

Part III Equity Securities — Periodic Reports

Financial Statements

705

- (1) An issuer must announce the financial statements for the full financial year (as set out in [Appendix 7C](#)) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.

Refer to [Appendix 7C — Financial Statements and Dividend Announcements](#).

- (2) An issuer must announce its financial statements for each of the first three quarters of its financial year (as set out in [Appendix 7C](#)) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:
- (a) [Deleted]
 - (b) [Deleted]
 - (c) [Deleted]
 - (d) its auditors have issued an adverse opinion, a qualified opinion or disclaimer of opinion on the issuer's latest financial statements; or
 - (e) its auditors have stated that a material uncertainty relating to going concern exists in the issuer's latest financial statements.
- (2A) Unless otherwise determined by the Exchange, an issuer that is required to announce its financial statements under Rule 705(2) will have a grace period of one year to comply with the requirement, such grace period commencing on the date on which the condition in Rule 705(2) is met. An issuer must continue to comply with Rule 705(2) for so long as any condition in Rule 705(2) is met.
- (2B) Rule 705(2) will not apply to an issuer if:—
- (a) it is undergoing judicial management, winding up or provisional liquidation; or
 - (b) its assets consist wholly or substantially of cash or short dated securities as referred to in [Rule 1017](#).
- (2C) An issuer that is required by the Exchange to announce its quarterly financial statements must prominently include a statement on the cover page of its announcement of its quarterly financial statements that such an announcement is pursuant to an Exchange requirement.
- (3)
- (a) [Deleted]

(b) An issuer that is not required to comply with Rule 705(2) must either:

- (i) announce the financial statements for each of the first three quarters of its financial year (as set out in [Appendix 7C](#)); or
- (ii) announce its first half financial statements (as set out in [Appendix 7C](#)),

in each case immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.

If an issuer that is not required to comply with Rule 705(2) announces its quarterly financial statements in a format other than as set out in [Appendix 7C](#), it must comply with Rule 705(3)(b)(ii).

- (3A) An issuer that prepares its financial statements under Rule 705 in accordance with [Appendix 7C](#) must also prepare such financial statements in accordance with the relevant accounting standards for interim financial reports under Singapore Financial Reporting Standards (International) ("SFRS(I)s"), or International Financial Reporting Standards ("IFRS"), or US Generally Accepted Accounting Principles ("US GAAP").
- (4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705 (1) or (2) following its listing on the Exchange, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcements of the financial statements provided that the following conditions are satisfied:
- (a) the extension is announced by the issuer at the time of the issuer's listing; and
 - (b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its offer document issued in connection with its listing on the Exchange.
- (5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.

Use of funds/cash by Mineral, oil and gas companies

- (6) Mineral, oil and gas companies whose principal activities consist of exploration for minerals, oil or gas, must:
- (a) make a quarterly announcement on the use of funds/cash for the quarter and a projection on the use of funds/cash for the next immediate quarter, including material assumptions, immediately after the figures are available but in any event not later than 45 days after the first three quarters of the financial year and not later than 60 days after the last quarter;

(b) provide a confirmation by its directors that, to the best of their knowledge, nothing has come to their attention which may render such information provided false or misleading in any material aspect. In order to make this confirmation, the directors would not be expected to commission an external audit or review of the statements. The confirmation may be signed by 2 directors on behalf of the board of directors.

(7) In the announcements required by Rule 705(1) and (6), a mineral, oil and gas company must also include details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

Refer to [Appendix 7D – Financial Statements and Dividend Announcements](#).

Amended on [1 February 2011](#), [29 September 2011](#), [29 September 2011](#), [27 September 2013](#), [23 August 2018](#), [7 February 2020](#) and [12 February 2021](#).

706

In addition to the information required under [Rule 705](#), the Exchange may require additional information to be disclosed.

Acquisitions and Realisations

706A

(1) An issuer must make a periodic announcement, in accordance with the timelines prescribed in [Rule 705](#) on the announcement of its financial statements, on:

(a) any acquisition of:

- (i) shares resulting in a company becoming a subsidiary or an associated company of the issuer; and
- (ii) shares resulting in the issuer increasing its shareholding percentage in a subsidiary or an associated company; and

(b) any sale of:

- (i) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer; and
- (ii) shares resulting in the issuer reducing its shareholding percentage in a subsidiary or an associated company,

for the relevant financial period reported on under [Rule 705](#).

(2) In the announcement required by Rule 706A, the issuer must, in respect of each acquisition or sale of shares, also include:

- (a) the aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment; and
- (b) in the case of unlisted shares, the net asset value represented by such shares and in the case of listed shares, the market value represented by such shares.

Added on [7 February 2020](#).

Annual Report

707

- (1) An issuer must hold its annual general meeting within four months from the end of its financial year.
- (2) An issuer must issue its annual report to shareholders and the Exchange at least 14 days before the date of its annual general meeting.
- (3) Notwithstanding Rules 707(1) and (2), with respect to the first annual general meeting immediately following the issuer's listing on the Exchange, where the time period between its listing on the Exchange and the final date for the issuer to hold its annual general meeting pursuant to Rule 707(1) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to hold its annual general meeting, provided that:
 - (a) such an extension is permitted by and in accordance with all relevant laws and regulations governing the issuer in its place of constitution;
 - (b) the Exchange is notified of such an extension at the time of the issuer's listing;
 - (c) the extension is announced by the issuer at the time of the issuer's listing; and
 - (d) in the announcement referred to in paragraph (c) above, the issuer must confirm that:
 - (i) there is no material adverse change to the financial position of the issuer since the date of its offer document issued in connection with its listing on the Exchange; and
 - (ii) the extension is permitted by and in accordance with all relevant laws and regulations governing the issuer in its place of constitution.

Amended on [29 September 2011](#) and [7 February 2020](#).

708

The chairman's statement (or equivalent) in the annual report must provide a balanced and readable summary of the issuer's performance and prospects, and should represent the collective view of the board. If the Chairman's statement does not represent the collective view of the board, the view of each dissenting director must be disclosed in the annual report.

709

The annual report must contain the information required in [Part III](#) of Chapter 12.

709A

The annual financial statements must be: —

- (a) prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"), or International Financial Reporting Standards ("IFRS"), or US Generally Accepted Accounting Principles ("US GAAP"); and
- (b) audited by certified public accountants in accordance with Singapore Standards on Auditing, International Standards on Auditing, or US Generally Accepted Auditing Standards, as the case may be.

Added on [7 February 2020](#) and Amended on [12 February 2021](#).

710

An issuer must describe in its annual report its corporate governance practices with specific reference to the principles and the provisions of the Code. An issuer must comply with the principles of the Code. Where an issuer's practices vary from any provisions of the Code, it must explicitly state, in its annual report, the provision from which it has varied, explain the reason for variation, and explain how the practices it had adopted are consistent with the intent of the relevant principle.

Amended on [1 January 2019](#).

711

An issuer may issue a summary financial statement in accordance with the Companies Act or any other applicable written law, regulation or code. However, the Exchange may require the issuer to disclose additional information.

Amended on [31 March 2017](#).

Sustainability Report

711A

An issuer must issue a sustainability report for its financial year, no later than 5 months after the end of the financial year.

Added on [20 July 2016](#).

711B

- (1) The sustainability report must describe the sustainability practices with reference to the following primary components:

- (a) material environmental, social and governance factors;
 - (b) policies, practices and performance;
 - (c) targets;
 - (d) sustainability reporting framework; and
 - (e) Board statement.
- (2) If the issuer excludes any primary component, it must disclose such exclusion and describe what it does instead, with reasons for doing so.

Added on 20 July 2016.

Appointment of Auditors

Amended on 23 August 2018.

712

- (1) An issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit partner-in-charge assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. A mineral, oil and gas company must appoint an auditing firm where the auditing firm and audit partner-in-charge have the relevant industry experience.
- (2) The auditing firm appointed by the issuer must be:
- (a) Approved under the Accountants Act. The audit partner-in-charge assigned to the audit must be a public accountant under the Accountants Act;
 - (b) Approved by, registered with and/or regulated by an independent audit oversight body acceptable to the Exchange. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies. Where applicable, the audit partner-in-charge assigned to the audit should be approved by, registered with or regulated by a relevant audit oversight body acceptable to the Exchange; or
 - (c) Any other auditing firm acceptable by the Exchange.
- (2A) An issuer that appoints an auditing firm that meets the requirements in Rule 712(2)(b) must also appoint an additional auditing firm that meets the requirements in Rule 712(2)(a) to jointly audit its financial statements.
- (3) A change in auditing firm or the proposed appointment of an additional auditing firm to meet requirements in Rule 712(2A) must be specifically approved by shareholders in a general

meeting. The notice of meeting must incorporate, where applicable:

- (a) confirmation from the outgoing auditors as to whether they are aware of any professional reasons why the new auditors should not accept appointment as auditors of the issuer, and if so, to provide reasons;
- (b) confirmation from the issuer as to whether there were disagreements with the outgoing auditors on accounting treatments within the last 12 months, and if so, to provide details;
- (c) confirmation from the issuer as to whether it is aware of any circumstances connected with the change of auditors that should be brought to the attention of the shareholders of the issuer;
- (d) specific reasons for the change of auditors, including whether the outgoing auditors resigned, declined to stand for election, were dismissed or directed by the Exchange to be replaced under [Rule 305\(1\)\(eb\)](#);
- (e) confirmation from the issuer that it complies with [Rule 712](#) and [Rule 715](#) or [716](#) in relation to the appointment of the new auditing firm; and
- (f) explanation that the appointment of an additional auditing firm is to meet the Exchange's requirements in Rule 712(2A).

Amended on [29 September 2011](#), [23 August 2018](#), [7 February 2020](#) and [12 February 2021](#).

713

- (1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than 5 consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after two years.
- (2) If the listing of an issuer occurs after 5 consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.

714

[Deleted]

Amended on [29 September 2011](#) and [12 February 2021](#).

715

- (1) Subject to [Rule 716](#), an issuer must engage the same auditing firm based in Singapore to audit its accounts, and its Singapore-incorporated subsidiaries and significant associated companies.
- (2) An issuer must engage a suitable auditing firm for its significant foreign-incorporated

subsidiaries and associated companies.

Amended on [29 September 2011](#).

716

An issuer may appoint different auditing firms for its subsidiaries or significant associated companies (referred to in [Rule 715\(1\)](#)) provided that:

- (1) the issuer's board and audit committee are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the issuer; or
- (2) the issuer's subsidiary or associated company, is listed on a stock exchange.

Amended on [29 September 2011](#).

717

An issuer must disclose in the annual report the names of the auditing firm(s) for its significant subsidiaries and associated companies.

Amended on [29 September 2011](#).

718

For the purpose of Rules [715](#) to [717](#), a subsidiary or associated company is considered significant if its net tangible assets represent 20% or more of the issuer's consolidated net tangible assets, or its pre-tax profits account for 20% or more of the issuer's consolidated pre-tax profits.