

23 July 2020

Mr Sean Maloney
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 Mr Maloney

Kresta Holdings Limited ('KRS'): Response to Appendix 3Y – Change of Director's Interest Notice Query

We refer to your letter communication dated 21 July 2020, please find below responses to the Request for Information.

1. Please explain why the Appendix 3Y was lodged late.

We have received this Director change of interest information on late Friday 17th July 2020. We prepared an incorrect Appendix 3X form and changed to Appendix 3Y under ASX's guidance as practical as possible.

The late lodgement was due to a misunderstanding from Mr Xueqiang Liu of providing KRS the information within 5 business days and KRS to release the information within 5 business days. We have communicated via email and phone on this matter with Mr Liu and made sure he is fully aware his disclosure obligation going forward.

2. 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.

3. 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 3Y were due to a once-off oversight resulting from the director going through a difficult time, this does not reflect a deficiency in the internal procedures between KRS and its Directors. We had spoken to Mr Liu of his Director's obligations over the phone again and emailed all directors their obligations under Listing Rules 3.19A and 3.19B again as a reminder.

We trust the responses given address your queries.

Yours sincerely

Handwritten signature in black ink, appearing to be the Chinese characters '李滔' (Li Tao).

Tao Li
Company Secretary
Kresta Holdings Limited



21 July 2020

Reference: 20767

Ms Tao Li
Company Secretary
Kresta Holdings Limited

By email: Tli@khl.com.au

Dear Ms Li

Kresta Holdings Limited ('KRS'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. KRS's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 21 July 2020 for Mr Xueqiang Lui (the 'Notice');
2. 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.'*

3. 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.'

The Notice indicates that a change in Mr Lui's notifiable interest occurred on 10 July 2020. It appears that the Notice should have been lodged with ASX by 17 July 2020. Consequently, KRS may have breached Listing Rules 3.19A and/or 3.19B

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 explain why the Appendix 3Y was lodged late.
2. 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?
3. 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

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Friday, 24 July 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, KRS's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require KRS to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in KRS's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in *Guidance Note 16 Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in KRS's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to KRS's obligations under Listing Rules 3.1 and 3.1A and also to *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that KRS's obligation

to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Sean Maloney
Adviser, Listings Compliance (Perth)