

A GUIDE TO LISTING ON THE VICTORIA FALLS STOCK EXCHANGE



What is Victoria Falls Stock Exchange?

The Victoria Falls Stock Exchange (VFEX), is a wholly owned subsidiary of the ZSE established to kick start the Offshore Financial Services Centre (OFSC) earmarked for the special economic zone in Victoria Falls;

What is the Listing Process on VFEX?

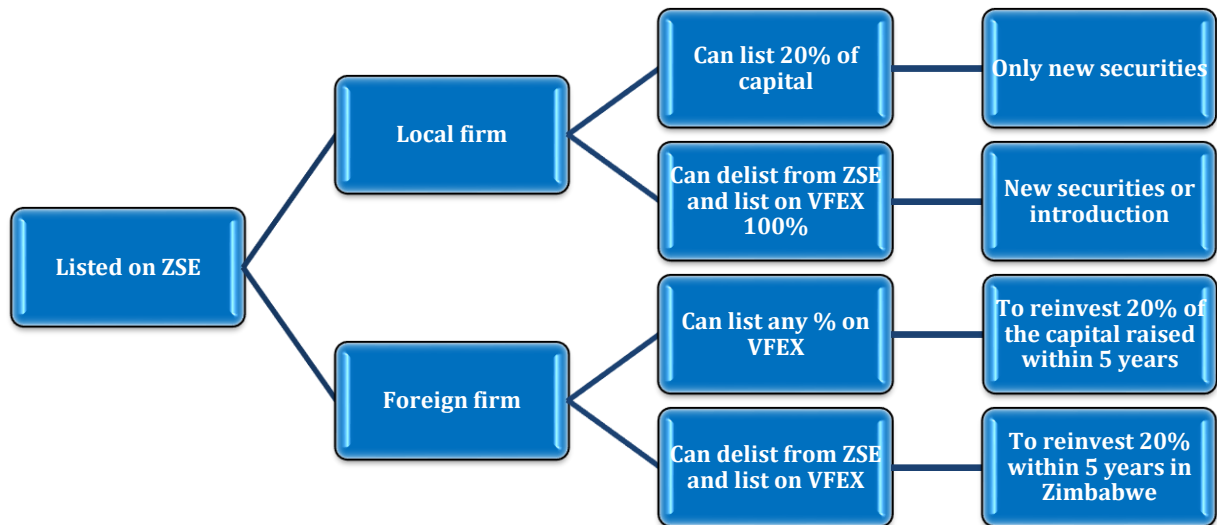
Listings are granted subject to the applicant's satisfying the VFEX listings requirements. All applications for listing are to be submitted to the VFEX through a sponsoring broker.

Initial Listing Requirements

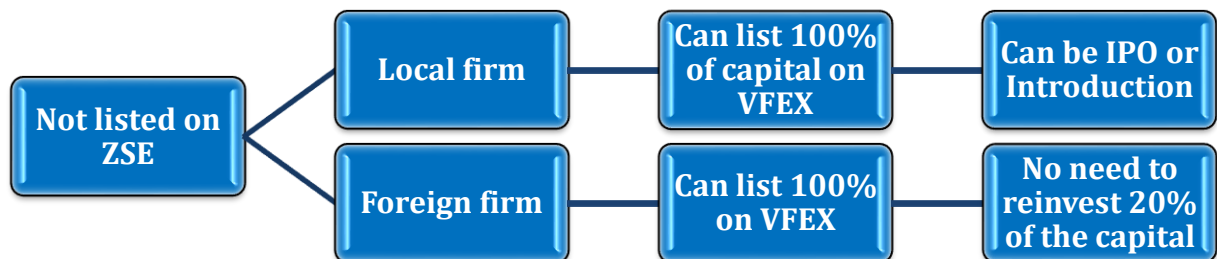
- Applicants to be duly incorporated or validly established;
- Minimum subscribed capital of USD3 million (not less than 10m shares);
- Satisfactory profit history for the preceding 5 years;
- At least 30% of the shares to be held by the public;
- Minimum number of shareholders of 50; and
- An issuer who is currently listed on the ZSE may list at most 20% of its authorized but unissued shares on the VFEX as a different class of shares from those listed on the ZSE.

Listing Scenarios

Listing process for an Issuer who is currently listed on ZSE



Listing process for an Issuer not listed on ZSE



Methods of Listing

Listing by Introduction

- No new securities are issued and shareholder spread should meet the minimum required for the particular security type;
- The applicant must satisfy the VFEX that it has no knowledge of a pre-existing intention by holders to dispose a material number of securities within 18 months of listing;

Documents required:

- Formal application (as per First Schedule of the VFEX Listings Requirements);
- Prelisting statement;
- Constitutive documents of the applicant;
- General undertaking in the form of a Board resolution; and
- Copies of expert's consents;

Placings

Securities are marketed to a closed subscriber base and not the public;

Documents required:

- Formal application (as per First Schedule of the VFEX Listings Requirements);
- Prelisting statement;
- Statement on how the shareholder spread will be achieved;
- Constitutive documents of the applicant;
- Draft placing document;
- General undertaking in the form of a Board resolution; and
- Copies of expert's consents;

Offer for sale/subscription

For a listed entity – an offer for sale must be made by way of a renounceable offer to the shareholders of the listed company which will be open for 21 calendar days;

Offer must be underwritten;

Documents required:

- Formal application (as per First Schedule of the VFEX Listings Requirements);
- Prelisting statement/prospectus;
- Constitutive documents of the applicant;
- An original copy of the signed accountant's report and relevant consent letters;
- Underwriting agreement; and
- details concerning any planned price stabilisation exercise.

Documents to be submitted for listing

- A copy of Pre-Listing Statement
- Supporting documents in terms of the Rules; e.g significant contracts, financial statements, valuations, experts' consents
- Copies of guarantees and trust deed for Debt Securities
- All documents are to be submitted through the Sponsoring Broker

Once granted a listing, a listed company is required, amongst other requirements, to;

- Publish financial statements on a quarterly basis
- Submit for publication on VFEX website, details of any new issue of securities as well as any amendments to the terms and conditions attaching to existing securities
- Ensure that all information material to its financial, governance or trading position is published on VFEX website to enable holders of Securities to make an informed investment decision
- Ensure that all announcements be reviewed by the VFEX and released on VFEX website; and
- Publish on VFEX website, its annual financial statements within 3 months of the end of its financial year.

Initial Listing Fees (Excluding VAT)

0.05% of value of security subject to minimum fee of US\$2,000 and maximum fee of US\$15,000

Summary of Listing Process

