Issuer Regulation

Amendments to the JSE Listings Requirements: HEPS

August 2026

Background

In November 2025 the JSE published a consultation paper which, amongst others, raised questions regarding the continued inclusion of headline earnings as a listings requirement. An overwhelming majority of commentators requested that headline earnings per share be maintained for both primary and secondary listings on the JSE.

SAICA reviews and updates the headline earnings circular from time to time for amendments to IFRS. SAICA has just completed this process and has issued a revised headline earnings circular for comment.

The proposed amendments to the SAICA headline earnings circular address the introduction of IFRS 18 (effective 1 January 2027). One of the amendments introduced by IFRS 18 is the concept of management performance measures ("**MPM**"). Alongside that amendment, there is a prohibition of any per share figure being included in the annual financial statements unless it is a MPM.

Amendments to the JSE Listings Requirement are necessary to give effect to the impact of IFRS 18 on headline earnings per share.

Comments on the proposed amendments to the JSE Listings Requirements should be provided to the JSE and comments on the SAICA circular should be provided directly to SAICA.

Authority

The JSE Listings Requirements prescribes the inclusion of headline earnings (with its reconciliation to headline earnings per share) in certain documents/circulars and announcements required by equity issuers listed on the JSE. The SAICA circular provides the technical requirements of how to calculate headline earnings and headline earnings per share and what to disclose in the reconciliation.

Proposed Amendments

The proposed amendments to the JSE Listings Requirements are set out below.

Amendment 1

Rationale: The obligation to include the reconciliation between earnings and headline earnings is currently repeated throughout the JSE Listings Requirements. This amendment brings the reconciliation into the definition section, to afford clarity and avoid repetitions.

A separate definition of headline earnings per share will enable a distinction to be made between the disclosure of headline earnings and headline earnings per share to address the provisions of IFRS 18.

Definitions

headline earnings	*as defined and calculated in accordance with the circular titled Headline Earnings issued by SAICA, as amended from time to time. Whenever headline earnings is disclosed, an itemised reconciliation between headline earnings and the earnings used in the calculation must be included*
headline earnings per share	*as defined and calculated in accordance with the circular titled Headline Earnings issued by SAICA, as amended from time to time*

Amendment 2

Rationale: These amendments -

- take into account the above amendments made to the definitions section;
- places the per share figure outside of the boundaries of the IFRS results. It is important that headline earnings per share continues to be disclosed simultaneously with the interim/annual financial statements**;**
- take into account the removal by SAICA of the sections dealing with diluted headline earnings per share from the headline earnings circular

In considering its approach to the headline earnings circular for IFRS 18, SAICA was unable to preserve the sections dealing with diluted headline earnings. The JSE is therefore proposing removing this obligation from the JSE Listings Requirements.

Condensed financial statements, summary financial statements and interim results

11.34 The condensed financial statements, summary financial statements and interim results must include:

(a) …

(b) *<u>(i)</u> headline earnings ~~and diluted headline earnings per share~~ for the current reporting period and the immediately preceding comparable period~~, together with an itemised reconciliation between headline earnings and the earnings used in the calculation of earnings per share.~~<u>; and</u>*

<u>(ii) headline earnings per share</u> ~~and diluted headline earnings per share~~<u>.</u>

<u>The information in 11.34(b)(ii) may be presented outside of the information prepared in terms of IAS 34: Interim Financial Reporting.</u>

Minimum contents of annual financial statements

11.37 The following must be disclosed in the annual financial statements:

(a) …

(b) <u>(i)</u> headline earnings~~ per share and a diluted headline earnings per share~~ for the current and preceding financial year~~ together with an itemised reconciliation between headline earnings and earnings~~;

<u>(ii) headline earnings per share</u> ~~and diluted headline earnings per share~~

….

The information in 11.37(a),<u> (b)(ii)</u> (d), (e), (k), (l) and (m) can be presented outside of the information on which the auditor issues their audit opinion.

Amendment 3

<u>Rationale</u>: These amendments take into account the above amendments made to the definitions section and the removal of diluted headline earnings per share.

<u>Various other sections</u>

PLS: General

3.15 The applicant must disclose in the PLS headline earnings<u> and headline earnings</u> per share ~~and diluted headline earnings per share together with an itemised reconciliation between headline earnings and the earnings used in the calculation~~.

Pre-listing announcement

3.27 The pre-listing announcement must include the following:

(a) …

(o) disclosure of headline earnings<u> and headline earnings</u> per share ~~and diluted headline earnings per share together with an itemised reconciliation between headline earnings and the~~

~~earnings used in the calculation~~;

Continuing obligations

3.28 The continuing obligations of the primary exchange takes precedence, with the following exceptions:

(a) …

(c) it must announce, with its interim and year-end results, headline earnings and headline earnings per share ~~and diluted headline earnings per share together with an itemised reconciliation between headline earnings and the earnings used in the calculation~~;

Category 1 requirements

8.19 The category 1 circular must comply with the requirements relating to circulars in Section 10 and must include:

(a) …

(f) pro forma effects on:

(i) the statement of financial position and the net assets and net tangible assets per share of the issuer; and

(ii) the statement of comprehensive income, ~~and~~ earnings per share ~~and~~, headline earnings and headline earnings per share of the issuer~~, including, if applicable, diluted earnings and diluted headline earnings per share~~;

Financial Information - Specific requirements

11.4 The report of historical financial information must:

(a) …

(e) include headline earnings and headline earnings per share ~~and diluted headline earnings per share~~ for each class of share, expressed in cents for the last financial year for purposes of 11.1(a) and the interim period where 11.4(c) is applicable for a new applicant;

~ END ~