



Kresta Holdings Limited

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6 April 2020

Ms Stephanie Patchell
Adviser, Listings Compliance (Perth)
Australian Securities Exchange Limited
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

Dear Ms Patchell

Kresta Holdings Limited ('KRS'): Response to Appendix 3X and 3Z Query

KRS refers to your email communication dated 2 April 2020.

1. Please confirm whether the date of appointment of Mr Liu and date of cessation of Mr Xu as directors of KRS were as disclosed in the Appendix 3X and Appendix 3Z, being 22 February 2020, or as disclosed in the Announcement, being 15 February 2020.

The date of appointment of Mr Liu and the date of cessation of Mr Xu as directors of KRS is as disclosed in the Appendix 3X and 3Z notices, being 22 February 2020.

2. Please explain why the Appendix 3X and Appendix 3Z were lodged late.

The late lodgement of the Appendix 3X and 3Z notices was an administrative oversight. The Company Secretary who ordinarily has carriage of these matters returned to KRS after being on leave due to illness for three weeks and discovered that the Appendix 3X and 3Z notices had not been announced. The notices were lodged immediately upon discovery.

3. What arrangements does KRS have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

KRS and its Directors are aware of their responsibilities under listing rules 3.19A and 3.19B. These responsibilities are set out in KRS' Share Trading Policy, which requires all key management personnel to notify the Company Secretary before making any purchase or sale of their security holdings. These responsibilities are also set out in the appointment letters for each Director.

4. If the current arrangements are inadequate or not being enforced, what additional steps does KRS intend to take to ensure compliance with Listing Rule 3.19B?

KRS confirms that its current practices are adequate and ordinarily effective to ensure compliance with Listing Rules 3.19A and 3.19B. The late lodgement of the Appendix 3X and 3Z notices were due to a once-off oversight resulting from the Company Secretary's unforeseen absence from work and does not reflect a deficiency in the internal procedures between KRS and its Directors. The Company Secretary has however, clarified internally the person who will be responsible for lodgement of these notices in her absence.

We trust the responses given address your queries.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Luci Li' in a stylized cursive script.

Ms Tao (Luci) Li
Company Secretary
Kresta Holdings Limited



2 April 2020

Reference: 16346

Ms Tao (Lucy) Li
Company Secretary
Kresta Holdings Limited
380 Victoria Road
MALAGA WA 6090

By Email: Tli@khl.com.au

Dear Ms Li

Kresta Holdings Limited ('KRS'): Appendix 3X and 3Z Query

ASX refers to the following:

1. KRS's announcement entitled, 'December 2018 Annual Result' lodged on the ASX Market Announcements Platform ('MAP') on 21 February 2020 confirming the appointment of Mr Xueqiang Liu as a director of KRS effective on 15 February 2020 and the cessation of Mr Yongjiu Xu as a director of KRS effective on 15 February 2020 (the 'Announcement');
2. KRS's Appendix 3X lodged on MAP on 1 April 2020 for Mr Xueqiang Liu (the 'Appendix 3X'); and
3. KRS's Appendix 3Z lodged on MAP on 1 April 2020 for Mr Yongjiu Xu (the 'Appendix 3Z');
4. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *'The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.'*

5. Listing rule 3.19B which states that:

'An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.'

As the Appendix 3X indicated that Mr Liu was appointed on 22 February 2020, it appears that the Appendix 3X should have been lodged with ASX by 28 February 2020 (based on the date of appointment which was indicated in the

Appendix 3X, rather than the date indicated in the Announcement). As the Appendix 3X was lodged on 1 April 2020, it appears that KRS may have breached listing rules 3.19A and/or 3.19B. It also appears that Mr Liu may have breached section 205G of the *Corporations Act 2001* (Cth).

As the Appendix 3Z indicated that Mr Xu ceased to be a director on 22 February 2020 it appears the Appendix 3Z should have been lodged with ASX by 28 February 2020 (based on the date of cessation which was indicated in the Appendix 3X, rather than the date indicated in the Announcement). As it was lodged on 1 April 2020, it appears that KRS may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Xu may have breached section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds KRS of its contract with ASX to comply with the Listing Rules. In the circumstances, KRS should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please confirm whether the date of appointment of Mr Liu and date of cessation of Mr Xu as directors of KRS were as disclosed in the Appendix 3X and Appendix 3Z, being 22 February 2020, or as disclosed in the Announcement, being 15 February 2020.
2. Please explain why the Appendix 3X and Appendix 3Z were lodged late.
3. What arrangements does KRS have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
4. If the current arrangements are inadequate or not being enforced, what additional steps does KRS intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than **half an hour before the start of trading (i.e. before 9:30 am AEST) on 7 April 2020**.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Stephanie Patchell
Adviser, Listings Compliance (Perth)