

# FORM: Half yearly/preliminary final report

Name of issuer: **YANG YANG CHINA HOLDINGS LIMITED**

ACN	Half yearly (tick)	Preliminary final (tick)	Full year ('Current period')
109-469-383		Yes	01-07-05 to 30-06-06

## For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

			\$A,00 0
Sales (or equivalent) operating revenue (item 1.1)	down	48%	292
Operating (loss) before abnormal items and tax (item 1.4)	down	36%	(1,273 )
Abnormal items before tax (item 1.5)	N/A	gain (loss) of	N/A
Operating (loss) after tax but before outside equity interests (item 1.8)	up	96%	(1,273 )
Extraordinary items after tax attributable to members (item 1.13)	N/A	gain (loss) of	N/A
Operating profit (loss) and extraordinary items after tax attributable to members (item 1.16)	Up	96%	(1,273 )
Exploration and evaluation expenditure incurred (item 5.2)	N/A	%	N/A
Exploration and evaluation expenditure written off (item 5.3)	N/A	%	N/A

Dividends	Franking rate applicable				
Current Previous corresponding period	period	NIL¢ NIL¢	N/A NIL¢	NIL¢ NIL¢	N/A NIL¢
Record date for determining entitlements to the dividend, (in the case of a trust distribution ) (see item 15.2)		N/A			
Short details of any bonus or cash issue or other items(s) of importance not previously released to the market: - N/A					

**Consolidated profit and loss account**

(The figures are not equity accounted)

	Current \$A'000	period	Previous corresponding period \$A'000
1.1 Sales (or equivalent operating) revenue	292		567
1.2 Other revenue	279		105
<b>1.3 Total revenue</b>	<b>571</b>		<b>672</b>
<b>1.4 Operating (loss) before abnormal items and tax</b>	<b>(1,273)</b>		<b>(939)</b>
1.5 Abnormal items before tax (detail in item 2.1)	0		(34,026)
1.6 Operating (loss) before tax (items 1.4 + 1.5)	(1,273)		(34,965)
1.7 Less tax	0		N/A
1.8 Operating (loss) after tax but before outside equity interests	(1,273)		(34,965)
1.9 Less outside equity interests	0		N/A
<b>1.10 Operating (loss) after tax attributable to members</b>	<b>(1,273)</b>		<b>(34,965)</b>
1.11 Extraordinary items after tax (detail in item 2.3)	0		N/A
1.12 Less outside equity interests	0		N/A
1.13 Extraordinary items after tax attributable to members	0		N/A
<b>1.14 Total operating (loss) and extraordinary items after tax (items 1.8 - 1.11)</b>	<b>(1,273)</b>		<b>(34,965)</b>
1.15 Operating (loss) and extraordinary items after tax attributable to outside equity interests (items 1.9 - 1.12)	0		N/A
<b>1.16 Operating (loss and extraordinary items after tax attributable to members (items 1.10 + 1.13))</b>	<b>(1,273)</b>		<b>(34,965)</b>
1.17 Retained (accumulated losses) at beginning of financial period	(34,965)		(34,965)
1.18 Aggregate of amounts transferred from reserves	0		N/A
<b>1.19 Total available for appropriation (carried forward)</b>	<b>(36,238)</b>		<b>(34,965)</b>

1.20 Total available for appropriation (brought forward)	(36,238)	(34,965)
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**Consolidated profit and loss account continued**

1.21 Dividends provided for or paid	0	N/A
1.22 Aggregate or amounts transferred to reserves	0	N/A
1.23 <b>Retained (accumulated losses) at end of financial period</b>	(36,238)	(34,965)

**Abnormal and extraordinary items**

	Consolidated - current period				
	Before \$A'000	tax	Related \$A'000	tax	After \$A'000
2.1 <b>Abnormal item</b>	0		0		0
2.2 <b>Total abnormal items</b>	0		0		0
2.4 <b>Total extraordinary items</b>	0		0		0

**Comparison of half year profits**

*(Preliminary final statement only)*

	Current year - \$A'000	Previous year - \$A'000
3.1 Consolidated operating profit (loss) after tax attributable to members reported for the 1st half year (item 1.10 in the half yearly statement)	(867)	-
3.2 Consolidated operating profit (loss) after tax attributable to members for the 2nd half year	(406)	(34,965)

**Consolidated**  
*(See note 5)*

**balance**

**sheet**

Current assets	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
4.1 Cash	391	75	426

4.2	Receivable	376	309	421	
4.3	Investments	0	0	0	
4.4	Inventories	0	248	110	
4.5	Other (provide details if material)	0	0	0	
<b>4.6</b>	<b>Total current assets</b>	<b>767</b>	<b>632</b>	<b>957</b>	
<b>Non-current assets</b>					
4.7	Receivables	0	0	0	
4.8	Investments	0	0	0	
4.9	Inventories	0	0	0	
4.10	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	0	0	0	
4.11	Development properties (mining entities)	0	0	0	
4.12	Other property, plant and equipment (net)	22	0	0	
4.13	Intangibles (net)	0	3,736	3,697	
4.14	Other (provide details if material)	0	34	30	
<b>4.15</b>	<b>Total non-current assets</b>	<b>22</b>	<b>3,770</b>	<b>3,727</b>	
<b>4.16</b>	<b>Total assets</b>	<b>789</b>	<b>4,402</b>	<b>4,683</b>	
<b>Current liabilities</b>					
4.17	Accounts payable	452	3,864	4,601	
4.18	Borrowings	0	0	0	
4.19	Provisions	0	0	0	
4.20	Deposit in advance	0	0	0	
<b>4.21</b>	<b>Total current liabilities</b>	<b>452</b>	<b>3,854</b>	<b>4,601</b>	
<b>Non-current liabilities</b>					
4.22	Accounts payable	0	0	0	
4.23	Borrowings	0	0	0	
4.24	Provisions	0	0	0	
4.25	Other (provide details if material)	0	0	0	

<b>4.26 Total non-current liabilities)</b>	0	0	0
<b>4.27 Total liabilities</b>	452	3,864	4,601
<b>4.28 Net assets</b>	337	538	83

**Consolidated balance sheet continued**

<b>Equity</b>			
4.29 Capital	36,575	35,504	36,035,
4.30 Reserves	0	0	0
4.31 Retained (accumulated losses)	(36,238)	34,965	35,952
4.32 Equity attributable to members of the parent entity	0	0	0
4.33 Outside equity interests in controlled entities	0	0	0
<b>4.34 Total equity</b>	<b>337</b>	<b>538</b>	<b>83</b>
4.35 Preference capital and related premium included as part of 4.31	0	0	0

**Exploration and evaluation expenditure capitalised**

*To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit*

	Current \$A'000	period	Previous corresponding period \$A'000
5.1 Opening balance			
5.2 Expenditure incurred during current period			
5.3 Expenditure written off during current period			
5.4 Acquisitions, disposals, revaluation increments, etc.			
5.5 Expenditure transferred to Development Properties			
<b>5.6 Closing balance as shown in the consolidated balance sheet (item 4.9)</b>			

**Development**

*(To be completed only by issuers with mining interests if amounts are material)*

**properties**

Current period	Previous corresponding

	\$A'000	period \$A'000
6.1 Opening balance		
6.2 Expenditure incurred during current period		
6.3 Expenditure transferred from exploration and evaluation		
6.4 Expenditure written off during current period		
6.5 Acquisitions, disposals, revaluation increments, etc.		
6.6 Expenditure transferred to mine properties		
<b>6.7 Closing balance as shown in the consolidated balance sheet (item 4.10)</b>		

#### Consolidated statement of cash flows

(See note 6)

	Current \$A'000	period	Previous corresponding period \$A'000
<b>Cash flows related to operating activities</b>			
7.1 Receipts from customers	571	567	
7.2 Payments to suppliers and employees	(1,330)	(301)	
7.3 Dividends received	0	0	
7.4 Interest and other items of similar nature received	0	0	
7.5 Interest and other costs of finance paid	0	0	
7.6 Income taxes paid	0	0	
7.7 Other: Government subsidy	0	105	
<b>7.8 Net Deficit operating cash flows</b>	<b>(759)</b>	<b>371</b>	
<b>Cash flows related to investing activities</b>			
7.9 Payments for purchases of property, plant and equipment	0	0	
7.10 Proceeds from sale of property, plant and equipment	0	0	
7.11 Payment for purchases of equity investments	0	0	
7.12 Proceeds from sale of equity investments	0	0	

7.13	Loans to other entities	0	0
7.14	Loans repaid by other entities	0	0
7.15	Payment for research and development	0	(295)
7.16	<b>Net investing cash flows</b>	0	(295)
<b>Cash flows related to financing activities</b>			
7.17	Proceeds from issues of securities (shares, options, etc.)	1,075	504
7.18	Proceeds from borrowings	0	0
7.19	Repayment of borrowings	0	0
7.20	Dividends paid	0	0
7.21	Payment of NSX listing costs	0	(428)
7.22	<b>Net financing cash flows</b>	1,075	76
<b>Net increase (decrease) in cash held</b>			
7.23	Cash at beginning of period <i>(see Reconciliations of cash)</i>	75	2
7.24	Exchange rate adjustments to item 7.23	0	0
7.25	<b>Cash at end of period</b> <i>(see Reconciliation of cash)</i>	391	75

#### **Non-cash financing and investing activities**

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

NIL
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#### **Reconciliation of cash**

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current \$A'000	period	Previous corresponding period \$A'000
8.1	Cash on hand and at bank	91		75
8.2	Deposits at call	300		0
8.3	Bank overdraft	0		0
8.4	Other (provide details)	0		0
8.5	Total cash at end of period (item 7.25)	391		75

<b>Ratios</b>	Current period	Previous period
<b>Profit before abnormal/s and tax/sales</b>		No Period
9.1 Consolidated operating loss before abnormal items and tax (items 1.4) as a percentage of sales revenue (items 1.1)	0	
<b>Profit after tax/equity interests</b>	0	No Period
9.2 Consolidated operating profit (loss) after tax attributable to members (item 1.10) as a percentage of equity (similarly attributable) at the end of the period (item 4.34)		

#### **Earnings per security (EPS)**

10.1 Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share (a) Basic EPS (b) Diluted EPS (if materially different from (a))	\$(-0.01)	\$(-0.01)
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<b>NTA backing</b> <i>(see note 7)</i>	Current period	Previous corresponding period
11.1 Net tangible asset backing per ordinary security	\$0.0005	\$0.0005

#### **Details of specific receipts/outlays, revenues/expenses**

	Current period A\$'000	Previous corresponding period \$A'000
12.1 Interest revenue included in determining items 1.4	0	0
12.2 Interest revenue included in item 12.1 but not yet received (if material)	0	0
12.3 Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc.)	0	0
12.4 Interest costs excluded from item 12.3 and	0	0

	capitalised in asset values (if material)		
12.5	Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	0	0
12.6	Depreciation (excluding amortisation of intangibles)	5	0
12.7	Amortisation of intangibles	0	0

**Control gained over entities having material effect**

(See note 8)

13.1 Name of *issuer* (or *group*)

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13.2 Consolidated operating profit (loss) and extraordinary items after tax of the *issuer* (or *group*) since the date in the current period on which control was acquired

\$

13.3 Date from which such profit has been calculated

\$

13.4 Operating profit (loss) and extraordinary items after tax of the *issuer* (or *group*) for the whole of the previous corresponding period

\$

**Loss of control of entities having material effect**

(See note 8)

14.1 Name of entity (or *group*)

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14.2 Consolidated operating profit (loss) and extraordinary items after tax of the entity (or *group*) for the current period to the date of loss of control

\$

14.3 Date from which the profit (loss) in item 14.2 has been calculated

\$

14.4 Consolidated operating profit (loss) and extraordinary items after tax of the entity (or *group*) while controlled during the whole of the previous corresponding period

\$

14.5 Contribution to consolidated operating profit (loss) and extraordinary items from sale of interest leading to loss of control

\$

## **Reports for industry and geographical segments**

*Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: Financial Reporting by Segments. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 1005 and indicates which amount should agree with items included elsewhere in this statement.*

### **Segments**

Operating Revenue \$571,000

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

Total revenue (consolidated total equal to item 1.3) \$571,000

Segment result (including abnormal items where relevant) \$(1,273,000)

Unallocated expenses

Consolidated operating profit after tax (before equity accounting) (equal to item 1.8) \$(1,273,000)

Segment assets \$789,000 (2005 \$4,402,000)	)	<i>Comparative data for segment assets should be as at the end of the previous corresponding period</i>
Unallocated assets	)	
Total assets (equal to item 4.16) \$789,000	)	
(2005 \$4,402,000)		

### **Dividends**

15.1 Date the dividend is payable

N/A

15.2 Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

N/A

### **18.3 Amount per security**

N/A

	<i>Franking rate applicable</i>	39%	36%	33%
	<i>(Preliminary final statement only)</i>			
15.4	<b>Final dividend:</b> Current year	0¢	N/A	0¢
15.5	Previous year	0¢	0¢	0¢
	<i>(Half yearly and preliminary final statements)</i>			

15.6	<b>Interim dividend:</b> Current year	0¢	N/A	0¢	N/A
15.7	Previous year	0¢	0¢	0¢	0¢

**Total annual dividend (distribution) per security**

(Preliminary final statement only)

	Current year	Previous year
15.8    Ordinary securities	0¢	0¢
15.9    Preference securities	0¢	0¢

**Total dividend (distribution)**

	Current \$A'000	period	Previous corresponding period - \$A'000
15.10    Ordinary securities	\$0		\$0
15.11    Preference securities	\$0		\$0
<b>15.12    Total</b>	<b>\$0</b>		<b>\$0</b>

The *dividend or distribution plans* shown below are in operation.

N/A
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The last date(s) for receipt of election notices to N/A the <i>dividend or distribution plans</i>
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Any other disclosures in relation to dividends (distributions)

N/A
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## **Equity accounted associated entities and other material interests**

*Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.*

<b>Investments in associated entities</b>		<b>Current period</b> A\$'000	<b>Previous corresponding period</b> A\$'000
16.1	Statutory carrying value of investments in associated entities (SCV)	0	0
16.2	Share of associated entities' retained profits and reserves not included in SCV:	0	0
	Retained profits	0	0
	Reserves	0	0
16.3	<b>Equity carrying value of investments</b>	0	0

## **Material interests in entities which are not controlled entities**

*The economic entity has an interest (that is material to it) in the following entities.*

		Percentage of ownership interest (ordinary securities, units etc) held at end of period		Contributing to operating profits (loss) and extraordinary items after tax	
17.1 <b>Equity accounted associated entities</b>		Current period	Previous corresponding period	Current period	Previous corresponding period
		N/A	N/A	<i>Equity accounted</i>	
				N/A	N/A
17.2 <b>Other material interests</b>				<i>Not equity accounted (ie part of item 1.14)</i>	
		N/A	N/A	N/A	N/A

## **Issued and listed securities**

*Description incl. rate of interest & any redemption or conversion rights together with prices & rates.*

<b>Category of securities</b>		Number issued	Number listed	Par value (cents)	Paid-up value (cents)
18.1	<b>Preference securities</b> <i>(description)</i>				
18.2	Issued during current period	NIL	NIL	NIL	NIL
18.3	<b>Ordinary securities</b>	183,156,000	183,156,000	\$0.20	\$0.20
18.4	Issued during current period after listing	2,700,000	2,700,000	\$0.20	\$0.20
18.5	<b>Convertible debt</b> <i>(description and conversion factor)</i>	NIL	NIL	NIL	NIL
18.6	Issued during current period	NIL	NIL	NIL	NIL
18.7	<b>Options</b> <i>(description and conversion factor)</i>			Exercise price	Expiry date
		181,806,000	181,806,000	\$0.30	31-12-2009
18.8	Issued during current period after listing	1,350,000	1,350,000	\$0.30	31-12-2009
18.9	Exercised during current period	NIL			
18.10	Expired during current period	NIL			
18.11	<b>Debentures</b> <i>(totals only)</i>	NIL			
18.12	<b>Unsecured Notes</b> <i>(totals only)</i>	NIL			

### Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 1029: Half-Year Accounts and Consolidated Accounts. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach

*notes to this statement.*

### **Basis of accounts preparation**

*If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Half-Year Accounts and Consolidated Accounts. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. [Delete if in applicable.]*

Material factors affecting the revenues and expenses of the *issuer* for the current period

The Directors continue to work with the Chinese Government pig farms to negotiate a deal for the conversion of the farms in the Region. These negotiations have been longer and more difficult than first expected. This has now created a nil revenue for the company which has adversely affected our possible revenues and increased the costs of the organization.

Planned introduction of the LETU product to the Australian market has been put back again due to the initial difficulties with the immigration Department and the Australian Quarantine Inspection Service. These have been resolved with the further approvals now being sought from APVMA. The overall effect on the company of these delays and waiting for approvals has caused the company to have no revenue for the past six months.

At the date of signing this document the Directors have been advised verbally that the first stage of the APVMA approval have been agreed by APVMA and that the request to use LETU in the feeding of pigs in the trial has gone to the next level. Minimum time for this stage is another 2 months.

The factors above and other external factors have held up the companies expansion for the past 12 Months.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

N/A

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

NIL

Changes in accounting policies since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly statement in accordance with paragraph 15(c) of AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final statement in accordance with AASB 101: Accounting Policies-Disclosure.)*

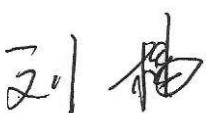
These interim financial have been prepared in accordance with AIFRSs and in particular AASB 134; interim financial reporting.

AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied.

### **Compliance statement**

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

2. This statement, and the financial statements under the *Corporations Act*, use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. The financial statements are being audited by a registered auditor
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available\* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer* does not have a formally constituted audit committee.

Sign here: .....  
  
 (CHAIRMAN - DIRECTOR)

Date: 13<sup>th</sup> September 2006

Print name: LIU YANG.

#### Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show the amount of the change up or down.
2. **True and fair view** If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the *issuer* must attach a note providing additional information and explanations to give a true and fair view.
3. **Consolidated profit and loss account**

- |          |  |
|----------|--|
| Item 1.1 | The definition of "operating revenue" and an explanation of "sales revenue" (or its equivalent) and "other revenue" are set out in <i>AASB 1004: Disclosure of Operating Revenue</i> .                                 |
| Item 1.2 | "other revenue" includes abnormal items, but excludes extraordinary revenue items.   |
| Item 1.4 | "operating profit (loss) before abnormal items and tax" is calculated before dealing with outside equity interests and extraordinary items, but after deducting interest on borrowings, depreciation and amortisation. |
| Item 1.7 | This item refers to the total tax attributable to the amount shown in item 1.6. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as operating expenses (eg. fringe benefits tax).     |

4. **Income tax** If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

5. **Consolidated balance sheet**

**Format** The format of the consolidate balance sheet should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of AASB 1029. Banking institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

**Basis of revaluation** If there has been a material revaluation of non-current assets (including investments) since the last annual report, the *issuer* must describe the basis of revaluation adopted. The description must meet the requirements of paragraphs 19-21 of AASB 1010: *Accounting for the Revaluation of Non-Current Assets*. If the *issuer* has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of AASB 1029 and paragraph 11 of AASB 1030.

6. **Statement of cash flows** For definitions of "cash" and other terms used in this statement see AASB 1026: *Statement of Cash Flows*. *Issuers* should follow the form as closely as possible, but variations are permitted if the *directors* (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of AASB 1026. Mining exploration *issuers* may use the form of cash-flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e. all liabilities, preference shares, outside equity interests, etc). Mining *issuers* are *not* required to state a net tangible asset backing per ordinary security.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the consolidated financial statements. Details must include the contribution for each gain or loss that increased or decreased the *issuer's* consolidated operating profit (loss) and extraordinary items after tax by more than 5% compared to the previous corresponding period.
9. **Equity accounting** If an *issuer* adopts equity accounting, no comparative equity accounting figures are required in the first period following its adoption.
10. **Rounding of figures** This statement anticipates that the information required is given to the nearest \$1,000. However, an *issuer* may report exact figures, if the \$A'000 headings are amended. If an *issuer* qualifies under an ASIC Class Order dated 17 August 1994, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A'000 headings are amended.
11. **Comparative figures** Comparative figures are normally the unadjusted figures from the previous corresponding period. However, if the previously reported figures are adjusted to achieve greater comparability, a note explaining the adjustment must be included with this statement. If no adjustment is made despite a lack of comparability, a note explaining the position should be attached.
12. **Additional information** An *issuer* may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The

information may be an expansion of the material contained in this statement, or contained in a note attached to the statement. The requirement under the list rules for an *issuer* to complete this statement does not prevent the *issuer* issuing reports more frequently. Additional material lodged with the *ASIC* under the *Corporations Act* must also be given to the Exchange. For example, a *directors' report* and statement, if lodged with the *ASIC*, must be given to the Exchange.

13. **Accounting Standards** the Exchange will accept, for example, the use of International Accounting Standards for *foreign issuers*. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
14. **Borrowing corporations** As at 1/7/96, this statement may be able to be used by an *issuer* required to comply with the *Corporations Act* as part of its half yearly financial statements if prepared in accordance with Australian Accounting Standards. However, borrowing corporations must comply with Schedule 5 of the Corporations Regulations. See regulation 3.6.02(4).