

FINANCIAL MARKETS CONDUCT (TIL LOGISTICS GROUP LIMITED) EXEMPTION NOTICE 2018

Pursuant to section 556 of the Financial Markets Conduct Act 2013, the Financial Markets Authority, being satisfied of the matters set out in section 557 of that Act, gives the following notice.

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Notice

1 Title

This notice is the Financial Markets Conduct (TIL Logistics Group Limited) Exemption Notice 2018.

2 Commencement

This notice comes into force on 1 July 2018.

3 Revocation

This notice expires on the close of 1 November 2018.

4 Interpretation

In this notice, unless the context otherwise requires:

Act means the Financial Markets Conduct Act 2013.

group financial statements means the financial statements prepared for TIL Logistics Group pursuant to clause 6(a).

specified balance date means the 30 June 2018 balance date of TIL Logistics Group.

subsidiary has the meaning given that term in the Companies Act 1993.

TIL Logistics Group means TIL Logistics Group Limited.

Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

5 Exemption

TIL Logistics Group is exempted from section 461(1) of the Act in respect of the preparation of financial statements that comply with generally accepted accounting practice to the extent that generally accepted accounting practice requires TIL Logistics Group to prepare group financial statements for a 15-month accounting period ending on the specified balance date.

6 Conditions of Exemption

The exemption in clause 5 is subject to the conditions that TIL Logistics Group:

- (a) ensures that, within 4 months of its balance date, group financial statements are completed in relation to the group for the 12-month period ended on the specified balance date;
- (b) includes comparative information for the period from 1 July 2016 to 30 June 2017 in the group financial statements;
- (c) ensures that the group financial statements comply in all other respects with Part 7 of the Act and generally accepted accounting practice; and
- (d) clearly and prominently discloses this exemption notice, its conditions, and its implications in the group financial statements.

Dated at Wellington this 8th day of June 2018.



Garth Stanish
Director of Capital Markets
Financial Markets Authority

Statement of Reasons

This notice comes into force on 1 July 2018 and expires on 1 November 2018.

The exemption granted by this notice exempts TIL Logistics Group from the requirement under section 461(1) of the Act to prepare group financial statements that comply with generally accepted accounting practice to the extent that generally accepted accounting practice requires the preparation of financial statements for the 15-month accounting period ending on 30 June 2018.

The exemption is subject to the conditions that TIL Logistics Group instead prepares group financial statements for a 12-month period ending on 30 June 2018 and comparative information for a 12-month period ending on 30 June 2017, but otherwise complies with all requirements of Part 7 of the Act and generally accepted accounting practice. TIL Logistics Group must also disclose this exemption and its implications in the group financial statements for the year ended 30 June 2018.

The Financial Markets Authority (the **FMA**), after satisfying itself as to the matters set out in section 557 of the Act, considers it appropriate to grant the exemption because:

- preparing group financial statements for the 12-month period from 1 July 2017 to 30 June 2018 will provide investors and stakeholders more understandable and comparative financial information than preparing group financial statements for the 15-month period from 1 April 2017 to 30 June 2018;

- if relief is not provided, the group financial statements prepared for the financial year ending 30 June 2019 will also be unnecessarily complex as the comparative information for the preceding period will be for a 15-month period, whereas the group financial statements will cover a 12-month period;
- preparing group financial statements for the period from 1 April 2017 to 30 June 2018 and comparative information for the period from 1 April 2016 to 31 March 2017 will involve significant compliance costs for TIL Logistics Group in circumstances where investors and stakeholders will not be receiving the most useful and comparable financial information;
- for these reasons, the FMA is satisfied that the exemption is desirable in order to promote the purposes of the Act, specifically, to promote the confident and informed participation of investors in the financial markets, to provide for timely, accurate, and understandable information to assist decision making by investors, and to avoid unnecessary compliance costs; and
- the FMA is further satisfied that the exemption is not broader than is reasonably necessary to address the matters that give rise to it, given that the exemption applies only to the time period over which the group financial statements must be prepared for the year ending 30 June 2018 and does not apply to any other provisions under Part 7 of the Act or requirements under GAAP.