



## Securities Trading Policy

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**Beam Communications Holdings Limited Policy No. 05**

**Date of Adoption: 28 May 2015,**  
**amended 31 March 2016,**  
**amended 22 November 2018 (company name change).**

# Beam Communications Holdings Limited

## Securities Trading Policy

### 1. Introduction

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This document sets out the circumstances in which Directors, senior executives and employees of Beam Communications Holdings Limited (**Company**) and its subsidiaries (**Group**) may deal in Company securities with the objective that no Director or employee will contravene the requirements of the Corporations Act or the ASX Listing Rules.

The objective of this securities trading policy is to ensure that:

- (a) Directors and employees adhere to high ethical and legal standards in relation to their personal investment in Company securities; and
- (b) the personal investment interests of Directors and employees are balanced with the interests of the Company and other shareholders in relation to Company securities.

### 2. Purpose – Buy, Sell or Trade

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- (a) The purpose of this policy is to protect the reputation of the Company and to ensure that such reputation is maintained and is perceived to be maintained by persons external to the Company.
- (b) The policy is not designed to prohibit Directors and employees from investing in Company securities, but does recognise that there may be times when Directors or employees cannot or should not invest in Company securities. The policy provides guidance to Directors and employees as to the times that Directors and employees may invest in the Company's securities.
- (c) The policy recognises it is illegal for a person to trade in the Company's Securities when he or she possesses unpublished price-sensitive information concerning the Company. This is regardless of whether the terms of this policy have been complied with.

### 3. Inside Information

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Employees and Directors of the Company will from time to time possess certain information regarding the Company which, if publicly available, might reasonably be expected to affect the price of the Company's securities.

This information is known as price-sensitive information, examples of which include:

- (a) sales figures;
- (b) profit forecasts;
- (c) financial performance against budget;
- (d) unpublished announcements, including major new contracts or agreements;

- (e) proposed changes in capital structure, including share issues, rights issues and the redemption of securities;
- (f) borrowings;
- (g) impending mergers, acquisitions, reconstructions, takeovers, etc;
- (h) significant litigation;
- (i) significant changes in operations or proposed changes in the general character or nature of the business of the Company or the Group;
- (j) new distributorships, products and technology;
- (k) liquidity and cashflow information;
- (l) material purchases or sales of assets;
- (m) management restructuring or Board of Directors changes;
- (n) new significant contractors or customers;
- (o) a new entity proposing to buy, or an existing shareholder proposing to sell, a substantial number of shares in the Company; and
- (p) an unexpected investigation by a regulator, or material adverse finding against the Company by a regulator.

#### **4. Corporations Act Requirements**

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##### **4.1 Possession of Inside Information**

A Director or employee possesses “inside information” in relation to the company where:

- (a) The person possesses information that is not generally available and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of Company securities: and
- (b) The person knows, or ought reasonably to know, that the information is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company’s securities.

A reasonable person would be taken to expect information to have a material effect on the price or value of Company securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to deal in the Company’s securities in any way.

##### **4.2 Restrictions on Dealings**

If a Director or employee possesses “inside information” in relation to the Company, the person must not:

- (a) deal in the Company’s securities in any way (dealing); or
- (b) procure another person to deal in the Company’s securities in any way (procuring to deal); or

- (c) directly or indirectly, communicate the information, or cause the information to be communicated, to another person if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the Company's securities in any way or procure a third person to deal in the Company's securities in any way (tipping).

These restrictions continue to apply until such time as that information becomes publicly available, as sanctioned by the Company, or is no longer price-sensitive.

#### **4.3 Definitions**

For the purposes of this policy:

- (a) "The Company's securities" include any shares in the Company, debentures (including convertible notes) issued by the Company, units of shares in the Company and options to acquire or subscribe for shares in the Company;
- (b) To "deal" in Company securities includes subscribing for, purchasing or selling the Company's securities or entering into an agreement to do any of those things.

#### **4.4 Potential Sanctions**

A Director or employee who deals in the Company's securities while they possess "inside information" will be liable to both civil and criminal penalties. The penalties are:

- (a) In the case of a natural person, up to \$220,000;
- (b) In the case of a body corporate, up to \$1.1 million; and
- (c) Unlimited civil liability equivalent to the damages caused.

### **5. Application**

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This policy applies to all:

- (a) Directors of the Company;
- (b) employees of the Company, or any of the Group;
- (c) any other person who is notified that they are subject to this policy by the Company's Chief Executive Officer or by the Company Secretary; and
- (d) in relation to any person under (a) to (c) above:
  - (i) their spouse;
  - (ii) any of their children (including step-children), under 18 years of age;
  - (iii) their nominee, including an investment manager managing funds on their behalf;
  - (iv) a trust of which they, any member of their family, or any family controlled company, are the trustee or beneficiary;
  - (v) a person in partnership with them or any of their connected persons mentioned in (i) to (iii) above (acting in his or her capacity as such); and
  - (vi) a company which they or their family control.

## **6. General Principles**

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Directors and employees of the Company and the Group should note and observe the following general principles regarding their personal trading of the Company's securities:

- (a) Avoid and be seen to avoid, actual or potential conflict between their personal interest and their duty to the Company and its shareholders;
- (b) Not to derive personal advantage from information which is not generally available and which has been obtained by reason of, or in the course of, their directorship or employment;
- (c) Seek prior approval to trade from, or notify a designated officer to ensure the Company's and shareholder's interests are not compromised, whichever is required elsewhere in this Policy;
- (d) Ensure any personal trading is on a scale that reflects your individual financial ability to fund and maintain an appropriately sized portfolio;
- (e) Ensure any personal trading does not adversely impact on your ability to perform normal duties;
- (f) Not utilise broker credit – relevant exchange settlement terms must apply on all occasions and all transactions must be settled according to industry standards. Such prohibition does not extend to normal documented margin lending or loan facilities offered to the general public by brokers, banks or other lending institutions; and
- (g) Directors and employees who have access to price sensitive information or “inside information” should not conduct personal trading in the Company's securities.

## **7. Short term trading**

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- (a) Notwithstanding the following, Directors and employees of the Company and the Group should never engage in short term trading of the Company's securities. In general, the purchase of securities with a view to resell some or all of those securities within a 12 month period and the sale of securities with a view to repurchase within a 12 month period would be considered to be transactions of a “short term” nature. However, the sale of shares immediately after they have been acquired through the conversion of a security (eg. exercise of an option) will not be regarded as short term trading.
- (b) In exceptional circumstances (such as financial hardship), the Board may waive compliance with this short term trading prohibition by giving notice in writing to the affected Director or employee.

## **8. Trading Restrictions – Black-out Period**

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Subject to the below, Directors and employees of the Company **MUST NOT** deal in the Company's securities during the following periods, each being a ‘Black-out Period’:

- (a) The 14 days prior to and one business day after the announcement of half-year results or full-year results;
- (b) The 14 days period prior to and one business day after the issue of a prospectus offering the Company's securities (or any document containing equivalent information);
- (c) The day of and one business day after any major announcement; and

- (d) Any other time as determined and as communicated by notice from the Company.

## **9. Directors and Senior Executives**

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- (a) A Director or Senior Executive may not deal in the Company's securities without the prior written consent (email form is acceptable) of the Chairperson of the Board before commencing the transaction. A Director or Senior Executive must also provide the Chairperson of the Board with subsequent confirmation and, if requested, evidence of the trading that has occurred.
- (b) Prudence will dictate that dealings should generally be limited to the recommended times referred to in paragraph (a) above and that the Chairperson will generally refuse consent to deal in the Company's securities outside these recommended times unless special circumstances exist (such as financial hardship or by court order). The written consent can be made in email form and in all cases will only remain valid for 5 working days. In any event, the Director or Senior Executive should not deal in the Company's securities at any time if the Director or Senior Executive is in possession of any inside information relating to those securities.

## **10. Employees other than Senior Executives**

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Employees of the Company other than Senior Executives may deal in the Company's securities at any time if the employee notifies the Company Secretary before commencing the transaction and after the transaction has occurred, providing confirmation of the trading. Employees are strongly advised to limit dealing in the Company's securities to the recommended timing referred to in paragraph 8 above. In any event the employees should not deal in the Company's securities at any time if the employee is in possession of any inside information relating to those securities.

## **11. Exercise of options, participating in employee share option plans etc**

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Subject to the insider trading provisions of the Corporations Act, Directors and employees may at any time:

- (a) acquire the Company's ordinary shares by conversion of securities giving a right of conversion to ordinary shares;
- (b) acquire the Company's securities under a bonus issue made to all holders of securities of the same class;
- (c) acquire the Company's securities under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
- (d) acquire, or agree to acquire, options under a Company share option plan; and
- (e) exercise options acquired under a Company share option plan (but may not sell all or part of the shares received upon exercise of the options other than in accordance with these procedures).

## **12. ASX Notification**

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- (a) In accordance with section 205G of the Corporations Act, a Director must notify the ASX within 14 days after any change in the Director's relevant interest in securities of the Company or a related body corporate of the Company.

- (b) A Director must provide, in writing, to the Company Secretary with the requisite information for the Company Secretary to make the necessary notifications to ASIC and ASX as required by the Corporations Act and the ASX Listing Rules.

### **13. Margin/ Securities Lending**

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- (a) Directors and Senior Executives may only enter into margin loan or securities lending arrangements (or grant any form of security) in respect to the Company's securities (or maintain an existing margin loan arrangement), if, prior to entering into any such arrangement (or immediately upon commencement of this policy) they disclose the terms of the prospective or current arrangement to the Company Secretary.
- (b) The Company Secretary will then take such advice as he or she determines is appropriate to determine whether the margin loan will be "material" for the purpose of the Company's continuous disclosure obligations.
- (c) The Company Secretary will maintain a register of all margin loan arrangements where disclosure has been made to them, whether or not the arrangement is determined to be "material" for the purpose of the Company's continuous disclosure obligation

### **14. Further Information**

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If you have any questions or require further information regarding this policy you should contact the Company Secretary.

### **15. Condition of Employment**

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- (a) The Company takes compliance with this policy seriously.
- (b) A breach of this policy by any employee or Director will be regarded as a breach of their conditions of employment or appointment.