

NEX Exchange Guidance Note

Rule 4 – Trading History Derogation

To be eligible for admission to the NEX Exchange Growth Market an issuer must have published or filed financial statements for at least 12 months to demonstrate a year's trading history (Rule 4 of the NEX Exchange Growth Market Rules for Issuers).

NEX Exchange may, however, grant a derogation from this requirement in certain circumstances.

NEX Exchange will consider granting a derogation in circumstances where:

- the applicant's management team can demonstrate a track record of success in business; and
- the applicant's NEX Exchange corporate adviser has carefully reviewed and interrogated the applicant's business strategy and they have no reason to believe that the strategy is not realisable.

In accordance with Rule 3 of the Growth Market Rules for Issuers, an issuer seeking a derogation from Rule 4 must have on admission a minimum free float of ten per cent.

For further information and guidance, please do not hesitate to contact NEX Exchange.