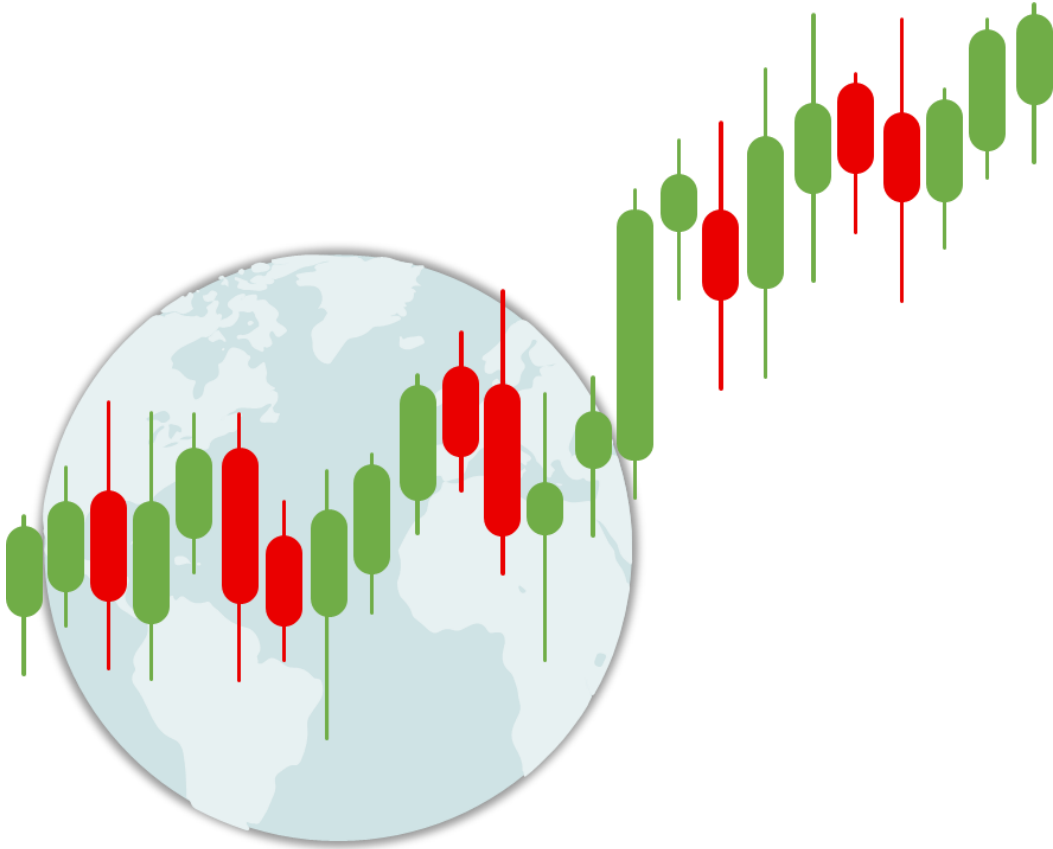


# Pakistan Stock Exchange

*Growth Enterprise Market (GEM) Board*





Introduction

Requisites for GEM Board listing

Benefits of Listing

CCG Compliance Relaxations

Eligibility Criteria for Investors

Listing Fee

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Price Sensitive Information – Post Listing

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Growth Strategy

Resources and tools

The background image shows a close-up of a person's hands typing on a laptop keyboard. The image is overlaid with a semi-transparent green and blue filter. In the background, there are faint, stylized financial charts, including a bar chart and a line graph with various data points and numbers like 83.5, 90.2, +3.5, +83.4, 71.2, 67.5, and 75.5.

## What is the GEM Board?

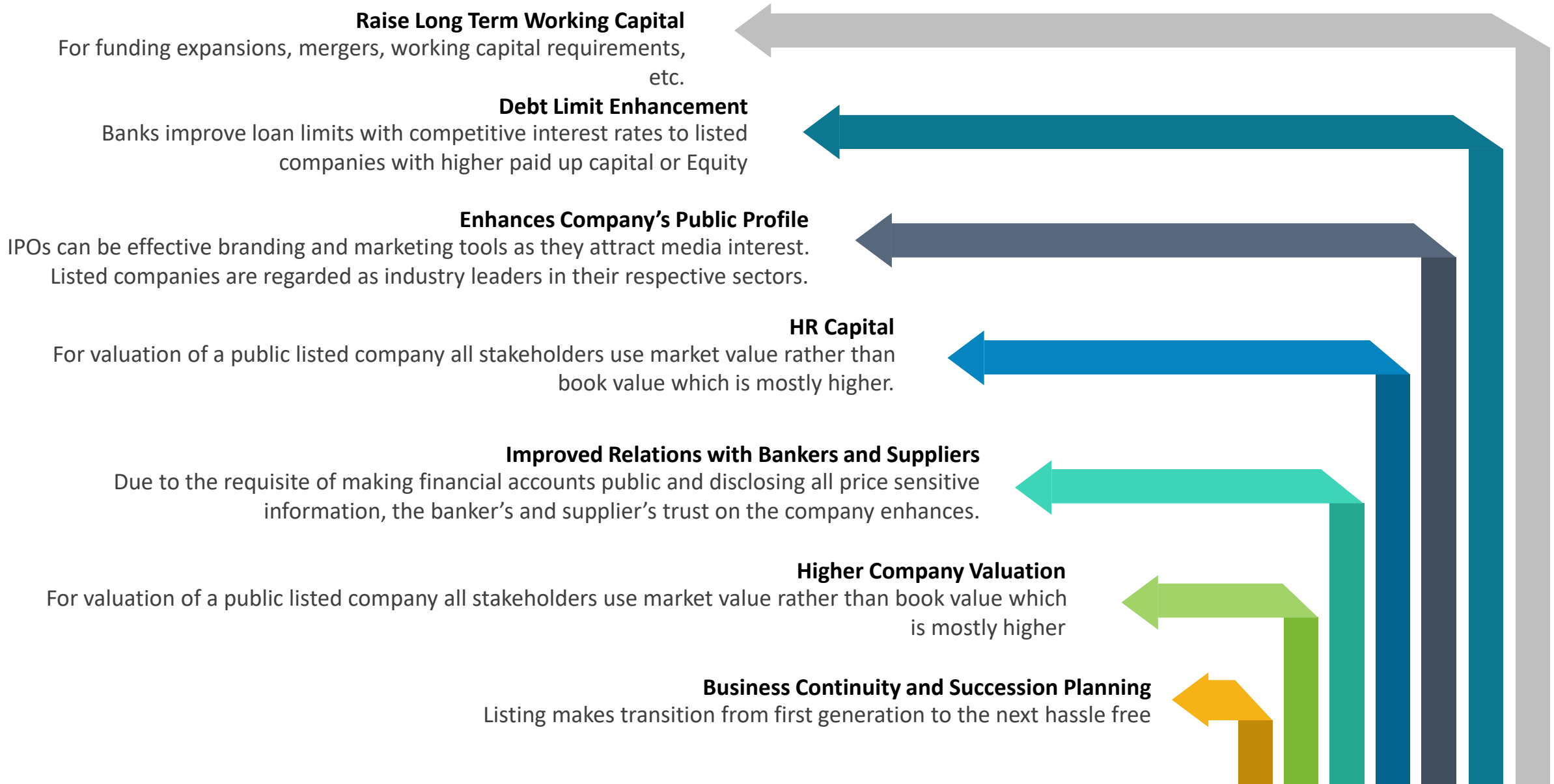
Growth Enterprise Market Board is a listing platform aimed at facilitating Growth oriented businesses whether small, medium or greenfield businesses to raise capital to fund their growth and expansion plans.

# Requisites and Features of GEM Board Listing

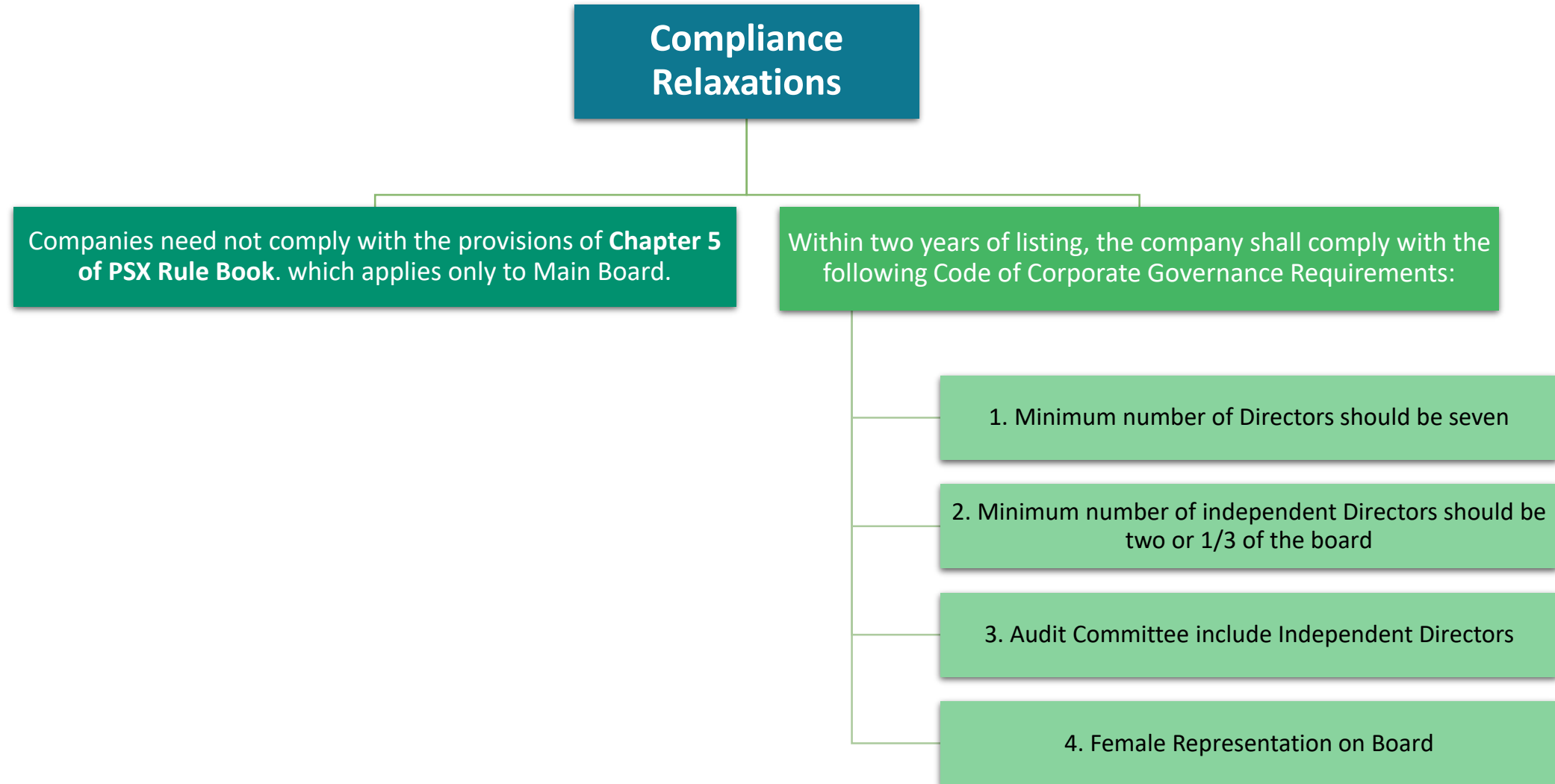


The company has to be registered as a <b>public entity</b>	Minimum <b>post issuance paid up capital</b> of <b>PKR 25 Million</b> with no upper limit cap to the amount raised	Listing can be to raise fresh capital or offer shares for sale	<b>Audited financial accounts</b> for <b>at least two</b> preceding years by a <b>QCR</b> (Quality Control Review) rated audit firm. Not applicable for green field projects
Company <b>website</b> should be available	Must issue at least <b>10%</b> of the post issue paid up capital.	Securities should be offered through <b>Fixed Price</b> method where the issue size is fully underwritten	Or through <b>Book Building</b> with eligible investors where the issue size is not less than <b>5 million shares and PKR 50 million</b>
An <b>Information Memorandum (IM)</b> will be prepared and circulated	The <b>Code of Corporate Governance</b> will be selectively applicable on companies as approved by the commission.	Sponsors will have to retain <b>100%</b> of their shareholding in the Issuer and their subsequent right and bonus shares issued, for a lock-in period of not less than a <b>year</b> .	Sponsor will hold at least <b>25%</b> of the post issue paid up capital of the Issuer for a lock in period of not less than <b>3</b> years.
	Minimum number of subscribers required is <b>5</b>	There are no <b>profitability</b> requirements for the GEM Board	

# Why List - Benefits of Listing







# Eligibility Criteria for Investors in GEM Board Companies



Only Eligible Investors are authorized to invest and trade shares in the GEM Board, which include institutional investors and individual investors.

Institutional Investors include:

Individual Investors are persons registered with NCCPL having net assets of **PKR 15 Million** - other than residential property

Financial Institutions

Company as defined in the Companies Act

Insurance Company

Trust

Securities Broker

Funds

Foreign Investors

Any other entity as specified by the Commission



## Initial Listing Fees

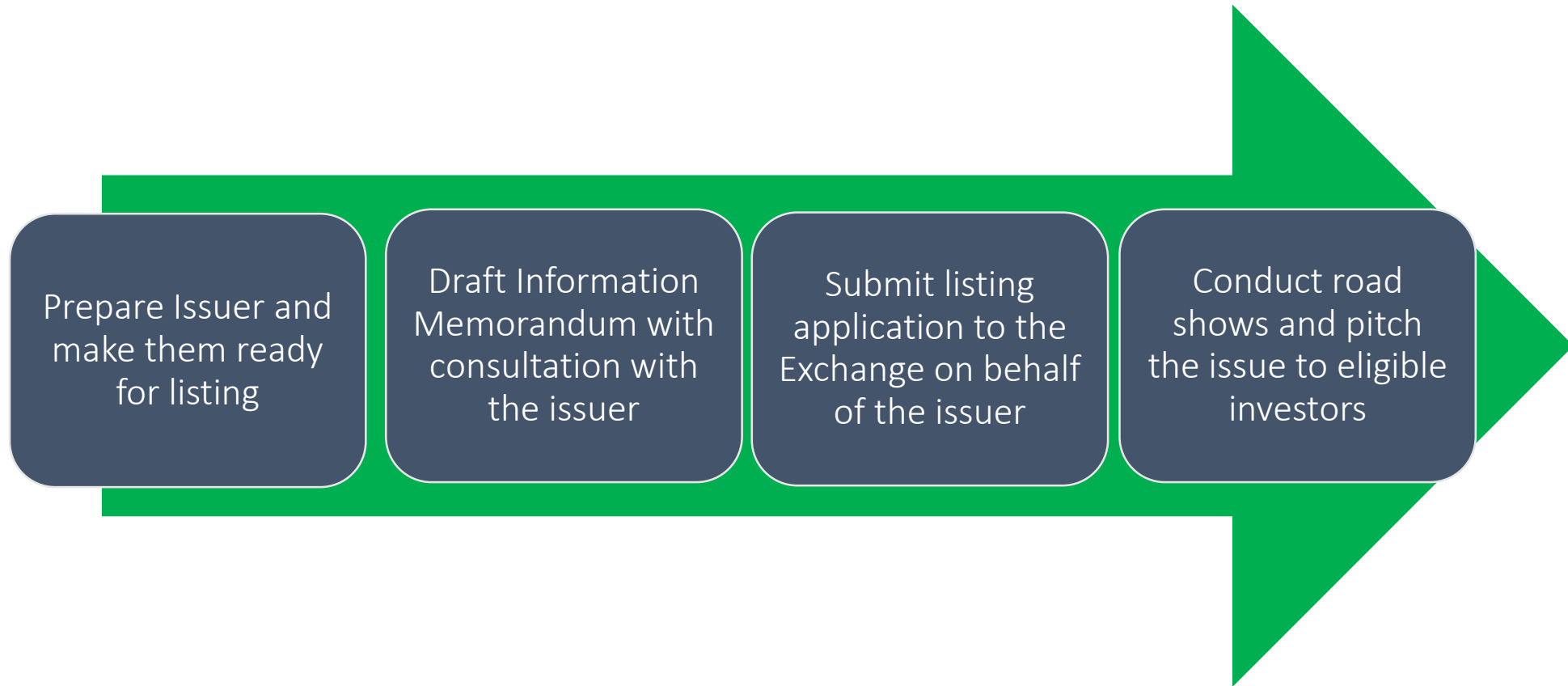
- 0.05% of Post Paid Up Capital
- Capped at PKR 50,000-/



## Annual Listing Fees

- PKR 50,000-/ on Paid Up Capital up-to PKR 50 Million
- PKR 100,000-/ on Paid Up Capital between PKR 50-100 Million
- PKR 200,000-/ on Paid Up Capital exceeding PKR 100 Million





# Information Required on Website

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Business Activities of the  
Issuer

Details Regarding Board of  
Directors

Past Financial Performance.  
(Not applicable for Greenfield  
Projects)

Management Details

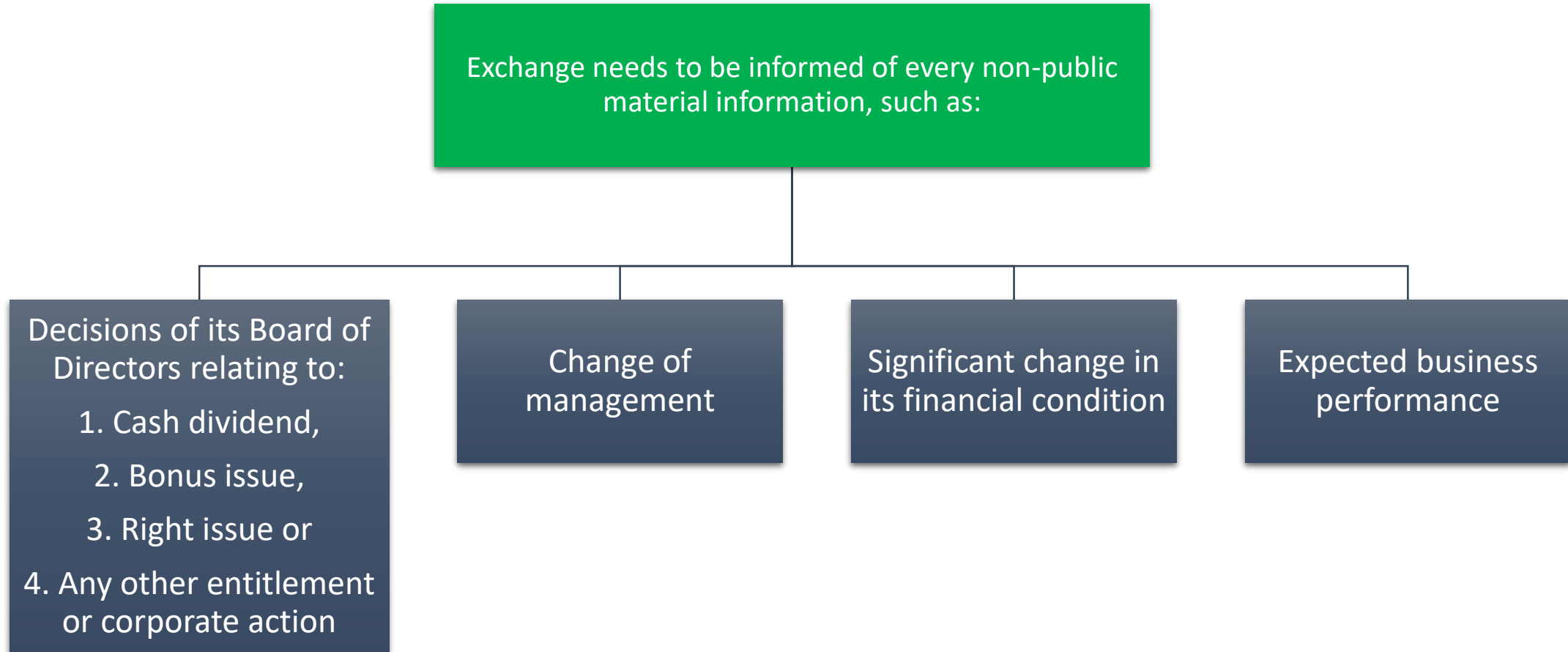
Shareholding Details

Name of Group and  
Associated Companies

Information Memorandum  
Minimum information /  
disclosures required in the IM  
are contained in Schedule-I of  
Chapter 5A of PSX Rule Book.

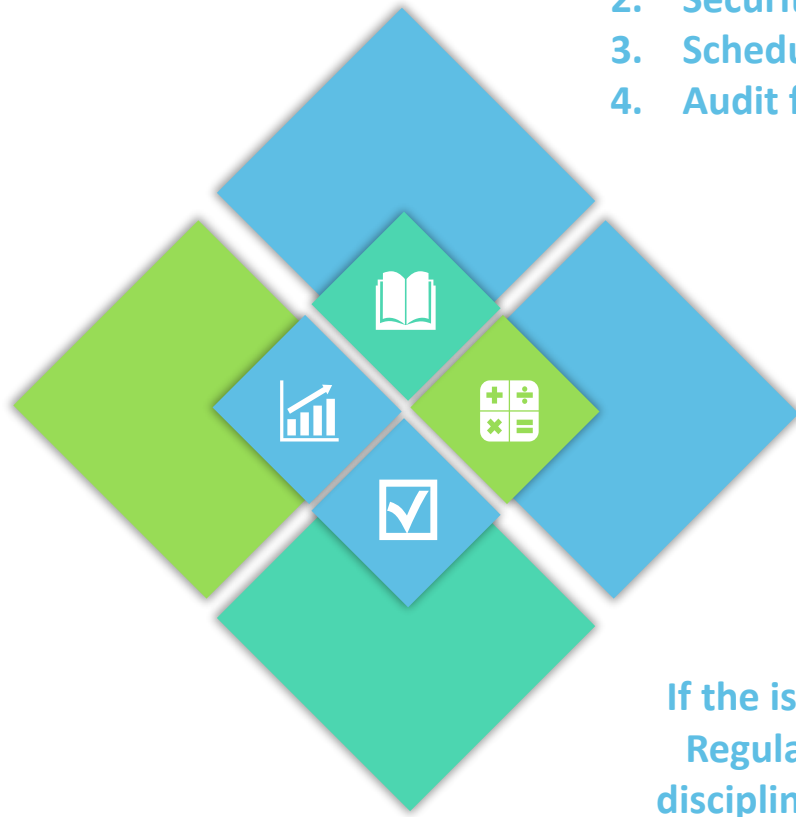
Half yearly progress providing  
the status of the  
commitment mentioned in  
the IM

# Disclosure of Price Sensitive Information – Post Listing



Advisors to the issue include;

1. Consultants To the Issue (CTIs),
2. Security Brokers licensed by the SECP,
3. Scheduled Banks,
4. Audit firms recognized by ICAP or ICMAP.



An Issuer may issue equity securities at premium to the par value

Trading shall take place through PSX Automated Trading System Settlement and custody as per existing regulations through NCCPL and CDC

If the issuer violates any provision of GEM Regulations, the Exchange may take any disciplinary action such as: Imposing a fine, Placing issuer in the Defaulters' Segment, Suspend trading, etc.

# GEM Board vs Main Board



## GEM Board

Only Information Memorandum (IM) required

Code of Corporate Governance is applicable as per approval of SECP

Only eligible investors can participate

Initial listing fees capped at PKR 50,000

Minimum post issuance paid up capital of PKR 25 Million

All TREC Holders can act as Advisors to the Issue. Audit firms, Banks are also eligible

## Main Board

A full Prospectus is required.

Code of Corporate Governance applies

General public can invest

Initial listing fees capped at PKR 1.5 Million

Minimum post issuance paid up capital of PKR 200 Million

Only approved TREC Holders by the SECP can act as Advisors to the Issue.

# Procedure to get your company listed on the Exchange?



## Appoints Advisor

- The Issuer finalizes an advisor, who does the initial due diligence in regards to financials, corporate structuring, legal and regulatory requirements etc., and formulates your company's business plan moving forward. In short makes the Issuer listing ready.

## Business Plan evaluation

- The business plan is evaluated by the advisor using different methodologies and its demand is gauged for the "Final Offer Structure" to get maximum value of the shares to be offered.

## Finalization of Underwritings (Fixed price)

- After the terms of underwriting have been finalized, bankers to the issue and share registrar are appointed by the advisor
- The Central Depository Company (CDC) checks for eligibility and induction into their virtual share depository system.
- Finalize pre-listing investors with the help of your advisor

## Regulatory Filings

- Advisor submits requisite regulatory documents for PSX and obtain the necessary approvals.

## Marketing

- Advisor conducts road-shows, investor presentations and other marketing and sales events to create awareness about the upcoming issuance.

## Subscriptions and Balloting

- Share registrar and balloter collect subscription results from all bankers to the issue.

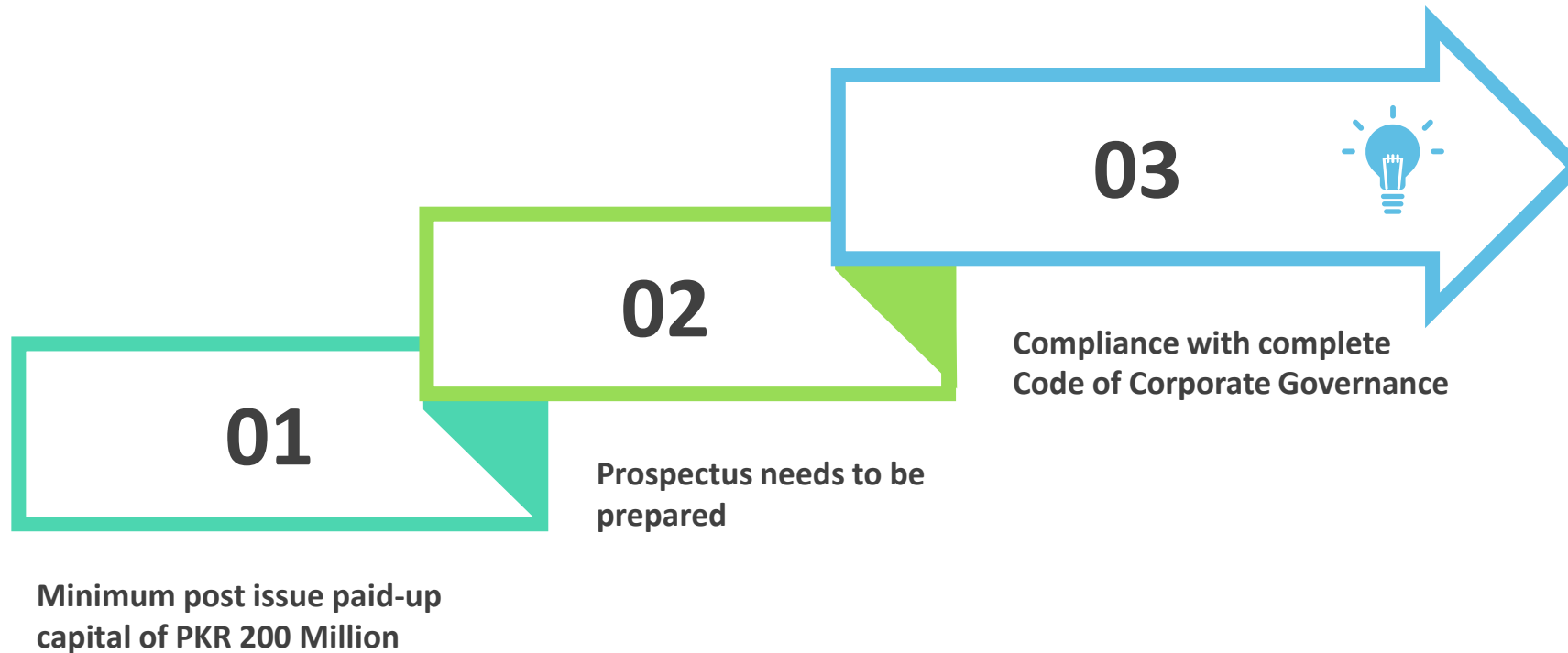
## Post Issue Clearance

- The bank will transfer the money from the subscriber to the issuers.
- The company's equity securities can be traded on the GEM Board.

# What will be your Growth Strategy?

## Migration to Main Board

The issuer may migrate to the Main Board after fulfilling criteria prescribed by PSX Rule Book Chapter 5 including:





## Forms and Documents

<https://www.psx.com.pk/psx/resources-and-tools/listings/forms-and-documents>

## PSX Rulebook

<https://www.psx.com.pk/psx/resources-and-tools/listings/rule-book>

## QCR Rated Auditors

<https://www.icap.org.pk/quality-assurance/list-of-firms-having-satisfactory-qcr-rating/>

## List of Consultants to the Issue

<https://www.secp.gov.pk/data-and-statistics/capital-markets/>

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Telephone: +92-2135274580 Ext: 4580

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**Sami Shakeel - Officer**  
Email: sami.shakeel@psx.com.pk  
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**Islamabad**  
**Asghar Abbas Naqvi - Regional Head**  
Email: abbas.naqvi@psx.com.pk  
Telephone: 111-001-122 Ext. 4666 | Direct:  
051-2894666

**Lahore**  
**Sarmad Hussain - Regional Head**  
Email: Sarmad.Hussain@psx.com.pk  
Telephone: 111-001-122 Ext. 4653 | Direct:  
021-2894653

## **Thank You!**

For any further information or queries please contact:  
[info@psx.com.pk](mailto:info@psx.com.pk)

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