



3 January 2024

**PUBLIC CENSURE OF TRUSCREEN GROUP LIMITED BY THE NZ MARKETS
DISCIPLINARY TRIBUNAL FOR BREACH OF NZX LISTING RULE 2.13.2(b)**

In a determination of the NZ Markets Disciplinary Tribunal (*the Tribunal*) dated 15 December 2023, the Tribunal found that Truscreen Group Limited (*TRU*) breached NZX Listing Rule (*Rule*) 2.13.2(b).

Under Rule 2.13.2(b) an Audit Committee must have at least three members. From October 2020 until August 2023, TRU's Audit Committee had only two members. The breach was identified by NZ RegCo following a review of Issuers' Audit Committees to assess compliance with the Rules. Following notice by NZ RegCo, TRU rectified the breach by appointing a third Director to the Audit Committee on 29 August 2023.

The Tribunal noted that having at least three members is an important component to ensuring a robust Audit Committee. However, the seriousness of TRU's breach was reduced given that both members of the Audit Committee were Independent Directors and that the Audit Committee Chair had significant accounting expertise.

In determining penalty, the Tribunal had regard to TRU's early admission of breach, cooperation with NZ RegCo and the Tribunal, and the adverse effect the penalty could have on TRU's ongoing commercial viability.

The Tribunal ordered TRU to pay a financial penalty of \$25,000, pay the costs of NZX and the Tribunal up to a maximum amount of \$5,000 (excluding GST, if any), and be publicly censured in the form of this announcement.

The determination of the Tribunal in this matter is attached to this announcement.