

**DID YOU
KNOW?**

EXISTING COMPANIES AND THE REQUIREMENTS OF ISSUED SHARE CAPITAL UNDER THE COMPANIES AND ALLIED MATTERS ACT 2020

Are you aware that all existing companies with unissued share capital have been granted extension of time up till 31st of December 2022 within which to issue same?

The Minister of Industry, Trade and Investment – Otunba Richard Adeniyi Adebayo, approved the amendment of Regulations 13 of the Companies Regulations 2021 pertaining to the requirements of share capital under Section 124 of the Companies and Allied Matters Act 2020 (“CAMA”).

In light of the foregoing, all existing companies should note that in accordance with the definition of “share capital” under Section 868 of CAMA, any share capital of a Company that shall remain unissued after 31st of December 2022 shall not be recognized as forming part of the share capital of the company until the share capital of the company is fully issued or reduced accordingly.

Furthermore, any application filed in compliance with Section 124 after the extended date shall attract the applicable penalty prescribed under the above Section and the said Companies Regulations.