

NOTICE OF THE 63RD ANNUAL GENERAL MEETING

NOTICE is hereby given that an **Annual General Meeting** of the Nairobi Securities Exchange Limited (**NSE**) shall be held at the **Kenyatta International Convention Centre (KICC), Amphitheatre, Nairobi, on Wednesday, 31 May 2017 at 10.00 a.m.** to transact the following business:-

ORDINARY BUSINESS

1. To read the notice convening the meeting.
2. To table the proxies and to confirm the presence of a quorum.
3. To confirm and adopt the minutes of the Annual General Meeting held on 2 June 2016.
4. To receive the Chairman's Statement and the Chief Executive's Report.
5. To receive, consider and, if thought fit, adopt the Audited Financial Statements for the year ended 31 December 2016 together with the reports of the Directors and Auditors thereon.
6. To approve a first and final dividend of Kshs 0.27 per ordinary share in respect of the Financial Year ended 31 December 2016 and to approve the closure of the Register of Members at the close of business on 31 May 2017 for the purpose of determining the qualifying members entitled to dividends.
7. To approve the Directors' fees paid in respect of the Financial Year ended 31 December 2016.
8. Election of Directors
 - a) In accordance with Articles 95 and 96 of the Company's Articles of Association, Mr. Samuel Njuguna Kimani (an Independent Non-Executive Director) retires by rotation and, being eligible, offers himself for re-election;
 - b) In accordance with Articles 95 and 96 of the Company's Articles of Association, Mr. Bob Karina (a director representing the Trading Participants) retires by rotation and, being eligible, offers himself for re-election;
 - c) In accordance with Articles 95 and 96 of the Company's Articles of Association, Dr. Winnie Nyamute (an Independent Non-Executive Director) retires by rotation and, being eligible, offers herself for re-election.
9. In accordance with the provisions of Section 769 of the Companies Act, 2015, the following directors, being members of the Board Audit, Risk and Compliance Committee be elected individually to continue serving as members of the Committee:-
 - a) Mr. Hosea Kimutai Kili
 - b) Ms. Nasim Devji
 - c) Dr. Winnie Nyamute
10. To re-appoint Messrs PricewaterhouseCoopers (PwC) as the auditors of the Company for the Financial Year ending 31 December 2017 in accordance with the provisions of Section 719 (2) of the Companies Act, 2015 and to authorize the directors to fix their remuneration.

SPECIAL BUSINESS

11. Subject to clearance with the relevant authorities including the Registrar of Companies and the Capital Markets Authority, as applicable, to consider and, if thought fit, to pass the following resolutions as Special Resolutions:-
 - a) **Change of Name of the Company**

"That the name of the Company be and is hereby changed from Nairobi Securities Exchange Limited to **Nairobi Securities Exchange PLC** in compliance with Section 53 of the Companies Act, 2015"
 - b) **Adoption of amended Articles of Association in line with the Companies Act, 2015**

"That the regulations contained in the document now submitted to this meeting and, for the purpose of identification, initialed by the Chairman of the Company be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association thereof."
 - c) **Approval of establishment of Employee Share Ownership Plan (ESOP)**
 - i) "That, subject to approval by the Capital Markets Authority, the Shareholders of the Company hereby approve the creation of an Employee Share Ownership Plan (ESOP) Unit Trust to be called the "NSE ESOP Unit Trust" on such terms and with such structure as the Board may determine."
 - ii) "That the Shareholders of the Company hereby authorize the Board to allot and finance from the resources of the Company up to Twelve Million Nine Hundred Thousand (12,900,000) ordinary shares of Kenya Shillings Four (Kshs 4/-) each in the Company (constituting, when issued, approximately 5% of the issued share capital of the Company) to the NSE ESOP Unit Trust, as and when and on such terms as the Board may determine, provided that such ordinary shares shall rank pari passu with the existing issued ordinary shares, such authorization being valid for five years from the date of this resolution."

- iii) "That the Shareholders of the Company hereby authorize the Board to do all such things as may be required for the establishment and implementation of NSE ESOP Unit Trust including finalization of the trust deed and scheme rules, procurement of approval from the Capital Markets Authority, funding of the NSE Unit Trust and listing of the shares allotted to the NSE ESOP Unit Trust."

ANY OTHER BUSINESS

12. To consider any other business of which due notice has been received.

BY ORDER OF THE BOARD



J L G MAONGA
COMPANY SECRETARY

DATE: 2 May 2017

Note:

1. In accordance with Section 298 of the Companies Act, 2015, a member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on his or her behalf. A proxy need not be a member of the Company.

A Proxy Form may be obtained from the Company's website www.nse.co.ke, the Registered Office of the Company, Exchange Building, 5th Floor, 55 Westlands Road, P O Box 43633 – 00100, Nairobi, or from the offices of the Company's Share Registrars, CDSC Limited, Nation Centre, 10th Floor, Kimathi Street, Nairobi.

To be valid, a Form of Proxy must be duly completed by the member and must either be returned to the Company Secretary, P O Box 73248 – 00200 Nairobi, email: jmaonga@maongandonye.com or the Shares Registrars on the above address so as to arrive not later than 48 hours before the time fixed for the meeting, failing which, it will be invalid. In the case of a corporate body, the proxy form must be executed under its common seal or under the hand of duly authorised officer or an attorney of such corporation.

2. In accordance with Article 157 of the Articles of Association of the Company, a copy of the entire Annual Report and Accounts may be viewed at the Company's website at www.nse.co.ke or a printed copy may be obtained from the Registered Office of the Company, Exchange Building, 5th Floor, 55 Westlands Road, P O Box 43633 – 00100, Nairobi.
3. In accordance with Article 97 of the Articles of Association of the Company, a person seeking election at the Annual General Meeting should deliver to the Secretary at least seven (7) days prior to the day of the meeting, notice in writing signed by a shareholder duly qualified to attend and vote at the meeting, of his intention to propose such person for election and notice in writing signed by the person to be proposed of his willingness to be elected as per the nomination papers which may be accessed on the Company's website at www.nse.co.ke.

PUBLIC NOTICE CHANGE OF DATE OF THE ANNUAL GENERAL MEETING

Reference is made to the announcement of the annual results issued by Nairobi Securities Exchange Limited (the "**Company**") and published in the newspapers on 24 March 2017 in relation to, among other things, the date of the forthcoming annual general meeting of the Company (the "**Annual General Meeting**").

Please note that due to logistical issues, the Annual General Meeting which was initially scheduled to be held on Friday, 26 May 2017 has been rescheduled to be held on **Wednesday, 31 May 2017**.

Accordingly, subject to shareholders' approval at the Annual General Meeting, dividend will be paid to shareholders whose names would appear on the register of members of the Company at the close of business on 31 May 2017.

The notice convening the Annual General Meeting is published in today's newspapers and may be accessed on the Company's website at www.nse.co.ke.

BY ORDER OF THE BOARD

J L G MAONGA
COMPANY SECRETARY