

Australian Securities Exchange

Highlights of listing requirements

Number of shareholders	Minimum 300 non-affiliated investors at A\$2,000 each.	
Free float	20%, excluding shares held by related parties or under escrow.	
Company size	Profit test <ul style="list-style-type: none"> A\$1 million aggregated profit from continuing operations over the past three full financial years. A\$0.5 million consolidated profit from continuing operations over the last 12 months. Same main business activity for the last three full financial years. 	Assets test <ul style="list-style-type: none"> A\$4 million net tangible assets after deducting the costs of fund raising. A\$15 million market capitalisation. A\$1.5 million working capital in the reviewed pro forma balance sheet.
Reporting and disclosure	Profit test	Assets test
- Audited accounts	<ul style="list-style-type: none"> Last three full financial years. 	<ul style="list-style-type: none"> Last two full financial years, plus audited accounts of entities or businesses acquired in the 12 months prior to applying for admission.
- Disclosure document	<ul style="list-style-type: none"> Audited or reviewed accounts for the last half year where the last full financial year was more than six months and 75 days before applying for admission. Reviewed pro forma balance sheet. 	<ul style="list-style-type: none"> Same as for Profit test plus additional disclosures: <ul style="list-style-type: none"> State the listing and capital raising objectives. Statement confirming sufficient working capital to carry out the stated objectives. Number of securities subject to escrow and period
- Prospective financial information	Optional but market practice to include in the Prospectus to provide a view of future business performance, e.g. financial forecasts, which must be reviewed by the Investigating Accountant. However, these can only be included where there is a reasonable basis for the forecasts.	
- Investigating Accountant's Report (IAR)	Provides a review opinion over the financial information (historical, pro forma and/or forecast) included in a disclosure document. For an initial public offering an IAR is always included in the Prospectus. Historical and forecast results are typically presented on a reported and pro forma basis. Pro forma adjustments are made to reflect, throughout the financial periods included in the Prospectus, the material impacts to the financial information of the company being listed. (e.g. capital raise, business acquisitions or divestments).	
Foreign entity registration	Must be registered as a foreign company carrying on business in Australia under the Corporations Act, if not an Australian registered company.	
Director's character	Evidence of good fame and character for each current or proposed director (and CEO/CFO) demonstrated through provision of criminal history, bankruptcy checks and statutory declarations.	

Dual listing exemptions

Companies already listed on an acceptable foreign exchange can list on the ASX as an ASX Foreign Exempt Listing company, provided they meet one of the following tests:

- | | | |
|---|----|---|
| Profit test | or | Assets test |
| <ul style="list-style-type: none"> A\$200 million operating profit before tax for each of the last three full financial years. | | <ul style="list-style-type: none"> A\$2 billion of net tangible assets or market capitalisation. |

Companies listed as an ASX Foreign Exempt Listing company, instead of a full ASX Listing company, must primarily comply with the rules of their home exchange and are exempt from a large number of the ASX listing rules.

Mandatory reporting

- Financial reporting
 - Annual and half-yearly financial reports.
 - Quarterly financial disclosure may also be required in some cases (e.g. mining and oil & gas companies and companies with half or more of its total tangible assets in cash at time of listing).
- Continuous disclosure
 - Immediate notification to ASX upon awareness of information that a reasonable person would expect to have a material effect on the price or value of the company's securities. Limited exceptions exist for specific confidential information such as negotiations and incomplete transactions, trade secrets or information produced for internal management purposes.
 - Disclosure requirements related to specific matters such as but not limited to the following events: director's interest changes, security issuance or changes, auditor's and officers changes, distribution plans, release of restricted securities from escrow.

Corporate governance

- Directors re-election

Directors have to be re-elected at least every 3 years.
- ASX best practice recommendations for listed companies

Listed companies must provide a statement of compliance with the "Principles of Good Corporate Governance and Recommendations" issued by the ASX Corporate Governance Council, including an explanation of why some guidelines have not been adopted, if any.

Transactions requiring shareholders' approval

- Significant transactions

Include but are not limited to:

Significant changes in the company's nature or scale of its activities, such as substantial acquisitions or disposals of assets.
- Related party transactions

In addition to the Corporations Act rules, ASX listing rules require shareholders' approval for certain transactions with directors and other related parties.
- Issuance of new securities

Without shareholder approval, listed companies cannot issue new securities exceeding 15% of their issued capital on a rolling 12 months period.
- Payments to directors

Increase the total amount of directors' fee (excluding director's remuneration)

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors. This high level summary provides an overview of the core ASX admission and ongoing requirements based on the published ASX Listing rules. Companies considering a listing should refer to the full ASX listing rules available on www.asx.com.au/regulation/rules/asx-listing-rules.htm.