

Continuous Disclosure policy

Australia & New Zealand

1. Purpose

- 1.1 The Nick Scali Group (“Nick Scali”, “Plush” or the “Company”) is committed to achieving high levels of integrity and ethical standards across all areas of the business. This policy is designed to:
- 1.1.1 establish processes whereby the Company keeps the market continuously informed of information that is market sensitive, subject to the confidentiality exemption.
 - 1.1.2 provide guidance to directors, officers, employees, contractors and consultants (any “individual”) of the Company in understanding Nick Scali’s continuous disclosure obligations and their own responsibilities in complying with this policy;
 - 1.1.3 establish a governance framework to enable communication to the market in a timely manner;
 - 1.1.4 facilitate a timely response from the Company if ASX suspects a ‘false market’ is developing in the Company’s shares;

2. Continuous Disclosure Obligations

- 2.1 Nick Scali must immediately notify the market, by announcing to the ASX, any Market Sensitive Information.
- 2.2 Market Sensitive Information is information that a reasonable person would expect, if known, would likely have a material effect on the price or value of the Company’s shares. A reasonable person would expect a material effect, on the price or value of the Company’s shares, if the information would affect an investor’s decision to buy, sell or hold the Company’s shares.
- 2.2.1 Market sensitive information may include a change in the Company’s financial earnings forecasts of 10% or more, a significant transaction such as an acquisition or disposal, an actual or proposed takeover or merger, a change in accounting policy, dividend policy, or capital structure that would have a material impact on the financial results, an identification or resolution of a material legal matter, or any matter that may significantly damage the Company’s image or reputation.

2.3 While the ASX listing rules contain a confidentiality exemption, the application of this exemption will be determined by the Company Secretary, together with the Managing Director and CEO and the Board as appropriate. The confidentiality exemption exists whereby the requirement to disclose information does not apply where ALL of the following are satisfied:

- 2.3.1 A reasonable person would not expect the information to be disclosed;
- 2.3.2 The information is considered confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- 2.3.3 One or more of the following applies – it would be a breach of a law to disclose the information, the information concerns an incomplete proposal or negotiation, the information comprises matters of supposition or is insufficiently definite to warrant disclosure, the information is generated for internal management purposes or the information is a trade secret.

3. Roles and Responsibilities

3.1 How disclosure is facilitated

- 3.1.1 Where any individual is of any doubt as to whether they possess information that could be classified as market sensitive, or circumstances that suggest a 'false market' they are required to notify the Company Secretary immediately, in the first instance, so that appropriate analysis and internal consultation can be conducted. Legal advice may also be sought from the Company's external counsel.
- 3.1.2 The Company Secretary consults with the Managing Director and Chief Executive Officer in relation to matters brought to their attention for potential announcement. Where the matter is urgent and the Managing Director and Chief Executive Officer is not contactable, the Chair of the Board is contacted. Where the Chair of the Board is not contactable, the Chair of the Audit and Risk Committee is contacted.
- 3.1.3 The Company Secretary arranges for the Company to make appropriate disclosures to the ASX if required by the continuous disclosure rules. Announcements to the ASX state which person or governing body of the Company has authorised the announcement.
- 3.1.4 In exceptional circumstances, the Company may need to request a trading halt from the ASX to ensure that orderly trading in the Company's shares is maintained, and to manage its continuous disclosure obligations. The Company Secretary and the Managing Director and Chief Executive Officer are responsible for determining whether a trading halt is required (unless the decision is referred to the Board).
- 3.1.5 The Board is required to authorise announcements of significance to the Company such as significant acquisitions, disposals and closures, material profit upgrades or downgrades, dividend declarations and buybacks, and any other potential transaction identified by the Chair as being fundamentally significant.

- 3.1.6 The Company Secretary is to provide Board members with copies of all material market announcements on the day they are made.
- 3.1.7 No member of the Company shall disclose market sensitive information to any person unless they have received acknowledgement from the ASX that the information has been released to the market.
- 3.1.8 Where the Company gives a presentation to either an existing or potential investor or to an analyst, a copy of the presentation materials are made available in advance on the ASX Markets Announcements Platform.

3.2 Employee responsibilities

- 3.2.1 Employees are to notify the Company Secretary immediately if they possess information which is market sensitive. If the Company Secretary is not contactable, they are to notify the Managing Director. If in doubt as to whether information is market sensitive, an individual should take a conservative view and report it to, or discuss it with, the Company Secretary.
- 3.2.2 Employees are to keep market sensitive information strictly confidential. Some exceptions to the requirement for continuous disclosure (for example in respect of an incomplete transaction or information prepared for internal management purposes) apply only while the price sensitive information is kept strictly confidential. Any leak of price sensitive information may force the Company to have to make early disclosure to the market of a matter which may result in significant commercial disadvantage to the Company. Therefore, employees must treat all market sensitive information as highly confidential. Employees must not disclose it (even within the Company) except to the Company Secretary or the Managing Director or as strictly necessary for the employee and others to perform their roles for the Company.
- 3.2.3 Employees must not trade in Company shares if they think they may have market sensitive information until the Company Secretary has confirmed that the information is not market sensitive. Employees must also comply with the Company's Securities Trading Policy.
- 3.2.4 A false market exists if there is material misinformation or materially incomplete information in the market which is compromising the market establishing a proper price for the Company's shares. It may arise from an unfounded market rumour or be due to a partial leak of price sensitive information. Any employee who becomes aware of unusual or unexpected price movements, media coverage, or other circumstances that suggest a 'false market' in the Company's securities, must report the concern to the Company Secretary immediately. If the Company Secretary is not contactable, they are to report the concern to the Managing Director.

4. Consequences of a Policy Breach

- 4.1 A breach of this Policy by an individual may lead to disciplinary action being taken by the Company and or result in the individual facing significant criminal and civil liabilities.
- 4.2 Nick Scali may also be fined or be issued with an infringement notice by ASIC for an alleged contravention of its continuous disclosure obligations.