

## **LISTINGS RULES OF THE NIGERIAN STOCK EXCHANGE**

### **CHAPTER [\*]**

#### **LISTING ON THE PREMIUM BOARD<sup>1</sup>**

##### **1.0 Introduction**

- 1.1 These Rules are designed to be a practical guide to listing on the Premium Board of The Nigerian Stock Exchange (“the Premium Board”). The Rules provide Issuers and their advisors with important information about listing standards, disclosure and notification requirements.
- 1.2 The Exchange through the Premium Board aims to provide a platform for greater global visibility for eligible Nigerian entities, which will make it easier for them to attract global capital flows and reduce the cost of borrowing.
- 1.3 The approval granted by The Exchange for the listing of an entity’s securities on the Premium Board does not indicate any opinion by The Exchange on that Issuer’s standing. The Issuer’s directors shall be accountable for the veracity of any information provided to The Exchange as well as the authenticity of any supporting documents.

##### **2.0 Eligibility Criteria for Admission**

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###### **<sup>1</sup> Rule Making History**

1. The Rules were presented to the Rules and Adjudication Committee of Council (RAC) on 16 July 2014 and approved for exposure to stakeholders from 25 July to 15 August 2014;
2. Comments received from stakeholders were reviewed at the RAC meeting of 21 October 2014;
3. The revised Rules were approved by the National Council of The Exchange (Council) on 4 November 2014;
4. The Council approved Rules were submitted to the Securities and Exchange Commission (SEC) on 5 November 2014 for approval.
5. The SEC’s approval of the Rules was received on 10 February 2015.
6. The RAC considered amendments to the Rules at its Retreat of 21 May 2015, and approved the amended Rules for submission to the Council;
7. The Council approved the amended Rules at its meeting of 18 June 2015 for submission to the SEC;
8. The SEC approved the amended Rules on 15 July 2015.

\* The Chapter number will be inserted when the Enhanced Rule Book is published.



- 2.1 Every Issuer that seeks admittance to the Premium Board shall make a written request to The Exchange and execute the General Undertaking for listing on the Premium Board.
- 2.2 The National Council of The Exchange (“Council”) may authorize the listing of an Issuer’s securities on the Premium Board if the Issuer:
  - 2.2.1 Is already listed on the Main Board of The Exchange or is seeking to list on the Premium Board of The Exchange; and
  - 2.2.2 Has submitted itself for evaluation under The Exchange’s Corporate Governance Rating System (CGRS) and scores a minimum rating of 70%; and
  - 2.2.3 Achieves a market capitalization that is equal to or in excess of ₦200 billion on the date The Exchange receives the Issuer’s application to list on the Premium Board; and
  - 2.2.4 Has any of the following:
    - a. a minimum free float requirement of 20% of its issued share capital; or
    - b. the value of its free float is equal to or above ₦40 billion on the date The Exchange receives the Issuer’s application to list.Provided that The Exchange may from time to time determine the market capitalization and free float requirements.
- 2.3 The Exchange may request additional clarification or information from the applicant; and the applicant shall provide the additional clarification or information to The Exchange within such time frame as stipulated by The Exchange. In the event that the applicant fails to provide such clarification or information within the stipulated period, such failure may result in the application being denied.

### **3.0 Eligibility to Remain on the Premium Board & Continuing Obligations**

- 3.1 The Exchange shall evaluate an Issuer’s eligibility to remain on the Premium Board, at regular intervals as may be determined by The Exchange. Such evaluation shall be based on the criteria set forth in Paragraph 2.2 above; as well as such additional requirements as may from time to time be prescribed by The Exchange. Provided that each Issuer shall comply with all other continuing listing obligations as specified under the Listings Rules of The Exchange.
- 3.2 Council may grant an extension of time for an Issuer to comply with the requirements set forth in these rules or such other additional requirements as may from time to time be prescribed by The Exchange; provided that the Issuer submits a reasoned written request setting forth why it could not meet the said requirements and how it proposes to satisfy the requirements within the time granted.

- 3.3 Every decision to grant an extension of time as set forth in paragraph 3.2 above shall be published on The Exchange's website.

#### **4.0 Corporate Governance Requirements**

- 4.1 Every Issuer on the Premium Board shall comply with the Securities and Exchange Commission's Code of Corporate Governance and shall disclose in its annual report a list of the codes of corporate governance to which it is subject.
- 4.2 For each code of corporate governance to which an Issuer on the Premium Board is subject, it shall include in its annual report, a statement signed by the Chairperson of its Board and its Company Secretary, disclosing whether it is fully compliant with the provisions of the code and if not, providing a detailed statement of the facts of its non-compliance and an explanation thereof.

#### **5.0 Fees**

The Exchange shall from time to time exercise its powers to fix and publish applicable fees which shall be subject to the approval of the Commission, for admitting an Issuer's securities for listing on the Premium Board and maintaining such listing.

#### **6.0 Transfer of Listing Upon Successful Application**

Where the application of a company listed on the Main Board to list on the Premium Board is successful, its listing shall be transferred from the Main Board to the Premium Board.

#### **7.0 Sanctions**

An Issuer that breaches any of these Rules shall be subject to sanctions, including but not limited to fines, suspension from trading, delisting from The Exchange or transfer to another board of The Exchange or public reprimand.