

ANNOUNCEMENT

AMMENDMENT OF THE DSE TRADING RULES 128 (1) & (3); REDUCTION OF BLOCK TRADE THRESHOLD AND CHANGES ON PERCENTAGE VARIATION ON THE TOUCHLINE PRICE

This is to inform the Public that the Capital Markets and Securities Authority (CMSA) has approved DSE's proposal for amendment of Rule 2 (to provide for a reduction of block trade threshold from TZS 1 billion to TZS 200 million) and Trading Rules 128 (1) and (3).

Following the approval, the amended Rules reads as follows:

Rule 2 "Block Trade" means a single lot of any security Admitted on the List with a value exceeding TZS 200 million which is sufficiently large to exceed the capacity of the market.

Rule 128 (1) Closing price shall be defined as the Volume Weighted Average Price (VWAP) of trades executed during a trading session of the specified security provided that at least 0.005% of issued shares of the security have traded."

Rule 128 (3) "Where a security has remained untraded on any market where it is listed for twenty-one (21) consecutive business days, the normal applicable price constraint limits shall be removed provide that an independent valuation report to justify a change of price shall be submitted to DSE for consideration and approval."

For proper implementation of the above amendments, the CMSA has also approved proposed changes on configurable percentage variation on the Touchline Price under Rule 137.

Thus, the computation of the protection price (cap limit) will change from the current 15% plus or minus the Touchline Price to:

- (i) 10% plus or minus for securities whose market capitalization is below TZS 1 trillion; and
- (ii) 5% plus or minus for securities whose market capitalization is TZS 1 trillion and above.

The above changes shall come into force with effect from Monday 29th July 2019.