

**RULES OF NIGERIAN EXCHANGE LIMITED**  
**ADDITIONS TO ISSUERS' RULES**

**RULES FOR LISTING ON**  
**THE TECHNOLOGY BOARD OF NIGERIAN EXCHANGE LIMITED<sup>1</sup>**

**1.0 Introduction**

- 1.1 These Rules are formulated to provide guidance on listings on the following segments of the Technology Board of Nigerian Exchange Limited (the "Technology Board"):
- a) Start-Up Tech Segment; and
  - b) Big Tech Segment.
- 1.2 The Rules provide Issuers, sponsors, investors and their advisors with important information about admissions, listing standards, disclosure and notification requirements.
- 1.3 The Technology Board is a specialized platform for technology-based companies to list and raise capital on The Exchange. Through the Technology Board, The Exchange aims to encourage investments in indigenous technologically inclined companies, provide greater visibility to these companies and ultimately deepen the Nigerian capital market.
- 1.4 Securities listed on the Technology Board shall be accessible to Qualified Institutional Investors, Retail Investors, and High Net Worth Investors.
- 1.5 The approval granted by The Exchange for the listing of an entity's securities on the Technology Board does not indicate any opinion by The Exchange on that Issuer's standing or on the veracity of any information provided by the Issuer. The Issuer's directors and other representatives shall be accountable for the veracity of any information provided to The Exchange as well as the authenticity of any supporting documents.

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

- a. The draft Rules were presented to the Regulation and New Business Committee of NGX Regulation Limited (RNBC) at the RNBC meeting of 23 November 2021, and approved for exposure to stakeholders for comments;
- b. The draft Rules were exposed for stakeholders' comments from 3 December to 24 December 2021;
- c. The RNBC considered the draft Rules and stakeholders' comments thereon at its meeting of 8 February 2022 and approved the draft Rules for submission to the Board of NGX Regulation Limited (NGX RegCo);
- d. The Board of NGX RegCo approved the draft Rules via electronic mail voting on 11 March 2022 for submission to the Securities and Exchange Commission (SEC);
- e. The Board-approved Rules were submitted to the SEC for approval on 14 March 2022;
- f. The SEC approved the Rules on 15 December 2022.



## 2.0 Definitions

<b>“Accelerated Book Building”</b>	is a form of equity offering used for pricing equity offering within a short time period, usually within one or two days, with little or no marketing.
<b>“Big Tech Segment”</b>	is the Technology Board’s platform for listing eligible entities, and financing technology companies with market capitalization above ₦42,000,000,000.00 (Forty Two Billion Naira).
<b>“Direct Listing”</b>	within the context of these Rules, “Direct Listing” means a process by which an Issuer lists its securities on The Exchange to make its shares available to the public.
<b>“Dual Class Share Arrangement”</b>	means a shareholding structure that permits an Issuer to issue shares with special or preferential voting rights, in addition to ordinary shares, in line with the provisions of the Companies and Allied Matters Act, (CAMA) 2020.
<b>“High Net-worth Investor”</b>	shall have the same meaning as provided in the Rules and Regulations of the Commission.
<b>“Lock-Up Period”</b>	means the six (6) consecutive calendar months - from the date of listing of a company’s shares, during which such company, its directors and promoters shall not directly or indirectly sell or offer to sell their shares to the public.
<b>“Memorandum Listing”</b>	is a listing of a security on NGX without admission to trading.
<b>“Qualified Institutional Investor”</b>	shall have the meaning given to it in the Rules and Regulations of the Securities and Exchange Commission.
<b>“Retail Investors”</b>	shall have the same meaning as provided in the Rules and Regulations of the Commission.
<b>“Start-Up Tech Segment”</b>	is the Technology Board’s platform for listing eligible entities, and financing start-ups and Fintech companies with market capitalization between ₦420,000,000.00 (Four Hundred and Twenty Million Naira) and ₦42,000,000,000.00 (Forty Two Billion Naira).
<b>“SPACs”</b>	Special Purpose Acquisition Companies (“SPACs”) are companies formed to raise capital in an Initial Public Offering (“IPO”) with the purpose of using the proceeds to acquire one or more unspecified businesses or assets to be identified after the IPO.
<b>“The Exchange”</b>	means Nigerian Exchange Limited including its successors and assigns.



### **3.0 Eligibility Criteria for Listing on the Start-Up Tech Segment of the Technology Board**

3.1 Every Issuer that seeks admission to the Start-Up Tech Segment of the Technology Board shall first register its securities with the Commission, make a written application to The Exchange, and execute the applicable General Undertaking.

3.2 The Board of The Exchange may authorize the listing of an Issuer's securities on the Start-Up Tech Segment if the Issuer:

3.2.1 Is a public company limited by shares or where a private company, reregisters as a public company or incorporates a Special Purpose Vehicle (SPV) or Holding Company as the public company to be listed;

3.2.2 Has a core investor or strong technical partner that has a minimum of one (1) year operating track record;

3.2.3 Has a minimum number of two (2) shareholders or such number of shareholders as The Exchange may determine from time to time;

3.2.4 Has an operating track record of at least twelve (12) months prior to the date that The Exchange receives the Issuer's application to list on the Start-Up Tech Segment;

3.2.5 Has an estimated minimum market capitalization of not less than Four Hundred and Twenty Million Naira (₦420,000,000.00) but not in excess of Forty Two Billion Naira (₦42,000,000,000.00) on the date that The Exchange receives its application for listing on the Start-Up Tech Segment;

Provided that The Exchange may from time to time determine the market capitalization requirements, subject to its discretion and subsequent approval of the Commission.

3.2.6 If raising capital at the point of listing, has a minimum float requirement of five percent (5%) of its issued share capital; or has the value of its free float equal to or above Twenty Million Naira (₦20,000,000.00) on the date The Exchange receives the Issuer's application to list.

Provided that The Exchange may, from time to time, review and determine the free float requirements as it may deem fit.

3.2.7 Undertakes to ensure that its promoters or directors retain a minimum of fifty percent (50%) of their shares in the Issue for a minimum period of six (6) months from date of listing (Lock-Up Period), and that they do not directly or indirectly sell or offer to sell such securities during that period; and



- 3.2.8 Meet other listing requirements as stipulated by The Exchange from time to time.
- 3.3 An Issuer on the Technology Board and its directors shall ensure that information contained in its listing application is true, accurate, and complete in all material respects, and contains no misrepresentation, misleading statement or material omission.
- 3.4 An applicant Issuer shall, upon request and within the time stipulated by The Exchange, provide The Exchange with any additional information or clarification that is required to consider its listing application. The Exchange may, in its absolute discretion, refuse any listing application where the applicant fails to provide the requested information or any reasonable explanation as to the absence of such requested information.

#### **4.0 Eligibility Criteria for Listing on the Big Tech Segment of the Technology Board**

- 4.1 Every Issuer that seeks admission to the Big Tech Segment of the Technology Board shall first register its securities with the Commission, make a written application to The Exchange, and execute the applicable General Undertaking.
- 4.2 The Board of The Exchange may authorize the listing of an Issuer's securities on the Big Tech Segment if the Issuer:
- 4.2.1 Is seeking to list on the Big Tech Board of The Exchange;
  - 4.2.2 Is a public company limited by shares or where a private company, reregisters as a public company or incorporates a Special Purpose Vehicle (SPV) or Holding Company as the public company to be listed;
  - 4.2.3 Has a core investor or strong technical partner that has a minimum of one (1) year operating track record;
  - 4.2.4 Has a minimum of five (5) shareholders or such number of shareholders as The Exchange may determine from time to time;
  - 4.2.5 Has an operating track record of at least twelve (12) months prior to the date that The Exchange receives the Issuer's application to list on the Big Tech Segment;
  - 4.2.6 If raising capital from the public at the time of listing, has a minimum free float requirement of ten percent (10%) of its issued share capital; or has the value of its free float equal to or above Two Billion Naira (~~₦~~2,000,000,000.00) on the date that The Exchange receives the Issuer's application to list;
  - 4.2.7 Achieves a market capitalization that is above Forty Two Billion Naira (~~₦~~42,000,000,000.00) on the date The Exchange receives the Issuer's application to list on the Big Tech Board;



Provided that The Exchange may from time to time determine the market capitalization and free float requirements subject to its discretion.

- 4.2.8 Undertakes to ensure that its promoters or directors retain a minimum of fifty percent (50%) of their shares in the Issue during the Lock-Up Period, and that they do not directly or indirectly sell or offer to sell such securities during that period; and
- 4.2.9 Meet other listing requirements as may be stipulated by The Exchange from time to time.
- 4.3 An Issuer and its directors shall ensure that information contained in its listing application is true, accurate, and complete in all material respects, and contains no misrepresentation, misleading statement or material omission.
- 4.4 The applicant Issuer shall, upon request and within the time stipulated by The Exchange, provide The Exchange with any additional information or clarification that is required to consider its listing application. The Exchange may, in its absolute discretion, refuse any listing application where the applicant fails to provide the requested information or any reasonable explanation as to the absence of such requested information.

## **5.0 Method of Listing**

- 5.1 Listings of securities on the Technology Board shall be by any one or more of the following ways:
  - 5.1.1 Direct Listing;
  - 5.1.2 Initial Public Offer;
  - 5.1.3 Memorandum Listing
  - 5.1.4 Accelerated Book Building;
  - 5.1.5 Dual Listing;
  - 5.1.6 Reverse Acquisition/Takeover/Merger;
  - 5.1.7 Depositary Receipts;
  - 5.1.8 Special Purpose Acquisition Companies (SPACs); or
  - 5.1.9 Any other method that the Board of The Exchange may prescribe from time to time.

## **6.0 Dual Class Share Arrangements**

- 6.1 The Exchange shall consider and entertain applications for listing on the Technology Board by companies with a Dual Class Share Arrangement.
- 6.2 In line with paragraph 6.1 above, The Exchange may, upon being satisfied that the Issuer has met the eligibility criteria for the Technology Board segment that it seeks to be listed on, list the shares of the Issuer.



- 6.3 If a listed company has a Dual Class Share Arrangement in place, it shall, in its periodic report, disclose the implementation of, and any changes in such arrangement during the reporting period, and the implementation of measures for protection of the rights and interests of investors.
- 6.4 If the Issuer did not have a Dual Class Shares Arrangement in place prior to its listing, it shall not adopt Dual Class Shares thereafter except with the prior approval of The Exchange.
- 6.5 All shares in each class for which listing is sought shall carry the same rights as regards dividend, capital, redemption, unrestricted transfer, attendance, and voting at meetings and rank pari passu in all other aspects.
- 7.0 Eligibility to Remain on the Technology Board & Continuing Obligations**
- 7.1 The Exchange shall, on an annual basis or at such other interval as may be determined by The Exchange evaluate an Issuer's eligibility to remain on the Technology Board (Start-Up Tech and Big Tech Segments).
- 7.2 For any Issuer to retain its listing on the Technology Board, such Issuer shall comply with the following, including such additional continuing obligations that may be prescribed by The Exchange from time to time:
- 7.2.1 Filing with The Exchange its unaudited or audited quarterly accounts as approved by its Board of Directors within the time stipulated by The Exchange in the Rules for Filing of Accounts and Treatment of Default Filing or such other timeframe prescribed by The Exchange from time to time;
- 7.2.2 Submission of audited annual financial reports and statements to The Exchange;
- 7.2.3 Minimum free float requirement of five percent (5%) of the issued and fully paid share capital for companies listed on Start-up Tech Segment and ten percent (10%) of the issued and fully paid share capital for Big Tech Segment for the Technology Board Segment on which the Issuer is listed;
- 7.2.4 Minimum Corporate Governance requirements as may be prescribed by The Exchange for the Segment on which it is listed; and
- 7.2.5 All other continuing listing obligations as stipulated under the Listings Rules of The Exchange and are applicable to the Technology Board.
- 7.3 For Issuers listed on the Technology Board through Memorandum Listing, such Issuers are encouraged to disclose material information; however, where it relates to information regarding share capital or liquidity event, the Issuer is required to notify NGX.
- 7.4 Upon submission by an Issuer of a written request for extension of time including a reasonable explanation on why it could not meet the requirements set forth in these rules or such other additional requirements as may from time to time be prescribed by The Exchange and how it proposes to satisfy the requirements within the time requested, the



Board of The Exchange may, in its absolute discretion, grant an extension of time of such length that it may deem fit, for such Issuer to comply with the said requirements.

- 7.5 Every decision to grant an extension of time as set forth in paragraph 7.4 above shall be publicized by The Exchange.

## **8.0 Corporate Governance Requirements**

- 8.1 Every Issuer on the Technology Board shall comply with the Securities and Exchange Commission's Corporate Governance Guidelines or such other codes as may be applicable from time to time and shall disclose in its annual report a list of the codes of corporate governance that it is subject to.
- 8.2 Every Issuer shall include in its annual report, a Corporate Governance Report disclosing whether it is fully compliant with the provisions of the codes of corporate governance that it is subject to.

## **9.0 Fees**

- 9.1 The Exchange shall from time to time and with the Commission's approval, review, fix, and publish applicable fees for listing an Issuer's securities on the Technology Board.

## **10.0 Transfer or Migration Between Listing Segments**

- 10.1 A company previously listed on the Start-Up Tech Board shall be transferred to the Big Tech Board upon a successful application to be listed on the Big Tech Board. An Issuer seeking to migrate from one board of The Exchange to another, shall engage, and make an application to The Exchange, indicating its interest to migrate to another specified Board of The Exchange.
- 10.2 Where a company listed on the Big Tech Board is unable to maintain the eligibility criteria for which it was admitted on the Big Tech Board, The Exchange may, in consultation with the concerned Issuer, give such Issuer notice and time to cure the deficiency. Where the Issuer fails to cure the deficiency within the time stipulated by The Exchange, The Exchange may transfer such Issuer to the Start-Up Tech Segment or any other listing Board of The Exchange provided that such Issuer agrees to be transferred and meets the requirements for admission to the Start-Up Tech Segment of the Technology Board or any other Board of The Exchange.



## **11.0 Sanctions**

- 11.1 Any Issuer listed on the Technology Board that breaches any of these Rules shall be subject to such sanctions, as may be prescribed or determined by The Exchange from time to time.
- 11.2 Any Issuer that defaults in filing its accounts within the stipulated periods shall be liable to pay the applicable penalties stated below, except the affected Issuer had applied for and received from The Exchange, an extension of time to file outside the stipulated periods. The Issuer's request shall be delivered to The Exchange within the timelines specified in the Rules for Filing of Account and Treatment of Default Filing:
- (a) For Start-Up Segment**
- Ten Thousand Naira (N10,000) per day for the first ninety (90) calendar days of non-compliance, following which the securities of the Issuer will be suspended from trading on The Exchange, until the accounts are submitted.
- (b) For Big Tech Segment**
- Twenty Thousand Naira (N20,000) per day for the first ninety (90) calendar days of non-compliance following which the securities of the Issuer will be suspended from trading on The Exchange, until the accounts are submitted.
- 11.3 Except as otherwise specified, The Exchange may impose any or a combination of the following penalties on an Issuer for each instance of noncompliance with any directives of The Exchange issued pursuant to these Rules:
- (a) a fine not less than ten percent (10%) of its annual listing fee or any amount as may be prescribed by The Exchange;
- (b) private or public censure;
- (c) mandatory Compliance training;
- (d) suspend the Issuer's securities; and
- (e) impose any other penalty that is appropriate in the circumstance.
- 11.4 The sanctions for noncompliance prescribed in Rules 11.2 and 11.3 shall not apply, to entities listed on the Technology Board, during the Lock-Up Period. However, Issuers shall utilize the Lock-Up Period to comply with all the provisions of these Rules.
- 11.5 The Exchange may terminate a Technology Board Listing if the breach which led to the imposition of the penalties above is not remedied within the period stipulated by The Exchange, or if in the opinion of The Exchange, it is in the public interest to do so.
- 11.6 The Exchange may disclose the names of Directors or Majority Shareholders of the Issuers that are subject to penalties for breach of any obligation arising from these Rules.





## **12.0 General**

### **12.1 Applicability of the Rules**

The provisions of these Rules shall apply to Issuers whose securities are listed on the Start-Up Tech and Big Tech Segments of the Technology Board.

### **12.2 Prior Approval for All Publications**

All accounts, circulars and press releases to be published pursuant to these Rules and any other applicable Rules of The Exchange shall require The Exchange's prior approval, and newspaper publications shall cover a minimum space of the quarter of a page per newspaper publication.