

Working together  
towards a  
**SUSTAINABLE  
FUTURE**

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SUSTAINABILITY REPORT 2024



# About the Report

This sustainability report highlights our approach to building a sustainable operation with consideration of our material sustainable factors.

This Sustainability Report is approved by the DSE Board of Directors and is prepared in adherence to the guidelines on sustainability reporting for listed companies as prescribed in the DSE listing rules and based on elements of the Global Reporting Initiatives (GRI).

**Save the environment, do not print. To eliminate paper wastage our sustainability report is only made available via soft copy.**

## Our Reporting Processes

A dedicated reporting team has studied the requirements of the relevant reporting framework and guidelines and conducted content planning in determining the matters that are integral for the preparation of this report. The report has undergone an internal validation process through the alignment of the Exchange's risk and compliance review. This allows for dedicated monitoring and oversight, ensuring a robust reporting process is in place and the integrity of information disclosed.





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# Introduction

The Dar es Salaam Stock Exchange (DSE) was incorporated in 1996, and was made operational on 15<sup>th</sup> April 1998, with TOL Gases Ltd being our first listed entity. The Dar es Salaam Stock Exchange (DSE) is a marketplace where buyers and sellers of financial instruments meet. The Exchange is the secondary leg of Capital Markets that help avail long term and affordable capital to companies (productive users) from investors (idle holders/savers) with investment motives.

Currently, the DSE has 28 listed companies, of which 22 are local companies and 6 are cross-listed companies. As of 31<sup>st</sup> December 2024, the DSE's domestic market capitalisation was TZS 12.2 trillion (TZS 11.4 trillion in 2023), which is an increase of 7%, outstanding listed Government bonds worth TZS 25.4 trillion (20.2 trillion in 2023) and corporate bonds worth TZS 582 billion (TZS 538.33 billion in 2023) and USD 73 million (73 million in 2023).

In 2016, DSE became a Partner Exchange in the UN-Sustainable Stock Exchanges Initiative, which, among other requirements, requires stock exchanges to embrace sustainability.

# Some of the major achievements made by the Exchange includes

## 1996

Incorporation of the Dar es Salaam Stock Exchange and approval of Stock Exchange Rules

## 1997

Publication of Collective Investment Scheme Regulations

## 1998

Start of operations of the DSE with the first privatization and listing of state-owned entity

## 1999

Installation of the Central Depository System at the Exchange and Listing of the first corporate debt

Issuance of Guidelines for the Issue of Corporate Bond

## 2002

Listing and start of trading of Treasury Bonds at the Exchange

## 2004

Cross listing of the first foreign company and the listing of the first airline company

## 2006

Deployment of Automated Trading System linked with a new three tier Central Depository System

## 2008

Listing of the first commercial bank

## 2011

Publication of Regulations to govern introduction of Real Estates Investment Trusts

## 2013

Migration to the new efficient Automated Trading System and Central Depository System

Launching of the second-tier market: EGM - Enterprise Growth Market (EGM)

Listing of the first company on EGM

## 2014

Deployment of ATS on the Wide Area Network and start of remote trading by brokers

Uplifting of Foreign Investors Limits Regulations

Introduction of DSE Scholar Investment Challenge

## 2015

Introduction of the regulatory framework and subsequent use of mobile phone technology in IPOs (Equity and Debt) and Secondary Trading

DSE Demutualization and Re-incorporation into a Public Limited Company DSE IPO and Self-Listing; DSE joined the world federation of exchange

## 2016

Supporting United Nations Sustainable Stock Exchanges initiative; DSE Initiated the DSE Members Award

## 2017

Listing of the first telecom company in the country

## 2018

Full operationalization of the Subsidiary Company, CSD & Registry Company Ltd

## 2019

Introduction of DSE Enterprise Acceleration Program to build SMEs capacity

DSE as classified as a Frontier Market status

DSE became a full member of the World Federation of Exchanges (WFE)

## 2020

Launching of DSE Hisa Kiganjani – Mobile Trading Platform

## 2022

Listing of the first 'Sharia' compliant bond

Joined UN-Global Compact and UN-Women

## 2022/2023

Sustainability bonds listing

## 2024

Listing of TANGA UWASSA Sustainability bond

## 2023/2024

Various MoU as detailed in the collaboration with stakeholders' section

# About the Dar es Salaam Stock Exchange

The Exchange provides a platform that assists companies to raise capital through the issuance of equities and debt securities, which are then listed at the Exchange for trade. As the primary securities exchange in the country, DSE has developed an array of market segments that attract both domestic and international investors. The debt market at DSE includes traditional corporate bonds, which are debt securities issued by corporations to raise funds for various business needs and sustainability bonds, which are used to finance or re-finance projects with positive environmental and social impacts.



## Equity Markets

**Main Investment Market (MIM):** The MIM is the primary equities market where companies list their shares for trading.

**There are 16 companies listed on the segment.**

**Enterprise Growth Market (EGM):** The EGM is tailored for small and medium-sized enterprises (SMEs) looking to raise capital and expand their operations.

**There are 6 companies listed on the segment.**



## Debt Market

**Fixed Income Market (FIM):** DSE's Fixed Income Market allows for the trading of government and corporate bonds.

As Tanzania's economy continues to develop, the Dar es Salaam Stock Exchange (DSE) is set to become increasingly vital in financing growth and offering investment opportunities. The exchange is positioned to diversify its range of products further, including supporting the government's initiatives to strengthen State-Owned Enterprises. This evolution will not only bolster economic stability but also attract a broader spectrum of investors, fostering a more dynamic and resilient financial market.





# Chairman's Message



Dear Stakeholders

As we reflect on the past year, it is with great pride that I present the Dar es Salaam Stock Exchange's (DSE) Sustainability Report for 2024. This report underscores our unwavering commitment to fostering sustainable development and responsible investment practices within Tanzania's financial markets.

In 2024, the DSE has made significant strides in integrating sustainability into our core operations. We have expanded our range of sustainable financial products, providing investors with more opportunities to support environmentally and socially responsible initiatives. Our efforts align with global best practices and the evolving regulatory landscape, ensuring that we remain at the forefront of sustainable finance.

One of our key achievements this year has been the enhancement of our reporting standards. We have adopted comprehensive frameworks that emphasize

transparency, accountability, and the long-term impact of our activities. This includes rigorous reporting on environmental, social, and governance (ESG) metrics, which are critical in assessing the sustainability performance of listed companies.

Moreover, the DSE has actively supported the Tanzanian government's initiatives to strengthen State-Owned Enterprises (SOEs). By facilitating access to capital and promoting good governance, we are helping to build resilient and efficient SOEs that contribute to the nation's economic growth and sustainability goals.

Our commitment to sustainability is not just about compliance; it is about creating lasting value for our stakeholders. We believe that by embedding sustainability into our operations, we can drive positive change and contribute to a more sustainable future for all.

Our new office is designed to foster collaboration, enhance operational efficiency, and support the evolving needs of our listed companies, investors, and partners. It stands as a symbol of our growth, resilience, and vision for the future.

Capital markets, which have evolved over centuries, remain one of the most powerful tools for economic growth and opportunity. Today, they are more inclusive, more dynamic, and more essential than ever. As we look ahead, we remain confident in the ability of markets to adapt, innovate, and deliver value for investors across the spectrum.

As we look ahead, the DSE will continue to innovate and lead in the realm of sustainable finance. We are dedicated to fostering a financial ecosystem that supports sustainable development, encourages responsible investment, and enhances the overall well-being of our society.

Thank you for your continued support and partnership in this journey towards a sustainable future.

**Mr. Daniel Ole Sumayan**  
Chairman of the Board

# Board of **Directors**



**Mr. Daniel Ole Sumayan**  
Chairman



**Mrs. Lilian Msingi**  
Director



**Mr. Fadhili J. Manongi**  
Director



**Mrs. Beng'i Mazana**  
Director



**Mr. Selestine J. Some**  
Director



**Dr. Abdiel Abayo**  
Director



**Mrs. Mary Kinabo**  
Director



**Mr. Peter Nalitolela**  
CEO-Executive Director



# Chief Executive Officer's Message



Dear Stakeholders,

As we conclude another year of remarkable progress, I am pleased to present the Dar es Salaam Stock Exchange's (DSE) Sustainability Report for 2024. This report highlights our steadfast commitment to integrating sustainability into every facet of our operations and fostering responsible investment practices. At DSE, we recognize that sustainability is not just a responsibility—it is a strategic imperative.

Transparency and accountability remain central to our approach. This report not only highlights our successes but also outlines the challenges we face and the areas where improvement is necessary. We are committed to continuous improvement and aligning our practices with global sustainability standards and frameworks.

In 2024, the DSE has made significant advancements in promoting sustainable finance. We have introduced a variety of sustainable financial products, providing investors with opportunities to support initiatives that are environmentally and socially responsible. Our efforts are aligned with global best practices and the evolving regulatory landscape, ensuring that we remain at the forefront of sustainable finance.

A key focus this year has been enhancing our reporting standards. We have adopted

comprehensive frameworks that emphasize transparency, accountability, and the long-term impact of our activities. This includes rigorous reporting on environmental, social, and governance (ESG) metrics, which are essential in assessing the sustainability performance of listed companies.

The DSE supports Tanzanian government efforts to strengthen State-Owned Enterprises (SOEs) by improving access to capital and governance. This helps build resilient, efficient SOEs that drive economic growth and sustainability. DSE's sustainability focus aims to create lasting value and foster a more sustainable future.

This year marks a significant milestone in our journey as we successfully transitioned to our new headquarters. The move represents more than just a change in location—it reflects our growth, ambition, and commitment to providing a modern, collaborative, and sustainable working environment for our people.

As we navigate the dynamic landscape of 2025, we are witnessing a unique convergence of opportunity and resilience in the Tanzania markets. Despite ongoing geopolitical uncertainties, the fundamentals remain strong, and investor confidence is steadily rebuilding. We encourage investors to remain informed, diversified, and forward-looking as they position themselves to benefit from the evolving economic landscape.

Looking ahead, the DSE will continue to innovate and lead in the realm of sustainable finance. We are dedicated to fostering a financial ecosystem that supports sustainable development, encourages responsible investment, and enhances the overall well-being of our society.

Thank you for your continued support and partnership in this journey towards a sustainable future.

Sincerely,

**Peter Nalitoela**

Chief Executive Officer, Dar es Salaam Stock Exchange

# Message from Group CFO



Dear Shareholders,

During the financial year ended 31 December 2024, the DSE Group (DSE PLC and CSDR subsidiary) generated total revenue of TZS 11.535 billion, representing a 6% decline from TZS 12.229 billion in 2023. This reduction was primarily due to a 10% decrease in core revenue (TZS 7.806 billion versus TZS 8.647 billion in 2023), an 18% drop in other revenue (TZS 146 million from TZS 180 million), alongside a 5% rise in income from investments (TZS 3.583 billion up from TZS 3.402 billion). The dip in core revenue reflects policy changes in government bond listings, lower listing and transaction fees tied to reopened bonds, a decline in corporate bond issuance, as well as reduced investable funds following capital outflows for the Morocco Square building project.

## **Operational & Expense performance**

Expenses for the year totaled TZS 7.217 billion, rising 13% from TZS 6.396 billion in 2023. Key drivers

include increased staff costs, attributable to new hires including the CEO, salary increments, and expanded training, along with elevated business development activities (regional/international initiatives and policy advocacy), and investments in ICT infrastructure and cyber-security. These escalated operating costs reflect strategic reinvestment to enhance organizational capabilities and resilience.

## **Profit Performance**

As a result, the Group reported a pre-tax profit of TZS 4.318 billion (down 26% from TZS 5.833 billion) and an after-tax profit of TZS 4.272 billion (a decline of 25% from TZS 5.696 billion). The contraction in profitability stems from lower revenues combined with higher operational expenditures, as detailed above.

## **Financial Position & Outlook**

On the balance sheet, total assets rose marginally by 3% to TZS 35.865 billion (from TZS 34.819 billion), primarily due to increased non-current prepayments for the Morocco Square project. Shareholders' equity also improved by 3%, increasing to TZS 31.888 billion (from TZS 31.070 billion), driven by retained earnings from the current year's profit.

While the 2024 financial year saw revenue and profit pressures, the Group's balance sheet remains sound, underscored by growth in both assets and equity. The focus for 2025 will be on revitalizing core revenue performance, optimizing operational efficiency, and ensuring efficient in cost management to support sustainable growth.

Best,

**Lucas N. Sinkala**  
Chief Financial Officer

# Message from the Managing Director of CSDR



Dear Shareholders,

On behalf of the Management and staff of CSD & Registry Company Limited (CSDR), I am delighted to present the Company's performance report for 2024, marking the second year of implementing our Five-Year Strategic Plan (II) for 2023-2027.

## Strategic Plan Progress

2024 has been a year of significant progress in the execution of our five-year strategic plan. Throughout the year, CSDR continued to focus on achieving key objectives, including enhancing registry systems, attracting more registry clients (both listed and unlisted), expanding the range of services offered, and clarifying legal positions through collaboration with the Capital Markets and Securities Authority (CMSA) and other stakeholders.

We worked on updating CSD rules and regulations, reviewed our competitive positioning relative to

other frontier markets, explored new business lines with the Dar es Salaam Stock Exchange (DSE), and strengthened partnerships with other Central Securities Depositories (CSDs). We continued our goal of increasing revenues as a share of total DSE group income to 30% by 2027. CSDR further focused on building robust IT services, strengthening internal capabilities, and ensuring compliance with risk management standards.

## Financial Performance

In 2024, the Company recorded a profit before tax of TZS 145 million, reflecting a 66% decline from the TZS 434 million reported in 2023. This decrease was primarily driven by reduced bond turnover, a decline in corporate bond IPOs, fewer companies utilizing Annual General Meeting services, and increased operational expenses resulting from salary adjustments and expanded business development activities.

## Looking Ahead to 2025

As we enter the third year of implementing our Five-Year Strategic Plan (II), CSDR remains committed to the following strategic initiatives for 2025: (i) Further modernization of registry services, (ii) Strengthening customer engagement, (iii) Expanding our service offerings, (iv) Delivering reliable clearing and settlement services, (v) Offering value-added services to stakeholders, (vi) Implementing on-going legal and regulatory reforms, (vii) Monetizing market data, (viii) Engaging with stakeholders to improve market efficiency, (ix) Automating business processes, (x) Relocating to the Exchange Square building

Regards,

**Benitho Kyando**  
Managing Director



# Statement from the Chief Marketing Operation Officer



Dear Stakeholder,

## Market performances

The market registered a positive return on an index as reflected in the upward movement of the Tanzania Share Index (TSI) from 4,304.4 points in 2023 to 4,618.78 points in 2024. This represents a moderate growth of 7.30% year-on-year return, indicating steady performance. The appreciation in share prices of domestic companies.

All Share Index (DSEI) closed at 2,139.73 points in 2024 from 1,750.63 points in 2023, marking a significant growth of 22.22%, showcasing a stronger performance in 2024. This index increased due to price changes for both domestic and cross-listed companies.

## Market Capitalization

The DSE domestic market capitalization increased by 7.38% to TZS 12,243.37 billion at the end of 2024 compared to TZS 11,401.41 billion in 2023. The total market capitalization (i.e., domestic, and cross-listed companies) increased by 22.29 percent to TZS 17,868.17 billion in 2024 from TZS 14,611 billion recorded in 2023. This increase indicates a mixed performance across different types of listed companies, possibly impacted by economic factors and investor sentiment.

## Market Liquidity (Equity and bonds)

In 2024, equity trading turnover reached TZS 228.64 billion, reflecting a 1.52% increase compared to the TZS 225 billion turnover in 2023. The volume of shares traded also rose to 228 million, up from 188 million in 2023, marking a 21.28% increase. Enhanced mobile trading platforms, increased local and foreign investor participation and good performance of listed companies contributed to the increased liquidity.

The total turnover in the bond market segment reached TZS 3,150 billion, a decrease of 13.6% compared to TZS 3,648 billion in 2023. This decline was primarily driven by the re-opening of BOT auctions, which led many investors to trade in the primary market. Additionally, market prices, particularly for low-rate bonds, experienced a decline

## Mobile trading platform activities

The number of investors registered with the DSE Mobile Trading Platform (MTP) grew significantly in 2024, reaching 22,774, up from 4,578 registered in 2023—an impressive increase of 397% in just one year. By the end of 2024, the total number of MTP-registered investors stood at 37,910.

Mobile Trading Platform (MTP) activities generated a turnover of TZS 14.56 billion in 2024, up from TZS 2.03 billion in 2023, marking a 618% (six-fold) increase. MTP's contribution to the total turnover, excluding pre-arranged transactions, rose to 24.33% in 2024, compared to 4.84% in 2023.

## Listed products

In 2024, only one corporate bond—a sub-national bond issued by Tanga UWASA—was listed, compared to 2023, which saw the listing of three corporate bonds. For government bonds, there were re-openings of previously issued bonds, while no new listings occurred in the equity segment

Best,

**Sarah Mrema**

Head, Trading and Market Performance

# Statement from the Chief Business Development Officer



## DEAP & Endeleza SME Acceleration

In cooperation with development agencies, DSE further expanded the DSE Enterprise Acceleration Programme (DEAP) and its Endeleza segment. The program enhanced SME capacity through executive training, networking, and exposure to investors, a model developed with input from government and private-sector stakeholders.

## Community Outreach – Sabasaba & Nanenane in Mbeya

DSE also extended its reach beyond Dar es Salaam, showcasing offerings and encouraging participation at national fairs. We actively engaged stakeholders and small-business operators at the Sabasaba Expo and the Nanenane Agricultural Show in Mbeya, reinforcing our commitment to rural and regional inclusion by promoting capital-market access and financial education.

## Engagement & Strategic Initiatives

Throughout 2024, the Dar es Salaam Stock Exchange (DSE) focused on deepening collaboration with government bodies, development partners, and regional communities, underscoring our mission to foster inclusive financial growth across Tanzania.

## Government & Stakeholder Engagement

DSE actively participated in policy dialogues alongside government ministries and regulators to advocate for market-friendly reforms. At the 200 CEOs Forum in August, CEO Peter Nalitolela emphasized the need to unlock long-term financing through DSE's platforms, including our Endeleza SME initiative, urging for innovative capital solutions in partnership with the public. These efforts aligned with regulatory discussions on making capital markets more accessible, particularly for SMEs and sustainability-driven enterprises.

## Financial Literacy Initiatives

Aligned with our mandate, DSE participated in World Investor Week and “Ring the Bell for Financial Literacy” events, targeting youth, women, and SMEs. We hosted educational quizzes, seminars, and direct outreach through school visits. Our presence during Financial Literacy Week further underscored the collaborative effort between DSE, regulators, educators, and civil society to build capital-market awareness.

## Relaunch of DSE member's award (DMA)

In November 2024, the Dar es Salaam Stock Exchange (DSE) proudly re-launched its Members Awards after a four-year pause, under the theme “Embracing Environmental, Social, and Governance (ESG) Principles for Sustainable Capital Markets.” Through the awards, DSE celebrated ten categories—from Best Listed Company in both Main and Growth

segments, to Best Stockbroker, Bond Dealer, Custodian Bank, and NOMAD—acknowledging firms excelling in ESG integration. The event reaffirmed DSE's alignment with global standards, including its 2016 Partnership with the UN Sustainable Stock Exchanges (UNSSE) Initiative, signaling Tanzania's commitment to sustainability in capital markets.

### **Capital Market Innovation – Tanga UWASA Bond**

Our collaborative efforts culminated in the successful issuance of the Tanga UWASA sub-national bond, the only corporate bond issued in 2024. This debut offering was achieved through coordinated engagement with government, municipal authorities, regulators, and advisors, reinforcing DSE's platform for municipal financing.

### **Participated in Regional and international initiatives forum**

The DSE actively participated in the WFE Forums hosted by the World Federation of Exchanges. Internally, the Exchange established an African Exchanges Linkage Project (AELP) Steering Committee, bringing together DSE leadership, stockbrokers, and central depository officials to coordinate implementation and ensure smooth collaboration across stakeholders. Additionally, DSE took part in regional meetings organized by EASEA, COSSEA, and ASEA to explore and address key issues affecting the capital markets.

Best,

**Emmanuel Nyalali**



# Head of Training & Market Data Sales



Dear Stakeholders,

In the vibrant heart of Tanzania's financial landscape, the **DSE Academy** continues to evolve as a dynamic center of excellence nurturing the next generation of capital market professionals and championing the advancement of financial education across East Africa.

Since its inception, the Academy has grown from a visionary initiative into a fully-fledged institution, earning trust and admiration within the financial community. This year, we reached yet another significant milestone with the successful **launch of the Executive Investor Relations Course** a first of its kind in the region.

Designed for senior executives, public relations officers, and capital market professionals, this course equips participants with strategic tools and global best practices to enhance transparency, market communication, and stakeholder engagement. Delivered by internationally experienced facilitators, the program drew participation from prominent institutions, signaling a growing demand for structured investor relations training in Tanzania and beyond.

This achievement builds upon a strong foundation laid in previous years. Our **Chartered Financial Analyst (CFA) preparatory program** continues to thrive, empowering candidates with both technical mastery and ethical grounding. Meanwhile, our status as an **official ACI Financial Markets Association (ACI FMA) exam center** continues to attract regional candidates seeking certification in treasury and FX operations.

Beyond academic success, 2025 has also been a year of **deepening partnerships and leadership development**. Our collaboration with the multiple key stakeholders such as **Tanzania Institute of Bankers (TIOB)** and **Institute of Directors Tanzania (IODT)** continues to bear fruit through impactful workshops and seminars that promote ethical leadership and sound corporate governance in both public and private sectors.

These initiatives have positioned the DSE Academy as a vital player in shaping the financial future of Tanzania and East Africa. Our alumni are now influencing policy, innovating in fintech, managing portfolios, and driving investment decisions in major institutions across the region.

As we look ahead, the DSE Academy remains committed to innovation, accessibility, and excellence in financial training. Each program we launch, each partnership we forge, and each student we empower reinforces our belief that financial literacy is the cornerstone of inclusive economic growth.

We thank you our stakeholders for your continued support and collaboration. **By investing in knowledge, we are strengthening the very infrastructure that underpins trust, efficiency, and growth in our capital markets.**

Warm regards,

**Brighton Kinemo**

Head of Training & Market Data Sales  
Dar es Salaam Stock Exchange (DSE)

# Statement from the Chief Technology Officer



In 2024, the ICT division at the Dar es Salaam Stock Exchange (DSE) focused on strengthening our digital backbone, boosting cybersecurity, and expanding access to trading through mobile technologies. A major highlight was the on-going relocation and ICT infrastructure overhaul at our new Exchange Square HQ in Morocco Square, where plans are to rebuild data centers, network architecture, and disaster recovery systems—laying a resilient foundation for next generation fintech services

To ensure platform integrity, we conducted comprehensive penetration tests and vulnerability assessments, identifying and remediating potential threats as part of a broader digital risk management framework aligned with Tanzania's national cybersecurity agenda.

Simultaneously, we accelerated digital market access by fully integrating the DSE Mini App into Vodacom's M Pesa Super App and enhancing our standalone Mobile Trading Platform (MTP). This catalyzed investor adoption, with MTP registrations rising 397%, from 4,578 to 22,774 new users, reaching a total of 37,910. Mobile-driven turnover increased six-fold to TZS 14.56 billion, representing 24.33% of total equity trading—up from just 4.84% in 2023. These milestones reflect our commitment to digital inclusion and operational excellence.

Finally, we continue to enhance ICT governance with formalised asset management, updated ICT policies, and staff training programs—ensuring our systems remain secure, scalable, and ready for future innovation. Looking ahead, we aim to further advance our cybersecurity posture, expand mobile service functionality, and support emerging digital asset classes

Warm regards,

**Ally Othman**

# Statement of the Chief Internal Auditor



## Mandate and Responsibilities

The Internal Audit Department (IAD) at DSE exists to enable and protect the Exchange's value by identifying risks and advising on efficiency improvements. The IAD reports operationally to the Board of Directors and administratively to the Chief Executive Officer. It is led by the Chief Internal Auditor, supported by a team of qualified auditors with diverse professional backgrounds.

By embedding robust control frameworks and governance processes, the IAD helps DSE achieve its objectives, strengthen risk prevention, and enhance internal controls. The department provides assurance and advisory services to both the Board and Management based on audit findings, ongoing business oversight, and data analysis.

## 2024 Audit Approach and Outcomes

In 2024, the IAD's annual work plan focused on assessing controls over operational, financial, IT, compliance, strategic, and market risks. This plan was aligned with stakeholder expectations,

DSE's business strategy, emerging risk areas, and regulatory requirements. It remains flexible to accommodate newly identified risks at any time.

Operating under the global professional standards of the Institute of Internal Auditors (IIA), the IAD executed six main audits in 2024. It also issued eight formal advisory reports to Management and Board of Directors on DSE automation and digitization roadmap for 2024 - 2027, legal, regulatory, and procedural compliance and assisted in crafting strategies to address identified risks.

Quarterly reports on strategic plan implementation and key findings were presented to the Board and data-driven analytics continued to enhance the relevance and impact of audit insights. The department's core work strengthened DSE's information security and control environment and supported improvements in market efficiency, new product listings and capital raising, customer satisfaction, business continuity, and sustainable returns.

## Professional Capacity Building

Under the rallying call "Beyond Boundaries: Make the Difference" the IAD championed a senior-management workshop hosted by the IIA Tanzania to break through conventional limits and drive transformative change. Attendees from the DSE included: Chief Internal Auditor, Chief Technology Officer, Acting Business Development Director, Chief Financial Officer, Chief Market Operations Officer, Acting Chief Executive Officer, three Audit, Risk and Compliance Committee Directors. Key focus areas and outcomes of the workshop includes hands-on simulations of emerging cyber-threat scenarios, design of advanced monitoring dashboards, and best practices for secure system upgrades, agile audit methodologies, continuous controls monitoring, and embedding real-time analytics into audit workflows and adaptive leadership, cross-functional collaboration, and fostering a "challenge-and-innovate" culture to drive accountability and excellence.



By equipping DSE's leadership with cutting-edge skills in audit technology, cyber-resilience, and dynamic decision-making, the program transcended traditional boundaries—empowering senior management and Directors to deliver sustained improvements in governance, risk management, and organizational performance.

### **Looking Ahead**

Building on these achievements, the IAD will continue to refine its audit methodologies,

leverage advanced analytics, and collaborate with stakeholders to anticipate and mitigate risks. Ongoing professional development and strategic alignment will ensure DSE's internal controls evolve in step with technology

Warm Regards,

**Meclaud Edson**

# Report from Chief Legal Counsel & Company Secretary



In 2024, the Legal Department and Company Secretary Office led a series of strategic initiatives to strengthen the Exchange's legal and governance framework. Key achievements include:

## **Trading Rules Review & Liquidity Enhancement**

We conducted a comprehensive review of the trading mechanism and regulatory framework to address market liquidity constraints. Led stakeholder consultations and submitted proposed rule amendments for Board and regulator approval; approval expected Q1–Q2 2025.

## **Strategic Partnerships & Market Access**

Collaborating with the public agencies, and private institutions, we drafted and finalized multiple Memorandum of Understanding (MOUs) and agreements. These instruments have broadened

market access and paved the way for listing new products, including Sukuk bonds and other sustainable financial instruments.

## **DSE Training Academy Development**

To support our capacity-building mandate, the team negotiated MOUs with leading domestic and international educational and professional bodies. We also secured trademark registration and copyright protection for the DSE Training Academy, enhancing its visibility and credibility.

## **New Headquarters Acquisition & Relocation**

Legal support was pivotal in drafting and executing MOUs, leases, and addendum related to the Exchange's acquisition and relocation to the new Exchange Tower. These documents underpin our move to a modern, purpose-built facility.

## **Governance & Meeting Management**

In accordance with the 2024 annual calendar, the Company Secretary's Office organized and convened all quarterly and extraordinary Board meetings. We also successfully planned and executed the 2023 Annual General Meeting (AGM), ensuring full compliance with statutory requirements and corporate governance best practices.

Coordinated and serviced Seven Board meetings and twelve committee meetings, including Finance and Administration, Audit, Risk and Compliance, Listing & Trading and preparing agendas, board packs, minutes, and ensuring compliance with exchange rules and the listing rules.

Other key legal matters handled included maintains of up to date statutory registers, ensured accurate filings of share capital changes, and organizing a well-attended AGM with full shareholder vote transparency. We also provided directors with governance training, aligning our processes with best practice governance codes

### **Strategic Initiatives underway for 2025**

**Market Access & Liquidity:** Host stakeholder workshops on draft rules; train market participants on amendments; fast-track DSE membership applications; finalize MOUs for investment-awareness programs.

**Partnerships & Listings:** Forge new MOUs/ contracts to boost Academy offerings and business development; streamline listing-application turnaround; coordinate “Ring the Bell for Gender Equality”.

**Systems & Processes:** Draft and review infrastructure and service contracts; collaborate with ICT to

automate listing and prospectus reviews; ensure timely filing of annual returns; institute Board/ Committee performance appraisals; schedule and manage all Board, Committee, and shareholder meetings for DSE and CSDR.

These efforts position DSE for enhanced market integrity, operational efficiency, and stakeholder engagement in the coming year.

Warm regards,

**Mary Mniwasa**  
Head of Legal



# Our Approach to Sustainability

At the Dar es Salaam Stock Exchange (DSE), sustainability is at the core of our mission and operations. We are committed to fostering a financial ecosystem that not only drives economic growth but also promotes environmental stewardship, social responsibility, and robust governance practices.



## Environmental Stewardship

We recognize the critical role that financial markets play in addressing environmental challenges. The DSE is dedicated to supporting green finance initiatives, including the issuance of green bonds and other sustainable financial products. These efforts are aimed at channelling capital towards projects that mitigate climate change, enhance renewable energy capacity, and promote sustainable infrastructure development.



## Innovation and Continuous Improvement

We are committed to continuous improvement and innovation in our sustainability practices. The DSE regularly reviews and updates its policies to reflect the latest developments in sustainable finance and ESG standards. We also invest in capacity-building initiatives to enhance the knowledge and skills of our external and internal stakeholders, ensuring that they are well-equipped to navigate the evolving sustainability landscape.



## Social Responsibility

Our commitment to social responsibility is reflected in our support for inclusive growth and equitable access to financial resources. We actively promote financial products that address social inequalities, such as gender-focused bonds and initiatives that support small-to-medium-sized enterprises (SMEs). By doing so, we aim to empower underrepresented groups and contribute to the overall well-being of our society.



## Collaborative Efforts

Sustainability is a collective endeavour, and we believe in the power of collaboration. The DSE actively engages with regulators, investors, issuers, cross border institutions and other stakeholders to promote sustainable finance and responsible investment practices. By working together, we can create a more resilient and sustainable financial market that benefits all.



## Governance and Ethical Leadership

Transparency, accountability, and ethical leadership are the pillars of our governance framework. The DSE has implemented rigorous reporting standards that align with global best practices, including the Global Reporting Initiative (GRI) and the UN Sustainable Stock Exchanges (UN-SSE) Initiative. We mandate comprehensive sustainability disclosures from all listed companies, ensuring that investors have access to critical information on environmental, social, and governance (ESG) performance.

Our approach to sustainability is not just about meeting regulatory requirements; it is about creating lasting value for our stakeholders and contributing to a sustainable future for Tanzania and beyond. We are proud of the progress we have made and remain committed to advancing our sustainability agenda in the years to come.



## Our vision

A preferred avenue for capital raising and sustainable investment.



## Our mission

Maximize stakeholders value by providing sustainable investment opportunities and an efficient allocation of capital. At the heart of our sustainability approach, we consider our core values:

### Professionalism:

We demonstrate high skill and competence in performing out through our conduct and attitude, to ensure quality services that meet stakeholder's expectations.

### Integrity:

We treat our customers and stakeholders fairly, and with courtesy. We are ethical while discharging our duties and uphold confidentiality.

### Teamwork:

We utilize expertise in achieving our goals.

### Innovation:

We develop new methods and come up with ideas that result into positive impact in the sector and the economy.

### Accountability:

We are responsible for the actions and decisions we make in the course of performing our duties.





## Environment

We acknowledge that it is our common responsibility to address the environmental challenges that we face, and we recognise our responsibility to help minimise environmental impact.



## Social impact

We commit to give back to our people and communities primarily by addressing various social challenges.



## Governance

We will continue to uphold the highest standards of integrity in adherence to the best practice corporate governance principles in an effective manner.



## Innovation

We are committed continuous improvement and innovation in our sustainability practices ensuring that we are well equipped to navigate the evolving sustainability landscape.



## Collaborative Efforts

We actively engage with regulators, investors, issuers and other stakeholders to promote sustainable finance and create a more resilient financial market that benefits all.



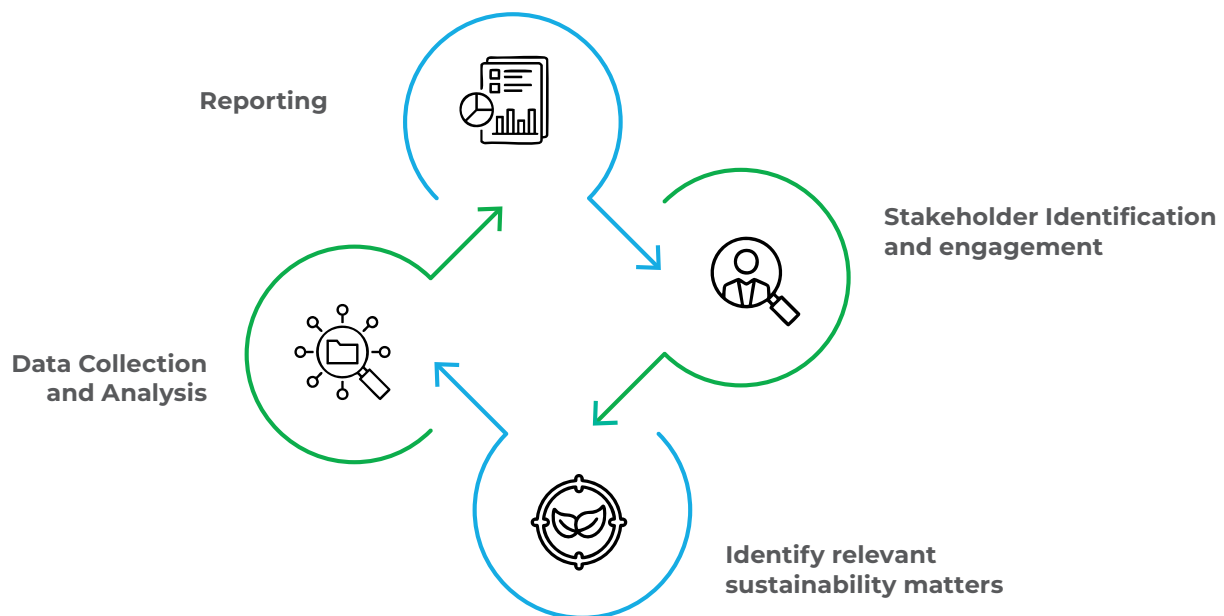
# Materiality assessment

At the Dar es Salaam Stock Exchange (DSE), we recognize the importance of identifying and prioritizing material environmental, social, and governance (ESG) issues that impact our operations and stakeholders. Our ESG materiality assessment is a critical process that helps us focus on the sustainability risk and opportunities that are most relevant to our business and the broader community.

The purpose of our ESG materiality assessment is to ensure that we address the issues that

matter most to our stakeholders and align our sustainability strategy with these priorities. We employ a comprehensive methodology that includes comprehensive stakeholder engagement, industry benchmarking, and analysis of global sustainability trends, followed by a rigorous assessment of the scope, scale and likelihood of these risks and opportunities arising. This approach allows us to identify and prioritize ESG topics based on their significance to our business and their potential impact on society and the environment.

**Our four-step approach for assessing material issues involved:**



## **Stakeholder Identification and engagement:**

This step involves identifying the key stakeholders by mapping their interests with our activities and determining their role and impact on our organisation. The stakeholders identified were investors, vendors/suppliers, NGOs and communities, management, employees, Government, Regulators, listed companies.

We engage in a transparent dialogue with our key stakeholders, and we interact regularly with governments and civil-society organizations, as well as communities and external partners.

**Identify relevant material topics:** During our comprehensive materiality assessment we engaged with our key stakeholders, and conducted an industry benchmarking exercise consisting of a peer review along with a review of material topics from industry specific and international standards to pinpoint the sustainability issues most pertinent to our operations.

Based on the insights gathered from our stakeholders and our analysis of industry trends, we prioritize ESG issues that are most material to our operations. These include, but are not limited to:



- **Climate Change and Environmental Impact:** Addressing the risks and opportunities associated with climate change, promoting energy efficiency, and supporting green finance initiatives.
- **Social Equity and Inclusion:** Ensuring equitable access to financial resources, promoting diversity and inclusion, and supporting community development.
- **Governance and Ethical Practices:** Enhancing transparency, accountability, and ethical leadership within our operations and among listed companies.

This comprehensive identification process not only ensures transparency but also lays the foundation for a focused and impactful sustainability strategy, driving both risk mitigation and long-term value creation.

**Data collection and analysis:** Following the identification of key sustainability matters, we transitioned to a rigorous data collection and analysis phase to underpin our reporting process. In this step, we systematically gathered both quantitative and qualitative data from a variety of sources, including internal performance metrics, operational reports,

stakeholder surveys, and third-party audits to capture a comprehensive view of our Environmental, Social, and Governance (ESG) impacts. identify trends and assess our progress against specific sustainability targets, such as reducing greenhouse gas emissions and optimizing water usage.

This information can then be used to develop strategies and goals for addressing material issues. This meticulous approach ensures that our sustainability reporting is not only transparent and accountable but also informs strategic decision-making and continuous improvement in our overall sustainability performance.

**Reporting:** This final step in our sustainability reporting process entails consolidating the results of data collection and the analysis to various stakeholders, and present them in a clear, structured sustainability report, by transparently communicating our performance and the strategic initiatives driving our progress, we not only enhance stakeholder trust but also demonstrate our ongoing commitment to accountability and continuous improvement in our sustainability journey while displaying great sustainability performance can provide a competitive edge in the marketplace.



# Our material topics

DSE remains committed to monitoring, managing, and reporting on our material sustainability issues. As part of this commitment to openness and transparency, we regularly conduct a formal, independent materiality assessment to ensure we are addressing those topics of greatest relevance, for our key stakeholders, society, and the environment.

We interact with a range of stakeholders to ensure that their perspectives are considered in the development of our corporate strategy and sustainability plans and objectives.

Our vision is to lead by example in how we manage our own sustainability strategy by embedding

sustainability into our overall business strategy and operations, and by considering a wider and more complex set of ESG topics.

## Reporting and Transparency

Transparency is a cornerstone of our ESG materiality assessment. We are committed to providing clear and comprehensive disclosures on our sustainability performance. Our reporting frameworks align with the Global Reporting Initiative (GRI) and the UN Sustainable Stock Exchanges (UN-SSE) Initiative. By adhering to these standards, we ensure that our stakeholders have access to reliable and comparable information on our ESG practices.



### Environmental

- Managing our environmental impact
- Investing in clean technologies
- Sustainable financing (renewable energy financing)
- Positive environmental impact through community initiatives
- Waste and water management
- Energy efficiency and energy management



### Social

- Financial Inclusion
- Training and education
- Gender diversity and inclusion
- Employee wellbeing (Health and safety)
- Talent management and succession planning
- Privacy & data security
- Employee engagement
- Occupational Health and Safety



### Governance

- Our efforts towards better disclosure in the market
- Developing our people
- Gender equality
- Reinforcing our ethics
- Business Ethics and managing conflict of interest
- Board composition and diversity
- Board succession planning
- Board remuneration
- Anti bribery
- Risk management, transparency and accounting

#### Material topics

In preparation for this materiality reassessment, we have reviewed our material topics to understand potential gaps and emerging sustainability issues.

Based on our engagement with internal and external stakeholders, we will continuously update our list of material topics in line with the requirements of relevant sustainability reporting standards and applicable regulations.

#### Continuous Improvement.

The ESG landscape is constantly evolving, and we are dedicated to continuous improvement in our materiality assessment process. We regularly review and update our methodologies to reflect emerging trends and stakeholder expectations. This commitment to innovation ensures that we remain responsive to the dynamic sustainability challenges and opportunities facing our industry.

## Linkage to SDGs

At the Dar es Salaam Stock Exchange (DSE), our commitment to sustainability is deeply intertwined with the United Nations Sustainable Development Goals (SDGs). These goals provide a comprehensive framework for addressing the world's most pressing challenges, and we are dedicated to aligning our operations and initiatives with these objectives.

Through the various initiatives that drive our sustainability goals and ambitions, we are simultaneously contributing to several UN SDGs.

We have identified the following SDGs to which we contribute through our various policies, practices and initiatives:

Our approach to sustainability is not just about meeting regulatory requirements; it is about creating lasting value for our stakeholders and contributing to a sustainable future for Tanzania and beyond. By aligning our efforts with the SDGs, we ensure that our actions are part of a broader global movement towards a more sustainable and equitable world



### Goal 5 – Gender Equality

The DSE shall strive to ensure gender equality through ensuring a) equal representation in staffing patterns; b) career development opportunities that are afforded to both women and men. This may include such activities as formal mentoring and coaching; c) sufficient effort is made, where appropriate, so that candidates of both genders are given equal consideration for available positions; and d) Developing and/or reviewing existing policies, procedures, and systems to ensure that they support a gender-sensitive work environment.



### Goal 12 – Responsible Production and Consumption

The DSE shall ensure responsible production and consumption through: Promoting mandatory Sustainability Reporting by ensuring that DSE and its members (listed companies) adopt sustainable practices as well as integrate sustainability information into their reporting through the mandatory requirement of all listed companies to submit to the DSE Sustainability reports on an annual basis.





## SDG 9 – Supporting Industry, Innovation, and Infrastructure

We are committed to advancing sustainable industrialization and fostering innovation. Through our support for green bonds and other sustainable financial products, we channel investments into infrastructure projects that promote sustainable development and technological advancement.



## Goal 17 – Partnerships for the Goals

Collaboration is essential for achieving the SDGs. The DSE engages with a wide range of stakeholders, including regulators, investors, and issuers, to promote sustainable finance and responsible investment practices. By fostering partnerships, we amplify our impact and drive collective progress towards the SDGs

DSE shall ensure creation and enhancement of partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies, and financial resources to support the achievement of sustainable development goals at DSE.



## Goal 13 – Climate Action

Addressing climate change is a priority for the DSE. We actively promote green finance initiatives that support projects aimed at reducing carbon emissions and enhancing climate resilience. By facilitating investments in renewable energy and sustainable infrastructure, we contribute to global efforts to combat climate change.

Under this goal, the DSE shall: a) Improve awareness raising and institutional capacity on climate change mitigation, adaptation, and impact reduction through promoting the adoption of green finance standards among issuers and investors; b) Promote the incorporation of green finance issues into listing rules; and c) Ensure Companies applying for Listings on the Stock exchange have necessary measures in place to combat climate risk depending on the nature of their business/ Investments.





## UN SDG's

our material topics:	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Managing our environmental impact													✓				
Investing in clean technologies									✓		✓	✓					
Sustainable financing (renewable energy financing)												✓	✓				
Positive environmental impact through community initiatives											✓	✓	✓				
Waste and water management																	
Energy efficiency and energy management												✓	✓		✓		
Financial Inclusion	✓	✓			✓					✓							
Training and education	✓	✓		✓													
Gender diversity and inclusion	✓	✓								✓							
Employee wellbeing (Health and safety)			✓														
Talent management and succession planning																	
Privacy & data security																	

## UN SDG's

Our material topics:	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Employee engagement												✓					✓
Reduce inequality	✓	✓			✓					✓							
Occupational Health and Safety			✓					✓									
Our efforts towards better disclosure in the market													✓				✓
Developing our people				✓								✓					✓
Reinforcing our ethics																	
Business Ethics and managing conflict of interest								✓				✓					✓
Board composition and diversity					✓			✓									✓
Board succession planning																	✓
Board remuneration																	✓
Anti bribery													✓				✓
Risk management, transparency and accounting												✓					✓

Our sustainability framework sets out the areas that hold the greatest potential for our operation connecting the UN SDGs to our material sustainability issues which encapsulate the key topics our stakeholders expect us to address.

# Governance

The board is collectively responsible for the long-term sustainable success of the exchange. The Board of Directors has the ultimate responsibility for the Risk Management function in DSE including setting the tone and influence the culture of Risk Management within DSE. Other responsibilities of the Board of Directors include:

- (i) To provide overall direction for setting the DSE Risk Appetite and ensure that the Risk Management Policy and other policies are consistent with and support the achievement of DSE's Strategic Objectives.
- (ii) To determine the DSE's organizational structure; ensure an appropriate allocation of responsibilities and decision-making powers; and to see to it that internal control and risk management cover all activities of the DSE and are commensurate with the risks inherent in its different operations.
- (iii) To approve the Risk Management Policy.
- (iv) To ensure the Internal Audit function reviews and assesses the extent of management adherence to this Policy and its related Procedures.
- (v) To ensure conformity with all Statutory and Regulatory requirements; and
- (vi) To ensure that the Management possess adequate skills and competence to manage all business Inherent risks.

The Board has delegated to the management the authority to approve matters arising from the day-to-day operations of the exchange within the limits and policies approved by the Board.

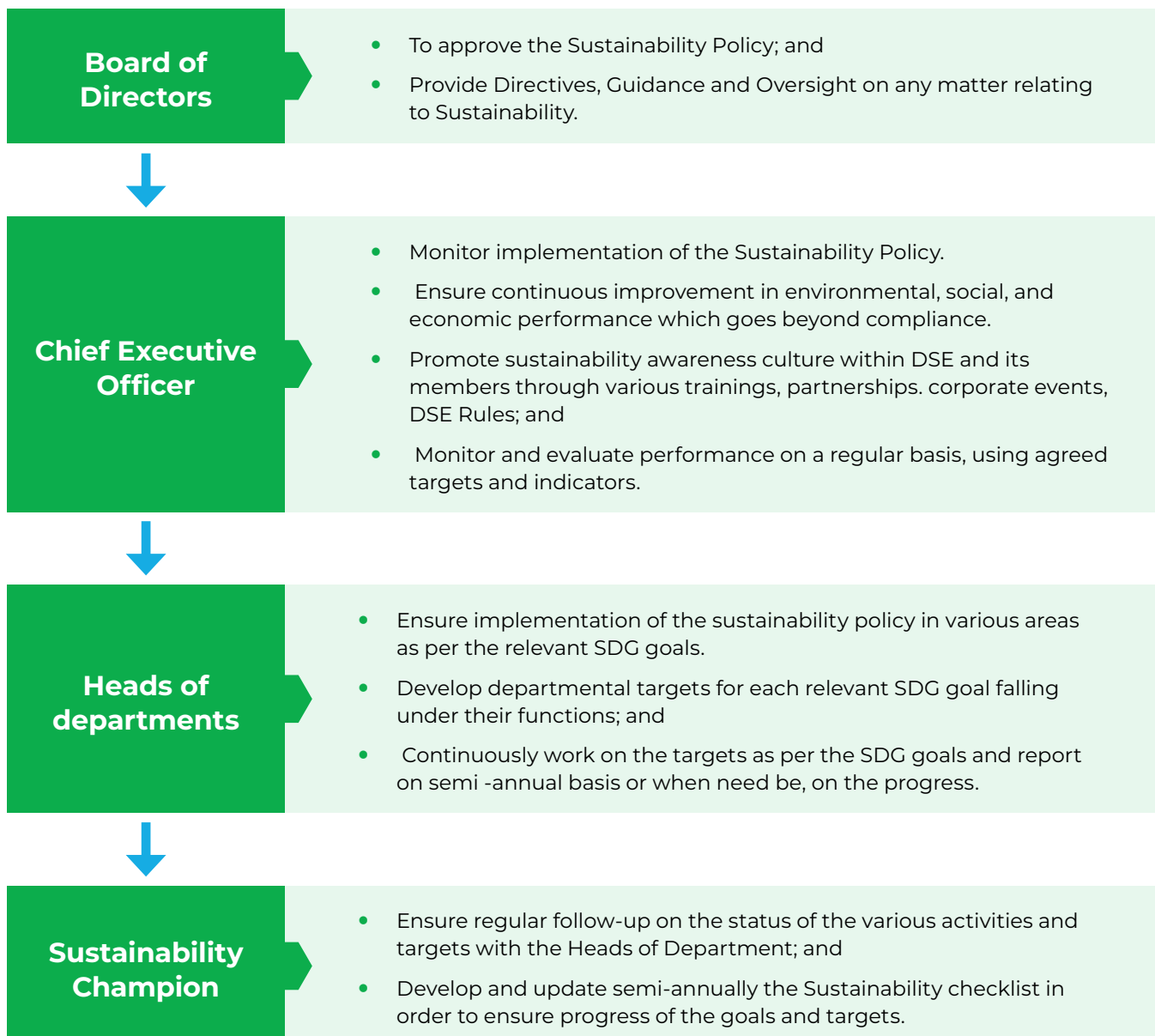


# Our sustainability governance structure

We recognise that organisations face reputation risks arising from inability to adequately address governance issues related to diversity, transparent disclosure and ethical conduct as well as compliance and alignment with standards on risk management, supply chain, human rights, data privacy and security. To address this, we continuously strengthen our governance practices through internal control systems, ensuring regulatory compliance, promoting transparency in decision-making, risk management systems and fostering a culture of ethical conduct.

We are committed to driving sustainable and inclusive practices in the market. We have embarked on a plan to embed considerations on ethics and conduct, people and culture, and environmental and social risk management into our corporate strategy and day-to-day decision-making. We consistently work to optimise the positive impact and mitigate negative impact arising from our operations and activities.

## Responsibility:





## Sound risk management and compliance

We understand that effective management of sustainability risks is a crucial driver of our sustainability initiatives and ambitions. In this regard, we have put measures and tools in place to assess and manage risks and ensuring a strong compliance culture throughout the organisation to prevent major disruptions that may harm our operation.

Sustainability matters have been integrated as part of our risk assessments framework. Regular awareness sessions are carried out for employees on various sustainability issues such as managing environmental footprints, responsible use of non-renewable resources, and waste management.

## Ethical, transparent and accountable business

We have developed a set of robust policies, procedures and controls aimed at preventing unlawful activities. We aim to carry out all our activities ethically and at the highest level of integrity.

Our ongoing commitment to transparency and financial integrity was recognized by the National Board of Accountants and Auditors in Tanzania, which awarded DSE third place for the Best Presented Financial Statement of 2023. This honour underscores our dedication to upholding the highest standards of financial reporting.

We conduct our operating whilst upholding high standards of ethics, integrity, transparency and accountability throughout our operations to maintain stakeholders' trust in the organisation (i.e.: zero tolerance for bad conduct including corruption and bribery, sound grievance mechanisms, ensuring the fair treatment of customers and clients, providing accurate and adequate information about our operation, etc.)

**During the year 2024, all our employees received training on code of conduct and anti-corruption, business continuity training and ICT security training.**

# Code of conduct

We expect our people to treat each other with dignity and respect, and have a zero-tolerance policy against bullying, harassment or any form of discrimination. Our Code of Conduct outlines the standards and behaviour expected of our employees when dealing with clients, business colleagues, shareholders, communities and each other. This, along with our framework for handling employee concerns helps us to maintain a consistently high standard of employee safety.

All DSE employees are required to fill a mandatory questionnaire on the Code of conduct each year and attest to understanding and complying with it. DSE employees are personally and collectively responsible for upholding and promoting the highest ethical and professional standards in their work. This also applies to board members when representing DSE and other stakeholders such as temporary staff consultants and volunteers during their assignment with DSE.

**0 cases**

of bullying, harassment or discrimination reported in the year.

## The DSE's Code of conduct:

The Code of Conduct outlines the key responsibilities of all Exchange employees in relation to respect for the welfare and rights of people whom they work and interact with within or outside the Exchange. It is designed to assist all staff to better understand the obligations placed upon their conduct, so as to prevent abuses such as Sexual Exploitation and Abuse (SEA), all forms of harassment, fraud and corruption, security breaches, and unethical behaviours and business practices. Therefore, all DSE employees shall at all times:

- (a) Respect and promote fundamental human rights without discrimination.
- (b) Treat all with whom we work fairly and with respect, courtesy, dignity.
- (c) Promote the implementation of the Code of Conduct by contributing towards the creation and maintenance of an environment that prevents sexual exploitation and abuse, abuse of power and corruption.
- (d) Report immediately any knowledge, concerns or substantial suspicions of breaches of the Code of Conduct to her/his line manager/ supervisor and/ or senior management team
- (e) Be aware that failure to disclose information about any reports, concerns or substantial suspicions constitutes grounds for disciplinary actions.
- (f) Feel protected by Dar Es Salaam Stock Exchange Plc's commitment to providing a safe environment without fear of reprisal or unfair treatment.
- (g) Uphold the highest standards of accountability, efficiency, competency, integrity and transparency in the execution of their job.

# Conflicts of interest

The board is committed to acting in the best interest of the exchange, in good faith and without undue personal conflicts of interest. Board members owe their fiduciary duties to the exchange and all board decisions are consistently based on ethical foundations in line with our values.

At the beginning of each board meeting, all board members are required to declare any conflicts of interest in respect of matters on the agenda. Any such conflicts are proactively managed as determined by the board and subject to legal provisions. Additionally, directors have a duty to avoid situations that could lead to conflicts of interest, such as appointment to positions.

**In 2024, there was not any incidence of conflict of interest that was reported.**

## Raising concerns

We are committed to providing an open environment where our employees, investors and other third parties feel comfortable raising concerns about adherence to our Code of Conduct, relevant laws and regulations or if they consider something unethical or potentially harmful.

Concerns can be raised through various channels including anonymous means such as suggestion box and email communications.

**As of the end of 2024, all complaints have been responded to.**

# Business continuity and recovery

We recognise that the exchange is susceptible to operational disruptions caused by internal and external threats such as fire, flood, theft, data management, power outage, disease outbreak/pandemic illness, earthquake, floods, terrorist attacks, system failures, unethical hackers etc. Such disasters may lead to severe operational disruptions and sometimes threaten the business continuity which could adversely impact the capital market space. To manage or minimizing the operational, financial, reputational, and other material consequences arising from these disruptions the DSE has developed business continuity and recovery Policy.

The policy aims to provide the information and procedures necessary to:

- Rapidly respond to a disaster or emergency situation.
- Notify necessary trained personnel.
- Rapidly recover services to members; and
- Rapidly resume normal business functions.

DSE has established a Crisis Control Team (CCT) for the purpose of managing the Business Continuity and Recovery Policy. The CCT is headed by the Risk and Compliance Officer. Major roles and responsibilities of the CCT include the following:

- a) To develop Business Continuity and Recovery process and policy

- b) To periodically conduct Business Impact Analysis (at least once a year), an institution-wide risk assessment and monitoring to identify the mission critical activities and vulnerability for major disruptions.
- c) To ensure that the BCP is updated to reflect the changes in the risk profile of the DSE.
- d) Report on the status of business continuity management to the Board on a regular basis, highlighting where gaps are identified.
- e) To facilitate testing of policy to ensure that team members are aware of their roles and responsibilities in the event of a disruption; and
- f) To ensure that DSE response to a disruption is communicated internally and externally to applicable parties.

Regular tests need to be conducted about each disaster scenario. This includes:

- (i) Testing the ability to recreate the computer centre configurations at DRS. (IT DR Test).
- (ii) Testing the ability to restore data and software from back up media.
- (iii) Testing the recovery procedures regarding the loss of a critical telecommunications link.

- (iv) Testing the ability to switch networks and telecommunications links to DRS.
- (v) Testing the recovery process related to the prolonged loss of power.
- (vi) Testing the recovery process related to the loss of the Internet, E-Mail etc.; and
- (vii) Testing the ability of the business unit to continue functionality by using concise and detailed procedural documentation.

## Data Security and Privacy

We are committed to protecting the data we hold and process, and our approach is based on having the right talent, technology, systems and controls, to help ensure appropriate management of privacy risk.

DSE collects sensitive data from employees, customers, suppliers and companies that enlist with the exchange. This information consists of records such as customers' names and contact details, company details that are necessary in performance of the Exchange obligations. We therefore take the utmost care in ensuring data is collected in the most transparent manner, and stored in a fair, ethical and lawful way as this is essential in building trust in the society, we operate in.

### Data Security and Privacy measures

Every employee is required to sign a Confidentiality Declaration undertaking to keep in strict confidence, any information regarding any client, listed securities, employee or business of the DSE or any other organization that comes to his attention while at the DSE. We also conduct regular employee training and awareness sessions on data privacy and security issues to ensure that our people are up to date with the evolving threats around data security.

Our privacy team conduct regular privacy risk assessments and continue to develop solutions to strengthen our data privacy controls. They report to the highest level of management on data privacy risks and data security issues.

The DSE has a robust data protection policy that ensures that data is:

- Communicated/transferred using the appropriate channels.
- Not stored for more than the required period of time.
- Only transferred to companies or countries that meet the data protection requirements of the DSE.

- Not distributed to any party other than to those agreed upon by the data's owner (save for legitimate requests from law enforcement authorities)
- Protected adequately in cases of lost, corrupted or compromised data.
- Available to authorised personnel only, with their rights to modify, erase, reduce or correct data managed closely.

### Cyber security

As part of its digital transformation, DSE is implementing robust cybersecurity measures to protect sensitive data and ensure the integrity of its trading systems. This includes adopting best practices in data encryption, access control, and threat detection.

In today's digital environment, it is critical to safeguard sensitive data by managing risks relating to cyber security. Safeguarding data and ensuring information security helps to protect them against the risk of financial crime, bribery and corruption and reputational risk. We place significant emphasis on cyber security, through communications to employees to raise awareness around cyber threats and emerging hacking techniques such as email phishing and encourage employees to actively report any potential incidents or suspicious messages.

DSE has implemented various digital tools to enhance cyber security. These include Sophos XG 2100 (used for cybersecurity)

Furthermore, DSE is in the process of changing most of the systems to cloud based platforms. This will help to enhance security and reduce maintenance costs.

#### 0 cases

Of data breach/loss/leaks and cyber security threats reported in the year.



# Promoting sustainable practices in the market

In the recent years, we have seen a growing demand in the need for high quality sustainability disclosures from investors and issuers. Investors want to understand how issuers address the most pressing issues facing the world today including issues such as: climate, demographic, social and technological change as well as political developments.

As a channel between companies and investors, we distinctively positioned to promote more transparent and efficient capital markets that generate long-term value.

DSE plays an active role in promoting sustainable practices in Tanzania. A particular area of focus for us is around sustainability disclosure. In line with our goal of promoting sustainable finance in the country, the DSE has issued a set of comprehensive guidelines requiring listed companies to provide sustainability disclosures. Effective from 2022, all listed companies were required to provide high quality sustainability disclosures as part of their corporate reporting obligation. The sustainability reporting guidelines is based on Global Reporting Initiative (GRI) which is one of the prominent sustainability reporting frameworks globally and IFRS S1 and IFRS S2,

performance DSE has incorporated sustainability reporting guidelines into the DSE rules. Despite these regulatory advancements, adoption has been gradual. For the financial year ending December 2022, only 53% of listed companies included a sustainability report in their annual disclosures. By the year ending 2023, this figure increased to 60.7%, indicating progress but highlighting the need for further adoption across the market. By requiring robust and transparent disclosures, DSE not only enhances market integrity but also equips investors with critical insights that support responsible decision-making and promote a sustainable investment landscape throughout Tanzania.

The DSE's sustainability reporting guidelines constitutes a comprehensive roadmap for companies, investors and other stakeholders to integrate ESG considerations into their business-decisions, strategies and operations. Throughout 2023-2024, the Exchange has carried out various stakeholders' engagement with regards to capacity building on the new sustainability products and the implementation of the DSE Rules 2022.



As part of its broader efforts to promote responsible finance, DSE participated in two globally recognized “Ring the Bell” campaigns in 2024, further cementing its leadership in market-driven sustainability.

- **Ring the Bell for Gender Equality** (8<sup>th</sup> March 2024): Hosted at the Hyatt Regency, The Kilimanjaro, this event carried the global theme **“Invest in Women: Accelerate Progress”**. It was officiated by **Mr. Aristides Mbwasi**, representing **Hon. Prof. Kitila Mkumbo**, Minister – President’s Office, Planning, and Investment. The event highlighted the vital role of women in fostering inclusive economic growth and underscored the importance of empowering women economically.
- **Ring the Bell for Financial Literacy (11<sup>th</sup> October 2024)**: This initiative emphasized the significance of financial education in enabling informed investment decisions and driving long-term economic empowerment. With a focus on **youth and underserved communities**, the event reinforced DSE’s mission to build a more inclusive and financially literate society.
- These events reflect DSE’s strong alignment with the **United Nations Sustainable Stock Exchanges (UN SSE) Initiative** and its dedication to embedding sustainability into core market activities.

## Digital Transformation for Sustainability

In 2024, we have significantly expanded our sustainability initiatives through automation and digitization that has increased operational efficiency while reducing paper consumption:

1. **Electronic Results Submission**: Members now submit their results electronically through the DSE Website, eliminating paper-based reporting and streamlining data processing.
2. **Mobile Trading Platform**: Our mobile platform enables investors to open accounts and execute trades directly through their phones without visiting brokers or completing physical paperwork. This innovation both reduces resource consumption and facilitates broader financial inclusion by removing geographical barriers to market participation.
3. **E-Data Management System**: We are implementing a comprehensive e-data management system to enhance efficiency and accelerate our transition toward a paperless

operational environment. This significant initiative is scheduled to go live on 10<sup>th</sup> February 2025.

## Additional Sustainability Initiatives

DSE continues to foster sustainability through multiple complementary approaches:

### Sustainable Financial Products.

The DSE supports the issuance of green bonds and other sustainable financial products. These instruments channel investments into projects that address environmental challenges, such as renewable energy, energy efficiency, and sustainable infrastructure

### Comprehensive ESG Reporting.

DSE mandates rigorous environmental, social, and governance (ESG) reporting standards for listed companies. By aligning with global frameworks like the Global Reporting Initiative (GRI) and the UN Sustainable Stock Exchanges (UN-SSE) Initiative, DSE ensures transparency and accountability in sustainability disclosures.

At the Dar es Salaam Stock Exchange, robust sustainability practices extend to all market participants, including brokers. DSE enforces a comprehensive regulatory framework that requires brokers to integrate environmental, social, and governance (ESG) considerations into their operations and reporting. This mandate ensures that brokers not only report on their own sustainability performance but also support and verify the quality of ESG disclosures provided by issuers. Through routine compliance reviews, and capacity-building initiatives, DSE ensures that brokers adhere to globally recognized reporting standards, such as those outlined by the Global Reporting Initiative (GRI) and the International Sustainability Standards Board (ISSB). Furthermore, brokers are expected to incorporate sustainability metrics into their advisory services, thereby equipping investors with transparent and reliable information for responsible decision-making. This integrated approach reinforces investor confidence and fosters a sustainable market environment where all actors are held to the highest standards of corporate and environmental accountability.

## Stakeholder Engagement.

The DSE engages with a wide range of stakeholders, including investors, issuers, regulators, and community representatives, to promote sustainable finance and responsible investment practices. This collaborative approach helps to amplify the impact of sustainability initiatives.

## Capacity Building and Education.

SE invests in training and development programs to enhance the sustainability knowledge and skills of its stakeholders. Workshops, seminars, and educational resources are provided to ensure that all market participants are well-equipped to navigate the evolving sustainability landscape.

## Supporting Government Initiatives.

DSE actively supports the Tanzanian government's efforts to strengthen State-Owned Enterprises (SOEs) and promote sustainable development. By facilitating access to capital and promoting good governance, DSE helps build resilient and efficient SOEs that contribute to the nation's sustainability goals.

## Innovation and Continuous Improvement.

DSE is committed to continuous improvement and innovation in its sustainability practices. Regular reviews and updates to policies ensure that DSE remains responsive to emerging trends and stakeholder expectations.

## Investing in our communities

We recognise the importance of focusing on community engagement and investments that enhance financial literacy and understanding as well as provide access to financial services and knowledge so that no one is left behind.

We believe that in order to promoting inclusive growth and creating positive socioeconomic impacts, we need to invest in providing access to affordable products and services that meet the needs of underserved consumers including SMEs.

The Dar es Salaam Stock Exchange (DSE) invests in communities through various initiatives aimed at enhancing financial literacy, supporting local businesses, and promoting sustainable development. Here are some keyways DSE contributes to community investment:

### General Public.

On 11<sup>th</sup> October 2024, the Dar es Salaam Stock Exchange (DSE) hosted the 'Ring the Bell for Financial Literacy' event, underscoring the Exchange's ongoing commitment to promoting financial literacy as a key driver of individual empowerment and sustainable economic growth. This event highlighted the importance

of financial education and its role in fostering informed investment decisions among the public also placed a particular emphasis on youth engagement, reflecting DSE's focus on reaching future generations of investors and entrepreneurs.

In 2020, DSE enhanced its mobile trading platform, rebranding it as the DSE Mobile Trading Platform -DSE Hisa Kiganjani. This upgrade has attracted a new generation of tech-savvy investors and boosted market liquidity. DSE Hisa Kiganjani represents a significant step forward in sustainable investing on the Dar es Salaam Stock Exchange, seamlessly connecting green finance with the public. Through this initiative, everyday investors can both contribute to and benefit from environmentally responsible projects, ensuring that capital flows toward efforts that reduce carbon footprints, support eco-friendly business practices, and promote community resilience. By integrating robust Environmental, Social, and Governance (ESG) criteria into its operating framework, DSE Hisa Kiganjani reinforces transparency and accountability in sustainability reporting while empowering citizens to help shape a greener, more inclusive future. In doing so, DSE reaffirms its commitment to aligning sustainable development with financial growth and democratizing access to responsible investment opportunities throughout Tanzania.

## Enhancing Investment Literacy.

In 2024, the DSE significantly expanded its investment literacy initiatives to reach a wider and more diverse audience. The DSE Scholar Investment Challenge attracted 816 students from the University of Dar es Salaam (UDSM), the Institute of Finance Management (IFM), and the College of Business Education (CBE). This hands-on program offered participants a simulated trading experience, equipping them with the practical skills and foundational knowledge necessary to navigate the capital market effectively.

Additionally, DSE organized various investment literacy Bootcamps, workshops, webinars, and awareness events, including the Women's Investment Bootcamp, which focused on educating women about available investment opportunities, personal finance, estate planning, and long-term wealth-building strategies. These initiatives were designed to foster a culture of informed investing and financial empowerment across different societal segments, supporting DSE's mission to build a more inclusive and financially literate market.

## Supporting Small and Medium-Sized Enterprises (SMEs).

DSE actively supports SMEs by facilitating access to capital through its market platforms. By providing these businesses with the necessary financial resources, DSE helps them grow and contribute to local economic development.

Recognizing that many SMEs face challenges in accessing finance, DSE has implemented targeted initiatives to build their capacity and improve market access. DSE Enterprise Acceleration Program (DEAP) Launched in 2019, the DSE Enterprise Acceleration Program (DEAP) is a bespoke training initiative designed to equip SME owners and management teams with essential skills and strategic insights. DEAP enhances the ability of these enterprises to operate sustainably and increases their

attractiveness to a wide range of capital sources. Market Segments Supporting SME Growth Under the equity market, DSE has created the EGMs segment, which caters specifically to SMEs seeking to raise capital and expand their operations. Currently, six companies are listed under this segment. In the debt market, DSE has established the non-trading SMEs Acceleration Segment, known as "ENDELEZA." This pre-IPO segment aims to enhance the visibility and profile of participating SMEs while providing specialized capital-raising advisory services to further support their sustainable growth. Sixteen companies are presently listed in this segment. Together, these initiatives enable SMEs not only to overcome financial challenges but also to thrive in a competitive, sustainability-focused market environment.

## Community Development Projects.

DSE invests in community development projects that enhance the quality of life for local residents. This includes initiatives that improve infrastructure, education, and healthcare services, fostering a more resilient and prosperous community.

## Promoting Financial Inclusion.

DSE is committed to promoting financial inclusion by ensuring that a broader segment of the population has access to financial markets. This involves outreach programs and partnerships aimed at educating and empowering underrepresented groups to participate in the financial ecosystem.

## Collaboration with Government and NGOs.

DSE collaborates with government agencies and non-governmental organizations (NGOs) to support sustainable development initiatives. These partnerships help to amplify the impact of community investment efforts and ensure that resources are directed towards projects that have the greatest benefit for local communities.



**We have set ourselves a target of ensuring that all listed companies publish their sustainability report as per the requirement of the DSE rules.**

**We have put in place monitoring mechanisms to ensure compliance with this regulation. This includes quarterly periodic reviews for listed companies.**

## DSE Members awards

In building awareness and ensuring the implementation of the SDGs by all DSE members, the Dar es Salaam Stock Exchange (DSE) conducts the DSE Members Awards every two years. This event aims to award the best companies implementing sustainable business practices.

The DSE Members Awards is an annual program introduced by DSE in 2016 with the main objective of fostering good practices in the Tanzanian capital markets. The program aims to recognize all market participants in their respective roles for excelling in areas such as Environment, Social Responsibility, Investors' Protection, Sustainable Growth of their Business, Good Corporate Governance, and Transparency, including engagements with investors, media, and the public at large.

The 2024 event was held on November 8<sup>th</sup> at the JNICC - Kilimanjaro Hall, embracing the theme "Embracing Environmental, Social, and Governance (ESG) Principles for Sustainable Capital Markets.". In partnership with IFC Africa, FSD Tanzania, Mwanga Hakika Bank, and Azam Media the event recognized leaders committed to a responsible and resilient future in Tanzania's capital market.

The areas of focus for the event included:

1. ESG and Sustainability Reporting
2. Environmental Protection, Social Investment, and Good Corporate Governance
3. Compliance
4. Initiatives Taken to Support Growth of Capital Markets

Around 150 participants attended the event, including representatives from listed companies on both the MIMs and EGMs segments, licensed dealing members, brokers, custodian banks, and nominated advisors illustrating broad engagement across the financial sector.

The awards categories for 2024 included:

1. Three Best Listed Companies of the Year in the Main Investment Market (MIM) Segment:
  - The Best Listed Company of the Year Under the Main Investment Market Segment (MIMs) - Industrial & Allied Category
  - The Best Listed Company of the Year Under Main Investment Market Segment (MIMs) – Banking and Investment Category
  - Best Listed Company of the Year Under the Main Investment Market Segment (MIMs) – Commercial Services Category
2. Best Listed Company of the Year under Enterprise Growth Market Segment (EGM)
3. Best Stockbroker of the Year
4. One Best Upcoming Stockbroker
5. The Best Nominated Advisor of the Year
6. The Best Custodian Bank of the Year
7. The Best Bond Dealer of the Year
8. The Best Bond Issuer of the Year

The event highlighted the increased adoption of thematic financial instruments like Sukuk, Social Bonds, and Green Bonds, as well as Tanzania's pioneering Tanga Uwasa green revenue bond—the first by a public institution in East Africa.

The event was further supported by the DSE Sustainability Committee, members include Ms. Aisha D.K. Sykes- (chairman), Mr. Ludovick Utouh, Andulile Jackson Mwakalyelye, Dr. Naike Moshi, and CPA. Emilian Busara. These dedicated professionals continue to drive DSE's commitment to sustainability and best practices within the capital markets

The DSE Members Awards continue to inspire positive change and resilience in the Tanzanian capital markets, encouraging all members to strengthen their commitments to ESG principles and sustainable business practices.



## Active use of social media

We actively use various social media platforms to communicate on green finance and sustainable development actions. In 2024, we saw significant growth in our social media presence. Our Instagram followers increased by 52%, reaching 30.8 thousand by the end of 2024, up from 20.3 thousand at the end of 2023. On Twitter, we established our

presence in March 2024 and grew our followers to 13 thousand by the end of 2024. This expansion has enhanced our engagement with a broader audience, raised awareness about our sustainable finance initiatives, and fostered a stronger community connection among investors, companies, and stakeholders.

# Fostering the issuance of sustainable bonds

## Nurturing Sustainable Practices for Tomorrow

The Dar es Salaam Stock Exchange (DSE) fosters the issuance of sustainable bonds through several key initiatives and strategies:

### Regulatory Support and Guidelines.

The DSE has revised its rules to allow for the issuance of sustainability-linked capital market instruments. This includes developing listing guidelines and regulations specifically for green bonds and other sustainable financial products

These guidelines ensure that issuers meet the necessary criteria for sustainability and transparency.

### Capacity Building and Training.

DSE conducts training and capacity-building programs for various stakeholders, including issuers, investors, and regulators. These programs aim to enhance understanding of climate finance and the benefits of sustainable bonds. By educating market participants, DSE helps create a supportive environment for the issuance of sustainable bonds.

### Promoting Green Finance Initiatives.

DSE actively promotes green finance initiatives by supporting the issuance of green bonds. For example, the Tanga Urban Water Supply and Sanitation Authority's Water Infrastructure Green Bond, which was oversubscribed and successfully listed on the DSE, demonstrates the exchange's commitment to facilitating investments in environmentally beneficial projects

As a market infrastructure provider, we build a bridge between investors and the market. We have a strong focus on sustainable finance, and we strongly believe

it is important for us to contribute positively to our surroundings. On this aspect we have pioneered the issuance of various green finance instruments in our market. These include the followings:

- NMB's Jasiri Bond:**  
 In 2022, NMB Bank's Jasiri Bond, the first ever Bond targeting gender empowerment was listed at the Exchange. It was also the first social bond to be offered by an East Africa Financial Institution. The net proceeds from the Bond were used to finance micro and small medium enterprises owned or led by women and businesses whose products or services directly impact women. By 2024, the Jasiri Bond has continued to support numerous women-led enterprises, significantly contributing to gender equality and economic empowerment
- CRDB's Green bond:**  
 In 2023 CRDB issued the country's first green bond 'also known as Kijani Bond' worth \$300 million. The proceeds from the bonds were allocated on sponsoring environment-friendly projects to mitigate against climate change in sectors such as infrastructure, renewable energy, manufacturing, construction and water supply. The Bond is accessible to "even the average Tanzanian with a minimum initial investment of Tsh500,000 (\$208). The bond is equally available to both local and international investors in Tanzanian shillings or US dollars. As of 2024, the Kijani Bond has successfully funded multiple green projects, reinforcing CRDB's commitment to sustainable development
- Azania Bondi Yangu:**  
 Launched in November 2024, Azania Bank's Bondi Yangu raised TZS 63.3 billion, significantly surpassing its initial target of TZS 30 billion. This bond is part of Azania Bank's Medium-Term Note

(MTN) program and aims to finance strategic projects, including providing affordable loans to women, youth, and people with disabilities. The bond is listed on the DSE and offers a fixed interest rate of 12.5% per annum. Bondi Yangu exemplifies Azania Bank’s commitment to inclusive and sustainable finance, supporting economic growth and social development.

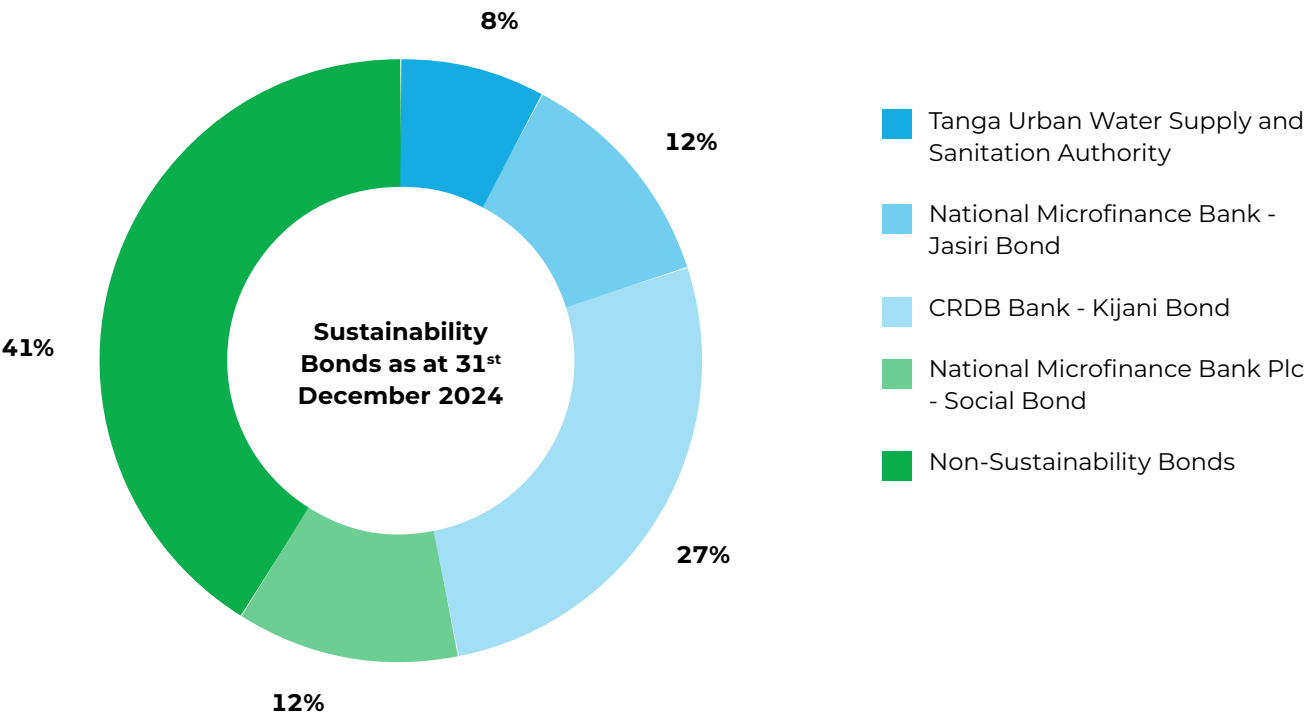
• **Tanga Uwasa:**

Tanga UWASA’s Water Infrastructure Green Bond, the first ever Sub-national bond to be issued in East Africa. bond will now be traded at the DSE, and funds raised will propel sustainable water supply infrastructure and environmental conservation efforts in Tanga. This bond has continued to play a crucial role in enhancing water infrastructure, ensuring reliable water supply, and promoting environmental sustainability in the region

In a time when climate change and sustainable development are in great demand, DSE provides an infrastructure for financial markets by supporting the development of sustainable finance. DSE continues to focus on facilitating transition to green economy through sustainable finance, green bonds, social bonds, blue bonds, and sustainability linked bonds.

**Total value of sustainability instruments (social and green bonds) issued in the market in the year 2024 = TZS 498 billion and USD 73,000.**

Make-up of the sustainability instruments as of December 2024



## Collaboration with Regional and International Bodies.

DSE collaborates with regional and international organizations to promote sustainable finance. The SADC Green Bonds Programme, for instance, aims to accelerate the adoption of green bonds in the Southern African Development Community (SADC) region. This collaboration helps DSE align with global best practices and attract international investors

## Encouraging Diverse Issuance.

DSE encourages a diverse range of issuers to participate in the sustainable bond market. This includes supporting state-owned enterprises, private companies, and sub-national entities in issuing green and sustainable bonds. By broadening the issuer base, DSE enhances the market's depth and resilience.

## Internal Capacity Building

We focus on enhancing our employee's productivity by providing training that aligns with our strategy and goals. This increases cross-functional

collaboration and fosters a continuous learning culture. All DSE employees are encouraged to access DSE Academy courses to enhance their understanding of sustainable finance, regardless of their role within the organization. Regular awareness sessions cover a range of sustainability issues, including environmental footprint management, anti-money laundering (AML), and protocols for handling Politically Exposed Persons (PEPs). In 2024, every employee received targeted training on the Code of Conduct and anti-corruption practices, as well as business continuity and ICT Security Training.

**46**

Number of new suppliers onboarded in the year.

**93.5%**

Of the new suppliers that are local suppliers.

# Promoting financial inclusion

We believe that financially literate investors are well-informed about opportunities in the capital market and are therefore in a better position to make informed investment choices. Thus, greater awareness about the capital market is required on the part of retail investors to evaluate the choices available to them. DSE has taken steps to educate investors about the financial markets, enabling them to make informed investment decisions. This has contributed to the growth of a knowledgeable investor base. We collaborate with several organizations to make training and development opportunities widely accessible both internally and externally.

In a bid to improve financial literacy and financial inclusion in the market the DSE has embarked on a comprehensive plan to promote financial literacy through various initiatives. These efforts not only address understanding the basic role of the Exchange but also provides education of the various products offered by the Exchange.

Here are some keyways DSE fosters financial inclusion:

## Accessible Investment Opportunities.

DSE offers investment opportunities with a minimum investment threshold, making it easier for individuals from diverse economic backgrounds to participate in the financial market. This approach helps to democratize access to investment and encourages broader participation.

## Financial Literacy Programs.

DSE conducts financial literacy programs to educate the public about investing and financial management. These programs are designed to empower individuals with the knowledge and skills needed to make informed investment decisions. By enhancing financial literacy, DSE helps to bridge the gap between potential investors and the financial market.

In 2024, this commitment was amplified through the hosting of the "Ring the Bell for Financial Literacy" event on 11<sup>th</sup> October 2024. This high-profile initiative highlighted the critical role financial

education plays in driving sustainable economic growth and individual empowerment. The event placed a particular emphasis on youth engagement, reflecting DSE's focus on reaching future generations of investors and entrepreneurs.

### Support for Small and Medium-Sized Enterprises (SMEs).

DSE actively supports SMEs by facilitating their access to capital through its market platforms. This support helps SMEs grow and contribute to local economic development, thereby promoting financial inclusion at the grassroots level.

### Inclusive Financial Products.

DSE promotes the development and issuance of financial products that cater to the needs of underrepresented groups. This includes gender-focused bonds and initiatives that support community development. By offering inclusive financial products, DSE ensures that a wider range of investors can benefit from the financial market.

### Collaboration with Stakeholders.

DSE collaborates with government agencies, non-governmental organizations (NGOs), and other stakeholders to promote financial inclusion. These partnerships help to amplify the impact of financial inclusion initiatives and ensure that resources are directed towards projects that benefit local communities. Through these efforts, the DSE plays a pivotal role in promoting financial inclusion and empowering individuals and businesses to participate in Tanzania's financial markets.

#### DSE PLC & THE INSTITUTE OF FINANCE MANAGEMENT (IFM)

On January 16, 2024, DSE and IFM signed a Memorandum of Understanding, effective for three years until January 15, 2027. This agreement establishes a collaborative framework for initiatives in educational programming, research and development, staff and student internships, as well as technology, data, and information sharing. Additionally, it includes the implementation of awareness and literacy programs for students and the exchange of expertise aimed at enhancing financial inclusivity and research activities for both students and staff.

#### GOPA & DSE PLC

In an agreement dated December 31, 2024, and valid until December 31, 2026, GOPA and DSE PLC have outlined their respective roles and responsibilities for implementing Gender Diversity Management (GDM)

services. This strategic initiative forms an integral part of an action plan designed to promote gender equality and sustainability within the green sector. The collaboration reflects a robust commitment to fostering an inclusive, forward-thinking environment that aligns with contemporary sustainable practices and industry standards.

#### FOUNDATION FOR CIVIL SOCIETY (FCS) & DSE PLC

In 2024, the Foundation for Civil Society (FCS) and DSE PLC formalized a strategic partnership to support a study assessing the alignment between private sector Corporate Social Responsibility (CSR) and Environmental, Social, and Governance (ESG) practices and the initiatives led by civil society organizations (CSOs). This collaboration highlights their joint commitment to advancing sustainable business practices and enhancing the impact of civil society in driving responsible corporate conduct.

#### DSE PLC & TANZANIA PRIVATE SECTOR FOUNDATION (TPSF)

Dated 2024, This initiative is dedicated to advancing sustainable private sector development by strengthening SMEs through targeted capacity-building programs and comprehensive profiling. The collaborative effort seeks to empower small and medium enterprises by enhancing their operational capabilities and fostering an environment of continuous growth and innovation.

#### DSE PLC & UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)

Dated 2024, This initiative explores a potential collaboration between DSE PLC and UNCDF to drive the development of Tanzania's capital markets. The partnership is designed to enhance financial literacy, strengthen the capacities of both SMEs and SOEs, facilitate mutual knowledge sharing. Such efforts are intended to spur sustainable economic growth by fostering a more robust, well-informed financial ecosystem in Tanzania.

#### DSE PLC & TANZANIA INSURANCE REGULATORY AUTHORITY (TIRA)

This Memorandum of Understanding, dated 2024, outlines a strategic collaboration between DSE PLC and the Tanzania Insurance Regulatory Authority (TIRA) aimed at enhancing financial literacy, encourage the growth of insurance sector through capital market, facilitating mutual knowledge sharing.

## **DSE PLC & ASSOCIATION OF TANZANIA EMPLOYERS (ATE)**

Dated August 2024, DSE and ATE will collaborate in the formation and running of Jointly Training programs in Tanzania which will provide a structured and preeminent forum for discussion of pressing relevant issues affecting financial literacy and sustainability issues through updated content, positions, tools, relevant research and best practices.

## **DSE PLC & CFA SOCIETY AFRICA**

MOU dated 4<sup>th</sup> November 2022 with Indefinite term until terminated in relation to cooperation for enhancement of investment knowledge to firm up a close collaboration on enhancing investment knowledge within the country through promotion of the CFA Qualification via public awareness campaigns, training for local market participants and stakeholders as well as mentorships

The Dar es Salaam Stock Exchange (DSE) has partnered with the CFA Society East Africa, a regional association of investment professionals, to promote financial literacy and market development in Tanzania. This collaboration involves joint training programs, research challenges, and other initiatives aimed at developing the next generation of financial experts.

## **DSE PLC & CISI**

DSE has signed MoU with the Chartered Institute of Securities and Investment (CISI) in relation to Capacity Building initiatives for Securities market intermediaries of Tanzania, dated 20<sup>th</sup> July 2022 and valid for 3 years to 19<sup>th</sup> July 2025

## **DSE PLC & INVESTMENT PROMOTIONS LTD (TANZANIA INVEST)**

The Dar es Salaam Stock Exchange (DSE) and Tanzania Invest, the leading online platform for investors interested in Tanzania, have signed a Memorandum of Understanding (MoU) dated 10<sup>th</sup> July 2024, valid for 12 months and automatically renewed until terminated, to enhance the visibility and accessibility of Tanzania's capital markets also showcasing its critical role in the country's economic landscape. This includes highlighting DSE's efforts to improve market transparency

## **DSE PLC & AIRTEL MONEY TANZANIA LIMITED**

In November 2024 DSE and Airtel Money Tanzania signed an MoU to integrate DSE Hisa Kiganjani with Airtel Money's mobile platform for enhanced accessibility to capital markets.

## **The DSE Academy**

The DSE Academy is an educational initiative by the Dar es Salaam Stock Exchange (DSE) aimed at enhancing financial literacy and building stock market awareness among individuals and businesses.

We believe that education plays an instrumental role in enabling sustainable finance to become mainstream. It is with this in mind that we launched the DSE Academy in the year 2022. The objective of the DSE Academy is to broaden the overall market understanding of the principles of sustainable finance, promote inclusive investment products and help promote sustainable practices in the market.

### **Courses offered include:**

- Listings, Trading & Investment Training
- Internal audit
- Financial Education
- Risk Management and Compliance

- Sustainability Reporting and Eco-Business Financing
- Market Data, Fintech & Regulatory Technology

The DSE Academy is designed to serve a diverse audience, including students, professionals, and businesses. By offering accessible and affordable online courses, the academy aims to unlock the potential of individuals and businesses to drive value creation and attain exceptional performance

The academy adopts a flexible learning approach, allowing participants to learn at their own pace. Courses are taught by industry experts, ensuring that learners gain practical knowledge and skills that are relevant to the current market environment. The DSE Academy also focuses on community engagement through initiatives like the DSE Scholar Investment Challenge, which provides students with practical experience in stock market trading



The academy collaborates with various stakeholders, including educational institutions, government agencies, and industry professionals, to enhance the quality and reach of its programs. Support is available for participants through various channels, ensuring a smooth and enriching learning experience.

By offering comprehensive and accessible financial education, the DSE Academy plays a crucial role in promoting financial literacy and empowering individuals and businesses

to participate effectively in Tanzania's financial markets.

All DSE employees are encouraged to access to DSE Academy courses in order to raise their awareness and upskill their knowledge on sustainable finance, regardless of their role within the organisation.

**During 2024, there were over 150 participants (130 participants in 2023).**

## Digital transformation

The Dar es Salaam Stock Exchange (DSE) is embracing digital transformation to enhance its operations, improve market efficiency, and provide better services to its stakeholders. Technology plays a critical role in the DSE mandate on increasing investor reach and promoting financial inclusion with communicating and promoting the role of the Exchange in capital market development. Furthermore, the mobile application will facilitate for the distribution of:

- Daily market data (Daily market prices movements, Disclosures, Indices, Unit Trusts)

- Regulatory disclosures
- Price movements
- Index movements and
- Listed company news and information

DSE has developed and implemented digital trading platforms that allow for seamless and efficient trading of securities. These platforms provide real-time market data, facilitate electronic transactions, and enhance the overall trading experience for investors

## Hisa Kiganjani

In 2021 DSE introduced a mobile trading platform, named DSE Mobile Trading Platform – DSE Hisa Kiganjani. This shift has also attracted a new generation of tech-savvy investors, contributing to increased liquidity in the markets.

**Around 27,200 users have registered on the DSE Hisa Kiganjani application. The volume of daily transaction through is application is around TZS 50millions.**

### Mobile Trading Platform

	2024	2023
Transaction Value in TZS	14 billion	1.98 billion
Registrations (in number of accounts)	27,210	6,624

DSE Hisa Kiganjani was developed by the DSE in collaboration with e-Government Authority (eGA), the DSE Mobile Trading Platform facilitates trading on the exchange via mobile technology. Accessible through a dedicated application, web portal, and USSD channels, the platform marketed as DSE Hisa

Kiganjani has transformed market participation by enabling investors to open accounts and execute trades instantly from their mobile devices. This innovation has not only attracted a diverse range of local and international investors, as evidenced by the significant increase in registered users

and transaction value but has also streamlined processes by reducing the reliance on physical paperwork and office visits. By enhancing market liquidity and transparency, while simultaneously lowering our carbon footprint, the digital-first approach of the platform reinforces our commitment to environmental stewardship and sustainable development.

DSE utilizes data analytics to gain insights into market trends and investor behaviour. By analysing large volumes of data, DSE can make informed decisions, predict market movements, and provide valuable information to market participants

In 2024, DSE entered into a strategic partnership to enhance the capacity of MTP, this collaboration not only extends our market reach but also supports our commitment to financial inclusion by leveraging digital technology to make investment opportunities accessible to a broader audience, thereby contributing to Tanzania's sustainable economic growth. some of those partnerships are.

#### **AIRTEL MONEY TANZANIA LIMITED & DSE PLC**

DSE entered into a strategic partnership with Airtel Money Tanzania Limited, through the innovative Hisa Kiganjani service, Airtel Money customers can now open investor accounts, trade shares, access

IPOs, and receive payments directly on their mobile devices

#### **MWANGA HAKIKA BANK LIMITED & DSE PLC**

In a further step toward digital transformation, DSE joined forces with Mwanga Hakika Bank Limited to integrate their MHB Mobile Banking App with our Hisa Kiganjani platform. This integration creates a seamless, user-friendly experience by combining essential banking and investment functionalities into one platform, ensuring secure transactions and enhanced operational efficiency. The partnership reflects our dedication to reducing barriers to capital market participation and reinforces our commitment to innovation and technological advancement, both of which are integral to our sustainability agenda.

#### **AZAMPAY TANZANIA LIMITED & DSE PLC**

DSE has established a strategic collaboration with Azam pay Tanzania Limited to enable system integration between the Azam pay app and our Hisa Kiganjani platform. This integration allows users of Azam pay to complete digital payment transactions directly within the trading interface, streamlining their access to critical investment services. By fostering a secure and efficient digital payment ecosystem, this partnership broadens our market access and further strengthens our commitment to innovative solutions that enhance stakeholder engagement and support sustainable development within Tanzania's capital markets.

## **Ring the bell for financial literacy and investor protection.**

In 2024, the Dar es Salaam Stock Exchange (DSE) continued its active engagement in global advocacy initiatives by hosting two high-impact events under the "Ring the Bell" campaign, reaffirming its commitment to sustainability, gender equity, and financial inclusion.

### **Ring the Bell for Gender Equality**

On 8<sup>th</sup> March 2024, DSE joined stock exchanges worldwide in commemorating International Women's Day by hosting the "Ring the Bell for Gender Equality" event at the Hyatt Regency, The Kilimanjaro. Themed "Invest in Women: Accelerate Progress", the event emphasized the transformative power of women's economic empowerment.

Officiated by Mr. Aristides Mbwas, Director of Private Sector Investment – President's Office, Planning, and Investment, who represented the Guest of Honor Hon. Prof. Kitila Mkumbo, the Minister for the President's Office, Planning, and Investment, the event brought together stakeholders across sectors to celebrate women's contributions and advocate for inclusive progress in the financial ecosystem.

This event underscored DSE's continued support for gender equality, not merely as a social imperative, but as a strategic priority for sustainable development and inclusive economic growth.

## Ring the Bell for Financial Literacy

On 11<sup>th</sup> October 2024, DSE hosted the “Ring the Bell for Financial Literacy” event, further reinforcing its commitment to empowering individuals through knowledge. The event spotlighted the critical role of financial education in fostering informed investment decisions, enhancing individual empowerment, and supporting long-term economic sustainability.

Recognizing the importance of reaching diverse demographics, particularly the youth, DSE continues to champion financial literacy as a catalyst for equitable participation in capital markets. Through this initiative, the Exchange aims to ensure that all individuals are equipped with the tools and resources necessary to engage confidently and responsibly in financial decision-making.

**The events were participated by around 120 people (both physically and virtually).**

## DSE Scholar Investment Challenge

In 2024, the Dar es Salaam Stock Exchange (DSE) continued its commitment to fostering financial literacy among the youth through the Scholar Investment Challenge (SIC). This initiative is designed to provide students with a practical understanding of trading and investment activities. The challenge offers a simulated trading platform where students can engage in real-time trading scenarios, helping them gain invaluable hands-on experience in financial markets.

This year, 816 students from the University of Dar es Salaam, the Institute of Finance Management (IFM), and the College of Business Education (CBE) participated in the challenge. The competition not only enhances their financial knowledge but also equips them with the skills necessary to make informed investment decisions in the future. The DSE Scholar Investment Challenge underscores the Exchange’s dedication to empowering the next generation of investors and promoting sustainable economic growth through education.

# Product diversity

As part of promoting financial inclusion, we have taken various initiatives to encourage participation by all sectors. This includes offering products and services that serve a broad range of investors, such as small and medium enterprise (SME).

DSE continues to focus on enhancing the capacity of SMEs to ensure their growth and sustainable development. In understanding the challenges SMEs face in accessing finance in understanding this, the DSE developed various initiatives such as DSE Enterprise Acceleration Program “DEAP”, a tailor-made training program aimed at building capacity to owners and management on how to manage and run their business sustainably to attract various forms of capital finance.

Products like the CRDB’s Green Bond, also known as the Kijani Bond, were issued in 2023. The proceeds

from these bonds were channeled towards funding environment-friendly projects aimed at mitigating climate change in sectors such as infrastructure, renewable energy, manufacturing, construction, and water supply. Building on this momentum NMB Jamii Bond issued in 2023 and raised TZS 212.9 billion and USD 73 million, was the largest sustainability bond ever issued in the East African region, a pioneering financial instrument designed to catalyst investment in projects that deliver tangible social and environmental benefits and it is aligned with global efforts to address pressing sustainability challenges and build a more resilient and inclusive society, empowering investors with the opportunity to generate financial returns while making a meaningful impact. The Tanga UWASA Bond, the first sub-national green bond in East Africa, is designed to finance sustainable water infrastructure projects within Tanga City and its surrounding areas.

## DSE Enterprise Acceleration Program (DEAP)

This is an initiative designed to provide a platform for owners/managers of Small and Medium Size Enterprises (SMEs) with growth potentials to learn and implement the right structure, management systems and processes that will support their businesses to operate sustainably, hence attract different types of investors and financiers such as Commercial & Development Banks, Private Equity Firms, Venture Capital Funds, Crowdfunding Platforms and Public Offerings (IPOs) through a stock exchange. Broadly, the DEAP is an initiative that intends to achieve the following:

1. Inspire and influence business owners and managers across various industries to take actions on issues that help their businesses to prosper further; enhancing their profiling and visibility, adherence to principles of business sustainability as well as access to a range of financing options that will enable their growth and development, and the follow-on-benefits to the society at large.
2. Develop business leaders and their businesses by building a strong community of the network in the business growth ecosystem and encourage them to act.
3. A platform that provides SMEs with capacities on areas of strategic business planning, financial management and controls, corporate governance, talent management, business regulatory environment as well as sustainable business management.

4. The program involves capacity building cutting across the entire areas of business growth ecosystem, providing support to ambitious and fast-growing companies to qualified companies scale up, structure their growth path, through training, business support, mentoring networking and facilitating their access to various sustainable expertise and funding.

Since the startup of DEAP in 2020, a total of 50 SME's has been enrolled to the DEAP program, while 24 SMEs have been admitted to the ENDELEZA segment.

In 2024, DSE conducted an extensive training series from 28 August to 19 September to strengthen leadership, governance, and financial acumen among industry stakeholders. This comprehensive program was designed to equip participants with the expertise needed to navigate complex financial landscapes and promote sustainable business practices. The training covered, Leadership and Enterprise Governance Management Strategic Business Planning and Financing, Legal and Regulatory Frameworks, Tax Issues, Business Financing – Short Term and Medium-Term, Business Financing- Role of Leading Transactions, Role of Sponsoring Brokers, Role of CMSA in IPO Processes, Role of DSE in Listings, Sukuk Financing and Sustainability Financing. By delivering this multifaceted training, DSE reaffirms its commitment to fostering sustainable growth, robust corporate governance, and excellence in financial management throughout the region.

### SMEs Acceleration Segment “ENDELEZA

The DSE also established the SMEs Acceleration Segment “ENDELEZA”, a pre-IPO segment designed to enhance visibility and profile of the SMEs in order access to specialized capital raising advisory services to build capacity of the SMEs, assist the SMEs in obtaining capital and further encourage their sustainable growth.

Other programs conducted by the DSE includes the Scholar Investment Challenge (for students) and Maarifa Hisa Kiganjani (for the general public).

The DSE has introduced this segment in its listing platform named ENDELEZA to complement the other two existing segments, i.e. the Enterprise Growth Market (EGM) and main Investment Market (MIM).

In its link to the DEAP project, ENDELEZA platform will be used as a mentorship and coaching as well as networking sessions to the DEAP participants. The Panels will be led by different experts on financial markets ecosystems and other specialist in specific areas of business operations. These will include but

not limited- to: Transaction Advisors, Development banks, Venture Capital & Private Equity funds, Crowd Funding experts, Licensed Investment Advisors, Lawyers, HR experts etc. Where in this process executives from the ENDELEZA listed companies will have an opportunity to access knowledge and skills on running their enterprises sustainably, in terms of business financing needs

Again, on the ENDELEZA linkage with DEAP, the ENDELEZA platform will place special focus on supporting business growth through a well-

structured program aimed at preparing companies to list or access other capital options offered by the market in line with their strategic goals and priorities. Through ENDELEZA, companies will undergo certain experiences that will result into, among others enhanced corporate governance practices, good capital financing strategies that will result into SMEs being able to attract capital financing from wider sources of traditional and non-traditional like Crowd Funding, Mergers and Acquisition, Private Placement Public Floatation and eventually list into the DSE at appropriate time.

## Strategic partnerships

DSE also leverages on partnerships as key in achieving the SDGs. The DSE is a full Member to the World Federation of Exchanges (WFE), a Partner Exchange in the UN-Sustainable Stock Exchanges Initiative, and a member of regional bodies which include African Securities Exchanges Association (ASEA), Committee of SADC Stock Exchanges (COSSE), and the East Africa Stock Exchanges Association (EASEA). In 2024, we strategically partnered with key organizations, including United Nations Global Impact, UN Women, the Sustainable Stock Exchanges Initiative, the International Finance Corporation, CNBC, Tanzania Invest, and the World Federation of Exchanges. These collaborations spanned a broad range of sustainability-focused activities, reinforcing our commitment to driving impactful change.

Through these associations and partnerships, the DSE learns, share experience and engages peer

exchanges in promoting sustainability finance practices. We are committed to work with our partners and other external stakeholders and act accordingly in partnership with other organisations, at local and international levels. Furthermore, in 2022 the DSE joined the United Nations (UN) Sustainable Stock Exchanges (SSE) initiative for sustainability and transparency. The DSE signed a voluntary commitment to promote long-term sustainable investment, and to improve environmental, social and corporate governance (ESG) disclosure and performance of listed companies. This move signifies a keen intent by the DSE to encourage and motivate members and other stakeholders to ensure businesses and investments activities are conducted in a manner that embraces transparency, environmental protection, social and corporate governance as well as sustainability of both current and future generations.

## Participation in constructive discussions and exchange of ideas.

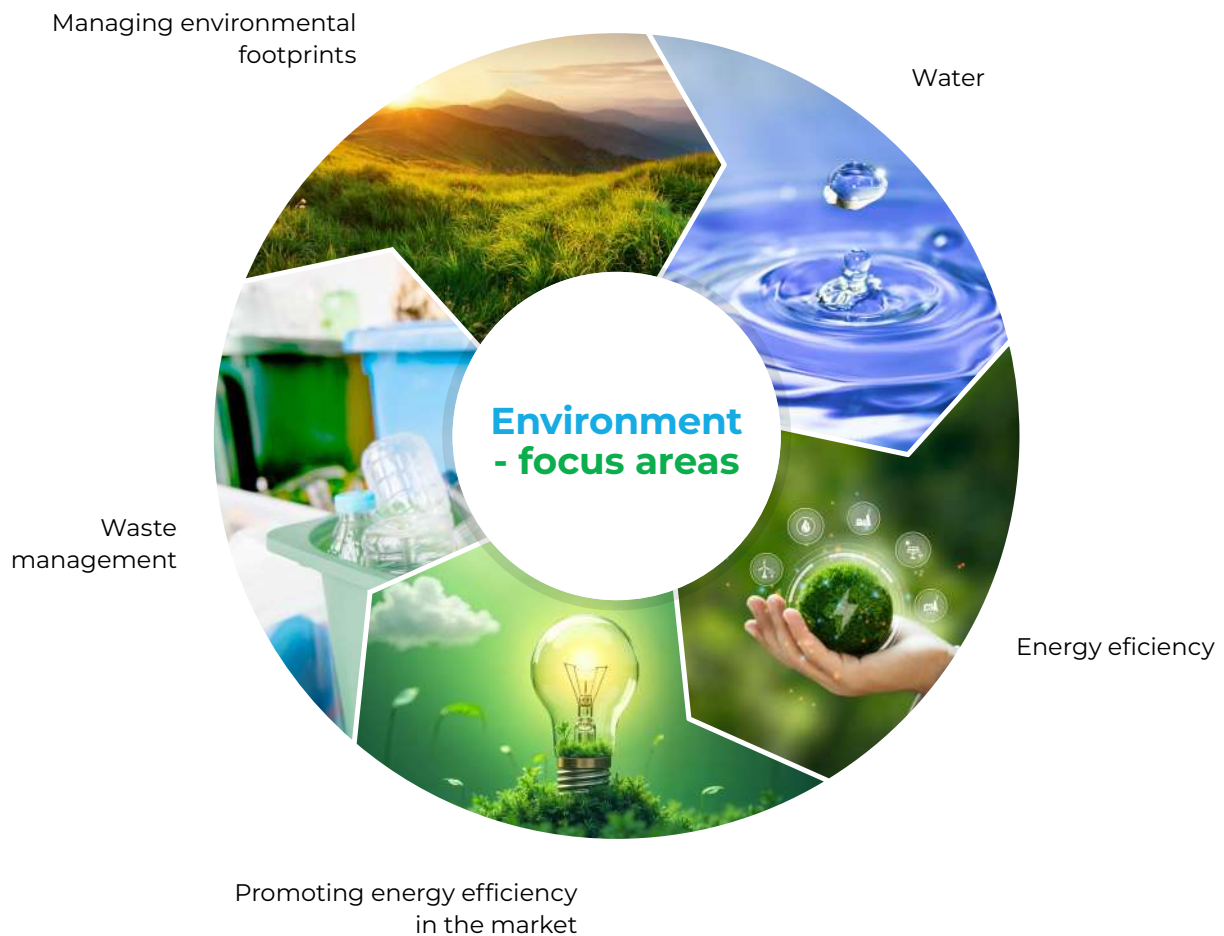
DSE plays an important role on a national and international level, taking part in conferences, working groups and discussions. These forums ultimately result in best practices, industry standards and new policies regulations aiming to bring

transparency, integrity and promote sustainability practices in our market. We also encourage the exchange of knowledge with the market. Learning from each other to allows the establishment of best practices sustainability culture in our environment.

**We have set ourselves a target of ensuring that we attend or organize at least four (4) ESG forums per annum and propose value addition to DSE. During the year 2024, we had organised and attended a number of sustainability events and forums including the 'Ring the Bell for gender equality'.**



# Environmental Stewardship



At the Dar es Salaam Stock Exchange (DSE) in Tanzania, we are deeply committed to advancing environmental stewardship as a core component of our organizational ethos. Recognizing the crucial role we play in promoting sustainable growth, we are dedicated to addressing environmental challenges across various focus areas. These include safeguarding water resources, enhancing energy efficiency, promoting energy efficiency in

the market, managing environmental footprints, and implementing effective waste management strategies. Through these concerted efforts, we aim to reduce our impact on the environment while setting a benchmark for ecological responsibility within the financial sector. By prioritizing these focus areas, we strive to build a resilient and sustainable future that benefits both our organization and the broader community.

# Climate risks

Climate change is one of today's greatest challenges and addressing it is essential to promote sustainable economic growth. As part of our sustainability practices, we recognize our responsibility to help protect the planet and minimize environmental impact.

We commit to addressing climate change and recognise the importance of setting ambitious targets for transparent and meaningful climate actions, that are aligned with best practices. A critical part of our climate strategy is to work together with our strategic partners and broad stakeholders to reduce the impact of climate risks.

- **Transition risks** may arise from policy, legal, technology and market changes to address climate mitigation and adaptation. With the increased global focus on integrating climate risks and opportunities into investment decision making, DSE recognises the need to monitor and manage our business and support our stakeholders in the transition to a low-carbon economy.
- **Physical risks** resulting from climate change may arise from extreme weather events or longer-term shifts in weather patterns, resulting in operational disruptions, physical damage to assets etc.

## Response to climate risks

We believe that the business community must work together to address the challenge of climate risk. We are prepared to do our part and closely work with our partners, investors and other stakeholders to drive positive change in the market. Some of the key initiatives we are taking in this regard include:

We have developed a robust governance framework to oversee and manage sustainability, including climate-related risks and opportunities.

We have embarked on a plan to better understand our climate-related risks and opportunities in order to inform our decisions. This includes actively engage with investors, partners and other stakeholders to promote climate related actions and policies. Specifically, we respond to climate risks as follows:

- On physical risk, while DSE does not hold significant real assets within our portfolio and thus have minimal exposure to physical risks, we recognise that climate events such as floods may potentially disrupt our operations, if they worsen, and therefore we will continue to review such weather trends and research and update our assessment and response to such risks. As an example, our Disaster recovery site is located in Morogoro, and this creates a risk that we have to acknowledge.
- We will continue to work towards reducing our own carbon emissions in our operations.
- To encourage transparency and accountability in the market. In this regard, we will disclose on our data and progress on our sustainability strategy annually.
- Promote positive sustainable practices in the market through policies and regulations.
- Encourage dialogue and sharing of experiences among business about issues pertaining ESG through organising forums and workshops.
- Continue to engage with local and global policymakers, standard setters and organisations to promote climate-related actions and policies.
- Working with policymakers and stakeholders to promote a market for green and sustainability bonds and create a conducive environment for issuance of such instruments in the market.
- Provide educational materials and resources to investors and the public on topics related to ESG.
- Focus on full compliance with all relevant environmental legislation and regulations in Tanzania.

# Managing environmental footprints

**‘At DSE, we strongly believe that the commitment to the protection of our environment and the planet begins at the workplace’.**

The Dar es Salaam Stock Exchange (DSE) is committed to managing its environmental footprint through various initiatives and strategies. As a stock exchange, DSE has less direct environmental impact compared to companies in other industries. Nevertheless, we believe that we have a role to play and a responsibility to protect our environment. This is why we aim to take measures to manage our environmental footprint by adapting our everyday behaviour and adopting sustainable practices in our operation.

We recognise the importance of minimising the negative impacts of our operations and reduce our carbon footprint as well as work with investors, partners and other stakeholders to promote sustainable practices in the market with a broader goal of responsible environmental stewardship. We believe that it is our responsibility to reduce our water and paper consumption and to raise the awareness of our employees accordingly. We also expect our suppliers to share this mindset.

In this respect, we have started taking initiatives to optimise resource consumption with the aim of managing our own environmental footprint. Here are some keyways DSE addresses environmental sustainability:

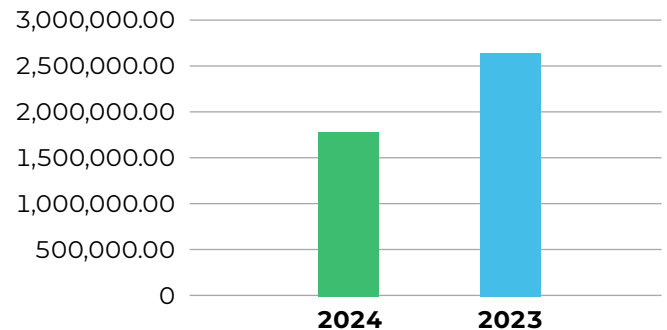
- **Energy Efficiency Programs:** DSE implements energy efficiency programs to reduce its energy consumption and minimize greenhouse gas emissions. This includes upgrading to energy-efficient lighting, optimizing HVAC systems, and promoting the use of renewable energy sources
- **Waste Management Initiatives:** DSE has established comprehensive waste management practices to reduce, reuse, and recycle waste materials. These initiatives aim to minimize the environmental impact of waste generated by DSE's operations
- **Green Finance:** DSE supports the issuance of green bonds and other sustainable financial products that fund projects aimed at environmental conservation. These financial instruments channel investments into renewable energy, sustainable infrastructure, and climate adaptation initiatives
- **ESG Reporting Standards:** DSE mandates rigorous environmental, social, and governance (ESG) reporting standards for listed companies. These standards require companies to disclose their environmental impact and sustainability measures, encouraging them to adopt practices that reduce their environmental footprint.
- **Stakeholder Engagement:** DSE actively engages with stakeholders, including investors, issuers, and regulators, to promote environmental sustainability. This collaborative approach helps to amplify the impact of environmental initiatives and ensure that resources are directed towards projects that have the greatest benefit
- **Continuous Improvement:** DSE regularly reviews and updates its environmental policies to reflect emerging trends and best practices. This commitment to continuous improvement ensures that DSE remains responsive to the dynamic sustainability challenges and opportunities facing the industry
- **Managing Carbon Footprints:** Understanding and managing our carbon footprint is a critical component of our commitment to environmental sustainability. A carbon footprint measures the total greenhouse gas emissions caused directly and indirectly by our activities. By tracking and reducing these emissions, we aim to mitigate our impact on climate change and contribute to global efforts in achieving a sustainable future. Below, we detail our approach to calculating, analysing, and reducing our carbon footprint, along with our progress and future commitments.

# Water Management

While many of our operating activities are not water-intensive, clean water has become an increasingly scarce resource. As a result, we closely monitor how water is managed within our operation. Some of the measures we are taking to protect our water resources include:

- Performing regular maintenance to minimise water leaks.
- Installation of water-efficient plumbing fixtures
- Communication to our employees on the importance of conserving water
- Continuously engage with our landlord and other stakeholders to identify best means to conserve water.
- DSE has installed water-efficient fixtures such as low-flow faucets, toilets, and urinals. These fixtures significantly reduce water usage without compromising functionality.
- DSE conducts regular monthly maintenance checks to ensure that all plumbing systems are functioning efficiently. This includes proactive leak detection and repair to prevent water wastage

**Water Usage Cost**



Furthermore, the DSE has supported the issuance of green bonds that fund water conservation projects. For example, the Tanga Urban Water Supply and Sanitation Authority issued a water infrastructure green bond, which was successfully listed on the DSE. This bond helps finance projects aimed at improving water management and infrastructure.

# Energy efficiency

We see our energy consumption as a key element. We are well aware of our consumption of electricity and reduce it to a minimum for example by managing lighting and electricity consumption in our offices.

- Engage in discussions with our suppliers, investors and other market players to identify sustainable alternatives in a bid to reduce energy usage.
- Embark on a plan to promote sustainable resource management practices in our operation.
- Identify paper intensive processes and activities within our operation and replace or complement these activities with digital solutions.
- Continuously train our employees on our sustainability policies and practices including energy efficiency and responsible resources usage.
- Embarked on a plan to upgrade our internal equipment and appliances to energy efficient equipment and appliances to reduce electricity consumption.
- We have embarked on a plan to make our premises overall resource-efficient in order to minimise the negative environmental impact. We have started to take measures to ensure that our premises are maintained and furnished responsibly using environment friendly equipment and appliances.

**Although we have put in place various internal initiatives to monitor our water and energy consumptions as highlighted above, we have an arrangement with the current landlord to pay fixed utility costs to the landlord irrespective of the utility usage. Therefore, no data on actual quantity and costs of utility consumption is currently maintained. However, as we expect to move to our new building in the coming months, we are putting in place procedures to assist in disclosing the quantity and amounts related to our utility consumptions that will be included in our future sustainability reports.**

## Promoting energy efficiency in the market:

DSE has embarked on an initiative to encourage investors, listed companies and other companies in our market to take initiatives to improve the energy efficiency of their operations. We embarked on this initiative because we believe that the benefits of greater energy efficiency not only contribute to environmental conservation and cleaner air and water but also serves as a platform for improving public health and boosting stronger economic growth and development.

DSE collaborates with government agencies, non-governmental organizations (NGOs), and industry experts to promote energy efficiency. These partnerships help to amplify the impact of energy efficiency initiatives and ensure that resources are

directed towards projects that have the greatest benefit.

DSE conducts training and capacity-building programs to educate market participants about the benefits of energy efficiency. These programs provide insights into best practices, technologies, and strategies for improving energy efficiency in business operations

DSE mandates comprehensive environmental, social, and governance (ESG) reporting standards for listed companies. These standards require companies to disclose their energy consumption and efficiency measures, encouraging them to adopt practices that reduce energy use and enhance sustainability.

## Paper usage

In line with our commitment to sustainability and transitioning to a paperless workplace, the DSE continued to implement and expand various measures to reduce paper consumption throughout 2024. We have made significant progress in our digitization journey, with several key initiatives now fully operational.

Our staff members remain dedicated to minimizing internal paper consumption by utilizing paperless communication channels such as emails, online meetings, and digital document sharing platforms. These practices have become increasingly embedded in our organizational culture, resulting in measurable reductions in paper usage.

## Digital Transformation Initiatives

In 2024, we achieved notable milestones in our digital transformation strategy that have directly contributed to reduced paper consumption:

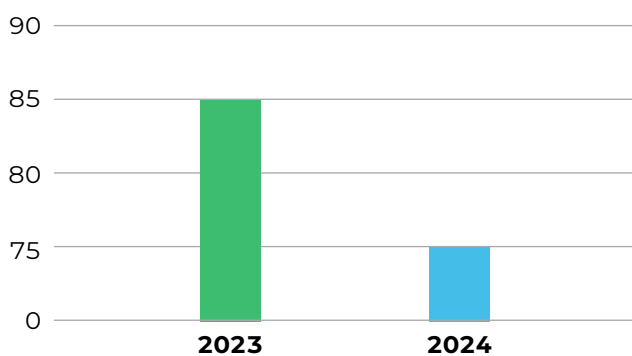
1. **Electronic Results Submission System:** Members now submit their results electronically through the DSE Website, eliminating the need for paper-based submissions and physical document handling.
2. **Mobile Trading Platform:** We've successfully implemented a comprehensive mobile trading solution that enables investors to open accounts



and execute trades through their mobile devices without visiting brokers or completing paper forms. This initiative simultaneously advances our goals for financial inclusion and environmental sustainability.

3. E-Data Management System: We are in the final stages of implementing an e-data management system designed to enhance operational efficiency and support our transition toward a completely paperless environment. This system is scheduled to go live on February 10, 2025.

**Quantity of paper used in reams**



Our internal policies and procedures on responsible resource usage have been formalized and integrated into our operational guidelines. Staff training on digital tools and paperless workflows has further supported adoption across all departments.

The positive outcomes of these initiatives are evidenced by a significant reduction in paper consumption compared to 2023, demonstrating tangible progress toward our environmental sustainability objectives.

Though these initiatives are still ongoing we have started seeing positive outcome in terms of our paper consumptions. Our paper usage for the year 2024 and 2023 is as follows:

	2024	2023
Quantity of paper used in reams	75	85
Paper used (Cost in TZS)	675,000	871,000

## Waste management

We ensure that our mechanism for disposal of waste is in alignment with our local regulations. Our waste management initiatives include:

- We are also taking measures to reduce consumption of dry waste (paper and cardboard) through digitisation.
- Work with our landlord and other relevant stakeholders to ensure that wastewater discharged in our offices are directed to respective county sewerage networks.
- Encourage our employees to reduce waste and to sort it accordingly inside our premises. We are therefore working on measures to put the right types of trash bins at their disposal.
- Encourage transparency and accountability with regards to wastes management and disposal.
- We have also managed to maintain consistency in electricity usage that was Tzs. 31,778,358 for 2023 and Tzs. 32,000,000 for 2024.



# Sustainable supply chain

A sustainable supply chain integrates environmental, social, and financial considerations into the sourcing, production, and distribution of goods and services. We recognize that a diverse supplier base is integral to our company's ability to make sustained profit. Therefore, building and maintaining a community of diverse suppliers increases our opportunity to hear new ideas, build new relationships, and gain access to additional solutions that respond to our ever-evolving needs. Our goal from the onset is to support local suppliers wherever possible.

**46**

Number of new suppliers onboarded in the year.

**93.5%**

Of the new suppliers that are local suppliers.

In a bid to promote sustainability in our supply chain, we have started taking measures to ensure sustainable practices through relevant policies and supplier engagement practices as well as efforts to diversify suppliers to include under-represented groups.

**Percentage of spending on local suppliers**

**93% (2023: 93%)**



Criteria for Vendors.

In 2024, our procurement strategy saw the addition of 46 new suppliers, with 93.5% sourced locally. This achievement reflects our commitment to fostering sustainable local value chains while enhancing our overall sustainability performance. To further embed best practices in our procurement processes, we have implemented the following initiatives:

**Supplier Partnership and Sustainability Monitoring:** We work closely with our suppliers, encouraging them to integrate robust sustainability practices into their operations. This collaboration includes regular reviews of their environmental and social performance to ensure continuous improvement.

**Integration of Environmental and Social Objectives:** Our procurement decisions now explicitly incorporate environmental and social goals. By aligning purchasing criteria with these objectives, we ensure that every procurement decision supports our broader sustainability commitments.

**Rigorous Supplier Screening and Compliance:** We have introduced a stringent supplier screening process designed to assess and monitor compliance with our high standards for environmental, social, safety, and human rights practices. This process helps secure a responsible and sustainable supply chain.

**Anti-Corruption and Enhanced Transparency:** Upholding a firm anti-corruption stance, we

promote transparency, integrity, and accountability throughout our procurement practices. This commitment not only mitigates risks but also reinforces trust with our stakeholders.

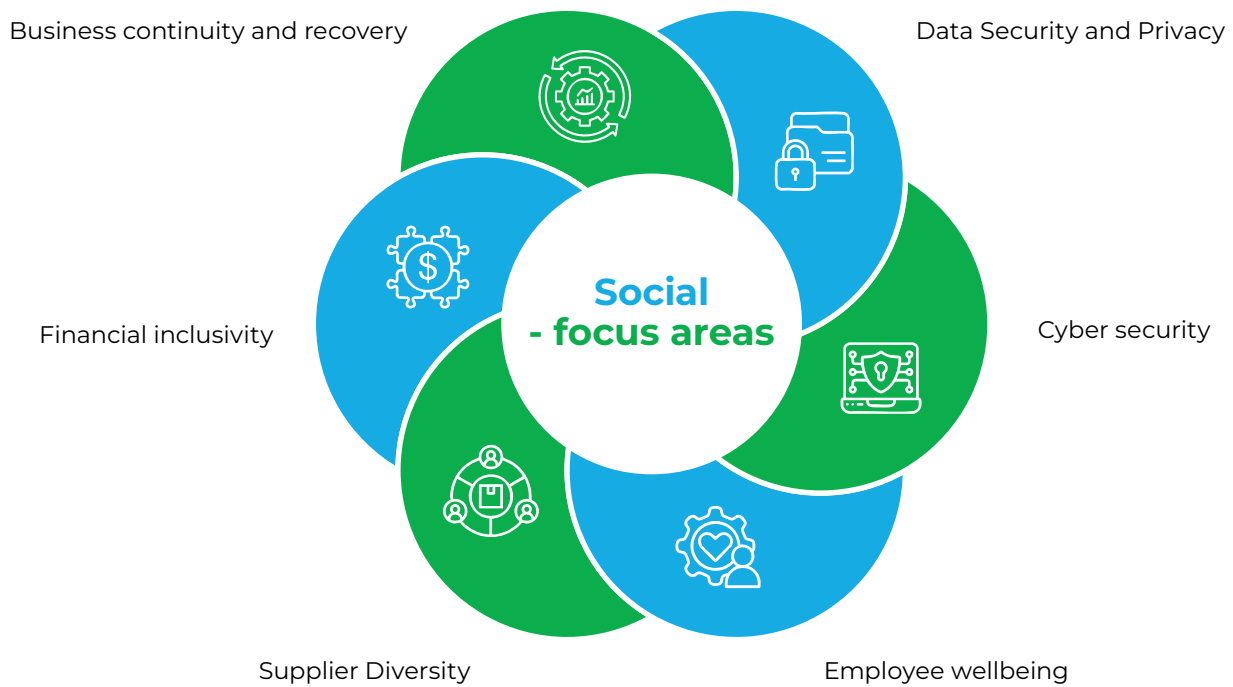
These measures, integrated across our procurement framework, underscore our dedication to building a sustainable and responsible value chain that supports long-term environmental, social, and economic growth.

Some of the measures we have started taking as part of embedding best practices sustainability practices in our procurement processes include:

- Working closely with suppliers and encourage them to embed sustainability practices in their operations. This includes reviewing their sustainability progress periodically.
- Incorporating environmental and social goals in procurement processes and decisions.
- Working to introduce rigorous supplier screening process and monitor their compliance with our environmental, social, safety, and human rights standards.
- Strong anti-corruption stance in procurement processes, as well as promoting transparency, integrity, and accountability.

Percentage of suppliers who have signed the code of contract during the years 2023 and 2024	100%
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# Building Social Partnership



As a committed advocate for fostering social partnerships at the Dar es Salaam Stock Exchange (DSE) in Tanzania, we are excited to embark on a journey that places social responsibility at the forefront of our operations. The world is witnessing a pivotal shift towards sustainable and inclusive growth, and it's imperative that we align our efforts with this global momentum. By focusing on vital areas such as data security and privacy, cybersecurity, employee wellbeing, supplier diversity, financial inclusivity, and business continuity and recovery, we are not just building resilience within our organization but also fostering meaningful connections with our community. Through these strategic focus areas, we aim to create a collaborative environment where social partnerships thrive, paving the way for a secure, inclusive, and innovative future for all stakeholders involved.

# Diversity, Equity and Inclusion

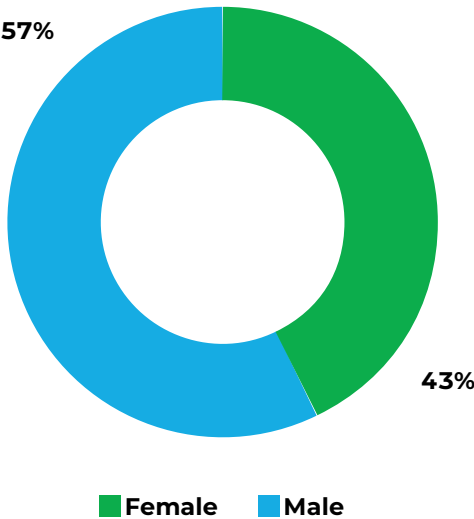
At DSE, we aim to create a culture of belonging, a workplace that is a true representation of all sections of society, that is fair and inclusive for all, and where diverse perspectives are valued throughout the organisation. The Dar es Salaam Stock Exchange (DSE) is committed to fostering a diverse and inclusive environment.

Diverse Recruitment Practices	Inclusive Workplace Culture
DSE actively seeks to recruit individuals from various backgrounds, ensuring that the workforce reflects the diversity of the community it serves. This includes implementing fair hiring practices and providing equal opportunities for all candidates.	DSE promotes an inclusive workplace culture where all employees feel valued and respected. This involves creating a supportive environment that encourages open communication, collaboration, and mutual respect among employees

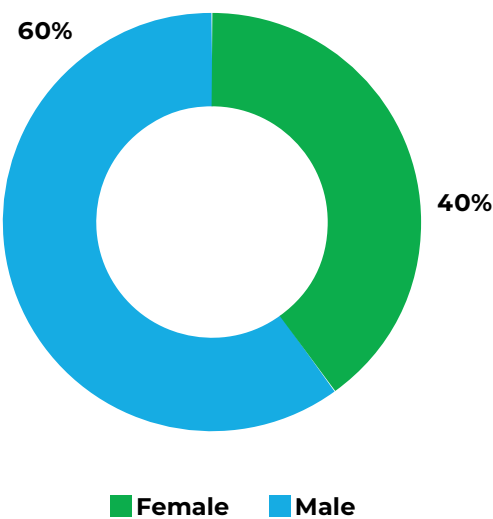
At DSE, we aim to create a culture of belonging, a workplace that is a true representation of all sections of society, that is fair and inclusive for all, and where diverse perspectives are valued throughout the organisation. By doing this, we can leverage on the unique expertise, capabilities, breadth and perspectives of our colleagues to help us achieve our mission.

- Our commitment to gender diversity is reflected at the highest levels of leadership. As of 2024, women comprise 40% of our senior management team and 43% of our Board.
- Looking ahead, we have set a clear goal of achieving 40% female representation across the entire organization by 2027—underscoring our dedication to building an inclusive and equitable workplace.

Board Composition by Gender



Senior Management Composition by Gender





One of our key goals for the upcoming year is to:

1. Develop an internal women's network that provides mentoring and growth opportunities to our female colleagues.
2. Offer training courses for women to prepare them for board and senior management roles.

Our inclusivity strategy is focused on three key priorities to help us advance the competitive strength of our workforce:

- Continuous innovation in recruiting, development, compensation, promotion and engagement of colleagues
- Actively seeking out and listening to diverse perspectives at all levels of the organization
- Optimizing transparency to promote accountability, credibility and effectiveness in achieving our goals.

**61%**

Satisfied with the fair treatment for all employees regardless of gender, age, race, religion, tribe or disability.

**68%**

Satisfied that the organisation is supportive of expression of different opinions, styles and perceptions.

Whilst majority of our people are satisfied with firms' diversity and inclusion efforts, the leadership is committed to achieving a higher satisfaction score by closely monitoring functions such as the remuneration and promotions, creating bottom-up communication opportunities through quarterly staff meetings, and recognizing and celebrating religious diversity in the workplace in order to create a culture where all colleagues feel empowered to bring their authentic selves to work.





# Gender equality

As part of our sustainability development goals, we've established the following women's inclusivity goals set to be implemented in the next financial year:

Offer training courses, including financial literacy to women entrepreneurs

Support specific listing segments and investment products that focus on providing capital to women entrepreneurs.

Publicly disclose pay parity by gender across all levels of the organization.

Support the development of women-owned small businesses.

Gender equality is a key priority for us—not just within our organization, but also across the broader community. We are committed to raising awareness and driving dialogue on diversity and inclusion through various platforms and initiatives. One such flagship initiative is the annual Ring the Bell for Gender Equality, which we have proudly hosted for the past six years in collaboration with UN Women, the UN Sustainable Stock Exchanges (SSE) Initiative, UN Global Compact, and the World Federation of Exchanges (WFE). Through these efforts, DSE reinforces the vital role gender equality plays in sustainable business and long-term economic resilience.



## Ring the bell for gender equality.

As in previous year, in 2023 the DSE the ring the Bell for Gender Equality initiative with the aim of raising awareness on gender issues, including women empowerment in the workplace, marketplace, and the community. DSE is one of the many Worlds Federation of Exchanges (WFE) members that joined this program to promote this advocacy that helps address UN Sustainable Development Goal 5 or Gender Equality. The event was attended by over 300 participants.

2024, is the eighth year since the establishment of partnership for the 'Ring the Bell for Gender Equality' initiative, convened by UN Women in partnership with the International Finance Corporation, Women in ETFs, United Nations Sustainable Stock Exchanges Initiative, UN Global Compact and the World Federation of Exchanges, was rolled out globally. This initiative signifies, DSE's strong commitment to gender equality and our belief that gender equality is a driver of economic growth and therefore progress towards gender equality is a core contributor to more economically prosperous and socially cohesive society.

- As part of our ongoing commitment to gender equality, DSE has undertaken several key initiatives and continues to advance progress in the following areas:
- Signing and adopting the Women's Empowerment Principles (WEPs): Joining over 36 stock exchanges globally, we have aligned with the WEPs to promote gender-inclusive business practices.

- Advancing gender-sensitive listing requirements and disclosure: We actively advocate for gender data transparency and the integration of gender equality criteria in listing practices.
- Innovating financial products: We are exploring and developing new instruments such as sustainability-linked bonds with gender-related KPIs, as well as dedicated gender bonds.
- Expanding women's access to finance: We are committed to enabling more women to access capital markets and encouraging their participation as investors in public markets.

The 2024 "RING THE BELL FOR GENDER EQUALITY" Event on 08<sup>th</sup> March 2024 was held at the Hyatt Regency, The Kilimanjaro, with a conference themed "Invest in Women: Accelerate progress" has been officiated by Mr. Aristides Mbwas, Director of Private Sector Investment – President's Office, Planning, and Investment who represented the Guest of Honor Hon. Prof. Kitila Mkumbo – Minister – President's Office, Planning, and Investment

This event was not just to celebrate the International Women's Day; but rather recognizing the power of women in driving progress and prosperity in the global economy. With the theme "Invest in Women: Accelerate progress," we are reminded of the immense potential that lies within every woman and the transformative impact of empowering them economically.

## Our ambition to promote gender diversity on boards and management of listed companies:

As part of the DSE Rules for listed companies, entities are required to publicly disclose targets for female representation in leadership and continuously report on the progress to achieve this. We have set a target of ensuring that all listed companies attain at least 40% women representation on all decision-making roles by 2027. We continue work closely with our members, partners and stakeholders to promote gender equality in the market.

**As at the end of 2024, 3 listed companies had at least 40% of women representation at Board level and 6 companies had at least 40% of women representation at top management level.**

# Our people

At DSE Bank Tanzania, our people are at the heart of everything we do. We are proud to nurture a diverse, inclusive, and purpose-driven workforce that reflects the communities we serve. Through continuous learning, a culture of collaboration, and a strong emphasis on integrity and innovation, we empower our teams to grow, lead, and deliver meaningful impact—both within the organisation and beyond.

- **Training and Development Programs** - DSE offers training and development programs focused on diversity, equity, and inclusion (DEI). These programs aim to raise awareness about the importance of DEI, educate employees on best practices, and provide tools for fostering an inclusive workplace.
- **Employee Resource Groups (ERGs)** - DSE supports the formation of Employee Resource Groups (ERGs) that provide a platform for employees to connect, share experiences, and advocate for diversity and inclusion within the organisation. ERGs play a crucial role in promoting a sense of belonging and community.
- **Leadership Commitment** - The leadership at DSE is committed to advancing diversity and inclusion. This includes setting clear goals, monitoring progress, and holding leaders accountable for promoting DEI within their teams.
- **Community Engagement** - DSE engages with the broader community to promote diversity and inclusion. This includes partnerships with local organisations, participation in community events, and support for initiatives that advance social equity.
- **Regular Assessment and Improvement** - DSE regularly assesses its diversity and inclusion initiatives to ensure they are effective and aligned with best practices. This involves collecting feedback from employees, analysing data, and making necessary adjustments to improve DEI efforts.



# Employee wellbeing and benefits

The Dar es Salaam Stock Exchange (DSE) is dedicated to ensuring the wellbeing of its employees through a comprehensive range of benefits and initiatives. Our goal is to create a healthy and resilient organisation where our colleagues are motivated to perform at their best and contribute to organisational success. We do this by empowering our employees to do what's right by setting clear expectations, providing tools and resources to reinforce ethical decision-making, and consistently providing information about the various ways available to escalate concerns.

Supporting our peoples' mental and physical health remains a top priority, and we have continued to provide private medical insurance, including their immediate family members, and life insurance.

The exchange also offers a top-tier retirement savings programs, which is an employer match program, and all employees are eligible for paid time off, including parental leave, and other types of leave in line with industry and local norms. In addition to this, employees are also entitled to housing allowance and burial assistance.

We have invested the following amounts in employee benefits, reflecting our commitment to the well-being and growth of our workforce:

	2024	2023
	Group	Group
	TZS'000	
Staff costs (Group)		
Salary and wages	2,970,034	2,684,215
Bonus	-	208,881
Skills and development levy	97,131	158,875
Employer contribution to pension funds (defined contribution plan)	561,012	385,932
Leave cost	186,835	160,936
Medical expenses	156,486	126,482
Life Insurance Expenses	30,344	31,551
Training and workshops	219,451	128,891
Other staff cost; special, acting and furniture allowances	171,074	117,390
Extra Responsibility Allowances	-	-
Workers' Compensation Fund	18,027	12,864
Fuel allowance	165,640	165,717
Long Service & Golden Handshake expenses	11,994	45,829
	4,588,028	4,227,563



## Rewarding & Recognition

We observe the concept of fair and equitable remuneration for executive management in the context of overall employee remuneration.

Long-service reward – for employees who have served the organisation for 10 years and above. 2024 TSH 3 million (2023 TSH 6 million).

Golden Handshake reward – for retiring staff. 2024 TSH 9 million (2023 TSH 33 million)

Monetary reward – In the event of a commendable act, innovation, saving/recovery of DSE property.

Annual Bonus – This is divisive to the performance of our employees. TSH 0 (2023 TZS 137 million).

## Talent management and succession planning

We recognize that diverse, talented teams, across all levels of the organisation are critical to our success. We continue to strengthen our talent pipelines and hone our hiring processes, and we're committed to paying equitably and competitively to attract and retain talent. We conduct comprehensive workforce planning to identify current and future talent needs. This involves assessing the skills and capabilities required to achieve organizational goals and addressing any gaps through targeted recruitment and development.

Furthermore, our succession planning includes an assessment of gender diversity across all roles deemed most critical in the organisation, and we also offer a wide range of career development initiatives such as on-job mentoring and networking programs which is aimed at creating the next generation of leaders within our organisation.

We offer mobility between posts and secondment programs to other exchanges to ensure we maximise the opportunities available for our people to further their careers at the exchange.

**65%**

Satisfaction with training opportunities for advancement into other higher opportunities within the firm.

We also promote a culture of continuous learning by offering various training and development opportunities. Employees are encouraged to pursue professional development courses, attend workshops, and participate in industry conferences to stay updated with the latest trends and best practices. DSE fosters a supportive environment through mentorship and coaching programs. Experienced leaders mentor emerging talent, providing guidance, sharing knowledge, and helping them navigate their career paths

We will continue to focus on creating a culture and working environment where our employees can thrive. All colleagues have performance goals aligned to their job roles, so they are clear on what they need to achieve, and how to achieve it. This provides clarity on their contribution to DSE's overall purpose.

**79%**

Employees satisfied with company's effort in creating room for employees to advance in the organization.

We engage in regular performance conversations with our colleagues and have midyear check-ins on annual goals to ensure a culture of continuous learning and development. This is all documented on the performance management system and reviewed

at the end of the year during the annual appraisal process. This approach positions line managers as coaches and encourages colleagues to own their own performance and development, helping them to thrive and reach their full potential.

DSE prioritizes employee engagement and retention by creating a positive work environment, recognizing and rewarding achievements, and offering competitive benefits. Engaged employees are more likely to stay with the organization and contribute to its success.

## Training and education

All new joiners undergo an orientation program and are provided with an information package containing essential details such as the organisations business profile, structure, guidelines, standards, procedures and employee's expectations. For departments where specific training is required this is managed through training needs analysis for key positions.

We're committed to helping our colleagues gain the skills and experience they need to achieve their professional goals and deliver the best for our company and our stakeholders. Our commitment is evident by a 70% increase in spending on training in 2024 compared to the previous year, and in response to our employee survey feedback on providing more training opportunities.

	2024 TSH	2023 TSH
Employees training costs	219.45 million	128.89 million

The DSE provide a broad spectrum of training methods to ensure a holistic development of our colleagues across all levels. These include:

### Induction course



To familiarize new entrants with strategic goals, the functions of the Exchange and with the tasks to be carried out.

### Professional development training



To develop technical skills, and for keeping employees up to date with policy changes and management initiatives.

### Workshops and seminars



To help employees enhance their soft skills in the workplace.

### Management training



To equip senior staff with core management skills and practices.

### Performance improvement courses



To constantly upgrade key skills and to keep employees abreast with changes in technology.

### Planned tours.



For management to gain experience in other countries for application in the management of the Exchange.

This is what our employees think about training and education policy:

**53%**

Employees are satisfied with orientation/ induction training,

**89%**

Employees agree to have learned new skills in their roles

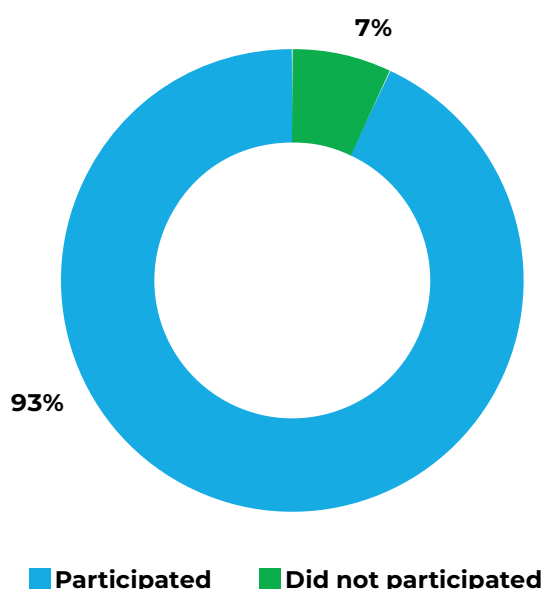
# Employee engagement

We actively engage with our colleagues throughout their employment journey, seeking their feedback through various channels—from onboarding check-ins to employee engagement surveys and exit interviews. Staff satisfaction surveys are conducted biennially, with the most recent general survey held in 2022, recording strong participation from 28

out of 30 employees. In November 2023, we also conducted a focused survey on our Attendance and Punctuality Policy. Given the ongoing organizational restructuring and salary reviews in 2024, the next comprehensive staff satisfaction survey is planned for June 2025.

## Employee satisfaction Survey: Key Highlights

**Employee Satisfaction Survey (2022):  
Participation Rate**



**83%**

Overall satisfaction with DSE as their employer.

**97%**

Satisfaction with the Company's mission, vision, values and objectives.

**98%**

Employees would recommend our organisation to a friend.

The above results underline the belief our people have in our entity, its goals and values. From the survey we also noted areas for improvement, for which the leadership have taken active measures to address. The key areas for improvement include:

Areas for Improvement	Action Plan
The organisation's corporate and internal communication strategy	<ul style="list-style-type: none"> <li>Scheduling quarterly staff meetings to foster internal communication and bottom-up feedback.</li> <li>Addressing stakeholders more frequently on the various communication channels and social media platforms.</li> </ul>
Employee recognition for excellent work	<ul style="list-style-type: none"> <li>Publicising employee accomplishments.</li> <li>Provide monetary rewards.</li> </ul>
Increasing training opportunities	<ul style="list-style-type: none"> <li>Increasing the training budget.</li> <li>A more active participation in regional and global industry bodies.</li> </ul>

# Human rights

The Dar es Salaam Stock Exchange (DSE) is deeply committed to upholding and promoting human rights within its operations and the broader financial market. We have developed a comprehensive suite of policies and processes designed to identify and address potential human rights risks. Our effective management of human rights and modern slavery issues is supported by the integration of various company policies, including our code of conduct, grievance and dispute resolution procedures,

procurement and outsourcing strategies, and data protection measures.

As a regulatory body, we recognize the importance of identifying potential human rights risks not only within our own organization but also throughout our value chain. We are dedicated to considering these risks when interacting with all stakeholders involved, ensuring that human rights remain a central focus in all our activities and engagements.



## Employees

- Discrimination



## Customers

- Economic exploitation
- Violation of labour rights.



## Suppliers

- Violation of labour rights.

Here are some key initiatives and strategies DSE implements to support human rights



### Ethical Labour Practices:

DSE ensures fair labour practices and safe working conditions for all employees. This includes adhering to local labour laws and international standards, such as the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.



### Non-Discrimination and Inclusion:

We promotes a diverse and inclusive workplace where all employees are treated with respect and dignity. The exchange has policies in place to prevent discrimination based on race, gender, religion, or any other characteristic.



### Stakeholder Engagement:

DSE actively engages with stakeholders, including investors, issuers, and regulators, to promote human rights across the financial market. This includes encouraging listed companies to adopt and report on human rights practices.



### Community Support:

DSE supports community development initiatives that promote human rights and social equity. This includes investing in projects that enhance access to education, healthcare, and economic opportunities for underrepresented groups

# Compliance with International Standards

DSE is committed to transparency and accountability in its operations. The exchange requires comprehensive reporting on environmental, social, and governance (ESG) metrics, including human rights practices, from all listed companies. DSE aligns its policies and practices with international human rights standards, such as the Universal Declaration

of Human Rights and the United Nations Guiding Principles on Business and Human Rights

This ensures that the exchange operates in a manner that respects and promotes human rights globally. Through these initiatives, the DSE demonstrates its commitment to upholding human rights and fostering a fair and equitable financial market.

## Employee Health and Safety

We committed to protecting our employees, customers, visitors and contractors from the risk of injury and ill-health. It aims to promote a healthy and safe working environment at workplaces. We continue to put in place measures to promote and safeguard the safety and health of our employees in the workplace.

**89%**

Employee satisfaction on safety at the workplace

**90%**

Employee satisfaction on the general work area conditions.

All DSE employees undergo training on health and safety. In addition, our Human Resource Policy Manual contains detailed guidelines on health and safety, employee code of conduct, and employee safeguarding measures among other guidelines. The health and safety manual contains guidelines on hazard identification, risk assessment, and the prevention and mitigation of occupational health and safety impacts such as:



### Fires and Other Emergencies



### General Safety Rules



### On-the-job Injuries/Illnesses



### Emergency Evacuation and Re-entry



### Smoking

The guidelines also contain responsibilities of personnel in relation to health and safety.

### Mental Health Support

Recognizing the importance of mental health, DSE provides access to counselling services and mental health resources. This support helps employees manage stress and maintain a healthy work-life balance.



# GRI

# Index

GRI Standard Number	Disclosure number	Description	Section/Sub section Title	Sustain-ability Report	Annual report
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	2-2	Entities included in the organization's sustainability reporting	Introduction	5	
	2-3	Reporting period, frequency and contact point	Introduction	7	
	2-4	Restatements of information			
	2-5	External assurance			
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# List of Abbreviations

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ACPA	Associate Certified Public Accountant
AGM	Annual General Meeting
ASEA	African Securities Exchanges Association
ATS	Automated Trading System
BIST	Basic Investment Securities Trading Course
CEO	Chief Executive Officer
CMI	Capital Market Infrastructure
CMSA	Capital Market and Securities Authority
CoSSE	Committee of SADC Stock Exchanges
CPA	Certified Public Accountant
CPB	Certified Professional Banker
CSDR	CSD & Registry Company Limited
DSE	Dar Es Salaam Stock Exchange Public Liability Company (Plc)
DRS	Disaster Recovery Site
ECL	Expected Credit Losses
EPS	Earnings Per Share
FVOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
GDP	Gross Domestic Product
GLN	Global Leaders Network
IAS	International Accounting Standard
ICT	Information and Communication Technology
IFC	International finance Corporation
IFRS	International Financial Reporting Standard
IPO	Initial Public Offering
ISIN	International Security Identification Number
IT	Information Technology
LTC	Listing and Trading Committee
MTP	Mobile Trading Platform
NIDA	National Identification Agency
NMB	National Microfinance Bank
NSSF	National Social Security Fund
PAYE	Pay As You Earn
PSSSF	Public Service Social Security Fund
SASB	The Sustainability Accounting Standards Board
SDL	Skill Development Levy
SPPI	Solely Payment of Principal and Interest
SRO	Self-Regulatory Organization
TFRS	Tanzania Financial Reporting Standard
TZS	Tanzanian Shilling
UN	United Nations
UN SSE	United Nations Sustainable Stock Exchanges Initiative
USD	United State Dollar
VAT	Value Added Tax
WFE	World Federation of Exchanges

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# General Information

## Principal place of activities

Dar es Salaam Stock Exchange Public Limited Company  
2<sup>nd</sup> Floor, Exchange Tower, NHC Morocco Square  
Plot 1-3/44, Mwai Kibaki/Ursino Street  
P.O. Box 70081  
Dar es Salaam , Tanzania

## Bankers

CRDB Bank Plc  
P. O. Box 268  
Dar es Salaam, Tanzania

Akiba Commercial Bank Plc  
P. O. Box 669  
Dar es Salaam, Tanzania

## Auditor

KPMG  
2<sup>nd</sup> Floor, The Luminary  
Plot No. 574 Haile Selassie Road, Masaki  
Registration No. 107992  
Tax Identification No. 100-144-921  
NBAA PF No. PF020  
P.O. Box 1160  
Dar es Salaam  
Tanzania

# Chairman's Statement

## Introduction

It is with great pleasure and deep gratitude that I present to you the Annual Report and Financial Statements for Dar es Salaam Stock Exchange PLC (DSE) for the year ended 31 December 2024. Reflecting on the past year, I am delighted to report that the DSE has once again shown remarkable resilience, adaptability, and a firm dedication to our mission, even amidst changing macroeconomic conditions and shifting market dynamics. Our performance in 2024 reinforces the Exchange's key role in Tanzania's capital markets while delivering solid financial results and making significant strategic progress.

## Operating Environment and Strategic Delivery

In 2024, Tanzania's economy continued to grow steadily, with GDP growth accelerating to 5.5% (Source: NBS Tanzania), supported by a stable macroeconomic environment and continued public investment in infrastructure and social services. The service sector was the primary driver of this growth, particularly in financial services, trade, tourism, and ICT. Despite seasonal weather challenges, the agriculture sector also maintained a growth trajectory at 3.8%. Inflation remained stable and within target at an average of 3.2%, aided by the Bank of Tanzania's interest-rate-targeting monetary policy introduced earlier in the year.

A notable achievement this year was the issuance of the Water Infrastructure Green Bond by the Tanga Urban Water Supply and Sanitation Authority (Tanga UWASA), the first sub-national green bond in East Africa. This bond attracted significant interest from both local and international investors, with 65% of the investment coming from domestic sources and 35% from foreign investors. The bond was oversubscribed by 103%, with bids totaling TZS 54.72 billion, surpassing the initial target of TZS 53.12 billion. These instruments are crucial in supporting green infrastructure, social inclusion, and climate resilience across the country.

## Financial Performance

The Group achieved a profit before tax of TZS 4,318 million (2023: TZS 5,833 million), a return on equity of 14% (2023:18%) and a return on assets of 12% (2023:16%), earnings per share decreased by 14% reaching TZS 179.33, down from TZS 272.56 in 2023. This decline is primarily attributed to a combination of

lower revenue performance and increased operating costs during the year. Revenue was adversely affected by reduced trading activity on the Exchange, particularly in bond turnover. This was largely driven by the Government's bond reopening policy, which impacted investor activity and, in turn, resulted in a decline in listing fees from Government securities.

Investor confidence remained high throughout the year, with DSE shares being among the most actively traded on the Exchange. The closing price of our shares increased by 31% to TZS 2,361 from TZS 1,800, driven by steady demand and improved market liquidity.

## Corporate Governance

Strong corporate governance remains the cornerstone of our operations at the Dar es Salaam Stock Exchange (DSE). The Board has continued to exercise its oversight duties with diligence, holding seven full Board meetings and eleven committee meetings throughout 2024. These sessions have been instrumental in guiding the strategic direction of the Exchange, monitoring performance, and ensuring adherence to best practices in governance.

## Corporate Governance (Continued)

The Board of Directors extended its heartfelt appreciation and bid farewell to Mr. Layson Mwanjisi, who concluded his three-year term of dedicated and successful service. His contributions were instrumental in advancing the Board's governance agenda and strategic oversight. In the same period, the Board was pleased to welcome two newly appointed members, Ms. Lilian Msingi and Ms. Mary Kinabo, whose diverse expertise and professional backgrounds are expected to add significant value to the Board's deliberations and decision-making processes.

As a result of these changes, the Board undertook a reconstitution of its committee structures to reflect the new composition. Notably, in the Audit and Risk Compliance Committee, Ms. Mary Kinabo was appointed as the new Chairperson. Her leadership is anticipated to further strengthen the committee's role in ensuring robust oversight of financial reporting, risk management, and regulatory compliance.

On 1 August 2024, the Board welcomed Mr. Peter Nalitoela as the new Chief Executive Officer (CEO) of DSE. Mr. Nalitoela brings with him a wealth of expertise and experience in the financial and capital markets,



and the Board is confident in his ability to lead the Exchange through its next phase of growth, solidifying DSE's position as a leading platform for capital raising in Tanzania and East Africa.

The Board is confident that with Mr. Nalitolela at the helm, DSE will continue its trajectory of growth and emerge as one of the preferred avenues for capital raising in the region. His leadership will guide DSE towards greater innovation, efficiency, and sustainability while maintaining the highest standards of corporate governance.

## Outlook and Sustainability

As we observe the recovery of various sectors within the economy, along with the stability of the country's political landscape and the vision set forth by the 6<sup>th</sup> Phase Government under the leadership of Her Excellency, President Dr. Samia Suluhu Hassan, particularly her dedicated attention to the country's capital markets, I am confident that we are well positioned to consolidate our progress and sustain our growth trajectory. Our focus remains on fostering innovations that enhance operational efficiencies, while also cautiously exploring new ideas that hold promise for unlocking potential for exponential growth. The Board holds an optimistic outlook for the Exchange's performance in the coming years and maintains confidence in the government's strategies for managing external factors.

The Exchange will continue to invest in technology advancements with aims at enhancing trading platforms, making them faster, more efficient, and increasingly accessible to a wider range of investors using mobile trading platform, that is accessible everywhere. Furthermore, the Exchange will continue to participate and collaborate with fellow East Africa capital markets to implement the interlinkage project of the Capital Market Infrastructure (CMI) to foster the interconnectivity of East African financial markets to foster greater cross-border trading opportunities, driving liquidity and diversity in exchange offerings.

The Exchange also aims at enhancing the DSE rules and getting approval from the authorities to increase the liquidity in equity market segment. Moreover, the rise of alternative assets, such as crypto currencies and tokenized securities, presents new avenues for growth of the Exchange and innovation.

## Dividend recommendation

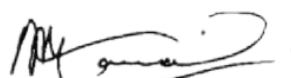
The Board has carefully assessed the prevailing financial conditions, the need for future growth through re-investment of funds and optimization of shareholder value in the light of the company's dividend policy. The Board is, therefore, recommending a dividend of TZS 125 (2023: TZS 145) per share for the year ended 31 December 2024, subject to approval by shareholders during the Annual General Meeting (AGM).

## Acknowledgement

The Board appreciates the support DSE has been receiving from our key stakeholders. The investing publics both domestic and international have actively kept the Exchange alive while stockbrokers have delivered smooth facilitation of transactions. Listed companies, security issuers and custodians have played a crucial role in ensuring smooth operations of the Exchange over the past year.

We acknowledge the support of our regulator, the Capital Markets and Securities Authority (CMSA), development partners and the government, through the leadership of Her Excellence President Dr. Samia Suluhu Hassan, for their cooperation and commitment to meaningfully engage with the Exchange in matters of policy that directly impact our operations.

As we look ahead to the future, we do so with optimism, guided by our steadfast belief in the potential of our company and the opportunities that lie ahead. I extend my sincere gratitude to our shareholders, customers, employees, and partners for their continued trust, support, and collaboration. Together, we will continue to chart a course of sustainable growth, innovation, and prosperity.



**Board Chairman**  
**Dr Daniel Ole Sumayan**

# CEO'S Report

## Introduction

I am pleased to share the key operational and financial performance highlights of the Dar es Salaam Stock Exchange (DSE) for the year ended 31 December 2024. This year marks the second year of the implementation of our Five-Year Strategic Plan III (2023-2027).

## Market Performance

DSE witnessed slight improvement in equity market activity in 2024, with total trading value reaching TZS 229 billion, up from TZS 225 billion in 2023. This growth was driven by increase in prices of some counters and a continued increase in bond market activity. The secondary bond market turnover decreased by 20% from TZS 3,930 billion in 2023 to TZS 3,143 billion in 2024 which was contributed by the Government bonds reopening policy implemented by the Bank of Tanzania.

The total market capitalization for DSE experienced a 22% increase, rising from TZS 14,611 billion in 2023 to TZS 17,868 billion in 2024. This positive trend was largely driven by price appreciation in several domestic companies and an uptick in investor sentiment. The domestic market capitalization saw an increase of 7%, from TZS 11,401 billion at the end of 2023 to TZS 12,243 billion by 31 December 2024.

## Bonds Market Performance

Outstanding treasury bonds rose by 25% to TZS 25,398 billion by year-end, compared to TZS 20,236 billion in 2023. The outstanding corporate bonds issued in local currency also rose from TZS 538 billion in 2023 to TZS 582 billion by the end of 2024. Meanwhile, corporate bonds issued in USD remained the same as last year. Corporate bonds increased due to issuance of the Tanga Uwasa Green Sustainable Bond.

## Financial Performance

Profit before tax declined to TZS 4.32 billion, compared to TZS 5.83 billion in 2023, and the return on equity and assets reached 14% and 12% respectively, mainly contributed by decline in listing fees on government bonds and lower turnover on bonds market segments.

The DSE share price increased by 8% in 2024, rising from TZS 1,800 at the end of 2023 to TZS 2,361 per share by 31 December 2024. This resulted in an increase in shareholders' book value by TZS 13.3 billion,

pushing market capitalization from TZS 43 billion in 2023 to TZS 56.2 billion in 2024.

## Key Activities and Strategic Initiatives in 2024

To further strengthen DSE's financial position and growth, several strategic activities were implemented in 2024. The notable achievements include:

- Listing first subnational green bonds by Tanga Uwasa;
- Increased market capitalization by 22% from TZS 14,611 billion to TZS 17,868 billion;
- Integrating DSE HISA KIGANJANI with various MNO's;
- Conducted DSE members award which looks on Environmental, Social, and Governance (ESG) practices across Tanzania's financial sector; and
- Engaged in partnership agreements with various stakeholder.

## Key Activities and Strategic Initiatives in 2024 (Continued)

Future outlook for 2025 and beyond looking ahead to 2025, DSE remains committed to delivering the objectives of the 2023-2027 Strategic Plan III, which is focused on building a responsive securities exchange that drives economic development through a diverse range of attractive and cost-effective products and services. Our key focus areas for 2025 include:

- Increasing market liquidity through innovative products and enhanced investor engagement;
- Expanding market access to a broader pool of investors, both domestic and international;
- Continuing to drive market participation through education and outreach programs;
- Strengthening strategic partnerships and collaborative efforts with global and regional financial institutions;
- Leveraging multiple income streams to diversify revenue sources;
- Enhancing systems and processes to improve operational efficiency; and
- Fostering a culture of innovation and excellence within DSE's people and leadership.

## Appreciation and Looking Forward

As we move into 2025, the outlook for the DSE remains promising. We are confident that with a continued focus on innovation, efficiency, and collaboration, we will navigate the challenges ahead and seize the emerging opportunities to drive growth and success.

I would like to express my sincere appreciation to all our stakeholders—our customers, employees, shareholders, and partners. Your continued support,

dedication, and trust have been crucial to our achievements. Together, we will continue to drive the success of DSE, and I look forward to a prosperous year ahead.



**Peter Nalitolela**  
**Chief Executive Officer**

# The Report by Those Charged with Governance

## 1. INTRODUCTION

The Board of Directors of the Dar es Salaam Stock Exchange Public Limited Company ("DSE" or "Exchange") has the pleasure to present its report together with the audited financial statements for the year ended 31 December 2024 which discloses the state of affairs of DSE and its subsidiary, CSD & Registry Company Limited (CSDR) (together "Group") as at that date.

## 2. INCORPORATION

The Dar es Salaam Stock Exchange Public Limited Company was incorporated in 1996 under the Tanzania Companies Act, Cap 212 as a limited liability company by guarantee. DSE started its operations in April 1998. On 26 June 2015, the Company changed its registration from a mutual status to a company owned by shareholders (Public Limited Company) and subsequently changing its name from Dar es Salaam Stock Exchange Limited to Dar es Salaam Stock Exchange Public Limited Company and subsequently issued shares to the public and self-listed on 12 July 2016.

## 3. VISION

To be a preferred avenue for capital raising and sustainable investment.

## 4. MISSION

To maximize stakeholders' value by providing sustainable investment opportunities and an efficient allocation of capital.

## 5. PRINCIPAL ACTIVITIES

The principal activity of DSE is to provide securities market to investors who intend to invest in listed companies. The Exchange provides a platform that assists companies to raise capital through the issuance of equities and debt securities and subsequently list into the Exchange.

## 6. RESULTS AND DIVIDENDS

During the year ended 31 December 2024, the Group recorded before tax profit of TZS 4,318 million (2023: TZS 5,833), a decrease of 26% in

profit before tax. For the year 2024 the directors paid a final dividend of TZS 3,454 million in relation to financial year 2023 (2023: TZS 2,764 million in relation to financial year 2022), an increase of 25%. The dividend paid for year 2023 is equivalent to an increase in per share dividend of TZS 145 compared to TZS 122 for financial year 2022. For the year 2024, the directors are proposing a final dividend TZS 126 per share which is 70% of the Group's profit after tax. The total expected dividend payout is TZS 2,991 million.

## 7. FINANCIAL PERFORMANCE FOR THE YEAR

### Statement of profit or loss and other comprehensive income

For the year ended 31 December 2024, the Group recorded a total income of TZS 11,535 million (2023: TZS 12,229 million), reflecting a decrease of 6%. This decline was primarily attributed to the reopening of government bonds, which impacted the listing fees for government bonds, as reopened bonds attract lower fees compared to newly issued bonds.

Additionally, there was a decrease in turnover in the bond market segment, resulting from the same reopening policy. The total value of bonds transacted in the market amounted to TZS 3,143 billion (2023: TZS 3,930 billion), marking a 20% decrease.

For the year ended 31 December 2024, the Group recorded total expenses of TZS 7,217 million (2023: TZS 6,395 million), reflecting a 13% increase compared to prior year. The increase in expenses was primarily driven by higher staff costs resulting from salary adjustments and an increase in headcount, including the recruitment of a CEO in 2024.

Additionally, there was an uptick in ICT expenses due to system infrastructure upgrades, as well as increased spending on advocacy, business development activities, and participation in regional and international initiatives.

During the year, the Group recorded a profit before tax of TZS 4,318 million (2023: TZS 5,833 million). The decrease in profit was mainly attributed by reopening policy on government bonds which impacted listing fee and turnover on bonds market segments.

Furthermore, the capital expenditure for new office at Morocco square contributed to the decline in amount of investable funds hence contributed to the reduction in profit.

### Statement of financial position

(i) During the year, the total asset of the Group grew to TZS 35,885 million from TZS 34,819 million, a growth of 3% which was primarily driven by an increase in retained earnings, as well as prudent financial management including careful investment of available funds, which contributed to the overall growth in asset value.

(ii) During the year, the non-current assets increased to TZS 20,367 million from TZS 14,263 million, while the current assets decreased to TZS 15,498 million in 2024 from TZS 20,556 million in 2023, a decrease of 25%. The decrease in the current assets was due to decrease in funds invested in short-term deposit due to the acquisition of office space and fit-out works for the new acquired building at Morocco Square.

(iii) The leasehold land and building have slightly decreased due to depreciation of our disaster recovery site building.

(iv) Property, plant and equipment's has increased by 23%, from TZS 85 million in year 2023 to TZS 409 million in 2024 due to additions of the new assets during the year including a motor-vehicle.

The Group's performance in relation to the budget is outlined below:

Comparison between Actual and Budget for year 2024 (TZS Million)			
	2024	2024	2024
	Actual	Budget	% of Variance
Total Income	11,535	12,405	(7%)
Total Expenses	7,217	7,154	(1%)
<b>Profit Before Tax</b>	<b>4,318</b>	<b>5,251</b>	<b>(18%)</b>
Corporate Tax	46	93	(50%)
<b>Profit After Tax</b>	<b>4,272</b>	<b>5,344</b>	<b>(20%)</b>

During the year, the Group recorded a total income of TZS 11,535 million (Budget: TZS 12,405 million), the total income was less than the budget by 7% due to lower turnover in equity than projected, the actual turnover was TZS 229 billion against the budgeted turnover of TZS 411 billion (lower by 44%). Lower bonds turnover, actual turnover was TZS 3,143 billion (budget TZS 3,713 billion) lower by 15%. Bonds turnover was lower due to the

impact of reopening policy on listed government bonds

During the year ended 31 December 2024, the DSE Group incurred total expenses of TZS 7,217 million (Budget: TZS 7,154 million), the expenses were slight than the budget by 1%, this is due to under budget in areas of advocacy and business development activities.

The Group financial performance highlights from the year 2019 to year 2023.

	2020	2021	2022	2023	2024
Market Closing Price	880	1,300	1700	1800	2,361
Number of Shares in Issue	23,824,000	23,824,000	23,824,000	23,824,000	23,824,000

Performance Indicator Calculate Method		Summary of Key Ratios				
		2020	2021	2022	2023	2024
Return on Equity	PAT/Equity	19%	15%	16%	18%	13%
Return on Assets	PAT/ Total Assets	16%	14%	14%	16%	12%
Cost to Income	Total cost/Total Income	52%	54%	55%	52%	63%



			Share performance ratio				
	Calculated Method		2020	2021	2022	2023	2024
Earnings per share	PAT/Number of Shares	TZS	195	167	188	239	179
Dividend Per Share	Dividend/Number of Shares	TZS	74	101	116	145	126
Dividend (Cover times)	EPS/Dividend per share	Times	2.6	1.4	1.9	2	1.4
Dividend Yield	Dividend Per share/Closing Price	%	8.4%	8.9%	7.8%	6%	5%
Price Earnings Ratio	Closing share Price/EPS	Times	4.5	7.8	8.8	6.6	13.2
Net asset value per share (NAV)	Net Assets/ Number of shares in issue	TZS	1,046	1,096	1,181	1,304	1,338
Price to Book Value	Closing share price/Net asset value per share	Times	0.8	1.2	1.4	1.4	1.8
Market Capitalization	Closing share price times, number of shares in issue	Millions	20,965	30,971	40,500	42,912	56,248

From the above table, both returns to shareholders and assets decreased from 18% and 16% to 13% and 12% respectively in year 2024 compared to year 2023, the decrease has been attributed by the decrease in the profitability in year 2024.

The DSE closed with the market stock price of TZS 2,361 compared to the last year market stock price of TZS 1800, the increase in price, by 31%, has increased the DSE market capitalization from TZS 42 billion in 2023 to TZS 56 billion in 2024.

Directors are proposing dividend per share of TZS 126 for year 2024 results, which will be paid in year 2025.

this was attributed by the funds collected from the outstanding receivables with customers.

- (ii) The Group had also the positive cash flow from its fund generated in the investing activities of TZS 2,356 million (2023: TZS 475 million), this was due to the fund received from the short-term investments.
- (iii) The Group used the funds that was generated from the operating and investing activities to pay for the dividends to shareholders, the net amount of outflow from the financing activities for year 2024 was TZS 3,454 million (2023: TZS 2,764 million).

## Statement of cash flows

- (i) During the year, the group had positive cash flow generated from the operating activities of TZS 1,227 million (2023: TZS 2,358 million),

## 8. VALUE ADDED

Value added results for the Group during 2024 for its operations and serving as well as servicing its various stakeholders are;

Details	2024	2023
<b>Value Added</b>	TZS' Million	TZS' Million
Income realised from Exchange operations	11,535	12,229
<b>Value allocated to different Stakeholders</b>		
<b>To Human Capital</b>		
Salaries and wages	2,970	2,684
<b>To Government</b>		
Taxes to Government	2,130	1,860
<b>To Shareholders</b>		
Dividend to shareholders (excluding government)	3,454	2,349
Dividend to Government	518	415

Taxes to Governments includes PAYE, SDL, Corporate Tax, VAT, and other taxes that were paid by the Group.

## 9. MARKET PERFORMANCE

The Market Operational performance of the Exchange during the year 2020 to 2024 was highlighted on the table below as:

Particular		2024	2023	2022	2021	2020
Total market capitalization	TZS (billions)	17,868	14,611	15,685	15,809	15,095
Domestic market capitalization	(TZS billions)	12,243	11,401	10,280	9,426	9,162
Value of shares traded	(TZS billions)	229	225	134	104	591
Value of bonds Government traded	(TZS billions)	3,143	3,930	3,045	2,562	2,070
Value of bonds corporate traded	(TZS millions)	6,871	1,169	710	1,565	1,423
Value of outstanding listed Government bonds	(TZS billions)	25,398	20,236	17,088	15,243	12,666
Value of outstanding listed corporate bonds	(TZS billions)	582	538	144	129	143
Value of outstanding corporate bonds	(USD millions)	73	73	-	-	-
All shares index	(DSEI)(Points)	2,140	1,750	1,882	1,897	1,817
Tanzania Share Index	(TSI)(Points)	4,619	4,304	3,889	3,565	3,485

## 10. INVESTMENT MANAGEMENT POLICY (TREASURY MANAGEMENT)

The investment policy of Dar es Salaam Stock Exchange Public Limited Company (DSE) Group is designed to ensure prudent management of our financial resources while maximizing returns within an acceptable level of risk. Key aspects of Group investment policy include;

### i) Objectives

The Group primary objective is to preserve capital while achieving competitive returns to support the Group's strategic initiatives, growth, and shareholder value.

### ii) Risk Management

The Exchange employ a disciplined approach to risk management, diversifying investments across asset classes, sectors to mitigate potential losses. We regularly assess risk tolerance and adjust investment strategies accordingly.

### iii) Liquidity Management

The Exchange maintains sufficient liquidity to meet operational needs and unexpected contingencies, while also considering opportunities for strategic investments that may arise.

### iv) Assets Allocation

The Exchange investment strategy emphasizes a balanced and diversified portfolio, blending fixed-income securities, short term deposits, alternative investments, and cash equivalents to optimize risk-adjusted returns.

### v) Due Diligence

Prior to making any investment, thorough due diligence is conducted to assess the financial stability, performance track record, management quality, and regulatory compliance of potential investments.

### vi) Compliance and Governance

The Exchange investment decisions adhere to all relevant laws, regulations, and internal policies. We prioritize transparency, accountability, and ethical conduct in our investment practices.

### vii) Monitoring and Evaluation

The Exchange continuously monitors the performance of our investment portfolio, regularly reviewing asset allocation, performance metrics, and market conditions to identify opportunities for optimization or rebalancing.

Overall, DSE Group investment policy reflects a commitment to responsible stewardship of our Group's assets, aligning investment decisions with our long-term strategic objectives and risk appetite while maintaining flexibility to adapt to changing market conditions.

The Group current has 41% of its investment in the short-term deposits with Banks and 51% invested in Government Securities (Treasury-Bonds); hence credit risk is a major principal risk. Other risks faced by the DSE from its treasury management activities are liquidity, inflation, and market risks.

The following are mitigation measure for the above-mentioned risks that are covered under Group investment management policy:

Type of Risk	Mitigation Measure
Credit Risk	DSE Investment Management Committee will ensure placement of fixed deposits is made with commercial banks approved by the Board.
Interest Risk	Ensure investment maturities are staggered to avoid maturities concentrations; Ensure investment allocation to investment types as prescribed by this Policy to maximize interest return; and Have a portfolio diversification as prescribed by the Policy.
Inflation Risk	Ensure investments are made in assets class that gives a return of 1% above inflation rate as prescribed by the Policy.
Liquidity Risk	Ensure investment maturities coincide with operational and strategic cash requirement. Also ensure investment is made to commercial banks that have sufficient liquidity ratios as prescribed by the Bank of Tanzania.

## 11. BUSINESS OBJECTIVES AND STRATEGIES

The Exchange objective is to facilitate efficient and transparent trading of securities while fostering market integrity and investor confidence through a combination of regulatory compliance, technological innovation, and market development initiatives.

In order to enhance values to our shareholders and stakeholders, the Exchange has set goals and strategies to deliver sustainable profitable growth and during the year the Board has been able to achieve the below strategic objectives set out in the new five-year strategic plan III 2023 to 2027:

- (i) In 2024, the DSE successfully achieved listing of the TANGA UWASA Subnational Bond. The first of its kind on our market. This accomplishment not only demonstrates the DSE's continued commitment to deepening the capital markets but also highlights our role in supporting infrastructure development through innovative financial instruments. The listing of the TANGA UWASA Bond provides a model for future subnational issuances and opens new opportunities for municipalities and public institutions to access long-term funding through the capital market.
- (ii) Growth in the market Capitalization by 22%, from TZS 14,611 billion to TZS 17,868 billion
- (iii) Enhancement of the HISA Kiganzani, the app for trading platform;
- (iv) Increased number of participants to our DEAP and ENDELEZA program;
- (v) Achieved Return on equity of 14% and return on assets of 12%

- (vi) Successful integration of DSE HISA Kiganzani and Mobile Network Operators (MNO's), specifically Vodacom.

- (vii) DSE, entered into several strategic partnerships aimed at enhancing financial inclusion, expanding market access, and fostering regional integration. Key collaborations included; Partnership with TanzaniaInvest, Collaboration with CFA East Africa Society, partnership with Vodacom Tanzania

- (viii) Introduction of API Services for Brokers, to foster innovation and allow stockbrokers to build their own customer-facing apps, DSE introduced Application Programming Interfaces (APIs). These APIs give brokers access to trading data and services in a secure way, enhancing digital service delivery to clients

In the year 2024, the exchange is planning to accomplish the following strategic objectives in order to enhance the shareholders values:

- (i) Improve market liquidity by reviewing the trading mechanisms, regulatory framework, and enhancing pre-trade transparency and order management processes
- (ii) Expand market access by strengthening cross-border partnerships, promoting the use of the DSE Digital Trading Platform, and integrating the DSE platform with other potential platforms;
- (iii) Maximize multiple income streams and optimize resource utilization;
- (iv) Upgrade systems and processes through improvements to digital platforms and systems and

- (v) Increase number of products in the market.

## 12. FUTURE PROSPECTS AND DEVELOPMENTS

DSE expects to exert more efforts on liquidity creation and or liquidity enhancements on the understanding that market liquidity is a major factor that hinders levels of developments at both primary and secondary market activities. For the primary market, market illiquidity is causing high cost of capital to potential issuers, while also hindering innovations for introduction of other non-traditional products like derivative and indexed products.

The level of market liquidity is a prerequisite to any initiative on the introduction of derivatives products. These efforts on liquidity enhancements expect to increase market liquidity and reach the five-year target ratio of 5%.

## 13. CORPORATE GOVERNANCE

The Group has demonstrated a strong commitment to corporate governance, focusing on various areas to ensure transparency, accountability, and ethical conduct throughout its operations. Here's a summary of the key areas in which the exchange has performed well in terms of corporate governance:

### (i) Board Structure and Composition

The Group has established a robust Board structure with appropriate composition, including diverse expertise, experience, and independence. All Board members, except the Chief Executive Officer (CEO), are Non-Executive Directors. The positions of Chairman and Chief Executive Officer (CEO) are held by two different people.

### (ii) Board Oversight and Committees

The Board exercises diligent oversight over the organization's activities through the establishment of various substantive and ad hoc committees. These committees, such as the Audit Risk and Compliance Committee, provide specialized expertise and scrutiny in key areas, including financial reporting, risk management, and compliance.

### (iii) Risk Management and Compliance

The organization places a strong emphasis on risk management and compliance, proactively identifying, assessing, and mitigating risks that may impact its operations. Through robust risk management frameworks and compliance programs, the organization adheres to regulatory requirements and industry best practices, safeguarding its reputation and integrity.

### (iv) Transparency and Disclosure

The Exchange prioritizes transparency and disclosure, providing stakeholders with timely, accurate, and comprehensive information about its performance, governance practices, and financial position. Regular communication through annual reports, financial statements, and investor communications fosters trusts and confidence among stakeholders.

### (v) Ethical Conduct and Corporate Culture

The Exchange fosters a culture of integrity, ethical conduct, and accountability at all levels. By promoting values such as honesty, fairness, and respect, the organization cultivates a positive work environment and ensures that employees adhere to high ethical standards in their interactions with stakeholders.

### (vi) Stakeholder Engagement

The Exchange actively engages with stakeholders, including shareholders, employees, customers, regulators, and the community. By soliciting feedback, addressing concerns, and fostering open dialogue, the organization enhances trust, builds relationships, and aligns its activities with stakeholder expectations.

Overall, the Group's performance in the area of corporate governance reflects a strong commitment to upholding principles of good governance, safeguarding stakeholders' interests, and promoting sustainable long-term value creation.

Name	Position	Qualifications	Nationality	Age	Date Appointed	Date Resigned
Dr. Elinami Minja	Chairman	PhD. (Economics), CPA (T), MBA, B. Com (Accounting)	Tanzanian	60	20 March 2019	-
Lilian Msingi	Non-Ex. Director	L.L.M in Commercial laws, LL.B	Tanzanian	47	25 June 2024	-
Fadhili J. Manongi	Non-Ex. Director	BA (Economics and Finance), MA-Development Economics	Tanzanian	70	11 July 2019	-
Beng'i Mazana Issa	Non-Ex. Director	ACPA, MSC. In Financial Management, Adv. Diploma in Certified Accountancy	Tanzanian	58	9 August 2019	-
Selestine J. Some	Non-Ex. Director	MBA – Finance, B. Com (Accounting), ACPA, Certified Professional Banker (CPB)	Tanzanian	48	9 August 2019	-
Dr. Abdiel Abayo	Non-Ex. Director	PhD. (Accounting and Finance), MBA, B. Com	Tanzanian	71	9 August 2019	-
Layson Mwanjisi	Non-Ex. Director	ACPA, MBA, B. Com (Accounting)	Tanzanian	48	9 August 2019	25 June 2024
Mary Kinabo	Non-Ex. Director	Msc. Finance & Investment, Post Graduate Diploma in Financial Risk Management, BA majoring in accounting	Tanzania	40	25 June 2024	-
Peter Nalitoela	CEO-Executive Director	MSc, Modelling, Financial Mathematics	Tanzanian	43	1 August, 2024	-

The Group paid a total of TZS 189,205,750 as Directors' fees (2023: TZS 149,700,000).

## 15. MEETINGS AND ACTIVITIES OF THE BOARDS

The Board met 7 times during the period 1 January 2024 to 31 December 2024 as indicated below.

Name	27 Feb	2 May	24 June	12 July	23 Aug	10 Oct	12 Nov
Dr. Elinami Minja	√	√	√	√	√	√	√
Mr. Peter Nalitoela	-	-	-	-	√	√	√
Dr. Abdiel Abayo	√	√	√	-	-	√	√
Ms. Beng'i M. Issa	√	√	√	√	-	√	-
Ms. Lilian Msingi	-	-	-	-	√	√	√
Ms. Mary Kinabo	-	-	-	√	√	√	√
Ms. Mary S. Mniwasa	√	√	-	√	√	√	√
Mr. Layson Mwanjisi*	√	√	√	-	-	-	-
Mr. Fadhili Manongi	√	√	-	√	√	√	-
Mr. Selestine J. Some	√	√	√	√	√	√	√

\*Mr. Layson Mwanjisi resigned on 25 June 2024

The Board discussed and resolved matters recommended by its standing committees and provided directives to management on operational matters. The Board is supported by the following Committees as at 31 December 2024.

### (a) Listing and Trading Committee (LTC)

Name	Position	Qualifications	Nationality
Dr. Abdiel Abayo	Chairman	PhD. (Accounting and Finance), MBA, B. Com.	Tanzanian
Mr. Selestine J. Some	Member	MBA – Finance, B. Com (Accounting), ACPA, Certified Professional Banker (CPB).	Tanzanian
Mr. Layson Mwanjisi*	Member	ACPA, MBA, B. Com (Accounting).	Tanzanian
Ms. Lilian Msingi	Member	L.L.M in Commercial laws, LL. B.	Tanzanian
Mr. Peter Nalitoela	CEO	MSc, Modelling, Financial Mathematics.	Tanzanian
Ms. Mary S. Mniwasa	Company Secretary	LL. B, LL. M (Banking & Corporate Law), Advocate.	Tanzanian

\*Mr. Layson Mwanjisi resigned on 25 June 2024.



The LTC Committee reports to the DSE Board. The LTC Committee met four (4) times during the period. The committee deliberated on different applications for listing.

## (b) Finance and Administration Committee

Name	Position	Qualifications	Nationality
Ms. Beng'i Mazana Issa	Chairperson	ACPA, MSC. - in Financial Management, Adv. Diploma in Certified Accountancy.	Tanzanian
Dr. Abdiel Abayo	Member	PhD. (Accounting and Finance), MBA, B. Com.	Tanzanian
Mr. Selestine J. Some	Member	MBA – Finance, B. Com (Accounting), ACPA, Certified Professional Banker (CPB).	Tanzanian
Mr. Peter Nalitoela	Member	MSc, Modelling, Financial Mathematics.	Tanzanian
Ms. Mary S. Mniwasa	Company Secretary	LL. B, LL.M (Banking & Corporate Law), Advocate.	Tanzanian

The Finance and Administration Committee reports to the DSE Board. The Committee met Five (5) times to discuss various issues on staff matters and application of the new associate members.

## (c) Audit, Risk and Compliance Committee

Sal	Name	Position	Qualifications	Nationality
Mr.	Ms. Mary Kinabo	Chairperson	Msc. Finance & Investment, Post Graduate Diploma in Financial Risk Management, BA majoring in accounting.	Tanzanian
Ms.	Beng'i Mazana Issa	Member	ACPA, MSC. In Financial Management, Adv. Diploma in Certified Accountancy.	Tanzanian
Mr.	Fadhili Manongi	Member	BA (Economics and Finance), MA in Development Economics.	Tanzanian
Mr.	Peter Nalitoela	CEO	MSc, Modelling, Financial Mathematics.	Tanzanian
Ms.	Mary S. Mniwasa	Company Secretary	LL. B, LL. M (Banking & Corporate Law), Advocate.	Tanzanian

Audit, Risk and Compliance Committee reports to the Board. ARC Committee met four (4) times during the period to discuss on various matters such as DSE Quarterly Financial Reports, Internal Audit Reports and DSE External Audit for the period ended 31 December 2024.

- (v) ICT Department;
- (vi) Internal Audit Unit;
- (vii) Human Resources and Administration Unit;
- (viii) Risk and Compliance Unit; and
- (ix) Training and Information unit.

## 16.DIRECTORS EVALUATION AND TRAINING

The Board itself regularly undergoes self-assessment and evaluation in order to improve the internal Governance of the Board.

Training is provided in order to ensure the Board keeps abreast with current developments in the market.

## 17. MANAGEMENT

The management of the DSE is under the Chief Executive Officer and organized on the following departments and units:

- (i) Finance Department;
- (ii) Legal and Company Secretariat Department;
- (iii) Business Development Department;
- (iv) Trading and Market Operation Department;

## 18.SOLVENCY

DSE Public Limited Company's is financed solely from its shareholder's funds and internally generated income from the operation and investments. These funds are used to run DSE's operations with a view to generate profits and distribution to shareholders in term of dividends payments. As at 31 December 2024, these stood at issued share capital of TZS 9,530 million, share premium of TZS 1,850 million and retained earnings of TZS 20,370 million.

Financial resources are required to meet the DSE objectives that includes to operate the business, support growth, expansion, and innovation.

The Board of Directors of the DSE confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.

The Board Members consider the DSE to be solvent within the meaning ascribed by the Tanzanian Companies Act, 2002.

## 19.SCOPE OF BUSINESS

The DSE is a duly approved Exchange under Capital Markets and Securities Act, 1994 (Cap 79). It is a modern securities exchange providing full electronic trading, clearing and settlement of securities (shares and bonds). It is also a Self-Regulatory Organization (SRO) for the purpose for maintaining the integrity of the market and plays a role of educator on matters relating to capital markets.

## 20.CAPITAL STRUCTURE

Dar es Salaam Stock Exchange Public Limited Company (DSE) was incorporated in 1996

DSE's shareholding structure as of 31 December 2024 is as below;

S/N	Shareholder	Number of Shares	Percentage of Share holding
1	The Government of Tanzania through Treasury Registrar	3,574,000	15.00%
2	Bnym Re the Miri Strategic Emerging Markets Fund Lp	3,085,931	12.95%
3	Zanzibar Social Security Fund	2,000,000	8.39%
4	National Investments Company Limited	1,285,831	5.40%
5	Stanbic Nominees Ltd A/C R4455217	1,188,810	4.99%
6	General Public	12,689,448	53.26%
	<b>Total</b>	<b>23,824,020</b>	<b>100%</b>

## 21.STAKEHOLDERS RELATIONSHIP

DSE actively engages with its key stakeholder groups. In 2024 engaged in signing MOU with Vodacom Tanzania, DSE collaborated with Vodacom Tanzania to launch the DSE Mini App on the M-Pesa Super App platform. This initiative enables Tanzanians to open investor accounts, trade shares, access real-time market data, and receive brokerage services directly via mobile phones, significantly advancing financial inclusion and digital access to capital markets.

In August 2024, DSE signed a Memorandum of Understanding (MoU) with TanzaniaInvest, a leading online platform for investors in Tanzania. This partnership aims to enhance the visibility and accessibility of Tanzania's capital markets by leveraging TanzaniaInvest's online presence to amplify developments and opportunities within the markets. In return, DSE provides comprehensive data and insights to enrich the content shared on TanzaniaInvest.com

DSE signed a Memorandum of Understanding with the CFA East Africa Society to promote

under the Tanzanian Companies Act, as a body corporate (limited by guarantee). The Exchange was created, among other things, to facilitate the Government's implementation of the economic reforms and enabling the private sector to raise long term capital. DSE changed its legal status from a company limited by guarantee to a company limited by shares and its name to Dar es Salaam Stock Exchange Public Limited Company and subsequently issued shares to the public and thereafter self-listed its shares on its own Exchange on 12 July 2016.

The principal objective of the Exchange is to provide a securities market to investors who intend to invest in the listed companies.

professional excellence and investor education in Tanzania's capital market. This partnership focuses on enhancing investment knowledge through public awareness campaigns, training, and mentorship programs.

The United Nations Sustainable Stock Exchanges Initiative (UN SSE) to encourage sustainable running of stock exchanges and work closely with Committee of SADC Stock Exchanges (CoSSE).

The African Securities Exchanges Association (ASEA) and sits in several working groups of the World Federation of Exchanges (WFE), influencing global policies affecting world exchanges.

## 22.RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Exchange. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis to provide reasonable assurance regarding:

- (i) The effectiveness and efficiency of operations;
- (ii) The safeguarding of the Exchange's assets;
- (iii) Compliance with applicable laws and regulations;
- (iv) The reliability of accounting records;
- (v) Business sustainability under normal as well as adverse conditions; and
- (vi) Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Exchange system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The Board assessed the internal control systems throughout the financial year ended 31 December 2024 and is of the opinion that they met the accepted criteria.

The Board carries risk and internal control assessment through the Audit, Risk and Compliance Committee.

A summary of the risk management procedures is disclosed in Note 6.

## 23. TECHNOLOGY AND INNOVATION

The DSE core operations has the robust ICT infrastructures that comprises the Automated Trading System (ATS), the CSD System, Registry Services System, Accounting System, and the Human Resources Management System coupled with comprehensive software, hardware, and disaster recovery resources.

DSE in year 2024 was able to Introduce APIs for Market Intermediaries, to foster fintech innovation and deepen market services, DSE introduced Application Programming Interfaces (APIs). Brokers, banks, and financial service providers can now integrate directly with the DSE systems to offer their clients seamless trading experiences.

DSE is working on cross-border integration initiatives to link its systems with regional exchanges under the African Exchanges Linkage Project (AELP). This paves the way for cross-listing,

remote membership, and inter-exchange trading, enhancing liquidity and investor access.

Cyber security and data protection enhancement, a comprehensive cyber security framework was adopted, including Intrusion Prevention Systems (IPS), advanced encryption protocols, regular vulnerability assessments, and penetration testing. DSE also implemented multi-factor authentication and enhanced backup protocols to protect sensitive data and maintain system integrity.

## 24. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

DSE remains conscious of Environmental, Social and Governance issues and in so doing the DSE partner with the other stakeholders like World Federation of Exchange (WFE), UN-Women and women - GLN in promoting gender equality and women empowerment in the society. The DSE partnered with the UN Global Compact Network Tanzania, IFC, and UN Women to host the bell-ringing ceremony. This collaboration underscores a unified commitment to promoting gender equality within Tanzania's financial sector. The 2024 theme was "Invest in Women: Accelerate Progress", Ambassador John Ulanga, Director of the Department of Economic Diplomacy at the Ministry of Foreign Affairs and East African Cooperation graced the event.

## 25. CORPORATE SOCIAL RESPONSIBILITY

The DSE conscious of encouraging good corporate citizenship, DSE enabled students from schools, universities, and other learning institutions to access its actual data and virtual trading platform to learning practically on how to save and invest via a stock exchange, and this was executed as part of the public education campaign through its DSE Scholar Investment Challenge Programme. The DSE also allocated its resources in building financial capacity and financial literacy to students and the public at large.

## 26. EMPLOYEES WELFARE

### Health and Medical Care

The DSE provides medical insurance to staff and their families through Strategis Insurance (Tanzania) Limited. This is a renewable one-year contract. During the period, services received from the service providers were generally satisfactory.

### Pensions Contributions

The employee and employer contribute to NSSF. The Group does not contribute to any other Pension Fund.

### Staff Complement

As at 31 December 2024, the DSE Group had 32 employees, out of which 9 were female and 23 were male. In 2023 a total 31 staff; 9 staff were female and 22 were male. The number of staff increased during the year due to recruitment of Chief Executive Officer.

## 27. RELATED PARTY TRANSACTIONS

Details of the related party of transactions and balances are included in Note 28.

## 28. RESOURCE

The group has employees with appropriate skills and experience in running the Exchange and are a key resource available to the Exchange and these resources facilitate the enhancement of shareholders value by ensuring the organization is achieving its sets objectives both short term and long run.

## 29. AUDITORS

The auditor, KPMG who were appointed for the year ended, has expressed their willingness to continue in office and is eligible for reappointment. A resolution proposing the reappointment of KPMG as auditor of the Group and Company for the year ending 31 December 2025 will be put to the Annual General Meeting.

## 30. RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The members charged with governance accept responsibility for preparing consolidated and separate financial statements which show a true and fair view of the Group to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions. The members also confirm compliance with the provisions of the requirements of TFRS 1 and all other statutory legislations relevant to the Company.

### By Order of Those Charged with Governance

Approved by the Board of Directors on 24 June 2025 and signed on its behalf by:



Dr. Daniel Ole Sumayan  
Chairman of the Board

Date: 24 June 2025



Peter Nalitoela  
Chief Executive Officer

Date: 24 June 2025

# Statement of Director's Responsibilities

The Group's Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view of the Dar es Salaam Stock Exchange Plc Group comprising the consolidated and separate statements of financial position as at 31 December 2024, the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the financial statements, which include material accounting policies, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies Act, 2002.

The Directors are also responsible for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Directors have made an assessment of the ability of the Group to continue as going concern and have no reason to believe that the Group will not be a going concern at least for the next twelve months from the date of approval of these financial statements.

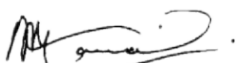
The auditor is responsible for reporting on whether the consolidated and separate financial statements give a true and fair view in accordance with the applicable financial reporting framework.

## Approval of financial statements

The consolidated and separate financial statements of Dar es Salaam Stock Exchange Plc, as identified in the first paragraph, were approved, and authorised for issue by the Directors on ..... 24 June 2025 and signed by:

### By Order of Those Charged with Governance

Approved by the Board of Directors on 24 June 2025 and signed on its behalf by:



.....  
**Dr. Daniel Ole Sumayan**  
Chairman of the Board

**Date:** 24 June 2025



.....  
**Peter Nalitoela**  
Chief Executive Officer

**Date:** 24 June 2025



# Declaration of the Head of Finance


The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Statement of Directors' Responsibilities on page 24.

I, **Lucas Sinkala** being the Chief Financial Officer of Dar es Salaam Stock Exchange Plc hereby acknowledge my responsibility of ensuring that the consolidated and separate financial statements for the year ended 31 December 2024 have been prepared in compliance with the applicable accounting standards and statutory requirements.

I thus confirm that the consolidated and separate financial statements comply with applicable accounting standards and statutory requirement as on that date and that they have been prepared based on properly maintained financial records.



Signed by: .....

**Name:** Lucas Sinkala

**Position:** Head of Finance

**NBAA Membership No.:** ACPA 3689

**Date:** 24 June 2025

# Independent Auditor's Report

To The Members of Dar Es Salaam Stock Exchange Public Limited Company

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated and separate financial statements of Dar es Salaam Stock Exchange Public Limited Company ("the Group and Company") as set out on pages 30 to 85, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a material accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Dar es Salaam Stock Exchange Public Limited Company as at 31 December 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies Act, 2002.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the consolidated and separate financial statements* section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Other Information

The Directors are responsible for the other information. The other information comprises the *information included in the Dar es Salaam Stock Exchange Public Limited Company Annual Report and Consolidated and Separate financial statement for the year ended 31 December 2024*, but does not include the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2002, and for such internal control

as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the (consolidated) financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

**KPMG**

**Certified Public Accountants (T)**



**Signed by:** CPA Vincent Onjala (TACPA 2722)

**Dar es Salaam**

**Date:** 24 June 2025

## Report on Other Legal and Regulatory Requirements

As required by the Companies Act, 2002 we report to you, solely based on our audit of the consolidated and separate financial statements that:

- in our opinion, proper accounting records have been kept by Dar es Salaam Stock Exchange Public Limited Company;
- the individual accounts are in agreement with the accounting records of the Group and Company;
- we obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit;
- directors' report is consistent with the consolidated and separate financial statements; and
- information specified by the law regarding Directors' emoluments and other transactions with the Group and the Company is disclosed.

## Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

for the Year Ended 31 December 2024

	Notes	Group		Company	
		2024 TZS'000	2023 TZS'000	2024 TZS'000	2023 TZS'000
Revenue from contract with customers	8	7,806,100	8,647,070	6,139,862	6,830,400
Other income	9	151,940	182,279	455,065	314,714
Administrative expenses	10	(7,163,615)	(6,319,676)	(5,671,542)	(4,992,574)
Impairment (charge)/release	6(a)	(53,361)	(75,869)	(21,621)	(20,698)
<b>Operating profit</b>		741,064	2,433,804	901,764	2,131,842
Finance income	11	3,577,160	3,399,268	3,421,238	3,266,718
<b>Operating profit before tax</b>		<b>4,318,224</b>	<b>5,833,072</b>	<b>4,323,002</b>	<b>5,398,560</b>
Income tax expense	12(a)	(45,755)	(137,001)	-	-
<b>Net profit for the year</b>		<b>4,272,469</b>	<b>5,696,071</b>	<b>4,323,002</b>	<b>5,398,560</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Loss on revaluation	16	-	-	-	-
<b>Total comprehensive income</b>		<b>4,272,469</b>	<b>5,696,071</b>	<b>4,323,002</b>	<b>5,398,560</b>
Basic earnings per share (TZS)	29	179.33	239.09	181.46	226.60
Diluted earnings per share (TZS)	29	179.33	239.09	181.46	226.60

The notes on pages 35 to 85 form part of these consolidated and separate financial statements.

Report of the Auditor – pages 26-29.



## Consolidated and Separate Statements of Financial Position

as at 31 December 2024

	Notes	Group		Company	
		2024 TZS'000	2023 TZS'000	2024 TZS'000	2023 TZS'000
ASSETS					
Non-current assets					
Property and equipment	13	408,505	84,704	391,248	68,615
Non-current prepayment	14	5,496,464	3,119,672	5,496,464	3,119,672
Intangible asset	15	281,863	149,824	281,863	149,824
Leasehold land and building	16	229,517	231,892	229,517	231,892
Investment in subsidiary	17	-	-	227,867	227,867
Government securities	19	13,877,763	9,881,550	13,877,763	9,881,550
Loan to DSE SACCOS	20	29,209	58,505	29,209	58,505
Investment in unit trust	22	-	702,493	-	702,493
Deferred tax asset	12(d)	44,427	34,602	-	-
		20,367,748	14,263,242	20,533,931	14,440,418
Current assets					
Income tax receivables	12(c)	143,985	33,410	-	-
Short term deposits	21	13,407,378	18,447,182	12,072,853	17,253,680
Trade and other receivables	18	1,656,328	1,890,485	1,447,423	1,406,307
Loan to DSE SACCOS	20	24,881	48,638	24,881	48,638
Restricted bank balance	23	811	10	811	10
Cash and cash equivalents	23	264,818	135,867	230,354	90,616
		15,498,201	20,555,592	13,776,322	18,799,251
TOTAL ASSETS		35,865,949	34,818,834	34,310,253	33,239,669
EQUITY AND LIABILITIES					
Equity					
Share capital	26(a)	9,529,608	9,529,608	9,529,608	9,529,608
Share premium	26(b)	1,850,374	1,850,374	1,850,374	1,850,374
Retained earnings		20,369,548	19,549,187	19,223,982	18,353,088
Revaluation surplus	26(c)	103,479	105,854	103,479	105,854
Car loan fund	24	35,000	35,000	35,000	35,000
		31,888,009	31,070,023	30,742,443	29,873,924
Non-current liabilities					
Capital grants	25(a)	1,047,591	1,093,165	1,047,591	1,093,165
		1,047,591	1,093,165	1,047,591	1,093,165
Current liabilities					
Contract liabilities	27(a)	1,330,765	1,138,367	1,330,765	1,138,367
Other payables	27(b)	1,599,584	1,517,279	1,189,454	1,134,213
		2,930,349	2,655,646	2,520,219	2,272,580
TOTAL EQUITY AND LIABILITIES		35,865,949	34,818,834	34,310,253	33,239,669

The financial statements on page 30 to 85 were approved by the Board of Directors and signed on its behalf by:

**Dr. Daniel Ole Sumayan**

Signature:.....

**Date:** 24 June 2025

**Peter Nalitolala**

Signature:.....

**Date:** 24 June 2025

The notes on pages 35 to 85 form part of these consolidated and separate financial statements.

Report of the Auditor – pages 26-29.

## Consolidated and Separate Statements of Changes in Equity

for the year ended 31 December 2024

GROUP	Share capital TZS'000	Share premium TZS'000	Car loan fund TZS'000	Retained earnings TZS'000	Revaluation Surplus TZS'000	Total TZS'000
<b>2024</b>						
At 01 January 2024	9,529,608	1,850,374	35,000	19,549,187	105,854	31,070,023
Transaction with owners	-	-	-	(3,454,483)	-	(3,454,483)
Dividend paid	-	-	-	(3,454,483)	-	(3,454,483)
Other comprehensive income	-	-	-	-	-	-
Profit for the period	-	-	-	4,272,469	-	4,272,469
Transfer of excess depreciation	-	-	-	2,375	(2,375)	-
Total comprehensive income	-	-	-	4,274,844	(2,375)	4,272,469
At 31 December 2024	9,529,608	1,850,374	35,000	20,369,548	103,479	31,888,009
<b>2023</b>						
At 01 January 2023	9,529,608	1,850,374	35,000	16,614,327	108,229	28,137,538
Transaction with owners	-	-	-	(2,763,586)	-	(2,763,586)
Dividend paid	-	-	-	(2,763,586)	-	(2,763,586)
Other comprehensive income	-	-	-	-	-	-
Profit for the period	-	-	-	5,696,071	-	5,696,071
Transfer of excess depreciation	-	-	-	2,375	(2,375)	-
Total comprehensive income	-	-	-	5,698,446	(2,375)	5,696,071
At 31 December 2023	9,529,608	1,850,374	35,000	19,549,187	105,854	31,070,023

The notes on pages 35 to 85 form part of these consolidated and separate financial statements.

Report of the Auditor – pages 26 - 29

## Separate Statements of Changes in Equity (Continued)

for the year ended 31 December 2024

COMPANY	Share capital TZS'000	Share premium TZS'000	Car loan fund TZS'000	Retained earnings TZS'000	Revaluation Surplus TZS'000	Total TZS'000
<b>2024</b>						
At 01 January 2024	9,529,608	1,850,374	35,000	18,353,088	105,854	29,873,924
Transactions with owners	-	-	-	(3,454,483)	-	(3,454,483)
Dividend paid	-	-	-	(3,454,483)	-	(3,454,483)
Other comprehensive income	-	-	-	4,323,002	-	4,323,002
Profit for the year	-	-	-	2,375	(2,375)	-
Transfer of excess depreciation	-	-	-	4,325,377	(2,375)	4,323,002
Total comprehensive income	-	-	-	19,223,982	103,479	30,742,443
At 31 December 2024	9,529,608	1,850,374	35,000			
<b>2023</b>						
At 1 January 2023	9,529,608	1,850,374	35,000	15,715,739	108,229	27,238,950
Transactions with owners	-	-	-	(2,763,586)	-	(2,763,586)
Dividend paid	-	-	-	(2,763,586)	-	(2,763,586)
Other comprehensive income	-	-	-	5,398,560	-	5,398,560
Profit for the year	-	-	-	2,375	(2,375)	-
Transfer of excess depreciation	-	-	-	5,400,935	(2,375)	5,398,560
Total comprehensive income	-	-	-	18,353,088	105,854	29,873,924
At 31 December 2023	9,529,608	1,850,374	35,000			

The notes on pages 35 to 85 form part of these consolidated and separate financial statements.

Report of the Auditor – pages 26-29.

# Statements of Cash Flows

for the year ended 31 December 2023

	Notes	Group		Company	
		2024	2023	2024	2023
		TZS'000	TZS'000	TZS'000	TZS'000
OPERATING ACTIVITIES					
Profit after tax		4,272,469	5,696,071	4,323,002	5,398,560
Adjustment to reconcile profit before tax to net cash flows:					
Depreciation and amortisation		195,930	124,215	185,905	115,849
Amortisation of grant	25(a)	(45,574)	(54,688)	(45,574)	(54,688)
		-	(22,985)	-	(22,985)
Amortisation of revenue grant	25(b)	(3,577,160)	(3,399,268)	(3,421,238)	(3,266,718)
		(6,034)	(2,493)	(6,034)	(2,493)
Finance income	11				
Fair value gain through profit or loss	9				
Income tax expense	12(a)	45,755	137,001	-	-
Cash flows before changes in working capital items		885,386	2,477,853	1,036,061	2,167,525
Changes in working capital items:					
Trade and Other receivables		234,157	(458,239)	(41,116)	(311,010)
Contract liabilities		192,397	229,101	192,397	229,101
Cash held in restricted deposits	23	(801)	948	(801)	948
Trade and other payables		82,306	206,252	55,243	266,787
Net cash flows generated from operating activities		1,393,445	2,455,915	1,241,784	2,353,351
Income tax paid	12(c)	(166,155)	(97,023)	-	-
		1,227,290	2,358,892	1,241,784	2,353,351
INVESTING ACTIVITIES					
Proceeds/(Investment) in short term deposits		5,039,804	(1,833,239)	5,180,827	(1,714,252)
Proceeds/(purchase) of units	22	708,527	(700,000)	708,527	(700,000)
Investment in government securities		(3,996,213)	(3,256)	(3,996,214)	(3,256)
Loan to DSE Saccos	20	53,053	46,700	53,053	46,700
Interest received - short term deposits	11	3,577,160	3,399,268	3,421,238	3,266,718
Purchase of intangibles	15	(245,504)	(106,168)	(245,504)	(106,168)
Purchase of property and equipment	13	(403,891)	(19,020)	(392,698)	(14,390)
Prepayment for acquisition of office space	14	(2,376,792)	(300,088)	(2,376,792)	(300,088)
Net cash flows generated from investing activities		2,356,144	484,197	2,352,437	475,264
FINANCING ACTIVITIES					
Dividend paid	29	(3,454,483)	(2,763,586)	(3,454,483)	(2,763,586)
Net cash flows used in financing activities		(3,454,483)	(2,763,586)	(3,454,483)	(2,763,586)
Net (decrease)/increase in cash and cash equivalents		128,951	79,503	139,738	65,029
Cash and cash equivalents at start of the period		135,867	56,364	90,616	25,587
Cash and cash equivalent at year end	23	264,818	135,867	230,354	90,616

The notes on pages 35 to 85 form part of these consolidated and separate financial statements.

Report of the Auditor – pages 27-30.

## Notes

for the year ended 31 December 2024

### 1. GENERAL INFORMATION

The Dar es Salaam Stock Exchange Public Limited Company (DSE) was incorporated in 1996 under the Tanzanian Companies Act, as a body corporate (limited by guarantee). DSE changed its legal status from a company limited by guarantee to a company limited by shares and its name to Dar es Salaam Stock Exchange Public Limited Company and issued twenty shares of a nominal value of TZS 400 each on 29 July 2015. In June 2016 DSE issued shares to the public and thereafter self-listed its shares on its own Exchange on 12 July 2016. The principal objective of the Exchange is to provide a securities market to investors who intend to invest in the listed companies.

The Exchange assists companies to raise capital through the issuance of equities and debt securities.

The Exchange is also an instrument for use by Government privatized companies and private companies for raising capital. Under the provisions of the Capital Markets and Securities (CMS) Act, 1994 (as amended), the Capital Markets and Securities Authority regulates the Exchange. The exchange is domiciled in Tanzania and the address of its registered office is 2<sup>nd</sup> Floor, Exchange Tower, NHC Morocco Square, Plot 1-3/44, Mwai Kibaki/ Ursino Street, P.O. Box 70081, Dar es Salaam.

Exchange/Company means Dar es Salaam Stock Exchange Public Limited Company as an entity and Group means the Consolidated results of the Company and its subsidiary CSD & Registry Company Limited.

The consolidated financial statements of the company comprise the company and its subsidiary (together referred to as the "Group"). The separate financial statements are the unconsolidated company financial statements. Where reference is made in the accounting policies to Group or Company it should be interpreted as being applicable to the consolidated or separate financial statements as the context requires.

### 2. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise

stated. The Group and Company apply the same accounting policies. The financial statements are prepared on the basis of accounting policies applicable to a going concern.

The Group's consolidated and the Company's financial statements are prepared in accordance with IFRS Accounting standards and in conformity with the requirements of the Companies Act 2002. The measurement basis applied is the historical cost basis except for leasehold land and buildings which are measured at fair value. The financial statements are presented in Tanzanian Shillings (TZS) rounded to the nearest thousand ('000'). The preparation of financial statements in conformity with IFRS Accounting standards requires the use of certain critical accounting estimates. It also requires Directors to exercise its judgement in the process of applying the Group's and Company's accounting policies. The areas involving a high degree of judgement or complexity, or where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 4.

#### Basis of measurement

The consolidated and separate financial statements are prepared on the historical cost basis except for leasehold land and buildings which are carried at revalued amount. The material accounting policies are included in Note 3.

#### Functional and presentation currency

The consolidated and separate financial statements are presented in Tanzanian Shillings (TZS), which is the Exchange's functional currency and presentation currency.

#### New standards, amendments, and interpretations

##### a) New standards, amendments, and interpretations effective and adopted during the year

A number of new standards were effective from 1 January 2024, but they did not have material effect on the Group's and Company's financial statements.

##### New standard or amendments

- Lease liability in a sale and leaseback – Amendments to IFRS 16



## Notes

for the year ended 31 December 2024

- Classification of liabilities as current or non-current and non-current liabilities with covenants – Amendments to IAS 1
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7

### b) Relevant new standards, amendments and interpretations issued but not yet effective

Several new standards, amendments to standards and interpretations have been

published that are not mandatory for 31 December 2024 reporting periods and have not been applied in preparing these consolidated and separate financial statements. Those which may be relevant to the Company are set out below. The Group and Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

New standard or amendments	Effective for annual periods beginning on or after
Amendments to IAS 21	1 January 2025
Lack of Exchangeability (Amendments to IAS 21)	
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2025*
IFRS S2 Climate-related Disclosures	1 January 2025*
Amendment to IFRS 18	1 January 2027
Presentation and Disclosure in Financial Statements	
Amendment to IFRS 19	1 January 2027
- Subsidiaries without Public Accountability: Disclosures	
Amendment to IFRS 7 and IFRS 9	1 January 2026
- Classification and Measurement of Financial Instruments	
- Contracts Referencing Nature-dependent Electricity	

\*NBAA Technical pronouncement number 1 of 2024 mandated all Public Interest Entities (PIEs) to adopt these standards effective from 1 January 2025.

### Amendment to IAS 21 'Lack of Exchangeability'

The amendment addresses how to determine the exchange rate when a currency cannot be exchanged into another due to restrictions, controls, or market unavailability.

The Company is currently evaluating the potential impact of the new standard on the Company's financial statements.

### Amendments to Amendments to IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 does incorporate certain amendments from IAS 1, particularly those related to the classification of liabilities. These include:

- Classification of Liabilities as Current or Non-current: Clarifies the criteria for classifying liabilities based on the right to defer settlement.
- Non-current Liabilities with Covenants: Addresses the classification of liabilities when the right to defer settlement is subject to compliance with covenant.

The Company is currently evaluating the potential impact of the new standard on the Company's financial statements.

### Amendment to IFRS 7 and IFRS 9

DSE recognition of Financial Liabilities: Clarifies that a financial liability is derecognized on the settlement date. Additionally, introduces an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date

Classification of Financial Assets with ESG-linked Features: Provides guidance on the classification of financial assets, including those with contingent features such as ESG-linked terms. Under the amendments, certain financial assets with ESG-linked features could meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

### Amendments to IFRS 19

Subsidiaries without Public Accountability: aiming to simplify financial reporting for eligible

## Notes

for the year ended 31 December 2024

subsidiaries by allowing them to apply full IFRS recognition and measurement requirements with reduced disclosure obligations.

### IFRS S1 and S2

IFRS S1 requires companies to consider the SASB Standards to identify sustainability-related risks and opportunities and disclose related information.

IFRS S2 provides accompanying guidance derived from the climate-related topics and metrics in the SASB Standards. DSE will be required to disclose climate related activities in line with pre-established metrics.

The Group is currently evaluating the potential impact of the new standard on the Group's and Company's financial statements.

#### (a) Cash and cash equivalents

These comprise cash on hand, deposits held on call and term deposits with an initial maturity of less than three months when entered into. For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above but exclude restricted cash balances.

#### (b) Foreign currency transactions

Transactions in foreign currencies are initially recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency using the exchange rates at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

#### (c) Financial instruments

##### Recognition and initial measurement

All financial instruments are initially recognised at fair value, plus, in the case of financial assets and liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue. Financial instruments are recognised when the Group becomes a party to the contractual arrangements. All regular way transactions are accounted for on trade date. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace. All financial assets and liabilities are classified as amortised cost with exception of investment in investment in unit trust which is carried at fair value through profit or loss.

##### Financial assets

##### Classifications

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

## Notes

for the year ended 31 December 2024

### Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

### Measurement

At initial recognition, financial assets are measured at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVTOCI) or amortized cost based on:

- the Group's business model for managing the financial assets; and
- the cash flow characteristics of the asset

### Debt Instruments

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are

recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises.

**Business model:** The business model reflects how the Group manages the assets to generate cash flows i.e., whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel and how risks are assessed and managed.

**SPPI:** Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest ('SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., includes only consideration for the time value of money, credit risk, other basic lending risks and a

## Notes

for the year ended 31 December 2024

profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

### Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets e.g., basic ordinary shares.

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

### Financial liabilities

#### Recognition

These includes trade payables which are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

#### Derecognition

Financial assets

A financial asset is de-recognised where the rights to receive cash flows from the asset have expired; or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material

delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the assets but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in profit or loss unless required or permitted by an accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

### (d) Leasehold land

The Group leasehold land is carried in the financial statements at fair value less accumulated amortisation. Prepaid rentals on the land are amortised on a straight-line basis over the period of the lease and the amortisation expense recognised in profit or loss.

### (e) Property plant and equipment

At initial recognition, acquired property and equipment is recognised at the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. The recognised cost includes any directly attributable costs for preparing the asset for its intended use. The cost of an item of property and equipment is recognised as an asset if it is probable that the

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for the year ended 31 December 2024

future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent expenditure is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Property and equipment, except for leasehold land and buildings, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Each component of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Leasehold land and buildings are measured at revalued amounts less accumulated depreciation and impairment losses recognized at the date of revaluation. Valuations are performed with sufficient frequency (after every three years) to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation

deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

### Depreciation

Items of property and equipment are depreciated in the year they are purchased and available for use. Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual value using straight line method over their estimated useful lives.

Depreciation is generally recognised in profit or loss unless the amount is included in the carrying amount of another asset.

Category	Useful life
• Office furniture	4 years
• Office equipment	4-5 years
• Power generator	4 years
• Motor vehicles	4 years
• Office partitions	4 years
• Buildings	40 years
• Work in progress	Nil

The residual values, useful lives, and methods of depreciation of property and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gain or loss in disposal of property and equipment is included in profit or loss in the year the asset is derecognised.

### (f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The Exchange's intangible assets are amortised at rate of 25% i.e., over useful life of four years

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for the year ended 31 December 2024

and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in 'depreciation and amortisation' in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

### (g) Impairment

#### Financial assets

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivable, the group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amounts of the Exchange's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset or cash generating units (CGU's) value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate

cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

#### Non-financial assets

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

An impairment loss is recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss had been recognized for the asset in prior years. Such reversal is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



## Notes

for the year ended 31 December 2024

### (h) Employee benefits

#### Defined contribution plans

DSE has statutory obligations to contribute to various pension schemes in favour of all the employees employed under permanent and pensionable terms. The pension schemes in force, which the Exchange contributes to, are Public Service Social Security Fund (PSSSF) and National Security Social Fund (NSSF).

#### Workers Compensation Fund (WCF)

Workers Compensation Fund (WCF) is a social security scheme established by the government responsible for compensating workers who suffer occupational injuries or contract occupational diseases arising out of and in the course of their employment.

Private entities are statutorily required to contribute 1% of monthly employees' earnings (wage bill) to the Fund. Monthly employees' earnings (wage bill) include basic salaries plus all fixed allowances which are regularly paid along with basic salaries. The contributions are part of Exchange's costs and are not deducted from salaries of the employees.

#### Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

#### Leave pay

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

#### Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on

the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### (i) Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when there is a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss.

### (j) Revenue

Revenue is recognised when persuasive evidence exists that all of the following criteria are met:

- Identified contracts with customers;
- Identify the separate performance obligation;
- Determine the transaction price of the contract;
- Allocated the transaction price to each of the separate performance obligations; and
- Recognised the revenue as each performance obligation is satisfied.

The Group revenue comprises listing fees, transaction fees, dividend processing fees, registry services fees, annual general meeting fees, data vending and membership fees. Group revenue is recognised on yearly basis at a point in time when it transfers control over a service to a customer for both continued listed companies and members and for new members when they join the Exchange or listed in the Exchange for the first time. Transaction fee is recognised when actual trading of shares is done. Unearned amount of revenue received for which performance obligation has not been satisfied is classified as a contract liability until such time when performance obligation is satisfied in which case it will be recognised as revenue. Revenue from dividend processing, AGM Management and registry services is measured based on the consideration specified in a contract with

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for the year ended 31 December 2024

a customer and is being recognised when the performance obligation is satisfied by transferring a promised service to a customer.

Customer contracts across the Group contain a single performance obligation at a fixed price and they require variable consideration to be constrained or allocated to multiple performance obligations. Generated fees from trades or contracts cleared and settled, compression and custody services which are recognised as revenue at a point in time when the Group meets its obligations to complete the transaction or service. In cases where the Group's performance obligations are completed over time, revenue is recognised on a straight-line basis over that period, representing the continuous transfer of services during that time. In cases where there is a fixed annual fee for a service, the revenue is recognised and billed monthly in arrears.

### Listing fees

Initial listing fee is recognized in the year in which the Exchange makes the flotation. Represent one performance obligation and the Group recognises revenue from initial admissions and further issues over the period the Group provides the listing services. All admission fees are billed to the customer at the time of admission to trading and become payable when invoiced.

### Transaction fees

Transaction fee is based on the percentage of the value of shares and bonds traded, the same is recognized on the dates of the transactions.

### Central Securities Depository (CSD) fees

CSD fee is an annual fee paid by all brokers that trade at Dar es Salaam Stock Exchange. This fee is categorized into two types i.e., for Associate members and custodian members who pay TZS 1 million and TZS 2 million respectively. Other fees collected by the DSE/CSDR are Dividend processing fees, Transaction fees, IPO processing fees, registry services fees, AGM Management fee, data vending fees and ISIN fees.

### Other operating income

Other operating income is made up of membership fees from DSE, LDM and realized listing fees from the brokers. Previously, annual membership fees were collected from members as DSE was only limited by guarantee, after self-listing this fee is no longer collected. Membership fees are recognized at fair value in the year to which they relate.

### Other income

Other income comprises grant income, training income, forex gain and sundry income and are typically recognised as revenue at the point the service is rendered and becomes payable when invoiced.

### (k) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grants will be received, and the exchange will comply with all conditions attached to them. Grants received for capital expenditure are classified as non-current in the Statement of Financial Position while grants received for operating expenses are recognised as income on a systematic basis over the periods that the costs, which they are intended to compensate, are expensed. Grants are amortised at the rate which property and equipment acquired through the grants are depreciated.

### (l) Finance income

The group finance income includes interest income and distribution income from the investment fund. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Distribution income from the investment in unit trust is recognised in profit or loss on date which the Group's right to receive payment is established.

### (m) Earnings per share

Basic earnings per share represent the profit on ordinary activities after taxation attributable to the equity shareholders of the Exchange, divided by the weighted average

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for the year ended 31 December 2024

number of ordinary shares outstanding during the period.

Diluted earnings per share represent the profit on ordinary activities after taxation attributable to the equity shareholders, divided by the weighted average number of ordinary shares outstanding during the year, including the weighted average number of dilutive shares resulting from share options and other potential ordinary shares outstanding during the period (if any)

### (n) Consolidation Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has a) power over the investee; b) exposure, or rights, to variable returns from its involvement with the investee; and c) the ability to use its power over the investee to affect the amount of the investor's returns. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either

at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

Intercompany transactions, balances, and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

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for the year ended 31 December 2024

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Changes in ownership interests in subsidiaries without change of control

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of DSE.

When the group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

### (o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments. The chief operating decision maker has been identified as operating Board that makes strategic decisions.

### (p) Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Whenever necessary the comparative information has been represented to correspond to current year classification or representation.

### (q) Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income (OCI).

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are

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considered, based on the business plans for the Company.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

### (r) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

When share recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable cost is recognised as a deduction from equity. When share are sold, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is recognised within share premium.

### (s) Dividend

Dividends on ordinary shares are charged to shareholders' funds in the period in which they are declared. Dividends declared after the end of reporting period are not recognised as liabilities at the end of reporting period.

## 4. CRITICAL ESTIMATES AND JUDGEMENT

### Use of Estimates, Assumptions and Judgments

The preparation of the Exchange's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosures of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require

material adjustments to the carrying amount of the asset or liability affected in future periods. In the process of applying the Exchange's accounting policies, management has used its judgments and made estimates in determining the amounts recognized in the financial statements. Although these estimates are based on the management's knowledge of current events and actions, actual results ultimately may differ from those estimates. The most significant use of judgments and estimates are as follows:

#### a. Fair value of land and buildings

Fair value of the Exchange's leasehold land and building were determined using the market comparable method. The valuation was performed based on proprietary databases of prices of transactions for properties of similar nature, location, and condition. The revaluation was performed on 31 December 2022 by accredited independent valuers with experience for valuation of similar properties in Tanzania.

#### b. Impairment of Accounts receivables

The group recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost or fair value through other comprehensive income. The loss allowance is measured at an amount equal to the lifetime expected credit losses for financial instruments for which (a) the credit risk has increased significantly since initial recognition (b) there is observable evidence of impairment (a credit impaired financial assets). If at the reporting date, the credit risk on financial assets other than trade receivables has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowances are recognised in profit or loss impairment gains or losses.

## 5. BUSINESS SEGMENTS INFORMATION

The Group consists of the CSDR, a subsidiary that started its operations in the fourth quarter of 2017 and is wholly owned by the Dar es Salaam Stock Exchange Public Limited Company. The operating Board has determined the operating

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for the year ended 31 December 2024

segments based on reports reviewed by the Board of directors that are used to make strategic decisions.

The group operates within the one geographical area, being the United Republic of Tanzania, therefore no separate geographical segments exist.

The operating Board of directors considers the business from market and product perspectives. Market wise, management considers the main lines through which it derives its revenue. Costs relating to group management are shared between Company and its subsidiary based on the agreed rates. Revenue for the entities is all derived from external customers. Revenue for DSE is majorly generated from the listing and

trading of securities. The principal activity of the CSDR through which revenue is generated is, among others, to provide automated clearing, delivery and settlement facilities in respect of transactions carried out at the DSE as well as to provide Registry Services to listed and non-listed companies.

Management has not aggregated any operating segments and considered the information relating to CSDR to be relevant and useful to users of the financial statements of the group. This has been included in the business segment information.

The segment information provided by management for the reportable segments for the year ended 31 December 2024 is as follows:



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for the year ended 31 December 2024

### Segmental statement of profit or loss

	2024				2023			
	DSE	CSDR	Elimination*	Group	DSE	CSDR	Elimination*	Group
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
Revenue	6,139,862	1,739,489	(73,251)	7,806,100	6,830,400	1,889,921	(73,251)	8,647,070
Other income	455,065	25,694	(328,819)	151,940	314,714	13,649	(146,084)	182,279
Administrative Expenses	<b>6,594,927</b>	<b>1,765,183</b>	<b>(402,070)</b>	<b>7,958,040</b>	7,145,114	1,903,570	(219,335)	8,829,349
Impairment (charge)/release	(5,671,542)	(1,744,143)	252,070	(7,163,615)	(4,992,574)	(1,546,437)	219,335	(6,319,676)
	(21,621)	(31,740)	-	(53,361)	(20,698)	(55,171)	-	(75,869)
<b>Profit before finance income</b>	<b>901,764</b>	<b>(10,700)</b>	<b>(150,000)</b>	<b>741,064</b>	<b>2,131,842</b>	<b>301,962</b>	<b>-</b>	<b>2,433,804</b>
Finance income	3,421,238	155,922	-	3,577,160	3,266,718	132,550	-	3,399,268
<b>Profit before tax</b>	<b>4,323,002</b>	<b>145,222</b>	<b>(150,000)</b>	<b>4,318,224</b>	<b>5,398,560</b>	<b>434,512</b>	<b>-</b>	<b>5,833,072</b>
Taxation	-	<b>(45,755)</b>	-	<b>(45,755)</b>	-	<b>(137,001)</b>	-	<b>(137,001)</b>
<b>Profit for the year</b>	<b>4,323,002</b>	<b>99,467</b>	<b>(150,000)</b>	<b>4,272,469</b>	<b>5,398,560</b>	<b>297,511</b>	<b>-</b>	<b>5,696,071</b>

\*These are intercompany transactions eliminated on consolidation.

### Segmental statement of financial position

	2024				2023			
	DSE	CSDR	Eliminations*	Group	DSE	CSDR	Eliminations*	Group
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
Non-current assets	20,306,064	61,684	-	20,367,748	13,558,696	50,691	-	13,609,387
Investment	227,867	-	(227,867)	-	227,867	-	(227,867)	-
Current assets	<b>13,776,322</b>	<b>2,060,666</b>	<b>(338,787)</b>	<b>15,498,201</b>	<b>19,453,106</b>	<b>1,896,084</b>	<b>(139,743)</b>	<b>21,209,447</b>
<b>Total assets</b>	<b>34,310,253</b>	<b>2,122,350</b>	<b>(547,154)</b>	<b>35,865,949</b>	<b>33,239,669</b>	<b>1,946,775</b>	<b>(367,610)</b>	<b>34,818,834</b>
Owners' equity	30,742,443	1,373,433	(227,867)	31,888,009	29,873,924	1,423,966	(227,867)	31,070,023
Non-current liabilities	1,047,591	-	-	1,047,591	1,093,165	-	-	1,093,165
Current liabilities	<b>2,520,219</b>	<b>748,917</b>	<b>(338,787)</b>	<b>2,930,349</b>	<b>2,272,580</b>	<b>522,809</b>	<b>(139,743)</b>	<b>2,655,646</b>
<b>Total equity and liabilities</b>	<b>34,310,253</b>	<b>2,122,350</b>	<b>(547,154)</b>	<b>35,865,949</b>	<b>33,239,669</b>	<b>1,946,775</b>	<b>(367,610)</b>	<b>34,818,834</b>

\*These are intercompany transactions eliminated on consolidation.

## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following financial risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

#### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

#### Exposure to credit risk

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Trade receivables and other receivables*	1,419,591	1,689,531	1,260,943	1,247,280
Short term deposits	13,407,378	18,447,182	12,072,853	17,253,680
Investment in unit trust	-	702,493	-	702,493
Cash and cash equivalents**	264,362	135,867	229,898	90,616
Restricted Bank Balance	811	10	811	10
Loan to DSE SACCOSS	54,090	107,143	54,090	107,143
Government securities	13,877,763	9,881,550	13,877,763	9,881,550
	<b>29,023,995</b>	<b>30,963,776</b>	<b>27,496,358</b>	<b>29,282,772</b>

\*Excludes prepayments, staff advances and VAT receivables.

\*\*Excludes petty cash.

#### Expected credit losses (ECLs)

For trade and other receivables, the Group/ Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. While cash and cash equivalents, investments in government securities and short-term deposits

The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

#### a. Credit risk

The DSE customers are basically brokerage firms whom the DSE rules require them to furnish their financial position each quarter. DSE Management uses this information to evaluate the creditworthiness of each broker as a way of mitigating credit and investing in issuers with known credibility.

are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Default occurs when (a) any instalment is unpaid more than 12 months past its original due date or (b) where records show that the Obligor has suffered an Insolvency event. Further, the Group considers the following as evidence that a financial asset is credit-impaired; significant financial difficulty of the debtor, breach of contract terms, deterioration of the economic sector in which the

## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### a. Credit risk (continued)

customer is operating and when the customer is likely to undergo a major financial reorganization or enter bankruptcy.

The expected loss rates are based on historical credit losses. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables due to the fact that the relationship was not established between change in macroeconomics and expected credit losses, but the group would continue to monitor the relationship in future.

On that basis, the loss allowance as at 31 December 2024 and 31 December 2023 was determined as follows for both trade receivables contract assets:

GROUP	0 to 12 months Performing	12 to 18 months Past due	19 to 24 months past due	Over 24 months past due	Total
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
<b>2024</b>					
Gross carrying amount – trade receivables	1,046,460	55,768	75,987	89,351	1,267,566
Impairment charge	-	(13,375)	(1,721)	(46,669)	(61,765)
<b>Net carrying amount</b>	<b>1,046,460</b>	<b>42,393</b>	<b>74,266</b>	<b>42,682</b>	<b>1,205,801</b>
<b>2023</b>					
Gross carrying amount – trade receivables	1,386,952	77,318	38,719	24,116	1,527,105
Impairment charge	-	(998)	(5,969)	(1,437)	(8,404)
<b>Net carrying amount</b>	<b>1,386,952</b>	<b>76,320</b>	<b>32,750</b>	<b>22,679</b>	<b>1,518,701</b>

COMPANY	0 to 12 months Performing	12 to 18 months Past due	19 to 24 months past due	Over 24 months past due	Total
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
<b>2024</b>					
Gross carrying amount – trade receivables	692,562	47,886	51,837	60,975	853,260
Impairment charge	-	(4,682)	(718)	(18,293)	(23,693)
<b>Net carrying amount</b>	<b>692,562</b>	<b>43,204</b>	<b>51,119</b>	<b>42,682</b>	<b>829,567</b>
<b>2023</b>					
Gross carrying amount – trade receivables	925,713	50,702	3,450	24,117	1,003,982
Impairment charge	-	(385)	(249)	(1,438)	(2,072)
<b>Net carrying amount</b>	<b>925,713</b>	<b>50,317</b>	<b>3,201</b>	<b>22,679</b>	<b>1,001,910</b>

The loss rates for each aging class are summarised below:

	0 to 12 months	12 to 18 months	19 to 24 months	Over 24 months
Loss rate	0%	5.50%	4.50%	7.70%

## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### a. Credit risk (continued)

Movement of the loss allowance is as shown below:

	Group	Company
	TZS'000	TZS'000
<b>2024</b>		
Balance as at 1 January 2024	8,404	2,072
Charge during the year	53,361	21,621
Balance as at 31 December 2024	<b>61,765</b>	<b>23,693</b>
<b>2023</b>		
Balance as at 1 January 2023	90,294	32,743
Charge during the year	75,869	20,698
Bad debt written off during the year	(157,759)	(51,369)
Balance as at 31 December 2023	<b>8,404</b>	<b>2,072</b>

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 2 years past due.

#### Government securities, short term deposits and cash at bank balances

There is no independent credit rating for banks operating in Tanzania. However, the Exchange banks with reputable multinational and local banks. In the view of the directors, risk of non-performance by the counterparties is not significant.

At 31 December 2024, financial assets at banks by type of counterparty was as follows:

	Bank Name	2024	2023
		TZS '000	TZS '000
<b>GROUP</b>			
Analysis of financial assets at banks			
Government securities	Bank of Tanzania	13,877,763	9,881,550
Short term deposits	TCB, MHB, CRDB, Azania, Equity, UBA, DCB, KCB, BOA	13,407,378	18,447,182
Cash at bank	CRDB, NMB and ACB	264,362	135,867
<b>Total cash held by counterparties</b>		<b>27,549,503</b>	<b>28,464,599</b>
<b>COMPANY</b>			
Government securities	Bank of Tanzania	13,877,763	9,881,550
Short term deposits	TCB, MHB, CRDB, Azania, Equity, UBA, DCB, KCB, BOA	12,072,853	17,253,680
Cash at bank	CRDB, NMB and ACB	229,898	90,160
<b>Total cash held by counterparties</b>		<b>26,180,514</b>	<b>27,225,390</b>

#### Loan to DSE SACCOSS

The directors consider credit risk exposure for loans to DSE SACCOSS as insignificant because these are recovered directly from the employees through monthly salary deductions or terminal benefits for exiting staff.

#### b. Liquid risk

Liquidity risk is the risk that the DSE will not be able to meet its financial obligations as they fall due. The DSE's approach in managing liquidity ensures as far as possible, it always has sufficient liquidity to meet its liabilities when due under both

## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### b. Liquid risk (continued)

normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The DSE ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below analyses the group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the statement of financial position. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Less than 1 year TZS'000
<b>GROUP</b>	
<b>2024</b>	
Trade and other payables*	1,310,192
	<b>1,310,192</b>
<b>2023</b>	
Trade and other payables*	1,004,839
	<b>1,004,839</b>
<b>COMPANY</b>	
<b>2024</b>	
Trade and other payables*	968,354
	<b>968,354</b>
<b>2023</b>	
Trade and other payables*	709,716
	<b>709,716</b>

\*Excludes statutory liabilities.

#### c. Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

##### i. Currency risk

Currency risk arises on financial instruments that are denominated in a foreign currency, i.e., a currency other than the functional currency in which they are measured. Currency risk does not arise from non-monetary items or items denominated in the functional currency.

The Group enters contracts denominates in foreign currencies especially United States Dollars (USD) mainly for purchases of assets and services. In addition, the entity has assets denominated in foreign currencies. As a result, the entity is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. Exposure to foreign currency risk is mitigated by the fact that the amount due are normally settled within short period of time.

## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### c. Market risk (continued)

Management's policy to manage foreign exchange risk is to maintain currency bank accounts which act as natural hedge payment.

Exposure to currency risk for foreign denominated amounts in the following classes of financial instruments is as depicted in the schedule below:

	USD TZS '000	TOTAL TZS '000
<b>GROUP</b>		
<b>2024</b>		
Cash and cash equivalent	2,960	2,960
	<b>2,960</b>	<b>2,960</b>
<b>2023</b>		
Cash and cash equivalent	2,705	2,705
	<b>2,705</b>	<b>2,705</b>
<b>COMPANY</b>		
<b>2024</b>		
Cash and cash equivalent	2,960	2,960
	<b>2,960</b>	<b>2,960</b>
<b>2023</b>		
Cash and cash equivalent	2,705	2,705
	<b>2,705</b>	<b>2,705</b>

Disclosure around market risk also relates to sensitivity analysis of the type of market risk – currency risk and ignores any impact of forecast income and expenditures.

A 10 percent strengthening/weakening of the Tanzanian shilling against the following currencies would have increased/decreased profit or loss and equity by amounts shown below. This analysis assumes that all other variables, in particular interest and inflation rates, remain constant.

	Increase in profit	
	2,024	2,023
	TZS '000	TZS '000
<b>GROUP</b>		
USD	296	270
	<b>296</b>	<b>270</b>
<b>COMPANY</b>		
USD	296	270
	<b>296</b>	<b>270</b>

The following significant exchange rates have been applied.

	Year-end spot rate		Average rate	
	2024	2023	2024	2023
USD/TZS	2,395	2,550	2,395	2,415

#### ii. Interest rate risk

Interest rate risk is the risk that the DSE being exposed to gains or losses on fluctuations of interest in the market. The DSE exposure on interest rates fluctuations is mainly on its investment in short term securities



## Notes

for the year ended 31 December 2024

### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### c. Market risk (continued)

and external funding or debt instruments. This is mitigated by DSE management through regular review on interest rates movement in money market and hence shifting funds from Treasury bonds to Fixed deposits and vice versa.

##### Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	Carrying amount			
	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
<b>Fixed rate instruments: Financial assets</b>				
Short term deposits	13,407,378	18,447,182	12,072,853	17,253,680
Investment in unit trust	-	702,492	-	702,493
Government securities	13,877,763	9,881,550	13,877,763	9,881,550
Loan to DSE SACCOS	54,090	107,143	54,090	107,143
	<b>27,339,231</b>	<b>29,138,367</b>	<b>26,004,706</b>	<b>27,944,866</b>

##### Interest rate Sensitivity

The interest-bearing financial instruments are held at fixed rates; hence forth the company is not exposed to cash flow sensitivity.

#### d. Capital risk management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market and to sustain future development of the business. Capital consists of total equity.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and to maintain an optimal capital structure to reduce the cost of capital. The company had no borrowing for the period ended December 2024.

Consistent with others in the industry, the group monitors capital based on the following gearing ratio: Net debt Divided by Total 'equity' (as shown in the statement of financial position). As at 31 December 2024 the Group was not geared.

### 7. ACCOUNTING CLASSIFICATION AND FAIR VALUE MEASUREMENT

The Group's financial instruments consist mainly of cash and cash equivalents, trade and other receivables, short term deposits, government securities, investment in unit trust, loans and trade and other payables. All financial assets and assets are carried at amortised cost except for investment in unit trust which is carried at fair value as indicated below.

2024	Financial assets -Fair Value	Financial assets – Amortised cost	Financial liabilities– Amortised cost	Total
	TZS '000	TZS '000	TZS '000	TZS '000
<b>GROUP</b>				
Financial assets				
Government securities	-	13,877,763	-	13,877,763
Loan to DSE SACCOS	-	54,090	-	54,090
Trade and other receivables	-	1,419,591	-	1,419,591

## Notes

for the year ended 31 December 2024

### 7. ACCOUNTING CLASSIFICATION AND FAIR VALUE MEASUREMENT(Continued)

2024	Financial assets -Fair Value	Financial assets – Amortised cost	Financial liabilities– Amortised cost	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Short term deposits	-	13,407,378	-	13,407,378
Cash and cash equivalent	-	264,362	-	264,362
Restricted bank balance	-	811	-	811
	-	<b>29,023,995</b>	-	<b>29,023,995</b>
Financial liabilities				
Trade and other payables	-	-	1,310,192	1,310,192
	-	-	<b>1,310,192</b>	<b>1,310,192</b>
<b>COMPANY</b>				
Financial assets				
Government securities	-	13,877,763	-	13,877,763
Loan to DSE SACCOS	-	54,090	-	54,090
Trade and other receivables	-	1,260,943	-	1,260,943
Short term deposits	-	12,072,853	-	12,072,853
Cash and cash equivalent	-	229,898	-	229,898
Restricted bank balance	-	811	-	811
	-	<b>27,496,358</b>	-	<b>27,496,358</b>
Financial liabilities				
Trade and other payables	-	-	968,354	968,354
	-	-	<b>968,354</b>	<b>968,354</b>

2023	Financial assets -Fair Value	Financial assets – Amortised cost	Financial liabilities– Amortised cost	Total
	TZS '000	TZS '000	TZS '000	TZS '000
<b>GROUP</b>				
Financial assets				
Government securities	-	9,881,550	-	9,881,550
Loan to DSE SACCOS	-	107,143	-	107,143
Trade and other receivables	-	1,689,531	-	1,689,531
Short term deposits	-	18,447,182	-	18,447,182
Investment in unit trust	702,493	-	-	702,493
Cash and cash equivalent	-	135,867	-	135,867
Restricted bank balance	-	10	-	10
	<b>702,493</b>	<b>30,261,283</b>	-	<b>30,963,776</b>
Financial liabilities				
Trade and other payables	-	-	1,020,161	1,020,161
	-	-	<b>1,020,161</b>	<b>1,020,161</b>
<b>COMPANY</b>				
Financial assets				
Government securities	-	9,881,550	-	9,881,550
Loan to DSE SACCOS	-	107,143	-	107,143
Trade and other receivables	-	1,247,280	-	1,247,280
Short term deposits	-	17,253,680	-	17,253,680
Investment in unit trust	702,493	-	-	702,493
Cash and cash equivalent	-	90,616	-	90,616
Restricted bank balance	-	10	-	10
	<b>702,493</b>	<b>28,580,279</b>	-	<b>29,282,772</b>

## Notes

for the year ended 31 December 2024

### 7. ACCOUNTING CLASSIFICATION AND FAIR VALUE MEASUREMENT(Continued)

2023	Financial assets -Fair Value	Financial assets – Amortised cost	Financial liabilities– Amortised cost	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Financial liabilities				
Trade and other payables	-	-	725,039	725,039
	-	-	<b>725,039</b>	<b>725,039</b>

The following table shows the carrying amounts of financial assets carried at fair values and the long-term financial asset carried at amortised cost whose fair value does not approximate their carrying amounts.

	Carrying amount		Fair value	
	2,024	2,023	2,024	2,023
	TZS '000	TZS '000	TZS '000	TZS '000
<b>GROUP</b>				
Financial assets - measured at fair value through net assets – Level 1				
Investment in unit trust	-	702,493	-	702,493
	-	<b>702,493</b>	-	<b>702,493</b>
Financial assets - not measured at fair value – Level 2				
Government securities	13,877,763	9,881,550	14,721,384	10,721,915
	<b>13,877,763</b>	<b>9,881,550</b>	<b>14,721,384</b>	<b>10,721,915</b>
<b>COMPANY</b>				
Financial assets - measured at fair value through net assets – Level 1				
Investment in unit trust	-	702,493	-	702,493
	-	<b>702,493</b>	-	<b>702,493</b>
Financial assets - not measured at fair value – Level 2				
Government securities	13,877,763	9,878,294	14,721,384	10,721,915
	<b>13,877,763</b>	<b>9,878,294</b>	<b>14,721,384</b>	<b>10,721,915</b>

- (i) Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. The Group have investment in Unit trust Fund financial instruments under level 1.
- (ii) Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. The Group has government bonds under this category thus the government securities the fair value is calculated by estimating the present value through discounting the expected future cash flows using the yield rates of similar Government bonds issued in the recent past, normally past 1-3 months. These yield rates are published by the Bank of Tanzania.
- (iii) Level 3: Inputs that are unobservable. This category includes instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on their valuation.

### 8. REVENUE FROM CONTRACT WITH CUSTOMERS

#### (a) Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of services at a point in time from different service lines including revenues from external customers, listings fees (which include the listing fee on equity, corporate bonds, and government bonds), revenues from transactions fees on equities and bonds, registry services, dividend processing fees, data vending, and AGM management.

## Notes

for the year ended 31 December 2024

### 8. REVENUE FROM CONTRACT WITH CUSTOMERS (Continued)

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
<b>Listing fees</b>				
Equity	376,543	411,488	376,543	411,488
Government bonds	3,711,457	4,156,085	3,711,457	4,156,085
Corporate bonds	77,427	86,022	77,427	86,022
	<b>4,165,427</b>	<b>4,653,595</b>	<b>4,165,427</b>	<b>4,653,595</b>
<b>Transaction fees</b>				
Equity	640,196	633,758	640,196	633,758
Bonds	1,070,849	1,237,317	1,070,849	1,237,317
	<b>1,711,045</b>	<b>1,871,075</b>	<b>1,711,045</b>	<b>1,871,075</b>
<b>CSD fees</b>				
Annual membership fees	76,000	75,000	-	-
Membership application Fee	2,000	5,000	-	-
CSD Equity trading fees	274,370	270,312	-	-
CSD amendment fee	6,512	11,266	-	-
CSD bond trading fees	603,788	735,104	-	-
Dividend processing income	292,919	272,877	-	-
IPO processing fees	30,928	61,599	-	-
Registry services (IPO)	98,800	93,000	-	-
AGM management fee	61,796	85,568	-	-
International Securities Identification Number (ISIN)	6,600	9,245	-	-
Register annual maintenance fee	212,525	197,698	-	-
	<b>1,666,238</b>	<b>1,816,669</b>	<b>-</b>	<b>-</b>
<b>Other operating income</b>				
Data vending historical	157,336	172,416	157,336	172,415
Data vending end of day	-	663	-	663
Data vending real time	-	16,598	-	16,598
Licensed Dealing Member (LDM) membership fees & NOMADS	38,000	48,000	38,000	48,000
Infrastructure support fee	68,054	68,054	68,054	68,054
	<b>263,390</b>	<b>305,731</b>	<b>263,390</b>	<b>305,730</b>
	<b>7,806,100</b>	<b>8,647,070</b>	<b>6,139,862</b>	<b>6,830,400</b>
Revenue from the Government	3,711,457	4,156,085	3,711,457	4,156,085
Revenue from other customers	4,094,643	4,490,985	2,428,405	2,674,315
	<b>7,806,100</b>	<b>8,647,070</b>	<b>6,139,862</b>	<b>6,830,400</b>

#### (b) Assets and liabilities related to contracts with customers

The group has recognised the following assets and liabilities related to contracts with customers:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
<b>Trade receivables</b>				
Trade receivables (Note 18 (a))	1,267,566	1,527,105	853,260	1,003,982
Less: Loss allowances	(61,765)	(8,404)	(23,693)	(2,072)
Net trade receivables	<b>1,205,801</b>	<b>1,518,701</b>	<b>829,567</b>	<b>1,001,910</b>
<b>Contract liabilities</b>				
Listing fee from corporate entities (Note 27)	109,456	33,640	109,456	33,640
Listing from Government bonds	1,221,309	1,104,727	1,221,309	1,104,727
<b>Total Contract liabilities</b>	<b>1,330,765</b>	<b>1,138,367</b>	<b>1,330,765</b>	<b>1,138,367</b>

## Notes

for the year ended 31 December 2024

### 8. REVENUE FROM CONTRACT WITH CUSTOMERS (Continued)

Contract liabilities relate to annual listing fees for both government and corporate bonds that is received from government and corporates annually in advance. This is recognised as revenue in the next accounting period for all the bonds that are existing.

### 9. OTHER INCOME

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Amortization of revenue grant (Note 25(b))	-	22,985	-	22,985
Amortization of capital grant (Note 25(a))	45,574	54,688	45,574	54,688
Training income	66,001	67,775	66,001	67,775
Management fee Note 28(a))	-	-	178,820	146,085
Dividend from subsidiary	-	-	150,000	-
Miscellaneous income*	34,331	34,338	8,636	20,688
Fair value gain through profit or loss	6,034	2,493	6,034	2,493
	<b>151,940</b>	<b>182,279</b>	<b>455,065</b>	<b>314,714</b>

\*Include interest from SACCOSS loan amounting to TZS 4.4 million (2023: TZS 2.4 million)

### 10. ADMINISTRATIVE EXPENSES

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Staff costs	4,588,028	4,227,563	3,522,404	3,293,189
Information technology costs	536,550	437,465	430,859	361,157
Operating expenses	1,571,272	1,229,166	1,293,567	955,738
Other expenses	467,765	425,482	424,712	382,490
	<b>7,163,615</b>	<b>6,319,676</b>	<b>5,671,542</b>	<b>4,992,574</b>
<b>(a) Staff costs</b>				
Salary and wages	2,970,034	2,684,215	2,238,760	2,064,244
Bonus	-	208,881	-	137,682
Skills and Development Levy	97,131	158,875	97,131	158,875
Pension contribution	561,012	385,932	426,547	292,936
Leave cost	186,835	160,936	139,421	120,524
Medical expenses	156,486	126,482	114,354	92,039
Life insurance expenses	30,344	31,551	23,051	25,535
Training and workshops	219,451	128,891	197,056	116,837
Other staff cost (special, acting, furniture and other allowances)	183,068	163,219	144,388	144,034
Workers' Compensation Fund	18,027	12,864	13,692	9,765
Fuel allowance	165,640	165,717	128,004	130,718
	<b>4,588,028</b>	<b>4,227,563</b>	<b>3,522,404</b>	<b>3,293,189</b>
<b>(b) Information technology costs</b>				
DRS running costs	53,674	62,914	46,790	57,954
ATS license fee	272,701	267,952	231,545	227,613
IT Expenses	210,175	106,599	152,524	75,590
	<b>536,550</b>	<b>437,465</b>	<b>430,859</b>	<b>361,157</b>
<b>(c) Operating Expenses</b>				
Dividend processing costs	144,503	115,746	59,187	47,682
Public education and business development costs	372,439	182,258	337,655	141,346
Subscriptions, tenders, and newspapers	116,621	116,628	107,480	109,140

## Notes

for the year ended 31 December 2024

### 10. ADMINISTRATIVE EXPENSES (Continued)

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
CMSA regulatory fee	74,458	110,257	63,670	93,568
Regional integration	189,206	82,217	134,032	58,972
Director's training	88,819	47,183	72,239	29,176
Directors' fee	37,497	149,700	37,497	110,250
Telephone, internet, and courier cost	83,808	83,771	65,550	65,660
Amortisation of donor grant	-	3,013	-	3,013
Electricity and security cost	32,000	31,778	28,000	27,806
Fuel expenses	11,921	5,973	11,921	2,857
Board expenses & AGM expenses	158,394	82,361	124,753	56,354
MTP-NIDA expenses	20,825	28,117	20,825	28,117
BIST training expense	44,851	57,644	44,852	57,644
Loss on exchange rate	-	8,304	-	8,304
Depreciation and amortisation	195,930	124,216	185,906	115,849
	<b>1,571,272</b>	<b>1,229,166</b>	<b>1,293,567</b>	<b>955,738</b>
<b>(d) Other expenses</b>				
CSD certificates-SMS Bundle, business license and DTB	45,593	44,432	34,093	34,299
Bank charges and insurance	24,824	13,209	21,123	9,832
Office cleaning, parking, and recreations	97,182	76,127	77,501	62,119
CSD IPO processing expenses	2,050	7,490	-	-
Other administrative costs	11,543	20,104	23,736	31,970
Corporate Social Responsibility	11,650	9,113	11,650	9,113
Consultancy fee	50,132	125,920	49,200	123,420
Services Levy	15,953	18,182	12,687	14,083
Stationery and consumables	28,914	23,272	25,299	20,519
Repair and maintenance	11,005	3,633	11,005	3,635
Audit fee	168,919	84,000	158,418	73,500
	<b>467,765</b>	<b>425,482</b>	<b>424,712</b>	<b>382,490</b>

### 11. FINANCE INCOME

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Interest on term deposit	1,774,096	1,972,580	1,618,172	1,840,030
Interest on treasury bonds	1,771,611	1,418,000	1,771,613	1,418,000
Interest on investment in unit trust	31,453	8,688	31,453	8,688
	<b>3,577,160</b>	<b>3,399,268</b>	<b>3,421,238</b>	<b>3,266,718</b>

### 12. TAXATION

#### (a) Income tax expense

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Current income tax charge	55,580	153,853	-	-
Deferred income tax (credit)/charge	(9,825)	(16,852)	-	-
Income tax charge	<b>45,755</b>	<b>137,001</b>	<b>-</b>	<b>-</b>



## Notes

for the year ended 31 December 2024

### 12.TAXATION (Continued)

The exchange is tax exempt as per second schedule of Income Tax Act of 2019. Dar es Salaam Stock Exchange Public Limited Company has a wholly own subsidiary CSD & Registry Company Limited that is not exempt from income tax. The following is reconciliation between expected tax based on profit before tax and assessed income tax expense:

#### (b) Effective tax rate reconciliation

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Profit before income tax	4,318,224	5,812,493	4,173,002	5,377,981
Tax calculated at a tax rate of 30 %	1,295,467	1,743,748	1,251,901	1,613,394
Tax effect of:				
Expenses not deductible for tax purposes	2,189	6,647	-	-
Income not subject to tax	(1,251,901)	(1,613,394)	(1,251,901)	(1,613,394)
Income tax expense	<b>45,755</b>	<b>137,001</b>	-	-

#### (c) Current income tax Receivable

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Balance as at 1 January	33,410	90,240	-	-
Charge during the year	(55,580)	(153,853)	-	-
Income tax paid	166,155	97,023	-	-
Balance as at 31 December	<b>143,985</b>	<b>33,410</b>	-	-

#### (d) Deferred tax asset

Deferred income tax asset is calculated, using the enacted income tax of 30% (2023: 30%). The movement on the deferred income tax account is as follows:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Balance as at 1 January	34,602	17,751	-	-
Deferred tax credit during the year	9,825	16,851	-	-
Balance as at 31 December	<b>44,427</b>	<b>34,602</b>	-	-

The deferred tax asset is made up of:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Provisions	43,339	33,818	-	-
Property and equipment	1,088	784	-	-
	<b>44,427</b>	<b>34,602</b>	-	-

## Notes

for the year ended 31 December 2024

### 13.PROPERTY AND EQUIPMENT

GROUP	Office Equipment	Office Furniture	Power Generator	Motor Vehicles	Office Partition	Total
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
<b>Cost</b>						
At 1 <sup>st</sup> January 2023	1,314,207	99,722	39,115	283,573	168,887	1,905,504
Additions	16,924	2,096	-	-	-	19,020
At 31 December 2023	<b>1,331,131</b>	<b>101,818</b>	<b>39,115</b>	<b>283,573</b>	<b>168,887</b>	<b>1,924,524</b>
At 1 <sup>st</sup> January 2024	1,331,131	101,818	39,115	283,573	168,887	1,924,524
Additions	70,705	3,186	-	330,000	-	403,891
At 31 December 2024	<b>1,401,836</b>	<b>105,004</b>	<b>39,115</b>	<b>613,573</b>	<b>168,887</b>	<b>2,328,415</b>
<b>Accumulated depreciation</b>						
At 01 January 2023	1,213,528	89,697	39,115	283,573	168,887	1,794,800
Charge during the year	41,490	3,530	-	-	-	45,020
At 31 December 2023	<b>1,255,018</b>	<b>93,227</b>	<b>39,115</b>	<b>283,573</b>	<b>168,887</b>	<b>1,839,820</b>
At 01 January 2024	1,255,018	93,227	39,115	283,573	168,887	1,839,820
Charge during the year	46,684	3,226	-	30,180	-	80,090
At 31 December 2024	<b>1,301,702</b>	<b>96,453</b>	<b>39,115</b>	<b>313,753</b>	<b>168,887</b>	<b>1,919,910</b>
<b>Carrying amount</b>						
At 31 December 2024	100,134	8,551	-	299,820	-	408,505
At 30 December 2023	<b>76,113</b>	<b>8,591</b>	-	-	-	<b>84,704</b>

COMPANY	Office Equipment	Office Furniture	Power Generator	Motor Vehicles	Office Partition	Total
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
<b>Cost</b>						
At 01 January 2023	1,279,661	89,283	39,115	283,573	168,887	1,860,519
Additions	12,294	2,096	-	-	-	14,390
At 31 December 2023	<b>1,291,955</b>	<b>91,379</b>	<b>39,115</b>	<b>283,573</b>	<b>168,887</b>	<b>1,874,909</b>
At 01 January 2024	1,291,955	91,379	39,115	283,573	168,887	1,874,909
Additions	59,512	3,186	-	330,000	-	392,698
At 31 December 2024	<b>1,351,467</b>	<b>94,565</b>	<b>39,115</b>	<b>613,573</b>	<b>168,887</b>	<b>2,267,607</b>
<b>Accumulated Depreciation</b>						
At 01 January 2023	1,196,473	81,592	39,115	283,573	168,887	1,769,640
Charge during the year	34,181	2,473	-	-	-	36,654
At 31 December 2023	<b>1,230,654</b>	<b>84,065</b>	<b>39,115</b>	<b>283,573</b>	<b>168,887</b>	<b>1,806,294</b>
At 01 January 2024	1,230,654	84,065	39,115	283,573	168,887	1,806,294
Charge during the year	37,412	2,473	-	30,180	-	70,065
At 31 December 2024	<b>1,268,066</b>	<b>86,538</b>	<b>39,115</b>	<b>313,753</b>	<b>168,887</b>	<b>1,876,359</b>
<b>Carrying Amount</b>						
At 31 December 2024	83,401	8,027	-	299,820	-	391,248
At 31 December 2023	<b>61,301</b>	<b>7,314</b>	-	-	-	<b>68,615</b>

## Notes

for the year ended 31 December 2024

### 14. NON-CURRENT PREPAYMENT

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Balance as at 1 January	3,119,672	2,819,584	3,119,672	2,819,584
Additions during the year	2,376,792	300,088	2,376,792	300,088
Balance as at 31 December	<b>5,496,464</b>	<b>3,119,672</b>	<b>5,496,464</b>	<b>3,119,672</b>

Non-current prepayment relates to 60% advance payment made for purchase of office space measuring approximately nine hundred and six decimal one four square metres (906.14 sqm) being part of a building constructed by the National Housing Corporation (NHC) on Plot Numbers 1-3, Mwai Kibaki Road (famously referred to as NHC's Morocco Square project) and Plot Number 44 Ursino Street, Real Estate - Kinondoni Municipality, Dar es Salaam.

In January 2025, the construction work was completed, and the Exchange moved its offices from Kambarage House, 6 Ufukoni Street to Exchange Tower, NHC Morocco Square and the prepaid amount has been recognised as property, plant and equipment.

### 15. INTANGIBLE ASSET

Intangible asset relates to software used by DSE on day-to-day operations. This consists of Automated Trading System (ATS), Central Securities Depository (CSD), Arute system (HRM system), Mobile Trading Platform (MTP) and Sage Accounting and Payroll software, whose movement was as follows:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
<b>Cost</b>				
At start of the year	1,713,430	1,607,262	1,665,802	1,559,634
Additions	245,504	106,168	245,504	106,168
At end of the year	<b>1,958,934</b>	<b>1,713,430</b>	<b>1,911,306</b>	<b>1,665,802</b>
<b>Accumulated Amortisation</b>				
At start of the year	1,563,606	1,486,786	1,515,978	1,439,158
Charge during the year	113,465	76,820	113,465	76,820
At end of the year	<b>1,677,071</b>	<b>1,563,606</b>	<b>1,629,443</b>	<b>1,515,978</b>
<b>Net Carrying Amount</b>				
At 31 December	<b>281,863</b>	<b>149,824</b>	<b>281,863</b>	<b>149,824</b>

## Notes

for the year ended 31 December 2024

### 16. LEASEHOLD LAND AND BUILDING

	Leasehold land	Building	Total
	TZS'000	TZS'000	TZS'000
<b>GROUP</b>			
<b>COST</b>			
At 01 January 2023	200,000	95,000	295,000
Revaluation loss	-	-	-
At 31 December 2023	<b>200,000</b>	<b>95,000</b>	<b>295,000</b>
At 01 January 2024	200,000	95,000	295,000
Revaluation loss	-	-	-
At 31 December 2024	<b>200,000</b>	<b>95,000</b>	<b>295,000</b>
<b>Accumulated Depreciation</b>			
At 01 January 2023	30,979	29,754	60,733
Charge during the period	-	2,375	2,375
At 31 December 2023	<b>30,979</b>	<b>32,129</b>	<b>63,108</b>
At 01 January 2024	30,979	32,129	63,108
Charge during the period	-	2,375	2,375
At 31 December 2024	<b>30,979</b>	<b>34,504</b>	<b>65,483</b>
<b>Carrying Amount</b>			
At 31 December 2024	169,021	60,496	229,517
At 31 December 2023	<b>169,021</b>	<b>62,871</b>	<b>231,892</b>
<b>Company</b>			
<b>Cost</b>			
At 01 January 2023	200,000	95,000	295,000
Revaluation loss	-	-	-
At 31 December 2023	<b>200,000</b>	<b>95,000</b>	<b>295,000</b>
At 01 January 2024	200,000	95,000	295,000
Revaluation loss	-	-	-
At 31 December 2024	<b>200,000</b>	<b>95,000</b>	<b>295,000</b>
<b>Accumulated Depreciation</b>			
At 01 January 2023	30,979	29,754	60,733
Charge during the period	-	2,375	2,375
At 31 December 2023	<b>30,979</b>	<b>32,129</b>	<b>63,108</b>
At 01 January 2024	30,979	32,129	63,108
Charge during the period	-	2,375	2,375
At 31 December 2024	<b>30,979</b>	<b>34,504</b>	<b>65,483</b>
<b>Carrying Amount</b>			
At 31 December 2024	169,021	60,496	229,517
At 31 December 2023	<b>169,021</b>	<b>62,871</b>	<b>231,892</b>

## Notes

for the year ended 31 December 2024

### 16. LEASEHOLD LAND AND BUILDING (CONTINUED)

If leasehold land was measured using the cost model, the carrying amounts would be, as follows:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Cost	41,603	41,603	41,603	41,603
Accumulated depreciation	(2,600)	(1,950)	(2,600)	(1,950)
Carrying amount	<b>39,003</b>	<b>39,653</b>	<b>39,003</b>	<b>39,653</b>

Leasehold land was acquired from National Insurance Company Limited. The Exchange's leasehold land and buildings comprise residential properties located at Plot No. 109-1 Kingalu road in Morogoro. Land and buildings are measured at fair value based on valuations by external independent valuers, Majengo Estates developer (registered valuers and estate agents in Dar es Salaam Tanzania). Revaluation for the properties is done after every three (3) years. The last revaluation was carried out in December 2022.

Leasehold land has been used to erect the building in conformity to the Morogoro Municipal Council plans. DSE has the right to renew occupancy of the leasehold land from the Government of United Republic of Tanzania after the end of lease term of 99 years from 1 January 1975.

If buildings were measured using the cost model, the carrying amount would be, as follows:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Cost	103,331	103,331	103,331	103,331
Accumulated depreciation	(24,469)	(21,886)	(24,469)	(21,886)
Net carrying amount	<b>78,862</b>	<b>81,445</b>	<b>78,862</b>	<b>81,445</b>

Key inputs to valuation of land and buildings

	Significant inputs	Range (weighted average)
Buildings	Estimated rental value per square meter per month	TZS 8,000 to TZS 12,000 (Average of TZS 10,000)
	Rent growth per annum	0% - 5% (Average of 2.5%)
Leasehold land selling price per square meter		TZS 90,000

#### Valuation techniques for the Exchange's properties:

Buildings	Buildings, structures, and services were valued using comparative method, also referred to as the Direct Capital Comparison Approach.
Leasehold Land	Leasehold land was valued using Market Approach.

The valuations for the leasehold land and buildings are classified into level 3 hierarchy since the significant inputs into the valuations are the open market prices for buildings in the same location and these are observable, either directly or indirectly from the market. There have been no transfers into or out of this fair value hierarchy.

Fair value of the properties was determined using the market comparable method. This means that valuations performed by the valuer are based on the information available in the market, significantly adjusted for differences in the nature, location, or condition of the specific property, as at the date of revaluation on 31 December 2022. The properties' fair values are based on valuations performed by an accredited independent valuer who has valuation experience for similar office properties in Tanzania since 2006. The directors believed that the valuations performed in year 2022 reflects the current market conditions.

## Notes

for the year ended 31 December 2024

### 16. LEASEHOLD LAND AND BUILDING (CONTINUED)

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value on a linear basis.

Leasehold land was acquired from National Insurance Company Ltd with the remaining period of 52 years.

### 17. INVESTMENT IN SUBSIDIARY

The Company has invested TZS 227 million in a wholly owned subsidiary that was formed in year 2017. The group's principal subsidiary at 31 December 2024 is set out below. Unless otherwise stated, it has share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also the principal place of the subsidiary business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		2024 %	2023 %	2024 %	2023 %	
CSDR	United Republic of Tanzania	100	100	-	-	Clearance and settlement of securities and custody of security services.

Below is the summary of the total amount invested in the subsidiary by the DSE Company.

	2024 TZS '000	2023 TZS'000
Investment in the subsidiary		
Balance as at 1 January	227,867	227,867
Additional investment made during the year	-	-
Balance as at 31 December	<b>227,867</b>	<b>227,867</b>

Below is the summary of the subsidiary performance results and financial position.

	2024 TZS '000	2023 TZS'000
<b>Statement of financial position</b>		
Total assets	2,122,350	1,946,775
Total liabilities	(748,917)	(522,809)
<b>Net assets</b>	<b>13,734,333</b>	<b>1,423,966</b>
<b>Statement of profit or loss and other comprehensive income</b>		
Gross income	1,921,107	2,036,120
Total expenses	(17,758,844)	(1,601,609)
<b>Profit before tax</b>	<b>145,223</b>	<b>434,511</b>



## Notes

for the year ended 31 December 2024

### 18. TRADE AND OTHER RECEIVABLE

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS,000
Trade receivables	1,205,801	1,518,701	829,567	1,001,910
Other receivables	450,527	371,784	617,856	404,397
	<b>1,656,328</b>	<b>1,890,485</b>	<b>1,447,423</b>	<b>1,406,307</b>

#### (a) Trade receivables

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS,000
Listing fee receivables	516,052	506,532	469,267	664,292
Transaction fee receivables	751,514	1,020,573	383,993	339,690
Gross Receivables	1,267,566	1,527,105	853,260	1,003,982
Loss allowance (See Note 6(a))	(61,765)	(8,404)	(23,693)	(2,072)
	<b>1,205,801</b>	<b>1,518,701</b>	<b>829,567</b>	<b>1,001,910</b>

#### (b) Other receivables

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS,000
Staff car loans receivables	96,454	43,154	46,454	43,154
Staff advances	7,036	169	1,866	-
Prepaid expenses	202,720	181,276	157,633	139,518
Distribution receivable from investment in unit trust	-	8,688	-	8,688
Other receivables*	85,456	87,108	33,755	33,755
VAT Receivables	26,981	19,509	26,981	19,509
Due from Fidelity Fund	31,880	31,880	31,880	31,880
Due from related parties	-	-	319,287	127,893
	<b>450,527</b>	<b>371,784</b>	<b>617,856</b>	<b>404,397</b>

\* Other receivables relate to amount due from other listed companies in relation to dividend processing cost and WHT not accounted for from banks.

### 19. GOVERNMENT SECURITIES AT AMORTISED COST

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS,000
Treasury bond	13,877,763	9,881,550	13,877,763	9,881,550
	<b>13,877,763</b>	<b>9,881,550</b>	<b>13,877,763</b>	<b>9,881,550</b>

The Exchange has four (4) 15-year bonds and three (3) 20-year bonds as analysed below.

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS,000
15-year Treasury Bonds	4,072,551	4,078,806	4,072,551	4,078,806
20-year Treasury Bonds	9,805,212	5,802,744	9,805,212	5,802,744
	<b>13,877,763</b>	<b>9,881,550</b>	<b>13,877,763</b>	<b>9,881,550</b>

## Notes

for the year ended 31 December 2024

### 19. GOVERNMENT SECURITIES AT AMORTISED COST (CONTINUED)

The Coupon rate and maturity date on Government securities as at 31 December 2024 and 31 December 2023 are shown below:

	2024		2023	
	Coupon Rate	Maturity date	Coupon Rate	Maturity date
15 years Treasury Bonds	13.50%	27-Feb-35	13.50%	27-Feb-35
15 years Treasury Bonds	13.50%	27-Feb-35	13.50%	27-Feb-35
15 years Treasury Bonds	13.50%	29-Jan-36	13.50%	29-Jan-36
15 years Treasury Bonds	13.50%	25-Feb-36	13.50%	25-Feb-36
20 years Treasury Bonds	15.49%	22-Apr-40	15.49%	22-Apr-40
20 years Treasury Bonds	15.49%	21-May-40	15.49%	21-May-40
20 years Treasury Bonds	15.49%	20-May-41	15.49%	20-May-41

### 20. LOAN TO DSE SACCOSS

Loan to SACCOSS relates to the amount lent by the Exchange to employees SACCOSS, a legal entity owned by employees. The loan accrues interest at a reducing balance rate of 4% per annum and is for a period of 5 years. Repayments are done on a monthly basis.

DSE Public Limited Company has no control over the SACCOSS.

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Opening Balance	107,143	153,843	107,143	153,843
Interest income	1,682	2,415	1,682	2,415
Interest repayment	(1,682)	(2,415)	(1,682)	(2,415)
Principal repayment	(53,053)	(46,700)	(53,053)	(46,700)
<b>Closing Balance</b>	<b>54,090</b>	<b>107,143</b>	<b>54,090</b>	<b>107,143</b>

The loan to SACCOSS is split into current and non-current portion as seen below:

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Current portion	24,881	48,638	24,881	48,638
Non-current portion	29,209	58,505	29,209	58,505
	<b>54,090</b>	<b>107,143</b>	<b>54,090</b>	<b>107,143</b>

### 21. SHORT TERM DEPOSIT

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
The short-term deposits are held at the following institutions:				
Equity Bank Tanzania Limited	2,169,863	3,902,993	2,169,863	3,902,993
TCB Plc	2,076,973	2,912,139	2,076,973	2,912,139
Akiba Commercial Bank	1,563,133	1,800,207	1,563,133	1,800,207
CRDB Bank Plc	-	877,664	-	877,664
I&M Bank	1,076,712	-	1,076,712	-
UBA Bank Tanzania Ltd	437,568	394,470	-	-
Azania Bank Limited	5,033,474	4,885,095	4,136,515	4,086,064
Mwanga Hakika Bank	1,049,655	1,039,452	1,049,657	1,039,452
KCB Bank Tanzania Limited	-	2,635,162	-	2,635,161
	<b>13,407,378</b>	<b>18,447,182</b>	<b>12,072,853</b>	<b>17,253,680</b>

## Notes

for the year ended 31 December 2024

### 21.SHORT TERM DEPOSIT (CONTINUED)

All short-term deposits have original maturities of more than 3 months but less than one year. The effective interest rate and maturity date on short term deposits as at 31 December 2024 and 31 December 2023 are shown below:

FDR Summary	2024		2023	
	Effective interest rate per annum	Maturity date	Effective interest rate per annum	Maturity date
Equity Bank Tanzania Limited	12.50%	27-Apr-25	12.00%	27-Apr-24
Tanzania Commercial Bank Plc	12.00%	29-Apr-25	11.50%	29-Apr-24
Azania Bank Limited	14.00%	11-Oct-25	13.00%	11-Oct-24
Azania Bank Limited	14.00%	19-Oct-25	12.00%	19-Oct-24
Azania Bank Limited	14.00%	4-Nov-25	12.00%	4-Nov-24
I&M Bank	12.50%	22-May-25	-	-
MHB	12.50%	8-Aug-25	10.00%	8-Aug-24
CRDB Bank Plc	-	-	10.00%	13-May-24
UBA Bank Tanzania Limited	11.00%	6-Jan-25	11.00%	6-Jan-24
KCB Bank Tanzania Limited	-	-	12.00%	15-Aug-24

### 22.INVESTMENT IN UNIT TRUST

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Balance as at 1 January	702,493	-	702,493	-
Addition during the year	-	700,000	-	700,000
Fair value gain	6,034	2,493	6,034	2,493
Disposal during the year	(708,527)	-	(708,527)	-
Balance as at 31 December	-	702,493	-	702,493

DSE invested in Bond Fund which is an open-end balanced fund which aims at distributing income periodically which all investment in Bond Fund were disposed in the current period. The Fund is managed by UTT AMIS Plc.

### 23.CASH AND CASH EQUIVALENTS

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
<b>Unrestricted cash balances</b>				
Cash at bank	264,362	135,411	229,898	90,160
Cash at hand	456	456	456	456
	<b>264,818</b>	<b>135,867</b>	<b>230,354</b>	<b>90,616</b>
<b>Unrestricted cash balances</b>				
Cash at bank - ACB Car Loan Fund*	811	10	811	10
	<b>811</b>	<b>10</b>	<b>811</b>	<b>10</b>

\*This is the balance which relates to cash set aside for the purpose of extending loans to staff for purchase of motor vehicles.

For the purpose of the statement of cash flows, cash and cash equivalents comprises unrestricted cash at hand and in bank as indicated above.

## Notes

for the year ended 31 December 2024

### 24. CAR LOAN FUND

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Car loan fund at end of the year	35,000	35,000	35,000	35,000
	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>

This is a fund established on 3 August 2001 from the accumulated fund account with a seed capital of TZS 35 million for the purpose of extending loans to staff for purchase of motor vehicles.

### 25. GRANTS

#### (a) Capital grant

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
As at 1 January	1,093,165	1,147,853	1,093,165	1,147,853
Grant amortization	(45,574)	(54,688)	(45,574)	(54,688)
<b>As at 31 December</b>	<b>1,047,591</b>	<b>1,093,165</b>	<b>1,047,591</b>	<b>1,093,165</b>

The Capital grants comprise the following items: FSDT Grant for Mobile Trading Platform System, Grant from the world bank grant for Automated Trading System, and cash advanced to the Exchange by the Government.

Grants are issued on condition of being spent on the intended activities and DSE to maintain appropriate financial records in relation to the grant project funds.

#### (b) Revenue grant

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
At start of the period	-	22,985	-	22,985
Grant amortization	-	-22,985	-	-22,985
At end of the period	-	-	-	-
(c) Business incubation				
At start of the period	-	22,985	-	22,985
Grant amortization	-	-22,985	-	-22,985
At end of the period	-	-	-	-

The revenue grants comprise the following items: FSDT Grant for business Incubation Program and Grant for DSE scholar investment challenge. Business incubation program is programs for startup companies that aim at facilitating capacity building, providing network opportunities and providing access to different types of funding options including borrowing, venture capital funds, private equity and equity/debt public issuance to identified companies.

Grants are issued on condition of being spent on the intended activity and DSE to maintain appropriate financial records in relation to the grant project funds.

## Notes

for the year ended 31 December 2024

### 26.SHARE CAPITAL AND RESERVES

#### a) Share Capital

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
The Exchange has authorized capital of TZS 20 billion divided into 50 million ordinary shares of TZS 400 each	20,000,000	20,000,000	20,000,000	20,000,000
Issued and fully paid: 23,824,020 ordinary shares of TZS 400 each (ordinary shares)	9,529,608	9,529,608	9,529,608	9,529,608

#### b) Share Premium

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Share premium	1,850,374	1,850,374	1,850,374	1,850,374

Share premium relates to surplus amount received when ordinary shares are sold or reissued subsequently.

#### c) Revaluation Reserve

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
At 1 January	105,854	108,229	105,854	108,229
Transfer of excess depreciation	(2,375)	(2,375)	(2,375)	(2,375)
At 31 December	<b>103,479</b>	<b>105,854</b>	<b>103,479</b>	<b>105,854</b>

The revaluation reserve relates to revaluation of property, plant and equipment immediately before its reclassification to investment property.

### 27.TRADE AND OTHER PAYABLES

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Contracts with customers	1,138,367	1,138,367	1,330,764	1,138,367
Other payables	1,517,279	1,517,279	1,189,454	1,134,213
	<b>2,655,646</b>	<b>2,655,646</b>	<b>2,520,218</b>	<b>2,272,580</b>

#### (a) Contracts with customers

The group has recognised the following liabilities related to contracts with customers

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Deferred fees - Ccorporate entities	109,456	33,640	109,456	33,640
Deferred fees - Government	1,221,309	1,104,727	1,221,309	1,104,727
	<b>1,330,765</b>	<b>1,138,367</b>	<b>1,330,765</b>	<b>1,138,367</b>

#### Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

## Notes

for the year ended 31 December 2024

### 27. TRADE AND OTHER PAYABLES (CONTINUED)

Revenue recognized that was included in the contract liability balance at the beginning of the period.

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Listing fee - Corporate entities	33,640	79,852	33,640	79,852
Listing fee - Government bonds	1,104,727	814,369	1,104,727	814,369
	<b>1,138,367</b>	<b>894,221</b>	<b>1,138,367</b>	<b>894,221</b>

Contract liabilities as per IFRS 15, relates to the listing fee that DSE has received from companies who are on the process of listing to the exchange but the same has not yet been realized. DSE rules stipulates that the received fee from the company which is required to list will not be earned until the company is listed or upon expiration of the period of two years if the company fails to list.

#### Terms and conditions of the above liabilities:

- Trade payables are non-interest bearing and are normally settled within 15 to 45 days after date of invoice; and
- Accruals are non-interest bearing and have an average term of 30 days.

#### (b) Other payables

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Accrual for goods and services	606,644	456,785	583,051	494,534
Dividend payable	200,000	-	200,000	-
VAT payable	33,772	51,138	-	-
WHT payable	6,876	109,641	6,876	100,637
Payroll related tax liabilities	248,744	351,661	214,224	323,860
Bonus payable	-	185,098	-	137,682
Due to related parties	-	-	19,500	11,850
Due to Fidelity Fund	113,519	58,477	113,519	58,477
Dividend process fee payables	283,432	179,989	-	-
Other payables	106,597	124,490	52,284	7,173
	<b>1,599,584</b>	<b>1,517,279</b>	<b>1,189,454</b>	<b>1,134,213</b>

### 28. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Company fully owns CSD & Registry Company Limited.

Transaction with related parties during the year were in the normal course of business and they give rise to amounts due from related parties as shown in the table below:

#### (a) Transactions with related parties

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Sale of services to CSDR	-	-	178,820	146,085
Dividend income from CSDR	-	-	150,000	-
Purchase of service from CSDR	-	-	73,251	73,251



## Notes

for the year ended 31 December 2024

### 28.RELATED PARTY TRANSACTIONS (CONTINUED)

#### (b) Balance from related party

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Due from CSDR	-	-	319,286	126,487

#### (c) Balance to related party

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Due to CSDR	-	-	19,500	11,850

#### Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the exchange, directly or indirectly of the exchange.

##### i. Executive key personnel

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Short-term employee benefits (salaries and allowances)	2,033,409	1,405,503	1,528,156	1,002,828
Post-employment benefits (defined contribution plans)	305,011	210,825	229,223	150,424
	<b>2,338,420</b>	<b>1,616,328</b>	<b>1,757,379</b>	<b>1,153,252</b>

##### ii. Directors' fees

	2024	2023	2024	2023
	Group	Group	Company	Company
	TZS'000	TZS'000	TZS'000	TZS'000
Directors' fees	189,206	149,700	134,032	110,250
	<b>189,206</b>	<b>149,700</b>	<b>134,032</b>	<b>110,250</b>

### 29.EARNINGS PER SHARE

Basic Earnings per Share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Exchange by the weighted average number of ordinary shares outstanding during the period. DSE does not have potential ordinary shares with convertible options and therefore there is no dilutive impact on the profit attributable to the ordinary shareholders of the exchange.

	2024	2023	2024	2023
	Group	Group	Company	Company
Net profit attributable to shareholders (TZS'000)	4,272,469	5,696,071	4,323,000	5,398,560
Weighted average number of ordinary shares in issue (note 26)	23,824	23,824	23,824	23,824
Basic/diluted earnings per share (TZS)	179.33	239.09	181.46	226.6
Dividends paid	3,454,483	2,763,586	3,454,483	2,763,586
Dividend per share	<b>145</b>	<b>116</b>	<b>145</b>	<b>116</b>

In June 2016 DSE issued shares to the public and thereafter self-listed its shares on its own Exchange on 12<sup>th</sup> July 2016. Earnings per share have been calculated for the current period and previous period.

## Notes

for the year ended 31 December 2024

### 29. EARNINGS PER SHARE (CONTINUED)

#### DIVIDEND PAID

During its 7<sup>th</sup> Dar es Salaam Stock Exchange Public Limited Company (DSE) Annual General Meeting, the DSE Shareholders approved a final dividend of TZS 145.00 per share (2023: TZS 116.00) which amounted to TZS 3,454 million. Dividend was paid on 30 June 2024.

### 30. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

#### Capital Commitment

The Exchange has entered into an agreement with the National Housing Corporation to purchase additional space with square meter 69.5 at a cost of USD 139,000, the Exchange has already paid the amount for additional space to NHC, the Exchange now owns a total 1,075 square meter which has a total cost of USD 2,263,000. The Exchange has already settled the first and the second instalments to the acquisition amounting to USD 1,413,400 which is 60% of the total cost and therefore a commitment of USD 849,600 as at the year end.

#### Contingent liabilities

The Directors confirm that there are no capital commitments or contingent liabilities against the Company as at 31 December 2024.

### 31. SUBSEQUENT EVENTS

Management is not aware of any other event subsequent to the year-end that amounts to recognition or disclosure in these financial statements.