

31 December 2019

**TO: MEMBERS OF THE ESWATINI STOCK EXCHANGE AND ALL INDUSTRY
STAKEHOLDERS**

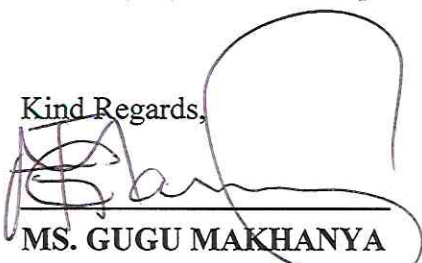
**RE: ADAPTATION AND MODERNISATION OF THE ESWATINI STOCK
EXCHANGE RULES**

1. The above subject matter refers.
2. Section 17 of the Securities Act, 2010 empowers the Eswatini Stock Exchange Limited (ESE) to, among other things:
 - a. enforce the exchange rules;
 - b. ensure that its members, their officers and employees comply with the provisions of the Securities Act and the exchange rules;
 - c. issue directives to govern the internal affairs of the securities exchange; to make listing requirements, after consultation with the Registrar;
 - d. supervise compliance by issuers of listed securities with the listing requirements, the exchange rules and the Securities Act; and,
 - e. do all other things necessary, incidental or conducive to the proper operation of a securities exchange and which are not inconsistent with the Securities Act.
3. The ESE has embarked on an exercise to automate its trading system. The object in embarking on this course was to ensure that it adapts to global standards, improving its governance practices thus becoming cost-efficient, transparent, widely accountable, and ultimately contribute to regional integration. To this end, the ESE has been engaged in an exercise of drafting the new exchange rules which are forward-looking in nature, in so far as they anticipate growth of the Exchange in trades of securities other than equity and debt.
4. Submitted for industry comment are the following draft rules:
 - a. Listings Requirements
 - b. Directives
 - c. The Rule Book
 - d. Trading Rules
5. The exchange rules and practices proposed to be followed shall be such as will ensure that business conducted by means of its facilities will be conducted in an orderly manner to protect investors, minimize systemic risks and to maintain and enhance the integrity, efficiency and fairness of the securities market.

6. All ESE members and stakeholders of the capital markets are hereby invited to make comments and contributions towards the draft rules and are advised to utilize the comments template assigned to each draft under the Regulations then Draft Rules tabs on the ESE website www.ese.co.sz. Soft copies of the draft rules can also be obtained from the ESE offices upon request.
7. All comments should be sent to listingsrequirements@ese.co.sz by **31 January 2020** or hand delivered at the ESE's Offices at the 3rd Floor, East Wing, Ingcamu Building, Mhlambanyatsi Road, Mbabane.
8. Should you have any queries in relation to the subject matter, please contact our office at +268 2406 8127.

As always, your usual cooperation is appreciated.

Kind Regards,



MS. GUGU MAKHANYA
ACTING CHIEF EXECUTIVE OFFICER