

**Partner's Profile**

<b>Name of Stock Exchange</b>	Eswatini Stock Exchange
<b>Country/Region</b>	Eswatini
<b>Name of CEO</b>	Mr. Sandile Sechaba Dlamini
<b>Capital (US\$)</b>	254 million
<b>Number of Officers and Employees</b>	7
<b>Ownership and Governance (Main Shareholders)</b>	Owned by the Government of the Kingdom of Eswatini

**Brief History**

A move towards a formal structure for capital markets development in Eswatini dates back to 1989 when a working party under the direction of the Central Bank of Eswatini was commissioned to examine if there were economic benefits to be derived from establishing a stock exchange. The working party concluded that there was a need and an opportunity for such a move and proposed, as a first step, the formation of a stockbroking company which would be licensed under the existing banking legislation pending the drafting of a securities law.

The Eswatini Stock Market (SSM) was established in 1990 as a non-bank credit institution in terms of the Financial Institutions (Consolidated) Order, 1975 under Section 18 (1) (b). For eight years the Eswatini Stock Market operated as an over-the-counter-single stockbroker facility. It was not until July 1999 that a fully-fledged stock exchange, the Swaziland Stock Exchange (SSX), was inaugurated. In 2003, the SSX was incorporated in terms of the Companies Act, 1912 as a public company (Swaziland Stock Exchange Limited) utilising Central Bank of Eswatini staff as promoters for the purpose of its registration.

After the promulgation of the Securities Act, 2010, the SSX was transferred to the Financial Services

## **Stock Exchange**

Regulatory Authority (FSRA) and since January 2013 operated as a ‘quasi-company’ within the Capital Markets Development (CMD) Division. From January 2017, the SSX moved out of the FSRA to be an independent institution, on the 3rd Floor, East Wing of Ingcamu Building.

On 15 February 2019, the Swaziland Stock Exchange (SSX) changed its name to Eswatini Stock Exchange (ESE), which coincided with the launch of its new LOGO and Automated Trading System (ATS). This was after the pronouncement from the throne on 19 April 2018 whereby King Mswati III renamed the country back to its initial official name, as the Kingdom of Eswatini.

On 15 March 2019, the ESE held its Inaugural Listings and Investments Conference under the theme “Opening the ESE to the Business Community as a Gateway to Raising Capital”, which aimed at opening up the ESE to the business community, discuss the benefits for private companies of listing on the ESE, the listing process and requirements, and engage with companies that have the potential to list on the ESE.

## **Practices and Procedures**

### **Trading**

Days	<b>5 working days excluding holidays and weekends</b>
Hours	<b>6</b>
Market segmentation	<b>Equities spread over 5 sectors, Corporate and Government Bonds</b>
System	<b>Automated Trading system (Supplied ESCROW Systems, Harare, Zimbabwe)</b>
Mechanisms	<b>Order matching mechanism</b>

Market-maker/Specialists	<b>None</b>
Instruments	<b>Equities, Corporate and Government Bonds</b>
Currency	<b>Lilangeni</b>
Real time information	<b>Yes</b>
<b>Clearing &amp; Settlement</b>	
Central Depository	<b>Automated CSD</b>
Period	<b>5 working days excluding holidays and weekends</b>
Registered	
Settlement	<b>T+3</b>
Clearing Institution	<b>CSD, Funds at Central Bank of Eswatini</b>
Risk Sharing	<b>N/A</b>
Margin/Lending	<b>N/A</b>
Custodians	<b>None</b>
<b>Taxes</b>	
Cash Dividends	<b>10% for local and 15% for foreigners</b>
Interest Income	<b>10%</b>
Capital Gains	<b>None</b>
<b>Structure &amp; Regulations</b>	
Legal	<b>Yes</b>
Regulation	<b>Financial Services Regulatory Authority</b>
Securities market regulations	<b>Yes</b>
Trading rules	<b>Yes</b>
Surveillance	<b>Yes</b>
Corporate actions	<b>Yes</b>
Trading halts regulations	<b>Yes</b>
Investor protection	<b>Yes</b>
<b>Foreign Participation</b>	
Foreign investors	<b>Allowed</b>
Investment limitations	<b>None</b>
Repatriation	<b>Allowed, guidance from Exchange Control Division of the Central Bank of Eswatini</b>
Minimum Listing Requirements	<b><u>MAIN BOARD</u></b> <ul style="list-style-type: none"> <li>• No less than 25 million shares in issue</li> <li>• Subscribed capital of E5 million</li> </ul>

### **Stock Exchange**

- Audited profit history for the preceding three (3) years
- Minimum Free Float – 20%
- Minimum of 20 Public Shareholders

### **ALTERNATIVE BOARD**

- Subscribed capital No less than E250,000
- Not Required, only projected Cashflows for the next three years
- Minimum Free Float – 5%
- Minimum of 10 Public Shareholders

### **Contact Information**

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### **Remarks**