



For Immediate Release

NAIROBI, 22nd JANUARY 2013: NAIROBI SECURITIES EXCHANGE (NSE) LAUNCHES THE GROWTH ENTERPRISE MARKET SEGMENT (GEMS)

The Nairobi Securities Exchange (NSE) today launched the Growth Enterprise Market Segment (GEMS). GEMS enables small and medium sized firms to raise substantial initial and ongoing capital, while benefiting from increased profile and liquidity within a regulatory environment designed specifically to meet their needs.

Mr. Eddy Njoroge, the Chairman of Nairobi Securities Exchange stated, “The establishment of a GEMS market in Kenya will pave way for the listing of Small and Medium Sized Enterprises (SMEs) on the Exchange, which is a major driver of our country’s economy.” He further stated that GEMS is supported by a wide community of experienced advisers, ranging from brokers to accountants, lawyers and the fundamental Nominated Advisors (NOMADS) who will assist companies to list on GEMS and to comply with good corporate governance and global best practices.

The NSE plans to offer a directors’ course on corporate governance to the directors of the mid cap. companies.

Through this Market, the NSE affirms its commitment towards introducing the SMEs to the capital markets and in essence the contribution of this key sector towards the achievement of Kenya’s Vision 2030 and the Millennium Development Goals.

Commenting during the launch, Mr. Peter Mwangi the Chief Executive of Nairobi Securities Exchange stated that the establishment of this market will become a fundamental contributor to the stability of the overall financial system of our country.

Appreciation

Mr. Eddy Njoroge also commented on the commitment of the Capital Markets Authority in establishing this market. *“We also reiterate our appreciation to the regulator for showing commitment and support in establishing the Growth Enterprise Market Segment (GEMS)*

-ENDS-

NOTES TO THE EDITOR

Eligibility criteria for listing on GEMS

1. Public company registered under the Companies Act;
2. Minimum fully paid up capital of 10 million;
3. At least 100,000 shares in issue;
4. Free transferability of shares;
5. Adequate working capital and solvency;
6. Operation for at least one year;
7. No profitability record required;
8. 5 directors, 1/3 non-executive;
9. Directors with no bankruptcy, fraud, criminal offence or financial misconduct proceedings for 2 years;
10. Competent board and senior management – at least 1 year experience in the business;
11. 1/3 board must have completed Directors Induction Program and the rest within 6 months of listing;
12. All issued shares to be immobilized;
13. 15% of the shares must be available for trading & held by at least 25 independent shareholders within 3 months of listing;
14. Controlling shareholders lock in for 24 months;
15. NOMAD appointed by written contract.

No	Nominated Advisors	Designated Authorized Representatives
1	Burbidge Capital Ltd.	I. Mr. Edward Burbidge II. Mr. Michael Chomba
2	Emerging Africa Capital Ltd.	I. Mr. Michael K. Musau II. Mr. Teddy Bukhala
3	NIC Capital Ltd.	I. Mr. Jude Anyiko II. Mr. Eldad Wairegi
4	Standard and Mutual Ltd.	I. Mr. Chris Maranga II. Mr. Joshua Goto
5	CBA Capital Ltd.	I. Mr. Isaac O. Awuondo II. Ms. Kathure Githinji-Nyamu
6	African Alliance Investment Bank Ltd.	I. Mr. Gerald Kimotho II. Ms. Judy Waithaka
7	Faida Investment Bank	I. Mr. David Mataen II. Ms. Rina Wambui Hicks
8	Kingdom Securities	I. Mr. Geoffrey .O. Odundo II. Mr. Makopa Mwasaria

ABOUT NSE

The Nairobi Securities Exchange (*NSE*) is the principal securities exchange of Kenya. Besides equity securities, the NSE offers a platform for the issuance and trading of debt securities. The NSE is a member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is an affiliate member of the World Federation of Exchanges (WFE).

FOR FURTHER INFORMATION PLEASE CONTACT

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