

## **GEN – General - JSE Limited**

### **General Extension of Financial Reporting Periods**

The outbreak of the covid-19 pandemic and subsequent national lockdown in South Africa has introduced business continuity challenges and significant financial reporting challenges for issuers. These challenges have further impacted timely audits being performed on issuers.

The JSE is pleased to advise that the Financial Sector Conduct Authority (the “**FSCA**”) has considered a request made by the JSE to extend certain financial reporting deadlines. On 3 April 2020, the FSCA issued the attached market notice announcing that issuers with year-ends of 31 December 2019, 31 January 2020, 29 February 2020 and 31 March 2020 will receive temporary relief of two months within which to complete their year-end financial reporting process (the “**Relief**”) should this be required by the issuers.

The Relief will enable issuers to carefully consider and unpack the IFRS implications of the impact of covid-19. The JSE expects to see enhanced disclosures during this time, which can be time consuming. The JSE has in addition considered that tight reporting deadlines in this time of uncertainty could be an aggravating factor leading to the issuance of modified audit reports. The Relief should assist in removing such obstacles, as well as any potential impediment to quality audits.

The Relief also has direct bearing on the applicable provisions in the JSE Listings Requirements dealing with reminder letters, annotations and suspension considerations, which will be postponed accordingly with the same period.

The JSE urges issuers to consider all aspects of their financial information publication timelines so as to make appropriate use of the Relief and thereafter to communicate these to the market via SENS.

Market participants should not draw undue adverse inferences when issuers make use of the Relief available to them.

The JSE is of the view that this relief measure will go a long way in accommodating issuers and the audit fraternity during these unprecedented times.

3 April 2020