

August 14<sup>th</sup> , 2018

**Circular No. 1 of 2018**

**To: Chief Executives of Listed Companies**

**RE: Announcements of dividends and/or interest payments on issued securities**

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**Background**

Regulation 19 of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 (The Regulations) mandates every issuer whose securities have been offered to the public to comply with the Continuing Obligations specified in the Fifth Schedule of the Regulations. Paragraph B01 to B05 of the Fifth Schedule specifically requires announcements of dividends and/or interest payments on issued securities to be made within specified timelines and to include specified information.

It has been observed that although most of the issuers comply with the requirement to make the announcements of dividends and interest within the stipulated timelines, the announcements do not include the books closure dates and payment dates in the announcement.

Please note that Regulation B.01 of the Fifth Schedule of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 require that the announcement of dividends and/or interest payments on issued securities to contain at least the following information:

- a. The closing date for determination of entitlements;
- b. The date on which the dividend or interest will be paid; and
- c. The cash amount that will be paid for the dividend or interest.

The purpose of this circular is to advise all issuers to observe compliance with the above requirements.

For further enquiries, please do not hesitate to contact Mr. Tom Kimaru, the Director, Regulatory Affairs at the Nairobi Securities Exchange.

SIGNED BY

A handwritten signature in blue ink, consisting of several loops and a central vertical line, positioned above the printed name.

GEOFFREY O. ODUNDO

CHIEF EXECUTIVE