:
 - a. Resolution(s) passed by the Shareholders;
 - b. The details of the approved buy-back programme;
 - c. The volume and value of the approved buy-back programme;
 - d. The start and end date of the buy-back programme or the conditions/events that would trigger the start and end of the buy-back programme;
 - e. reason(s) provided by the listed entity for entering into the buy-back programme; and
 - f. any other material information that the listed entity deems fit to be included or any further information required by the SPX.
4. A listed entity must enter into the buy-back programme within the timeframe stipulated in the 2015 Companies Act. The listed entity must communicate to SPX at least 3 business days prior to placing the initial buy-back order on the market, the details of the order that would be placed including the quantity, price limit and the broker that would be engaged.
5. A listed entity must inform the broker representatives to uniquely identify the order placed on the market for the buy-back programme. In all cases, the broker representative must use the following Broker Ref when placing the buy-back order on the Electronic Trading Platform (ETP): "*Code of listed company-bb*" (e.g. KGF-bb).
6. The SPX would issue a notice to all Broking Members regarding the placement and details of the buy- back order in the market for their information and consideration.
7. The maximum amount that a listed entity can bid for its own shares will be:
 - (a) 1 cent higher, or
 - (b) 1% higher than:
 - (i) the last traded price of the shares or
 - (ii) the highest closing bid on the previous trading day; whichever is higher.

8. The listed entity engaged in a buy-back programme is required to release a market announcement through the SPX Company Announcements Platform on a weekly basis to report all share back trades executed within the week to the market. However, a market announcement is only required when trades have been executed within the period of reporting. For the purpose of clarity, the announcement must be made by close of business on the Friday relating to the period of reporting or no later than 9am on the following business day. Period of reporting means 5 business days from Monday to Friday. The announcement must be made in the format stipulated by SPX in **Appendix A** of this Guidance Note.
9. All shares purchased through the share buy-back programme will be cancelled at registration of the transfer with the company's registrar. The listed entity must communicate the details of the cancelled shares to SPX within 3 working days from the date of settlement

Appendix A
Share Buy-Back Notice

Information about the buy-back

- 1 Name of listed entity
- 2 Type of buy-back
- 3 Date of initial buy-back market announcement on the Company Announcements Platform

Details of the buy-back during the period of reporting

- 4 Period of reporting
- 5 Total shares purchased
- | | Current Period | Previous Periods |
|--|----------------|------------------|
| | | |
- 6 Price range of shares purchased

Other details

- 7 How many shares may still be bought back (or value remaining to be bought back)
- 8 Remaining shares outstanding after cancellation of bought back shares
- 9 Sale of shares by director(s), if any

Compliance statement

The company is in compliance with all the requirements relevant to this buy-back as stipulated in the 2015 Companies Act, the SPX Listing Rules and the Share Buy-Back Procedures Guidance Note.

Signed:

Date:

(Company Secretary)

Print name:

