

Listed@ASX Compliance Update

17 May 2016



Update no 5/16

1. Proposed changes to requirements for admission to the ASX Official List

On 12 May 2016, ASX released a consultation paper ([Updating ASX's admission requirements for listed entities](#)) setting out proposed changes to its requirements for admission to the ASX official list. The changes are designed to maintain and strengthen the reputation of ASX as a market of quality and integrity.

The key changes proposed relate mostly to entities seeking to list in the "ASX listing" category. They are:

- increasing the financial thresholds for listing - both for the profit test and the assets tests;
- introducing a minimum free float requirement and changing the 'spread test' to better demonstrate a sufficient level of investor interest in the entity and its securities to justify listing;
- making the minimum working capital requirements consistent across all entities admitted under the assets test; and
- introducing a requirement for entities admitted under the assets test to provide audited accounts for the last three full financial years unless ASX agrees otherwise.

For further information please refer to the consultation paper and attachments available on the [ASX public consultations webpage](#).

Written submissions are requested by Friday 24 June 2016.

2. Appendix 4G- Key to Corporate Governance Disclosures

ASX reminds listed entities that under Listing Rule 4.7 they must give to the ASX Market Announcements Office:

- a completed Appendix 4G at the same time as the entity gives its annual report to ASX Market Announcements Office (an editable Word version of the Appendix 4G may be downloaded from [ASX Compliance downloads webpage](#)); and
- if the entity's corporate governance statement is not included in its annual report, a copy of its corporate governance statement current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

The Appendix 4G is a key to where a listed entity has made its various governance disclosures. It is not the entity's corporate governance statement, as some entities appear to have assumed.

The corporate governance statement is the statement required under Listing Rule 4.10.3 disclosing the extent to which the entity has followed the recommendations set out in the [Corporate Governance Principles and Recommendations](#) during the relevant reporting period. Where an entity has not followed a particular recommendation, its corporate governance statement must identify that fact, state the entity's

reasons for not following the recommendation and what (if any) alternative governance practices the entity has followed in lieu of that recommendation.

If an entity does not include its corporate governance statement in its annual report, it must provide to ASX *both* an Appendix 4G *and* a copy of its corporate governance statement. The Appendix 4G alone is not sufficient.

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