

Summary

This Practice Note explains the process to follow when an issuer changes its balance date, and provides a best practice example of reporting to ensure the market understands the change.

Relevant Listing Rules:

- NZX Main Board and Debt Market: 10.3.1, 10.4.1, 10.4.2, 10.4.7 and 10.6.1(h)
- NZAX: 10.4.1, 10.5.1, 10.5.3, 10.5.7 and 10.7.1(h)
(together the **Listing Rules**)

The Listing Rules require issuers to release:

- Preliminary announcements and financial information after the end of each financial half-year and year (within 60 days for Main Board or Debt Market issuers, or within 75 days for AX issuers);
- Interim reports:
 - For Main Board and Debt Market issuers, within three months of the end of the first six months of the issuer's financial year; and
 - For NZAX issuers, within four months of the end of the first six months of the issuer's financial year; and
- Annual reports:
 - For Main Board and Debt Market issuers, within three months of the end of the issuer's financial year; and
 - For NZAX issuers, within four months of the end of the issuer's financial year

Issuers must notify NZX of any decision to change a half-year reporting period or to change an annual balance date, no less than one month before the end of their existing balance date.

When an issuer changes its balance date, the timing of its announcements also changes. This can result in:

- A financial year longer than 12 months, or a half year that is longer than six months, if the relevant dates are extended; or
- If the issuer seeks to change its annual balance date to an earlier date, a financial year that is shorter than 12 months. If an interim report has not yet been issued, this results in a financial reporting period that exceeds the usual six months.

Where an issuer extends its half-year reporting period or changes its annual balance date to a later date, NZXR may require the issuer to release additional information to keep the market informed. When considering whether to require an issuer to release further reports, NZX will consider the information currently available to the market as well as the new reporting dates after the issuer's change of balance date. It is important to engage with NZX Regulation (**NZXR**) early in the process to establish any further reporting obligations.

Best practice reporting example

An issuer listed on the Main Board decides to change its balance date from 31 March to 30 June.

- This must be announced to the market no later than 28 February.
- The last financial reporting by the issuer was a half-year report released on 30 December. With the new balance date of 30 June, the next reporting date will be a full-year preliminary report due 29 August. This results in an eight month gap between reports (as opposed to the usual five months).
- NZX expects the issuer to engage at the same time it announces the decision to move its balance date, in order to establish what, if any, additional reporting will be required during the transitional period.