

CHAPTER 9

FINANCIAL INFORMATION

**CHAPTER 9 - SCOPE OF CHAPTER
FINANCIAL INFORMATION**

This **Chapter** sets out financial information which may be required to be included in *listing particulars and *circulars.

It also sets out the continuing obligations relating to matters of a financial nature.

A statement as to working capital (see **Rules 4.12.1, 4.12.2 and 6.15(g)**) may be required by the *Listees' Listing Standards but are not included in this chapter. Where a *listee is producing *listing particulars, additional financial information is required as set out in the *Listees' Listing Standards required by the **Appendix 6-1 and Appendix 6-2 to Chapter 6**.

PRELIMINARY STATEMENT OF ANNUAL RESULTS AND DIVIDENDS AND/OR DISTRIBUTIONS.

PRELIMINARY STATEMENT OF ANNUAL RESULTS.

- 9.1.** A *listee must notify *APX Announcements Office without delay after *board approval (see **Rule 8.21**) of a preliminary statement of the annual results, which must:
- (a) have been agreed with the *listee's *auditors;
 - (b) show the figures in the form of **Appendix 9-2**, consistent with the presentation to be adopted in the annual accounts for that financial year, including at least the items required for a half-yearly report (see **Rules 9.22.1** and **9.23.4**);
 - (c) if the *auditors' report is likely to be qualified, give details of the nature of the qualification; and
 - (d) include any significant additional information necessary for the purpose of assessing the results being announced.

DIVIDENDS AND/OR DISTRIBUTIONS.

- 9.2.** A *listee must notify *APX Announcements Office without delay after *board approval (see **Rule 8.21**) of any decision to pay or make any dividend or other distribution on *listed equity securities or to withhold any dividend or interest payment on *listed securities, giving details of:
- (a) the exact net amount payable per *security;
 - (b) the payment date; and
 - (c) the *record date (where applicable).

ANNUAL REPORT AND ACCOUNTS.

- 9.3.1.** A *listee must issue an *annual report and include the following details contained in **Rules 9.3.2** to **9.10**.

- 9.3.2.** The *annual report must:

- (a) have been prepared in accordance with the Australian Accounting Standards;
- (b) have been independently audited, and reported on, in accordance with the auditing standards required in Australia;
- (c) be in consolidated form if the *listee has subsidiary undertakings, unless *APX otherwise agrees (but the *listee's own accounts must also be published if they contain significant additional information);
- (d) if the audit report contained in the *annual report is qualified, *the annual report must provide detailed information about the nature of the qualification and any remedial action which the *directors propose to take; and

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- (e) be published as soon as possible after the accounts have been approved and in any event within three months of the end of the financial period to which they relate. In exceptional circumstances *APX may grant an extension of this time limit.

COMMENTARY ON FORECASTS.

- 9.4.** If the results for the period under review differ by 10% or more from any published forecast or estimate by the *listee for that period, an explanation of the difference must, unless *APX otherwise agrees, be included in the *annual report.

INTEREST CAPITALISED.

- 9.5.** A statement of the amount of interest capitalised by the group during the period under review with an indication of the amount and treatment of any related tax relief must, unless *APX otherwise agrees, be included in the *annual report.

WAIVER OF EMOLUMENTS.

- 9.6.1.** The *listee must, unless *APX otherwise agrees, include in the *annual report:

- (a) details of any arrangement under which a *director of the *listee has waived or agreed to waive any emoluments from the *listee or any subsidiary undertaking; and
- (b) where a *director has agreed to waive future emoluments, details of such waiver together with those relating to emoluments which were waived during the period under review.

- 9.6.2.** The *listee must, unless *APX otherwise agrees, include in the *annual report:

- (a) details of any arrangement under which a security holder has waived or agreed to waive any dividends (in the case of a managed investment scheme, distributions); and
- (b) where a security holder has agreed to waive future dividends and/or distributions, details of such waiver together with those relating to dividends and/or distributions which are payable during the period under review.

- 9.6.3.** Waivers of less than 1% of the total value of any dividend may be disregarded provided that some payment has been made on each *security of the relevant *class during the relevant calendar year.

DIRECTORS' INTERESTS IN SECURITIES.

- 9.7.** The *listee must, unless *APX otherwise agrees, include in the *annual report, a statement showing by way of noting the beneficial and non-beneficial interests of each *director of the *listee disclosed to the *listee under the *Act, as at the end of the period under review, together with any change in those interests occurring between the end of the period under review and a date not more than one month prior to the date of the notice of the general meeting at which the annual accounts are to be laid before the *listee or, if there has been no such change, disclosure of that fact.

PURCHASE BY LISTEE OF ITS OWN SECURITIES.

- 9.8.** The *listee must, unless *APX otherwise agrees, include in the *annual report:

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- (a) in the case of a *listee incorporated in Australia, details of any security holders' authority for the purchase by the *listee of its own *securities still valid at the end of the period under review and, in the case of such purchases made otherwise than through the market or by tender or partial offer to all security holders, particulars of the names of sellers of such *securities purchased, or proposed to be purchased, by the *listee during the period under review; and
- (b) in the case of any such purchases, or options or contracts to make such purchases, entered into since the end of the period covered by the report, equivalent information to that required under the *Act (disclosure required by a *listee acquiring its own *securities, etc.) must be given.

ALLOTMENTS FOR CASH.

9.9. The *listee must, unless *APX otherwise agrees, include in the *annual report, in the case of any allotment for cash of *equity securities made during the period under review otherwise than to the holders of the *listee's equity securities in proportion to their holdings of such *equity securities and which has not been specifically authorised by the *listee's security holders:

- (a) the names of the allottees, if less than six in number, and in the case of six or more allottees a brief generic description of them; and
- (b) the market price of the *securities concerned on a named date, being the date on which the terms of the issue were fixed; and similar information must be given for any unlisted major subsidiary undertaking, as if the major subsidiary undertaking were "the *listee" for the purposes of that **Rule**.

ADDITIONAL INFORMATION TO BE INCLUDED BY ALL ENTITIES.

9.10.1. A *listee must include the information referred to in **Rules 9.10.2 to 9.10.15** (both inclusive) in its *annual report. The information must be current as at a specified date. Unless another time is specified, the date must be no more than 6 weeks before the report is sent to *security holders.

9.10.2. A statement of all material differences between the information in the *listee's **Appendix 9-2** and the information in the *financial documents in its *annual report, including the amounts of, and reasons for, the differences.

9.10.3. Whether the *listee had an audit committee as at the date of the *directors' (or *trustee's) report. If the *listee did not it must explain why.

Note: If the *listee is a trust, its audit committee may also be the *responsible entity or *management company's audit committee. Trusts that have not converted to registered managed investment schemes will continue to prepare trustee's reports.

9.10.4. A statement of the main corporate governance practices that the *listee had in place during the reporting period. If a practice had been in place for only part of the period, the *listee must state the period during which it had been in place.

Note: **Appendix 9-1** provides an indicative list of corporate governance matters. If the *listee is a trust, the corporate governance practices of the *management company may also be the practices of the trust.

9.10.5. The names of *substantial holders in the *listee, and the number of *equity securities or *property securities in which each *substantial holder and the *substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the *listee. If a

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substantial holding notice discloses that related bodies corporate have the same relevant interest in the same number of *equity securities or *property securities, the *annual report need only include the name of the holding company.

- 9.10.6.** The number of holders of each *class of *equity securities or *property securities.
- 9.10.7.** The voting rights attaching to each *class of *equity securities or *property securities.
- 9.10.8.** A distribution schedule of the number of holders in each *class of *equity securities or *property securities in the categories:
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001, - 10,000
 - 10,001 - 100,000
 - 100,001 - and over.
- 9.10.9.** The number of holders holding less than a *marketable parcel of the listee's *main class of *securities, based on the *market price at the specified date.
- 9.10.10.** The names of the 20 largest holders of each *class of quoted *equity securities or *property securities, the number of *equity securities or *property securities each holds and the percentage of capital (in the case of a managed investment scheme) each holds.
- 9.10.11.** The name of the *listee's secretary (in the case of a managed investment scheme, the name of the secretary of the *responsible entity).
- 9.10.12.** The address and telephone number of the *listee's *registered office in Australia; and of its principal administrative office, if the two are different.
- 9.10.13.** The address and telephone number of each office at which a register of *securities, register of depositary receipts or other facilities for registration of transfers is kept.
- 9.10.14.** The number of *restricted securities that are on issue, and the date from which they cease to be *restricted securities.
- 9.10.15.** For each *class of unquoted *equity securities or *property securities, the number of *equity securities or *property securities that are on issue and the number of holders. In addition, if a person holds 20% or more of the *equity securities or *property securities in an unquoted *class, the name of the holder and number of *equity securities or *property securities held, unless the securities were issued or acquired under an *employee incentive scheme.
- 9.10.16.** Whether there is a current on-market buy-back.

SECURITIES IN AN UNLISTED ENTITY.

Disclosure if the Securities are a Main Asset.

- 9.11.1.** If *securities in an unlisted entity, or loans or advances to it, are a *listee's main asset, the *listee must give *APX the latest accounts of the unlisted entity (including any *auditor's report or statement) when the *listee gives APX the documents required under **Rule 9.13.1**. The *listee does not have to do so if the unlisted entity's financial statements are consolidated with the financial statements of the *listee.

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9.11.2. If * securities in an unlisted entity, or loan advances to it, are included in a * listee's assets, the listee must give * APX the latest * financial documents of the unlisted entity if * APX asks.

ENTITY TO GIVE APX ANNUAL FINANCIAL DOCUMENTS AND CONCISE REPORT LODGED WITH THE ASIC.

9.12. If a * listee (in the case of a managed investment scheme, the * responsible entity) is required to comply with the * Act in relation to lodgment of annual * financial documents or with section 601CK of the * Act, it must give * APX a copy of the documents that it lodges with the * ASIC under the * Act no later than the time that it lodges them. It must also give * APX a copy of any concise report at the same time.

Note: If a * listee is required to comply with the accounts provisions of the * Act, and lodge financial documents with the * ASIC, this **Rule** requires the * listee to give the same documents to * APX. It also requires the * listee to give * APX a copy of any concise report lodged with the * ASIC. All the documents that are to be lodged with the * ASIC must be given to * APX as a package. The relevant section of the * Act is section 319.

SENDING ANNUAL REPORT TO SECURITY HOLDERS.

9.13.1. A * listee (in the case of a managed investment scheme, the * responsible entity) must send an * annual report or concise report to each holder of its * ordinary securities and * preference securities. It must do so before the end of 17 weeks (in the case of a trust, before the end of three months) after the end of its financial year.

Note: If * financial documents containing the information required by **Rules 9.10.1 to 9.10.16** have already been sent to * security holders under the * Act (eg., for the annual general meeting), and to preference security holders and the * annual report contains no additional information, **Rule 9.13.1** is complied with. The * listee must still comply with **Rule 9.20.1**.

Section 314 of the * Act entitles a company to send a concise report to security holders, except those who request the full financial report under section 316.

Cross reference: **Rule 9.20.1**.

9.13.2. However, **Rule 9.13.1** does not apply in relation to a particular * security holder if the * listee (in the case of a managed investment scheme or prescribed interest scheme, the * responsible entity or * management company) is entitled not to send financial documents or a concise report to that * security holder.

Note: Section 316 of the * Act entitles a * security holder to request that it has not be sent * financial reports.

CORPORATE GOVERNANCE.

9.14. The * annual report must contain a statement of the main corporate governance practices that the * listee had in place during the reporting period. If a practice had been in place for only part of the period, the entity must state the period during which it had been in place.

Note: **Appendix 9-1** provides an indicative list of corporate governance matters. If the * listee is a trust, the corporate governance practices of the management company may also be the practices of the trust.

SUMMARY FINANCIAL STATEMENTS.

9.15. Where a * listee issues summary financial statements permitted under the * Act, earnings per share must be disclosed.

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HALF-YEARLY REPORT.

- 9.16.1.** A *listee which has listed *securities must prepare a report, on a group basis where relevant, on its activities and profit or loss for the first six months of each financial year.
- 9.16.2.** The accounting policies and presentation applied to interim figures must be consistent with those applied in the latest published annual accounts save where:
- (a) they are to be changed in the subsequent annual financial statements, in which case the new accounting policies and presentation should be followed, and the changes and the reasons therefore should be disclosed in the half-yearly report; or
 - (b) *APX otherwise agrees.

LISTEE TO COMPLETE APPENDIX 9-2.

- 9.17.1.** The *listee must complete **Appendix 9-2** and give it to *APX. The accounts on which **Appendix 9-2** is based must be audited or subject to review. This may be completed after **Appendix 9-2** has been given to *APX.

Note: **Appendix 9-2** may be used by a *listee required to comply with the *Act as part of its half-yearly reports.

Cross reference: **Rules 1.15**, and **9.27**.

- 9.17.2.** The *listee must give **Appendix 9-2** to *APX immediately the information is available, and no later than it lodges any *financial documents with the *ASIC. It must do so in any event within 75 days after the end of the accounting period.

Note: There may be information available that is material under **Rules 8.1.1** to **8.2**. If so, it must be given to *APX in accordance with that **Rule**, even though the information may later also be included in **Appendix 9-2**.

If *financial documents must be lodged with the *ASIC, this **Rule** requires that the **Appendix** be given to *APX no later than the time that the financial documents are lodged with the ASIC. See also **Rule 9.18.1**.

ENTITY TO GIVE APX HALF-YEAR FINANCIAL DOCUMENTS LODGED WITH THE ASIC.

- 9.18.1.** If a *listee (in the case of a managed investment scheme, the *responsible entity) is required to comply with the *Act in relation to lodgment of half year *financial documents, it must give *APX a copy of the documents that it lodges with the *ASIC under the *Act.

- 9.18.2.** The *listee must give the documents to *APX no later than the time that it lodges them with the *ASIC, unless it has already given them to *APX.

Note: If a *listee is required to comply with the accounts provisions of the *Act, and lodge *financial documents with the *ASIC, this **Rule** requires the *listee to give the same documents to *APX. The relevant section of the *Act is section 320.

TIMING OF PUBLICATION.

- 9.19.** The half-yearly report must be published as soon as possible and in any event within four months of the end of the period to which it relates. In exceptional circumstances *APX may grant an extension of this time limit.

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METHOD OF PUBLICATION.

- 9.20.1.** A *listee must publish the half-yearly report by notifying it to *APX Announcements Office, without delay after *board approval (see **Rule 8.21**). The notification to *APX Announcements Office must include the *auditor's report pursuant to **Rule 9.22.2**.
- 9.20.2.** In addition, the *listee must either:
- (a) send the half-yearly report to the holders of its *listed securities; or
 - (b) insert the half-yearly report, as a paid advertisement, in at least one national newspaper.
- 9.20.3.** The *listee must give *APX two hard copies of an *annual report, *concise report, prospectus, product disclosure statement or information memorandum.

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- 9.21.** The half-yearly report must contain the information required by **Appendix 9-2** in respect of the group's activities and profit or loss during the relevant period.

FIGURES.

- 9.22.1.** Where items specified in the **Appendix 9-2** are unsuited to the *listee's activities, appropriate adjustments must be made.
- 9.22.2.** The half-yearly report must contain, the report of the *auditors must be reproduced in full.

EXPLANATORY STATEMENT.

- 9.23.1.** The half-yearly report must contain:
- (a) an explanatory statement including any significant information enabling investors to make an informed assessment of the trend of the group's activities and profit or loss;
 - (b) an indication of any special factor which has influenced those activities and the profit or loss during the period in question;
 - (c) enough information to enable a comparison to be made with the corresponding period of the preceding financial year; and
 - (d) so far as possible, a reference to the group's prospects in the current financial year.
- 9.23.2.** Where the requirements of the *Listees' Listing Standards in relation to half-yearly reports are unsuited to the *listee's activities or circumstances *APX may require suitable adaptations to be made.
- 9.23.3.** The *APX may authorise the omission from a half-yearly report of the items of information required by **Appendix 9-2**, **items 1.3, 1.10, 1.26** and, so far as it relates to those items, the information required by **Appendix 9-2 "Previous corresponding period"** if it considers that disclosure of such information would be contrary to the public interest or seriously detrimental to the *listee, provided that, in the latter case, such omission would not be likely to mislead the public with regard to facts and circumstances, knowledge of which is essential for the assessment of the shares in question. The request for omission must be in writing and

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the *listee or its representatives will be responsible for the correctness and relevance of the facts on which any request to omit information is based.

- 9.23.4.** The *APX may authorise the omission from a half-yearly report of any information in addition to the items of information referred to in **Rule 9.23.3**, and from the preliminary statement of annual results of any information, either on the grounds referred to above or if it considers such omission otherwise necessary or appropriate.

CHANGE OF ACCOUNTING REFERENCE DATE.

- 9.24.** If a *listee which has *listed securities changes its accounting reference date it must notify *APX Announcements Office without delay of the new accounting reference date. If the effect of the change in the accounting reference date is to extend the accounting period to more than 14 months, the *listee must prepare and publish a second interim report in accordance with the provisions of **Rules 9.16.1** to **9.23.4** in respect of either the period up to the old accounting reference date or the period up to a date not more than six months prior to the new accounting reference date.

Note: This **Rule** does not require a *listee whose balance date varies by up to one week to comply.

Cross reference: **Rule 9.27**.

LODGMET OF APPENDIX 9-2.

- 9.25.1.** If a *listee changes its annual reference date under **Rule 9.24**, the *listee must complete **Appendix 9-2** covering the 12 months since its previous balance date and give it to *APX.

Note: This **Rule** does not require a *listee whose balance date varies by week each year to complete the Appendix for the changed period.

Cross reference: **Rule 9.27**

- 9.25.2.** The *listee must give *APX **Appendix 9-2** immediately the information is available. It must do so in any event within 75 days after the end of the 12 month period.

AMOUNT OF QUOTED FIXED INTEREST SECURITIES.

- 9.26.** A *listee with *quoted *fixed interest securities must tell *APX the aggregate face value of each *class of its *quoted *fixed interest securities on issue as at 31 May. It must do so by 15 June each year.

FORM OF APPENDIX 9-2 TO BE USED.

- 9.27.** If the *Listees' Listing Standards require a *listee to give *APX **Appendix 9-2**, the following **Rules** apply:

- (a) If the *financial statements on which the **Appendix** is based have been prepared adopting equity accounting, the entity must use **Appendix 9-2** (equity accounted).
- (b) If the *financial statements on which the **Appendix** is based have been prepared not adopting equity accounting, the entity must use **Appendix 9-2** (*not* equity accounted).

Cross-reference: **Rules 9.1, 9.17.1, 9.25.1**.

CLASS 1 TRANSACTION.

9.28.1. In the case of a *Class 1 acquisition by a *listee of an interest in an undertaking which will result in consolidation of the net assets of that undertaking, a comparative table for that undertaking is required unless:

- (a) any material change has taken place to the group structure or business, including any acquisition or disposal which would have been classified at the date of acquisition by the *listee as Class 1 for the *listee (see **Rule 10.2.2(b)**), in the period covered by the three years up to the end of the last financial period for which audited accounts have been prepared or in the period from the last audited accounts to the date of acquisition;
- (b) any material change has been made to accounting policies, or any material adjustment has been made or is required to be made to achieve consistency with the *listee (see **Rule 9.31.1**), to the audited accounts of that undertaking in the period referred to in **Rule 9.28.1(a)** (see also below);
- (c) the *auditors' report on the accounts of that undertaking for the last financial year has been qualified, or refers to a matter of fundamental uncertainty;
- (d) the accounts of that undertaking have not been subject to audit; or
- (e) *APX decides for any other reason either not to accept an *auditors' report or that an additional report is necessary;

in which event an accountants' report is required. In the case of **Rule 9.28.1(b)** and with the agreement of *APX, the report may be presented in accordance with the accounting policies of the undertaking being acquired where a reconciliation of the material differences is included in the report. In cases of uncertainty, *APX must be consulted.

9.28.2. An accountants' report may be presented in substitution for a comparative table.

COMPARATIVE TABLE.

9.29. The financial information contained in a comparative table must:

- (a) cover the *listee, its subsidiary undertakings and those undertakings which are to become its subsidiary undertakings or, in the case of a Class 1 acquisition, cover the undertaking being acquired, its subsidiary undertakings and those undertakings which are to become its subsidiary undertakings;
- (b) cover a period of at least three years up to the end of the latest audited financial period for which accounts have been audited (or any shorter period agreed by *APX under **Rule 4.10.2**);
- (c) be extracted without material adjustment from audited accounts which have been prepared and audited in accordance with the standards referred to in **Rule 4.10.1(c)** and **(d)**; and
- (d) include the details set out in **Rule 9.31.1**.

BASIS OF PREPARATION.

9.30. In the case of a new *listee presenting a comparative table, a letter in a form acceptable to *APX is required from the *listee's *auditors or reporting accountants as appropriate, stating

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that in their opinion the *listee's annual accounts have been prepared and audited in accordance with the standards referred to in **Rules 4.10.1(c)** and **(d)**, and that the financial information in the comparative table has been properly extracted without material adjustment from the audited accounts.

FINANCIAL INFORMATION IN A COMPARATIVE TABLE AND AN ACCOUNTANTS' REPORT.

9.31.1. A comparative table or an accountants' report must include the following financial information in respect of a period of at least three years up to the end of the latest audited financial period (or any shorter period agreed by *APX under **Rule 4.10.2**):

- (a) profit and loss account;
- (b) balance sheet;
- (c) cash flow statement (or source and application of funds statement);
- (d) accounting policies; and
- (e) notes (see **Rule 9.31.2**);

and must be presented in a form consistent with that which would be adopted in the *listee's annual accounts having regard to the accounting standards, policies and legislation applicable to such accounts (subject to **Rule 9.28.1** in the case of a Class 1 transaction) unless *APX otherwise agrees.

9.31.2. The notes to the accountants' report and comparative table must, as a minimum, cover:

- (a) the last two balance sheets (where either balance sheet relates to the position at the end of a period of less than 12 months, *APX must be consulted); and
- (b) the profit and loss accounts and cash flow statements (or source and application of funds statements) for all periods included in the accountants' report or comparative table.

In the case of a Class 1 acquisition, earnings per *security need not be given on the target.