
APPENDIX 6

CLASS TESTS

The following are the class tests to be used for the purposes of classifying transactions undertaken by issuers of equity securities under Chapter 6.

TURNOVER

The turnover test is calculated by dividing the turnover attributable to the assets the subject of the transaction by the turnover of the issuer.

ASSETS

The assets test is calculated by dividing the gross assets the subject of the transaction by the gross assets of the issuer. The gross assets means the total non-current assets, plus the total current assets.

Where as a result of a transaction an asset is either consolidated or deconsolidated from the issuer's net assets then the assets of the subject of the transaction means 100% of that undertaking's assets for the purpose of this test.

In all other cases, for an acquisition the value will be the consideration together with any liabilities assumed or, if greater, the book value. For all other disposals the value will be the book value.

PROFITS

The profits test is calculated by dividing the profits attributable to the assets the subject of the transaction by the profits of the issuer. Profits should be profits after deducting all charges except taxation and extraordinary items.

CONSIDERATION TO MARKET CAPITALISATION

The consideration test is calculated by taking the consideration for the transaction as a percentage of the aggregate market value of all the ordinary shares (excluding treasury shares) of the issuer.

The figures used in calculating the class tests should be taken from the latest published audited or interim financial statements or (in the case of consideration and market capitalisation) the latest closing market price of listed equity securities.

Where there is any doubt regarding the calculation of the class tests or the results obtained the Exchange should be consulted. In case of anomalous results alternative tests may be suggested.