SME CAPITAL GROWTH FORUM

EXECUTIVE GUIDE

Connecting SMEs with
Equity Financing Opportunities

Prepared by the
The Trinidad and Tobago Stock Exchange Limited

RAISE CAPITAL.
Access equity financing to fuel your growth.

BUILD VALUE.
Strengthen your business and enhance performance.

CREATE LEGACY.
Build a sustainable business that inspires generations.

Understanding the Opportunity

An introduction to the TTSE SME Market and how equity financing can support long-term business growth. Small and medium-sized enterprises (SMEs) are essential to Trinidad and Tobago's economy-creating jobs, driving innovation and supporting sustainable development.

As businesses grow, their financing needs evolve. While traditional financing remains an important source of funding, equity financing provides an additional avenue to support expansion, strengthen the balance sheet and facilitate long-term growth.

This Executive Guide provides an overview of the TTSE SME Market, the benefits of equity financing and the key considerations for companies exploring the capital market as part of their growth strategy.

SME MARKET AT A GLANCE

INTRODUCED	2012
PURPOSE	Provide SMEs with access to equity financing.
COMPANY SIZE	TT\$5M TT\$50M issued share capital.
TAX INCENTIVE	10-year Government tax break.
RAISE CAPITAL	Raise funds via listing of shares without increasing debt.

INSIDE THIS GUIDE

UNDERSTANDING THE SME MARKET

An overview of the SME Market, its purpose and how it supports businesses at different stages of growth.

BENEFITS OF LISTING

The key advantages of accessing equity financing and becoming a listed company on the **TTSE SME Market.**

THE LISTING PROCESS

An overview of the journey from business readiness and preparation to a successful listing.

NEXT STEPS

Information on engaging with the TTSE and professional advisors to take the next step forward.

KEY CONSIDERATION

Accessing equity financing is not simply about raising capital.
It is about establishing a stronger platform for sustainable business growth through improved governance, greater transparency and long-term strategic planning.

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Why Equity Financing?

Equity financing allows businesses to raise capital without increasing debt, providing the resources and stability to support sustainable growth.

Unlike traditional borrowing, equity financing brings more than just capital to the table. It connects your business with investors who share in your vision and success.

The TTSE SME Market provides a transparent, regulated platform that enables SMEs to access growth capital and strengthen their business for the long term.

TWO PATHS TO GROWTH CAPITAL

TRADITIONAL FINANCING		EQUITY FINANCING
CONTINUOUS DEBT OBLIGATION Loans must be repaid with interest, regardless of business performance.	VS	**NO REPAYMENT OBLIGATION** No fixed repayments or interest burden on your business.
FINANCIAL PRESSURE Repayment commitments can strain cash flow and limit flexibility.		**STRENGTHENS YOUR BUSINESS** Improves balance sheet and supports long-term financial stability.
LIMITED ACCESS Higher collateral requirements and strict lending criteria.		**ACCESS TO INVESTORS** Connects you with a wider pool of investors seeking growth opportunities.
LIMITED PARTICIPATION Lenders do not share in the upside of your success.		**PARTNERS IN GROWTH** Investors share in your success and bring experience and networks.

THE EQUITY ADVANTAGE

FUND GROWTH STRATEGIES
Secure capital to expand operations, invest in innovation and enter new markets.

STRENGTHEN CREDIBILITY
Meeting listing requirements enhances governance, transparency and investor confidence.

IMPROVE VISIBILITY
Gain greater market exposure and build brand recognition among investors.

CREATE LONG-TERM VALUE
Position your business for sustainable growth and enduring shareholder value.

BUILD A PLATFORM FOR THE FUTURE
Access a structured capital market that supports scaling locally and regionally.

> "Equity financing allows businesses to fund growth without increasing debt.
> It is more than capital — it is a partnership for long-term success."

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The TTSE SME Market

Listing Requirements & Issued Share Capital Requirements

The TTSE SME Market is designed for established, growth-oriented companies seeking access to capital and a platform for long-term value creation.

To maintain a high-quality market and protect investors, companies must meet the following requirements.

Full listing requirements are outlined in the TTSE SME Market Rules.

1. LISTING REQUIREMENTS

INCORPORATION
Incorporated in Trinidad and Tobago or another CARICOM jurisdiction.

OPERATING TRACK RECORD
Demonstrate an operating track record of at least two (2) years.

AUDITED FINANCIAL STATEMENTS
Provide audited financial statements for the two (2) most recent financial years.

PUBLIC DISTRIBUTION
A minimum of 25 unconnected shareholders, collectively holding at least 20% of the total issued share capital of the company.

CORPORATE GOVERNANCE & DISCLOSURE
Demonstrate a commitment to high standards of corporate governance and timely disclosure of material information.

REPORTING ISSUER REGISTRATION
Be registered as a Reporting Issuer and have the company's securities registered with the TTSEC.

2. ISSUED SHARE CAPITAL REQUIREMENTS

MINIMUM ISSUED SHARE CAPITAL
TT$5 million and up to TT$50 million.

THE ISSUED SHARE CAPITAL MUST BE:
- **Paid-up**
- **Issued**
- **Fully disclosed in the Prospectus**

The issued share capital requirements are designed to ensure the SME Market remains focused on small and medium-sized enterprises while providing a suitable platform for growth.

3. REGISTRATION AS A REPORTING ISSUER

SMEs wishing to list must be registered as a Reporting Issuer with the TTSEC. The company must submit the following:

1. Registration fee
2. Form 8 – Registration Statement
3. Certified copy of certificate of incorporation or registration
4. Certified copy of most recent Annual Return
5. Latest Audited Financial Statements
6. List of the directorships held by current directors in other companies

Note: The securities must be registered with the TTSEC prior to issuance or distribution. Requirements are available from the TTSEC.

The SME Listing Process

A simple, transparent process designed to help your business successfully list on the TTSE SME Market.

REQUIREMENTS

PRE-IPO

- Review/Valuation of Company
- Appoint Financial Consultant, Auditor, Attorney, Sponsoring Broker
- Prepare Offering Document (Prospectus)
- Registration with TTSEC

LISTING

- Application to TTSE
- Complete TTSE Listing Agreements
- Issuer's security added to the trading and settlement systems

POST-LISTING

- Issuer produces quarterly unaudited financials
- Annual audited financials and annual report
- Timely disclosure of any material information

THE SME MARKET – ESTIMATED LISTING COSTS EXAMPLE (TT$)

INITIAL LISTING COST

Item	Cost (TT$)
SEC Registration Fee as a reporting Issuer	5,000.00
SEC Filing of Registration Statement	100.00
SEC Filing of Prospectus	10,000.00
SEC Market Access Fee	2,000.00
TTSE Listing Fee	10,000.00
TTCD Initial Membership Fee	7,500.00
Total	**34,600.00**

ANNUAL LISTING COST

Item	Cost (TT$)
SEC Registration Fee as a reporting Issuer	5,000.00
TTSE Annual Listing Fee	10,000.00
TTCD Annual Membership Fee	7,500.00
Total	**22,500.00**

Fees are as at 2026 and do not include stockbroker fees or any other costs associated with advisers or prospectus distribution.

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The 10-Year Tax Advantage

A Government Incentive Designed to Support SME Growth

The Government of Trinidad and Tobago offers a generous tax incentive to companies listed on the TTSE SME Market-helping you retain more earnings during your critical growth years.

10-YEAR TAX INCENTIVE

YEAR 1 · YEAR 2 · YEAR 3 · YEAR 4 · YEAR 5

0%

- Corporation Tax
- Business Levy
- Green Fund Levy

YEAR 6 · YEAR 7 · YEAR 8 · YEAR 9 · YEAR 10

50% REDUCTION

- Corporation Tax
- Business Levy
- Green Fund Levy

0% for the first five (5) years, followed by a 50% reduction for the next five (5) years.

Subject to the conditions outlined in the TTSE SME Market Rules and applicable legislation.

MORE THAN TAX SAVINGS

Listing on the TTSE SME Market provides businesses with a range of strategic benefits that support long-term growth and sustainability.

ACCESS TO EQUITY CAPITAL
Raise capital to finance expansion, innovation and business growth.

ENHANCED CREDIBILITY
Increase confidence among investors, customers, suppliers and stakeholders.

INCREASED VISIBILITY
Strengthen your market profile and brand recognition.

STRONGER CORPORATE GOVERNANCE
Adopt governance practices that support sustainable growth.

EMPLOYEE SHARE OWNERSHIP
Use equity-based incentives to attract, retain and reward employees.

STRONGER BALANCE SHEET
Strengthen your capital structure without increasing debt.

FUTURE CAPITAL RAISING
Access additional funding opportunities through future public offerings.

BUSINESS EXPANSION
Support regional growth, acquisitions and long-term strategic objectives.

The combination of tax incentives, equity financing and improved corporate governance positions SMEs for **long-term sustainable growth.**

What This Means for Your Business

The Government's tax incentive gives qualifying SMEs the opportunity to retain more earnings during their most important growth years.

PRESERVE CASH FLOW
Retain more earnings to reinvest in your business.

ACCELERATE GROWTH
Support expansion, innovation and future opportunities.

STRENGTHEN YOUR BUSINESS
Build long-term value through strategic investment and improved competitiveness.

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Preparing for a Successful Listing

Strong preparation today leads to long-term success tomorrow.

A successful listing starts long before you go to market. It requires a well-prepared business, sound governance practices and a commitment to transparency.

Use this guide to assess your readiness and position your business for a smooth and successful journey.

KEY AREAS TO STRENGTHEN BEFORE LISTING

CORPORATE GOVERNANCE

Establish strong governance structures, policies and committees to support transparency and oversight.

FINANCIAL REPORTING

Maintain accurate, timely and audited financial statements in line with TTSE requirements.

INTERNAL CONTROLS

Implement robust systems and controls to manage risk and ensure operational efficiency.

DISCLOSURE & TRANSPARENCY

Commit to timely disclosure and open communication with investors and all stakeholders.

BOARD CAPACITY

Build a capable and engaged Board with the right mix of skills, experience and independence.

LEGAL & COMPLIANCE

Ensure your business complies with all applicable laws, regulations and TTSE rules.

BUSINESS STRATEGY

Articulate a clear growth strategy and demonstrate sustainable competitive advantages.

ADVISOR & MENTOR ENGAGEMENT

Engage professional advisors and your Mentor early in the process for guidance and support.

PREPARING YOUR BUSINESS

1. **SELF-ASSESS**
   Review your business against listing requirements and best practices.
2. **GET EXPERT ADVICE**
   Engage advisors, brokers and your Mentor to guide your preparation.
3. **GAP ANALYSIS**
   Identify areas that need strengthening or improvement.
4. **IMPLEMENT & IMPROVE**
   Address gaps and build the systems and processes you need.
5. **BE READY**
   Position your business for due diligence and a successful listing.

PRO TIP

Preparation is more than compliance — it's about building a resilient, investor-ready business that can thrive in the public market.

Start early. The more prepared you are, the more value you will unlock from your listing.

Beyond Listing

Ongoing Support for Listed SMEs

Listing on the TTSE is more than a capital-raising event. It marks the beginning of a company's journey as a publicly listed business. Throughout that journey, the TTSE supports a transparent and well-regulated market while encouraging listed SMEs to build strong governance, meet their continuing obligations and pursue sustainable growth.

BUILDING YOUR LISTING TEAM

Companies seeking to list on the TTSE SME Market are encouraged to appoint experienced professional advisers to assist throughout the listing process.

STOCKBROKER	Coordinates the listing application, advises on the offer structure and serves as the company's sponsoring broker throughout the listing process.
ATTORNEY	Advises on legal and regulatory matters and assists with the preparation and review of listing documentation.
AUDITOR	Assists with the preparation of audited financial statements and financial information required for listing.
TAX ADVISER	Advises on the tax implications of listing and the application of available Government tax incentives.
SME MENTOR	Provides practical business guidance and shares industry experience to support the company's transition to life as a listed entity.

The selection and appointment of advisers remains the responsibility of the applicant company.

TTSE SME MENTORSHIP PROGRAMME

Supporting Businesses Beyond Listing

Eligible companies listed on the TTSE SME Market may participate in the TTSE SME Mentorship Programme, which provides access to experienced business leaders who offer practical guidance during the early years following listing.

The programme is intended to **complement—not replace**—the company's professional advisers.

MENTORSHIP FOCUS AREAS

CORPORATE GOVERNANCE
Promoting strong governance practices and board effectiveness.

CONTINUING OBLIGATIONS
Supporting compliance with TTSE Rules and ongoing reporting requirements.

STRATEGIC GROWTH
Providing strategic insight to support sustainable growth and value creation.

LEADERSHIP & BUSINESS DEVELOPMENT
Sharing experience to strengthen leadership and build capability.

A mentor provides guidance and shares experience but does not participate in the company's management or commercial decision-making.

THE TTSE SUPPORTS YOUR LISTING JOURNEY

PREPARE → LIST → GROW → SUCCEED

Working together with issuers, advisers and market participants to support a strong and transparent capital market.

CONNECTING SMES. FUELLING GROWTH.

Your Next Steps

We are here to help you take the next step towards listing on the TTSE SME Market.

NEED GUIDANCE?

Ask TOBI.

Ask TOBI for quick answers on:

- SME Market eligibility
- Equity financing
- Listing requirements
- Tax incentives
- Investment basics

SCAN TO CHAT WITH TOBI

CONTACT THE TTSE

marketing@stockex.co.tt

(868) 217-8873

www.stockex.co.tt

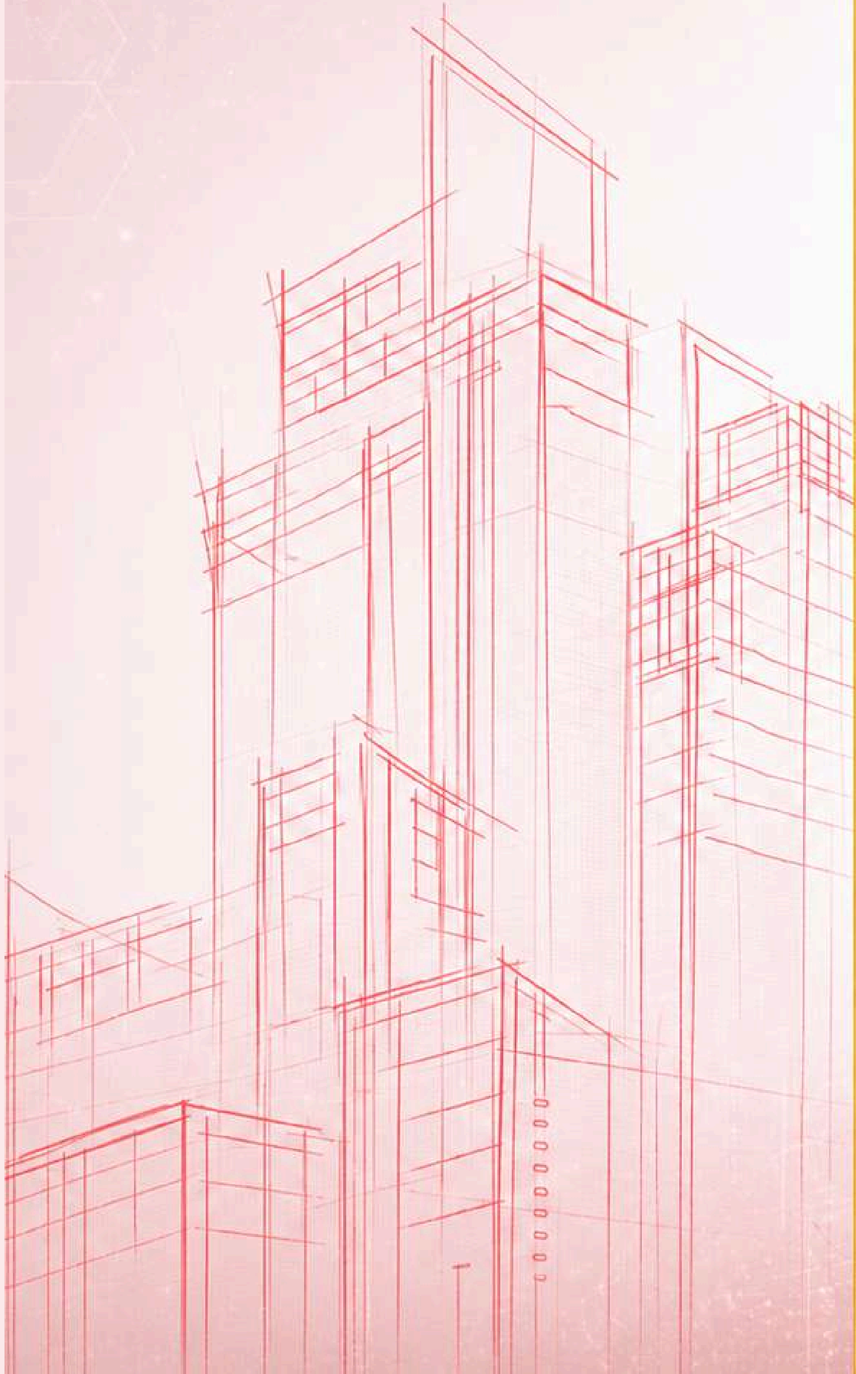
LICENSED TTSE STOCKBROKERS

Speak with any licensed TTSE stockbroker to discuss your company's listing journey.

Bourse Brokers Limited	Caribbean Stockbrokers Limited	First Citizens Brokerage & Advisory Services Limited	JMMB Securities (T&T) Limited
NCB Merchant Bank (Trinidad and Tobago) Limited	Republic Wealth Management Limited	Sheppard Stockbrokers Limited	West Indies Stockbrokers Limited (WISE)

Ready to explore equity financing?

Contact the TTSE today and begin the conversation.



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