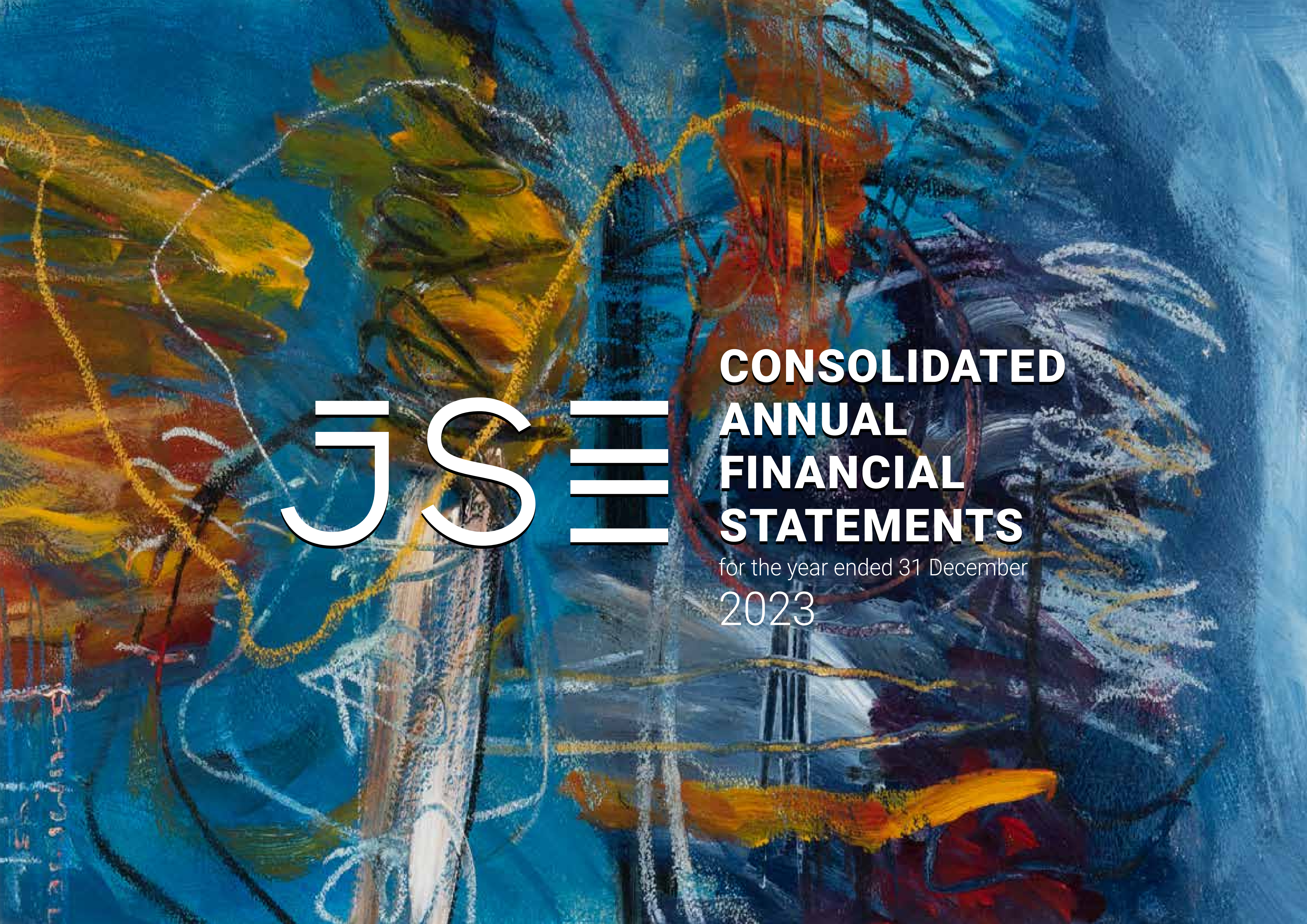

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December

2023

Contents

Disclaimer

Many of the statements in this report constitute forward-looking statements. These are not guarantees or predictions of future performance. The information on which forward-looking statements were based was not audited. Like all businesses, the JSE faces risks and other factors outside of its control. This may lead to outcomes unforeseen by the Group. These are not reflected in the report.

Readers are cautioned not to place undue reliance on forward-looking statements.

Reporting suite

Our full reporting suite is available at https://group.jse.co.za/investor-relations/reporting-suite and comprises the following reports:

Annual financial statements

Sets out our financial results, with the GAC report, director's report and annual financial statements prepared in accordance with IFRS.

Integrated annual report

Sets out how the JSE creates value in the context of our business model, strategy, operating context, governance, and operational performance.

Annual results booklet

Contains the annual results presentation, summarised consolidated annual financial results and ordinary cash dividend declaration.

Sustainability report

Sets out our approach to sustainability and our commitments to support and drive sustainable value creation.

Notice of AGM and proxy form

Sets out the notice of the JSE's AGM of shareholders to be held on Tuesday 7 May 2024, together with the summarised report containing the required financial disclosures.

Sustainability disclosure matrix

Sets out the JSE's sustainability disclosures for 2023 and is designed as an online tool available on the JSE's website. It provides easy to follow cross-references to the ESG metrics and narrative disclosures in each of the reports that make up the JSE's integrated reporting suite for 2023.

Group SRO[1] Oversight Committee report

The annual report to stakeholders on the committee's activities for 2023 as required in terms of the Financial Sector Conduct Authority (FSCA) Board Notice.

Governance and remuneration report

Presents the JSE's governance philosophy and priorities and includes our remuneration policy and implementation report.

King IV summary overview

Sets out a brief description of the King IV principles and their application within the JSE during 2023.

[1] *Self-regulatory organisation (SRO).*

Responsibility for financial statements

Declaration in terms of the Companies Act, 71 of 2008 (as amended) (Companies Act)

The preparation of these financial statements has been supervised by the Group chief financial officer, Fawzia Suliman, CA(SA), in terms of sections 29 and 30 of the Companies Act. The annual financial statements have been audited by Ernst & Young Inc. in compliance with the applicable requirements of the Companies Act.

F Suliman

F Suliman
Group chief financial officer

JSE directors' responsibility statement

for the year ended 31 December 2023

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of the JSE Limited, comprising the statements of financial position at 31 December 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the directors' report.

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

The directors have assessed the ability of the Company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of the JSE Limited, as identified in the first paragraph in the directors' responsibility statement, were approved by the Board of directors on 15 March 2024 and signed by:

P Nhleko
Chairman

L Fourie
Group chief executive officer

Declaration by Group Chief Executive Officer and Group Chief Financial Officer

for the year ended 31 December 2023

The Group chief executive officer and the Group chief financial officer hereby confirm that:

(a) the consolidated and separate annual financial statements set out on pages 24 to 111 fairly present in all material respects the financial position, financial performance and cash flows of the JSE Limited in terms of IFRS;
(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
(c) internal financial controls have been put in place to ensure that material information relating to JSE Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the JSE Limited;
(d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
(e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
(f) we are not aware of any fraud involving directors.

L Fourie
Group chief executive officer

F Suliman

F Suliman
Group chief financial officer

Declaration by Group Company Secretary

for the year ended 31 December 2023

The JSE Limited has complied with all statutory and regulatory requirements in accordance with the Financial Markets Act, and all directives issued by the Financial Sector Conduct Authority.

In terms of section 88 of the Companies Act, as amended, I declare that to the best of my knowledge the JSE has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

GA Brookes
Group Company Secretary

JSE Group structure 2024

JSE Limited

- **Controlled and consolidated subsidiaries** – **100%**
  - JSE Clear Proprietary Limited
    - 100% – JSE Clear Derivatives Default Fund Proprietary Limited
  - JSE Trustees Proprietary Limited
  - JSE Private Placements Proprietary Limited
  - JSE Ventures Proprietary Limited
  - JSE Investor Services Proprietary Limited
    - 100% – JSE Investor Services CSDP Proprietary Limited
      - 100% – Pacific Custodians Nominees Proprietary Limited
- **Controlled and consolidated trusts** – **100%**
  - JSE Long-term Incentive Scheme 2010 Trust
  - JSE Long-term Incentive Scheme 2018 Trust
  - JSE Empowerment Fund Trust
- **Controlled and consolidated structured entities (JSE investor protection funds)** – **100%**
  - JSE Guarantee Fund Trust for the Equity Market
  - JSE Derivatives Fidelity Fund Trust for the Derivatives Market
  - JSE Debt Guarantee Fund Trust for the Interest rate Market
- **Equity-accounted investee** – **44.55%**
  - Strate Proprietary Limited
- **Discontinued operations controlled and consolidated subsidiaries** – **100%**
  - Nautilus MAP Holdings Proprietary Limited
- Structured entities not controlled by the Group
  - JSE Benevolent Fund *(JSE provides certain administration services)*

Group structure correct as at 31 December 2023.

"The Group Audit Committee continues to promote a robust and effective internal control environment throughout the Group in support of the JSE's strategic ambitions."

Dr Suresh Kana
Chairman: Group Audit Committee

Group Audit Committee report

The Group Audit Committee ("GAC" or "committee") is pleased to present its report for the financial year ended 31 December 2023, in accordance with the provisions of the Companies Act, the JSE Listings Requirements, King IV™ and other applicable regulatory requirements.

GAC is a statutory committee constituted in terms of section 94(7) of the Companies Act. It serves as the audit committee for JSE Limited ("JSE" or "the Company") and all subsidiaries and structured entities within the Group, including JSE Clear Proprietary Limited (JSEC), JSE Investor Services Proprietary Limited (JIS), JSE Private Placements Proprietary Limited (JPP) and JSE Ventures Proprietary Limited (JVEN).

GAC is an independent committee, accountable to both the Board and shareholders. It operates within a mandate approved by the Board and discharges its statutory duties and the delegated authority of the Board. GAC's terms of reference is reviewed annually and was most recently approved in November 2023.

GAC's primary objectives are to assist the Board in fulfilling its financial oversight responsibilities and to evaluate the adequacy and efficiency of accounting policies, internal controls, the audit process, the combined assurance arrangements, the financial reporting processes, and compliance with laws and regulations. GAC assesses the effectiveness of the internal auditors, and the independence and effectiveness of the external auditors. GAC recommends to shareholders the annual appointment of the external auditors and determines the fees to be paid to the external auditors.

This report outlines how GAC satisfied its various statutory obligations during the year and how the committee addressed the material matters within its remit.

Composition and governance

Members of the committee are all independent non-executive directors, all of whom satisfy the requirements to serve as members of an audit committee, as provided in section 94(4) of the Companies Act and the King IV Code of Corporate Governance. The committee is adequately skilled, and all members possess the appropriate financial and related qualifications, skills, expertise and experience required to discharge their responsibilities.

Shareholders are required, on an annual basis at each annual general meeting (AGM), to approve the appointment of audit committee members in accordance with the provisions of the Companies Act. GAC is chaired by the JSE's lead independent director, and the Chairman of the Board is not a member of the committee but attends by invitation only.

The composition of GAC and the attendance of meetings by its members during the 2023 financial year are set out below:

		ATTENDANCE 2023		
Members	**Date appointed to committee**	**Feb**	**Jul**	**Nov**
Dr SP Kana (GAC chairman) *CA(SA); CD(SA); MCom; PhD (Honorary)*	**First appointed** 1 July 2015 **Recent appointment at AGM held on** 9 May 2023 **Vote in favour:** 95.05%	✓ 100% 3/3 meetings	✓	✓
Ms ZBM Bassa *BAcc; DipAcc; CA(SA)*	**First appointed** 1 November 2018 **Recent appointment at AGM held on** 9 May 2023 **Vote in favour:** 97.93%	✓ 100% 3/3 meetings	✓	✓
Ms FN Khanyile *BA (Hons); MBA; HDip Tax; PhD (Honorary)*	**First appointed** 1 November 2018 **Recent appointment at AGM held on** 9 May 2023 **Vote in favour:** 99.95%	✓ 100% 3/3 meetings	✓	✓

Independence of Group Audit Committee: 100%

	ATTENDANCE 2023		
Regular Invitees to GAC	**Feb**	**Jul**	**Nov**
P Nhleko (Chairman of the Board) (independent non-executive director)	✓		✓
L Fourie (Group CEO)	✓	✓	✓
F Suliman (Group CFO)	✓	✓	✓
G Brookes (Director: Governance and Assurance)	✓	✓	✓
Group internal audit	✓	✓	✓
External auditors	✓	✓	✓
Representative of the Financial Sector Conduct Authority (FSCA)		✓	

The collective skills of the committee include an understanding of financial and sustainability reporting, internal financial controls, the internal audit function, the external audit process, corporate law, risk management, information technology (IT) governance as it relates to integrated reporting, and the governance processes of the Company. However, it is not expected that each committee member should possess all the required qualifications, skills, and experience.

GAC has the right to obtain independent outside professional advice to assist with the execution of its duties, at the Company's expense. During the year the committee did not engage any special advisors or take outside professional advice on any matter. The committee has decision-making authority with regard to its statutory duties and is accountable in this regard to both the Board and the shareholders. On all responsibilities delegated to it by the Board, apart from the statutory duties, the committee makes recommendations for approval by the Board.

The Board is satisfied that for 2023:

- the committee, acting as a collective, was adequately skilled to perform its role having regard to the size, circumstances and complexity of the Company;
- individual members of the committee held appropriate financial and related qualifications, technical skills, financial expertise, and experience to discharge their responsibilities; and
- individual members of the committee were not involved in day-to-day management of the Company.

Meetings and regulatory engagements

Committee meetings – GAC convened for three scheduled meetings in 2023 in line with the Group's financial reporting cycle. These scheduled meetings included separate sessions where GAC convened as the audit committee for all group entities.

Board engagements – The GAC Chairman reports to the JSE Board on committee activities and the matters discussed at each meeting, highlighting any key issues that the committee believes warrant action by the board or any of the other board committees.

Management engagements – The GAC Chairman engages regularly throughout the year with JSE executive management to discuss relevant financial and accounting matters directly.

Management changes in 2023 – Ms Fawzia Suliman was appointed as Group CFO and executive director of the JSE, effective 9 January 2023.

Auditor engagements – The GAC Chairman meets separately with the chief internal audit executive and with the designated external audit partner for three scheduled formal discussions during each year, for briefings on internal and external audit matters. Ad hoc meetings are arranged when required. The chief internal audit executive and the designated external audit partner also have direct access to the full committee, including closed sessions held during the year without management present.

Regulatory engagements – Representatives of the Financial Services Conduct Authority (FSCA) attend meetings of the committee. During 2023 the Prudential Authority met separately with the Group internal audit leadership and with the external audit engagement partner as part of the Prudential Authority's supervisory programme for 2023.

Annual general meeting – The GAC chairman attends annual general meetings and is available to answer any questions in relation to matters pertaining to the responsibilities of the committee.

Appointment of Group Audit Committee members

For the twelve months commencing May 2023, the Board nominated three independent non-executive directors to serve on GAC for the ensuing year based on a formal recommendation by the Group Nominations and Governance Committee. These appointments were approved by shareholders at the AGM held on 9 May 2023.

For the twelve months commencing May 2024, the Board has nominated three independent non-executive directors to serve on GAC for the ensuing year based on a formal recommendation by the Group Nominations and Governance Committee. These appointments are to be considered by shareholders at the AGM to be held on Tuesday, 7 May 2024:

- Dr SP Kana (Lead independent director, and chairman of Group Audit Committee)
- ZBM Bassa (independent non-executive director)
- FN Khanyile (independent non-executive director)

The Board is satisfied that the proposed appointment to the Group Audit Committee of the three independent non-executive directors set out above will meet the requirements of the Companies Act and is therefore recommending their appointment for the ensuing year.

The election of members of the Group Audit Committee at the AGM to be held on Tuesday, 7 May 2024 will take place by way of separate resolutions to be considered by shareholders. The text of these ordinary resolutions is set out in the Notice of AGM to be distributed separately to shareholders and to be published on 28 March 2024 https://group.jse.co.za/investor-relations/reporting-suite.

Areas of focus by the committee

Within the context of the Company's material matters and key financial risks, the committee focussed its attention on the following key areas during the year:

Reviewed interim results for 2023 and full year results for 2023 as well as tax matters for the Group.	o The committee evaluated the interim and full year results for 2023 to ensure that the financial statements were prepared in accordance with IFRS and in compliance with the provisions of the Companies Act and the Listings Requirements and recommended these for approval and publication by the Board. o Regularly reviewed the Group tax reports and assessed the tax exposures of Group and its material subsidiaries to ensure adequate recognition and disclosures to the Group AFS.
Monitored the progress on the implementation and standardisation of key controls to further enhance the overall control environment.	o Oversight over the finance enhancement plan, aimed to improve the quality and robustness of the internal financial controls for financial reporting, has resulted in enhanced management oversight and improved controls and disciplines. o Oversight over the automation of key revenue related processes, aimed at streamlining operations and improve efficiency. This has resulted in the successful implementation of SAGE Intacct system.
Exercised oversight over subsidiaries with respect to their control environment and capital requirements.	JSE Clear (Pty) Ltd (JSEC) o Oversight over the transition of JSE Clear into an Independent Clearing House, especially with respect to its internal control environment, accounting and tax implications. JSEC's control environment is deemed fairly mature. o Considered and endorsed a proposal for additional capitalisation of JSEC required to ensure that it will continue to meet regulatory capital requirements to operate as an ICH. JSE Investor Services (Pty) Ltd (JIS) o Oversight over control environment noting that it is manual in nature and driving management to improve internal controls. o Consideration of the budget risks relating to market risks associated with revenue drivers, cost containment, the South African context, and realisation of new revenue streams. JSE Private Placements (Pty) Ltd (JPP) o Considered and endorsed a proposal for additional capitalisation of JPP, by way of additional share capital, to sufficiently provide for solvency requirements and the operational needs of the business. o Continued oversight of the financial performance of JPP in relation to the business case underperformance.
Governance functional matters	o Approved a proposal to amend the JSE's dividend policy considering a progressive JSE dividend in absence of earnings (NPAT) and cash generation growth.
Oversight over financial, regulatory capital, and budget matters	o The committee particularly focussed on monitoring the cost base and exercised continued oversight of the key capital expenditure initiatives across the Group. o Approved the operating budget for 2024 and the investment envelope for 2024; cost control remains a key focus area to maintain a positive operating margin.

Discharge of duties in 2023

During the financial year, in the execution of its statutory duties and in accordance with its terms of reference, the committee effectively discharged the following responsibilities:

Area	2023	2022
Financial reporting, accounting, tax, and dividend matters	30%	(2022: 30%)
Financial oversight, regulatory capital, and budget matters	15%	(2022: 11%)
Control management framework (internal financial controls)	7%	(2022: 9%)
Subsidiary oversight	15%	(2022: 15%)
External audit matters	16%	(2022: 18%)
Internal audit matters	11%	(2022: 12%)
Governance functional matters	6%	(2022: 5%)

Finance function

Reviewed the expertise, resources and experience of the finance function

The performance, effectiveness and resourcing of the Company's finance function and that of the Group CFO were assessed as part of the annual Board and Board Committee effectiveness review for the year ended December 2023.

In accordance with the JSE Listings Requirements, the committee considered the results of the effectiveness review and satisfied itself that Ms F Suliman, CA(SA), being the Group CFO in 2023, had the appropriate expertise and experience to meet the responsibilities of her appointed position. The committee similarly satisfied itself regarding the effectiveness of the finance function and the adequacy of the resources employed therein.

In evaluating the finance function, the committee considered and noted that:

- management of the finance function demonstrated a commitment to character and competence;
- the organisational structure of the finance function was appropriately designed, and the finance function assigned authority and responsibility in a manner that promoted accountability and control;
- to address finance resource concerns, the finance function's operational model has been re-designed (based on a capacity modelling exercise) and this will deliver a stabilising effect to the finance function;
- appropriate and necessary information was obtained from and provided to management;
- the finance function's management philosophy and operating style were consistent with a sound control environment; and
- the finance function had properly applied accounting principles in the preparation of the financial statements, and the Group's financial reporting procedures were considered to be effective and reliable.

Evaluated financial reporting and accounting practices

The committee reviewed the integrity of the audited annual consolidated financial statements for the year ended 31 December 2022, the interim results for the six months ended 30 June 2023, and the audited annual consolidated financial statements for the year ended 31 December 2023, including the public announcements of the Group's financial results, and made recommendations to the Board for their approval.

In the course of its review, the committee:

- evaluated the interim and full year annual financial statement for 2023 and recommended these to the Board for approval;
- considered the appropriateness of the key audit matters reported in the external audit opinion;
- considered the appropriateness of significant accounting policies, key estimates, assumptions and disclosures made;
- completed a detailed review of the going concern status of the Group for the year ended 31 December 2023 and concluded that the Group is a going concern and that the consolidated annual financial statements for the year then ended have been prepared, in accordance with the going concern concept;
- reviewed the solvency and liquidity tests and recommended the proposed dividend for 2023 for approval by the Board;
- considered and noted the general proactive monitoring report issued by the JSE Issuer Regulation division in conjunction with FSCA for the year ended 31 December 2022, and noted that the proactive monitoring report did not reflect any material matters of concern affecting the Group's financial statements; and
- reviewed the dividend policy for the year ended 31 December 2023, retaining the dividend cover ratio without any change (pay-out ratio of between 67%-100%) but proposed a change to the policy by removing the objective to progressively grow the nominal value of the ordinary dividend over time – this proposed change to the dividend policy was approved by the JSE Board.

External audit matters

GAC is responsible for recommending on an annual basis to shareholders the appointment of the external auditors for the Group. The committee is also responsible for approving the compensation for the external auditors and for exercising oversight of their work.

Mr Imraan Akoodie had served for the prescribed period of five years as the designated individual auditor on the JSE external audit assignment and rotated off the assignment effective May 2023. At its meeting held November 2022 the committee assessed the credentials of Mr Kubenderan Moodley for appointment as the new Ernst & Young Inc. (EY) audit engagement partner with effective from May 2023.

At its meeting held in February 2023, GAC assessed the suitability of EY for appointment as the company's independent external auditors for the 2023 financial year, in accordance with paragraphs 3.84(g)(iii) and 22.15(h) of the Listings Requirements. The committee also assessed Mr Kubenderan Moodley of EY, as the incoming EY engagement partner, for appointment as the designated individual auditor.

GAC confirmed the suitability of EY and of Mr Moodley for appointment as the Group's independent external auditor and designated individual auditor, respectively, and these recommendations were approved by shareholders at the AGM held on 9 May 2023.

Subsequent to the period under review, at its meeting held in March 2024, GAC assessed the suitability of EY for continued appointment as the company's independent external auditors for the 2024 financial year, in accordance with paragraph 3.84(g)(iii) of the Listings Requirements.

External audit independence, objectivity and effectiveness during the 2023 financial year

Evaluation

The committee formally assessed the effectiveness of the 2023 external audit process and quality of the audit. The assessment covered all aspects of the audit service provided by EY. The evaluation focussed on:

- robustness of the audit process;
- audit quality, including quality controls and indicators;
- appropriateness of the audit partner and the dedicated team, including their skills, knowledge and character;
- independence and objectivity; and
- formal reporting.

Key inputs

During the period, the committee:

- monitored audit performance, independence and objectivity throughout the year;
- approved the proposed audit fee of R9.4 million (2022: R7.8 million) and terms of engagement for the 2023 financial year. The committee agreed to rebase the audit fee to take account of the increasing size and complexity of the Group and the increasing scope of the external audit work;
- monitored adherence to the Group's audit and non-audit services policy and the extent of non-audit services. The committee confirmed that EY did not provide any non-audit services, as defined, to the JSE during 2023;
- reviewed and approved the external audit plan and related scope of work;
- reviewed the quality of reporting to the committee, the level of challenge and professional scepticism, and understanding demonstrated by EY of the business of the Group;
- reviewed the quality of the audit team, technical skills and experience, and the allocation of resources during the audit, and with input from the Group CFO concluded that the services were of the appropriate standard;
- held regular meetings with the audit engagement partner;
- considered the effectiveness of the company's policies and procedures for maintaining auditor independence; and
- confirmed that no reportable irregularities were identified and reported by EY in terms of the Auditing Profession Act, 26 of 2005.

Key outputs

- The quality of the audit partner and the team were confirmed, with no material issues raised in the feedback received.
- EY continues to demonstrate a good understanding of the Group and has identified and focussed on the areas of greatest risk.
- EY's reporting to the committee was clear, transparent, and thorough, and included explanations of the rationale behind particular conclusions as appropriate.
- The audit had been well-planned and delivered, and management were comfortable that key findings had been raised appropriately.
- There had been active engagement on misstatements and appropriate judgements on materiality.
- It was confirmed that there had been an appropriate level of challenge and that EY had functioned in accordance with their mandate for the 2023 financial year.

Systems of internal control

Executive management is responsible for the design, establishment, and maintenance of systems of internal control that provide substantial assurance against the risk of material loss or the misstatement of financial performance. GAC bears ultimate responsibility to ensure that the implemented systems of internal control are suitably designed and operating effectively to address the inherent risks to which the JSE is exposed.

During the year the committee reviewed and approved the internal audit charter and internal audit plan for the financial year ended 31 December 2023, ensuring that material risk areas were included, and that coverage of significant business processes was acceptable. PricewaterhouseCoopers (PwC) is contracted to assist the internal audit function and provides additional specialised resources and expertise to support Group internal audit in carrying out its duties and to ensure the required degree of independence.

Furthermore, the committee oversaw and monitored the internal audit function by:

- objectively assuring the effectiveness of risk management, governance, and internal control frameworks;
- analysing and assessing business processes and associated controls; and
- ensuring that the internal audit function reported significant audit findings and recommendations to management and the committee.

Internal financial controls

The committee reviewed the reports of both the internal and external auditors in respect of audits conducted on the internal control environment, took note of any matters arising from these audits, and considered the appropriateness of the responses received from management.

The Group has appropriate financial reporting procedures and is satisfied that these procedures are operating adequately. This is supported by internal controls effectively maintained at a robust standard, translating into accurate financial and related information presented to stakeholders in integrated reports.

Furthermore, the committee:

- fulfilled an oversight function regarding tax governance, receiving regular feedback from management on both tax compliance and tax risk matters of the Group, and is satisfied that no material non-compliance has occurred; and
- considered and, where appropriate, made recommendations on internal financial controls.

The committee was not required to deal with any complaints relating to accounting practices or internal audit, nor to the content or audit of the financial statements, nor internal financial controls or related matters.

The performance of the committee is reviewed annually as part of the effectiveness review of the Board and its committees. The latest review concluded that the committee continued to operate effectively and had successfully discharged its duties and responsibilities in 2023.

Dr SP Kana
Chairman: Group Audit Committee

Directors' report

The JSE's business

A description of the JSE's business, its value chain and Group structure is set out in the integrated annual report available at https://group.jse.co.za/investor-relations/reporting-suite.

The Company does not have a controlling shareholder and is managed by its directors for its stakeholders. JSE Limited has its primary and only listing in South Africa on the securities exchange operated by the JSE.

Regulatory and supervisory structure

The JSE is subject to supervisory oversight by the Financial Services Conduct Authority (FSCA) and the Prudential Authority (PA) of the South African Reserve Bank in accordance with the "twin peaks" model of regulation for financial markets in South Africa.

FSCA is responsible for supervising the JSE's listing and regulates its ongoing compliance with the Listings Requirements. During the year under review, the JSE complied with all its rules, Listings Requirements and procedures in a manner that warrants its continued listing.

The PA is responsible for the prudential regulation of the JSE and of JSE Clear and undertakes an annual programme of onsite supervisory engagements with the Board, relevant Board committees and executive officers.

To mitigate the possibility of any potential conflict of interest between the JSE's commercial operations and its role as a front-line regulator of markets, the Group Self-Regulatory Organisation Oversight Committee (Group SRO Oversight Committee) was established in 2011 as a standing committee of the Board. This committee has an independent role, providing oversight of the JSE's Issuer Regulation and Market Regulation functions. The Group SRO Oversight Committee also functions as the appointed committee pursuant to section 2(c) of Board Notice 1 of 2015, in respect of conflicts of interest between the Company's regulatory functions and commercial services. Its terms of reference have been refined to consider the requirements of the Financial Markets Act, 2012 (Financial Markets Act) and to report to the FSCA where required.

As from 2023, its mandate has been expanded to incorporate oversight over JSE Clear which has become a licensed Independent Clearing House and Central Counterparty (CCP).

The Group SRO Oversight Committee prepares a separate report-back on its activities for the year ended 31 December 2023, and this formal report-back is published as part of the JSE's integrated reporting suite and submitted to the FSCA as required by Board Notice 1 of 2015.

Corporate governance

Governance matters are set out in summary form within the integrated annual report and a detailed separate Governance and Remuneration report is published annually as part of the integrated reporting suite. Copies of the integrated annual report and the Governance and Remuneration report are available online at https://group.jse.co.za/investor-relations/reporting-suite as from the date of release on 28 March 2024.

Financial results

The operating results and the state of affairs of the Company and the Group are fully set out in the attached statement of financial position and described in the statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto.

The CFO's review is available in the integrated annual report available online at https://group.jse.co.za/investor-relations/reporting-suite

It should be noted that the JSE maintains the JSE Guarantee Fund Trust, the JSE Debt Guarantee Fund Trust (previously BESA Guarantee Fund Trust) and the JSE Derivatives Fidelity Fund Trust for investor protection purposes, as required under the Financial Markets Act. In view of the control that the JSE exercises over these trusts, the JSE consolidates them into the results of the Group in terms of IFRS.

Operating subsidiaries

JSE Clear (Pty) Limited

JSE Clear (Pty) Limited (JSEC or JSE Clear) is a wholly owned subsidiary of the JSE Ltd (JSE). On 1 September 2022, JSE Clear was licensed as an Independent Clearing House and Central Counterparty (CCP) as defined in the Financial Markets Act (FMA) by the primary licensing authority – the Financial Services Conduct Authority (FSCA. It commenced operations as an ICH on 1 January 2023 after the JSEC rules and the consequential changes to the JSE rules were approved by FSCA.

JSE Clear is deemed a qualifying CCP by FSCA in terms of the Principles for Financial Market Infrastructures issued by global regulators (CPSS-IOSCO) and is adequately capitalised.

JSE Investor Services (Pty) Limited

JSE Investor Services (Pty) Limited (JIS) is a wholly owned subsidiary of JSE Limited and is an approved Central Securities Depository Participant (CSDP) for Equities in terms of the provisions of the Financial Markets Act, and subject to annual review conducted by FSCA. JSE Investor Services primarily offers transfer secretarial and registry services, including registry maintenance, treasury services, and corporate actions. JIS's service offering also includes the administration of share plans.

JSE Private Placements (Pty) Limited

JSE Private Placements (Pty) Limited (JPP) is a wholly owned subsidiary of JSE Limited that operates a private placements platform to address the needs of companies that seek to raise capital but wish to remain private. The platform operated by JPP is supplied by Globacap Technology, a leading UK-based fintech, in which the JSE has a minority investment. This streamlined capital raising process is intended to facilitate the growth of private companies in South Africa and across the rest of the continent.

JSE Ventures (Pty) Limited

JSE Ventures (Pty) Limited is a wholly owned subsidiary of JSE Limited that aims to advance in South Africa and the greater African continent, the creation of carbon offset projects and help meet the demand for credits by emitters seeking to offset their emissions towards Net Zero commitments. The platform provides an efficient and transparent ecosystem that will promote the growth of the market and provide access to local and foreign participants.

Through this initiative local participants can buy or sell carbon credits and renewable energy certificates that are held in either local or global registries.

The JSE collaborated with Xpansiv, the premier infrastructure provider for global environmental markets, to bring to market the voluntary carbon market.

Authorised users of the JSE (members of the JSE)

As at 31 December 2023, there were 224 authorised users (2022: 227), categorised as follows:

Category of members	**2023**	2022
Equity members	**45**	45
Equity Derivatives members	**56**	56
Commodities Derivatives members	**47**	48
Interest Rate and Currency Derivatives members	**69**	71
Clearing members	**7**	7
Total	**224**	227

The decline in the number of authorised users arises primarily from rationalisation among large equity and derivatives members.

Ordinary share capital

The Company did not issue any shares during the year under review. Full details of the authorised, issued and unissued capital of the JSE are contained in note 19 on page 73.

Rights attaching to shares

Each ordinary JSE share is entitled to identical rights in respect of voting, dividends, profits and a return of capital. The variation of rights attaching to JSE shares requires the prior consent of at least three-fourths of the issued shares of that class or the sanction of a special resolution passed at a special general meeting of the holders of the JSE shares of that class.

The issue of JSE shares, whether in the initial or in any increased capital, is subject to shareholder approval.

Directors' interests and shareholding

As at 31 December 2023

Director	Status of director	Direct beneficial: Share register (own name)	Direct beneficial: LTIS 2018 Trust and other: Unvested[1]	**2023 Total**	% of issued share capital	2022 Total
L Fourie (CEO)[1]	Executive	20 193	416 686	**436 879**	0.502	345 504
MS Cleary	Independent non-executive	5 650	–	**5 650**	0.006	5 650
BJ Kruger	Independent non-executive	2 500	–	**2 500**	0.003	2 500
NMC Nyembezi	Independent non-executive *(Resigned May 2022)*	–	–	**–**	–	2 050
A Takoordeen (CFO)[1]	Executive *(Resigned May 2022)*	–	–	**–**	–	27 410
Total		28 343		**445 029**		383 114
GA Brookes (Group Company Secretary)		31 236	44 481	**75 717**	0.087	68 701

[1] *These directors and officers participate in the LTIS 2018 scheme.*

There has been no change in directors' interests from the end of the financial year until the approval of the JSE annual financial statements thereof on SENS on 18 March 2024. All shareholdings are direct beneficial, and there are no indirect beneficial or associate interests, and no shareholdings are encumbered.

Details of transactions in JSE Limited shares by directors and prescribed officers were disclosed on SENS during 2023 and are summarised in the table below. For the executive directors, the prescribed officers, and the Group Company Secretary, the purchases are in relation to the grant of shares under allocation 6 of the LTIS 2018 scheme.

Name	Status	Number of ordinary shares awarded	Value of transaction Rands	Number of LTIS 2018 shares sold	Value of transaction Rands
L Fourie	CEO & executive director	125 468	13 139 840	10 414	947 686
F Suliman	CFO & executive director	54 892	5 748 653		
A Greenwood	Prescribed Officer	54 892	5 748 653	7 469	690 314
V Lee	Prescribed Officer	29 214	3 059 483		
I Monale	Prescribed Officer	40 711	4 263 525		
Q Mthembu	Prescribed Officer	19 029	1 992 842		
M Randall	Prescribed Officer	46 192	4 837 532	5 847	540 400
V Reddy	Prescribed Officer	60 991	6 387 381	3 910	355 815
T Tsoaleli	Prescribed Officer	41 169	4 311 490		
P Ntoagae[1]	Prescribed officer	16 750	1 916 093		
G Brookes	Group company secretary	13 794	1 444 599		

[1] *Unvested shares in the LTIS 2018 scheme forfeited upon resignation.*

No individual shareholder's beneficial shareholding in any of the JSE employee incentive schemes is equal to or exceeds 5%.

Shareholders other than directors

Information on shareholders is set out in the tables below and in the integrated annual report available online at https://group.jse.co.za/investor-relations/reporting-suite.

Major shareholders

Pursuant to the Companies Act, the following beneficial shareholdings equal to or exceeding 4% as at 31 December 2023 were disclosed or established from enquiries:

Names	% of total issued ordinary shares	Number of ordinary shares held
Ninety One SA Pty Limited	**14.79**	**12 847 545**
Public Investment Corporation (SOC) Limited	**14.17**	**12 314 133**
PSG Asset Management (Pty) Limited	**9.77**	**8 491 466**
Allan Gray Proprietary Limited	**6.76**	**5 870 555**
Goldman Sachs Asset Management, L.P.	**5.55**	**4 825 905**
Sasol Pension Fund	**4.29**	**3 727 844**

Fund managers

The directors have ascertained that some of the shares registered in the names of nominee holders are managed by various fund managers. At 31 December 2023, the following fund managers were responsible for managing investments of 2.5% or more of the issued share capital of the JSE:

Names	% of total issued ordinary shares	Number of ordinary shares held
Ninety One SA Pty Limited	**14.79**	**12 847 545**
Public Investment Corporation (SOC) Limited	**14.17**	**12 314 133**
PSG Asset Management (Pty) Limited	**9.77**	**8 491 466**
Allan Gray Proprietary Limited	**6.76**	**5 870 555**
Goldman Sachs Asset Management International	**5.55**	**4 825 905**
Sasol Pension Fund	**4.29**	**3 727 844**
JSE LTIS Trusts	**3.59**	**3 114 733**
Vanguard Group	**3.51**	**3 051 505**

Dividend policy

In considering the payment of dividends, the Board, assisted by the Group Audit Committee, takes all the following into account:

- Current financial results of the Company.
- Solvency and liquidity, as per the test set out in the Companies Act.
- Future funding and investment needs.
- Regulatory capital requirements of the Company.

The Group Audit Committee reviews the dividend policy of the Company annually and makes recommendations on any amendments to the policy from time to time.

For 2023 the Board reviewed the recommendation of the Group Audit Committee in respect of the Company's dividend policy, and:

- Adjusted the JSE's dividend policy to reflect a more appropriate balance between cash returns to shareholders and reinvestment into the business.
- As such, the updated policy no longer reflects a commitment to progressively growing the nominal value of the ordinary dividend.
- The JSE will maintain a pay-out ratio between 67%-100% of earnings in respect of the annual ordinary dividend.

The Board is confident that the updated dividend policy is congruent with the Group's strategy over the medium to long term.

The Board and management remain confident as to the underlying strength of the JSE's operations and its continued strong cash flows. All planned investments and capital requirements for 2023 were funded from own resources.

Declaration of ordinary cash dividend

The Board has declared an ordinary cash dividend for the year ended 31 December 2023, as follows:

Dividend	Annual gross amount per share	Withholding tax %	Net amount per share
Ordinary	784 cents	20%	627.20000 cents

The JSE's practice has been to return distributable cash to shareholders after ring-fencing cash for regulatory capital requirements and investments (both capital expenditure and inorganic opportunities) as well as working capital.

The ordinary dividend of 784 cents per share increased by 2% (769 cents per share paid in 2022). The ordinary cash dividend has been declared from retained earnings. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The dividends are payable to shareholders recorded in the register of members of the JSE at close of business on Friday, 12 April 2024. In compliance with the Companies Act, 71 of 2008 (as amended) (the Companies Act), the directors confirm that the JSE will satisfy the solvency and liquidity test immediately after completion of the dividend distribution. In compliance with the requirements of Strate, the following salient dates for the payment of the ordinary cash dividends are applicable:

Dividend paid in year in respect of financial year ended	**31 December 2023**	31 December 2022
Ordinary dividend per share	**784 cents**	769 cents
Total rand value	**R681 million**	R668 million
Declaration date	**Monday, 18 March 2024**	Wednesday, 8 March 2023
Last date to trade JSE shares cum dividend	**Tuesday, 9 April 2024**	Tuesday, 28 March 2023
JSE shares commence trading ex-dividend	**Wednesday, 10 April 2024**	Wednesday, 29 March 2023
Record date for purposes of determining the registered holders of JSE shares to participate in the dividend at close of business on	**Friday, 12 April 2024**	Friday, 31 March 2023
Dividend payment date	**Monday, 15 April 2024**	Monday, 3 April 2023

Share certificates may not be dematerialised or rematerialised from Wednesday, 10 April 2024 to Friday, 12 March 2024, both days inclusive. On Monday, 15 April 2024, the dividend will be electronically transferred to the bank accounts of certificated shareholders. The accounts of those shareholders who have dematerialised their shares (which are held at their central securities depository participant or broker) will be credited on Monday, 15 April 2024.

The issued share capital of the JSE as at the declaration date was 86 877 600 ordinary shares.

The tax number of the JSE is 9313008840.

Service contracts with directors

The Group CEO, all executive directors, the Group Company Secretary, and the executive management of the JSE have signed contracts of employment with the JSE. All such contracts have a three-month notice period for resignation or termination of employment except for the CEO whose notice period is six months. The CEO's service contract makes provision for a 12-month restraint of trade on termination of the CEO's employment, which may be enforced at the election of the Company. Other members of the Executive Committee are also subject to restraint arrangements. All the other clauses of the service contracts are standard clauses for contracts of this nature.

Resolutions passed at the AGM held on 9 May 2023

The following resolutions were adopted by shareholders in 2023:

	Resolutions	% vote in favour
1.1	To elect Ms Fawzia Suliman as a director	**99.99%**
2.1	To re-elect Ms Siobhan Cleary as a director	**100%**
2.2	To re-elect Dr Leila Fourie as a director	**100%**
3.	To reappoint Ernst & Young Inc. as the independent auditors of the Company for the ensuing year and Mr K Moodley as the designated auditor for the ensuing year	**99.85%**
4.1	To reappoint Dr S Kana to serve as a member and chairman of the Group Audit Committee	**95.05%**
4.2	To reappoint Ms F Khanyile to serve as a member of the Group Audit Committee	**99.95%**
4.3	To reappoint Ms Z Bassa to serve as a member of the Group Audit Committee	**97.93%**
5.	Authorisation for a director or Group company secretary of the Company to implement resolutions	**99.99%**
6.	Non-binding advisory vote on the remuneration policy of the Company	**90.60%**
7.	Non-binding advisory vote on the implementation report as set out in the Governance and Remuneration report of the Company	**90.87%**
8.	Special Resolution 1: General authority to repurchase shares	**96.28%**
9.	Special Resolution 2: General authority to provide financial assistance to subsidiaries in terms of sections 44 and 45 of the Companies Act	**98.72%**
10.	Special resolution number 3: Non-executive directors' emoluments for 2023	**91.19%**

Re-election of directors

The following directors are required to retire, and being eligible, are standing for re-election by shareholders for a further term:

- Z Bassa (independent non-executive director)
- F Khanyile (independent non-executive director)
- IM Kirk (independent non-executive director)

Changes to the Board during the reporting period

The following changes, as previously announced, took effect during the period under review:

- Ms FN Khanyile, independent non-executive director, was appointed as a member of the Group Remuneration Committee of the Board, effective 10 March 2023. She stepped down as a member of the Group SRO Oversight Committee from that date. Ms Khanyile continues to serve on the Group Audit, Group Sustainability and Group Investment Committees of the Board.

At the AGM held on 9 May 2023:

- Dr Mantsika Matooane, independent non-executive director, retired as a director, in accordance with the JSE's policy on non-executive director tenure, having served for a 10-year term.
- Ms Fawzia Suliman, who joined on 9 January 2023 as the Group CFO, stood for election as an executive director. Her appointment to the Board was confirmed by shareholders at the AGM held on 9 May 2023. Ms Suliman also serves as a member of the Group Investment Committee of the Board.

Subsequent to the period under review, and as previously announced:

- Ms Nolitha Fakude, independent non-executive director, has retired from the Board effective 5 January 2024. Ms Fakude joined the Board in 2017 and has served as chairman of the Group Remuneration Committee and as a member of the Group Sustainability Committee during her tenure. As part of a planned succession, Ms Faith Khanyile assumed chairmanship of the Group Remuneration Committee from 5 January 2024.

State of affairs at the Company – material matters

Material matters are those matters that substantially affect the organisation's ability to create value over the short, medium, and long term. Our material matters and the process for determining materiality are disclosed in our integrated annual report. In 2023 we determine the following material matters:

1. Attractiveness of the JSE as a capital raising and investment platform;
2. Level of trading activity;
3. Operational availability and stability;
4. Ability to use technology to provide innovative solutions:
5. Attractiveness of the JSE as an employer;
6. Robust trade execution, clearing and settlement for all transactions; and
7. Competition and disruptors.

Going concern statement

In accordance with the solvency and liquidity test set out in section 4 of the Companies Act, the Board is of the opinion that, after making enquiries, it has a reasonable expectation that the Group has sufficient resources to maintain its operational existence for the foreseeable future and that:

- the Group's assets fairly valued exceed its liabilities fairly valued; and
- the Group will be able to pay its debts as they become due in the ordinary course of business for the 12 months following 31 December 2023.

Events after the reporting date

There have been no other changes to the directors' interests in the ordinary share capital of the Company and no material events that would require adjustment or disclosure in the annual financial statements have occurred between 31 December 2023 and the date of this report.

Independent auditor's report

To the Shareholders of JSE Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of JSE Limited and its subsidiaries ('the group') and company set out on pages 24 to 111, which comprise of the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statement of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 31 December 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

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 *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Review of the useful lives of intangible assets and property, plant and equipment impacting group and company. o Management performs an assessment of useful lives on property, plant and equipment and intangible assets on an annual basis. In the current financial year, this resulted in a change in the useful lives for property, plant and equipment and for intangible assets. o During the financial year ending 31 December 2023, management revised the Information Technology (IT) strategy, which has extended the period over which management expects to utilise existing property plant and equipment and IT intangible assets. As a result, the useful lives of intangible assets and property, plant and equipment has increased significantly when compared to the prior period. We identified this change in useful lives as a key audit matter due to the significant amount of audit effort spent on this area. o The impact of the re-assessment in useful lives in the current year is a decrease in the group amortisation charge of R54.8m (company R25.3m) and a decrease in the group and company depreciation charge by R1.8m. The net impact on current year group profit or loss after tax is an increase of R41.3m (company R19.8m). Refer to note 2.4.1 – *Changes to the use of estimates and assumptions*. o Accordingly, due to the significant judgement involving the determination of useful lives and the significant reduction in the amortisation and depreciation charge combined, the above audit matter is considered a key audit matter.	We have performed the following procedures, amongst others: o We obtained an understanding of the processes followed by management in assessing the useful lives of intangible assets and property, plant and equipment through inquiries. o We involved our technical accounting specialists in assessing the change in useful lives for compliance with International Financial Reporting Standards (IFRS). o We involved IT specialists to assess the technical feasibility of extending the period over which the IT intangible assets will be utilised. This included a review of IT licence agreements, as well as assessing the expected lives against our understanding of market practice. o We corroborated management's strategy to reassess useful lives against the executive management approved IT strategy. o Significant engagement with management and those charged with governance occurred during our assessment. o We recalculated the impact on the amortisation and depreciation charge for the year. o We assessed the adequacy of the disclosures made in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 113-page document titled "JSE Limited Consolidated Annual Financial Statements for the year ended 31 December 2023", which includes the Director's report, the Group Audit Committee Report and the Declaration by Group Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or 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 and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, 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 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 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 auditor's 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 group and 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 and 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 the directors, 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 auditor's 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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of JSE Limited for seven years.

Ernst & Young Inc.

Ernst and Young Inc

Kubenderan Moodley (CA)SA
Director
Registered Auditor

102 Rivonia Road
Sandton

15 March 2024

Consolidated statement of comprehensive income

for the year ended 31 December 2023

	Notes	GROUP 2023 R'000	GROUP 2022* R'000	COMPANY 2023 R'000	COMPANY 2022* R'000
Revenue	6.1	**2 814 472**	2 649 979	**2 575 244**	2 533 600
Other net income	6.2	**29 599**	54 167	**43 448**	87 672
Margin and collateral deposit interest income	6.3	**4 779 218**	3 271 428	**63 281**	41 843
Margin and collateral deposit interest expense	6.3	**(4 650 990)**	(3 169 535)	**(50 896)**	(33 901)
Personnel expenses	7.1	**(783 792)**	(692 697)	**(683 460)**	(603 045)
Other expenses	7.2	**(1 250 629)**	(1 213 036)	**(1 068 848)**	(1 082 134)
Expected credit loss (ECL) impairments		**(4 490)**	(5 936)	**(3 758)**	(6 098)
Profit from operating activities before net finance income		**933 388**	894 370	**875 011**	937 937
Finance income	7.3	**187 112**	120 133	**136 146**	91 672
Finance costs	7.4	**(18 223)**	(18 662)	**(17 962)**	(18 415)
Net finance income		**168 889**	101 471	**118 184**	73 257
Share of profit from associate (net of income tax)	12.1	**38 720**	40 997	**–**	–
Profit before income tax		**1 140 997**	1 036 838	**993 195**	1 011 194
Income tax expense	8.1	**(310 018)**	(288 282)	**(271 033)**	(281 990)
Profit for the year		**830 979**	748 556	**722 162**	729 204
Attributable to:					
Equity holders		**830 979**	748 556		
Other comprehensive income					
Change in financial instruments at fair value through other comprehensive income that will not be reclassified to profit or loss (net of tax)		**82 913**	(22 167)	**13 512**	(3 578)
Change in financial instruments at fair value through other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax)		**4 836**	872	**4 836**	1 892
Other comprehensive income for the year, net of income tax		**87 749**	(21 295)	**18 348**	(1 686)
Total comprehensive income for the year for the period		**918 728**	727 261	**740 510**	727 518
Attributable to:					
Equity holders		**918 728**	727 261		
Total earnings per share					
Basic earnings per share (cents)	9.1	**1 019.3**	911.1	**863.3**	865.1
Diluted earnings per share (cents)	9.2	**1 001.9**	901.1	**848.9**	855.8

* *Restated, refer to note 2.5.1*

Consolidated statement of financial position

for the year ended 31 December 2023

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Assets					
Non-current assets		**2 153 473**	1 991 829	**1 702 380**	1 563 576
Property and equipment	10.3/6	**173 767**	165 494	**170 530**	163 807
Intangible assets	11.3/6	**674 863**	696 200	**367 366**	366 813
Investment in associate	12.1	**347 139**	328 989	**21 415**	21 416
Investments in subsidiaries	13.1	**–**	–	**684 484**	641 426
Other investments	14	**863 962**	649 831	**369 374**	224 397
Right-of-use-assets	27	**59 722**	98 078	**59 722**	97 648
Deferred taxation	21.1/3	**34 020**	53 237	**29 489**	48 069
Current assets		**57 636 937**	59 344 643	**3 643 032**	2 806 904
Trade and other receivables	15	**830 619**	793 033	**393 059**	395 746
Income tax receivable		**3 224**	5 401	**–**	–
Due from Group entities	13.3	**–**	–	**254 066**	95 500
SAFE note – Globacap	29	**–**	10 234	**–**	10 234
JSE Clear Derivatives Default Fund collateral deposits	16.3	**500 000**	500 000	**–**	–
Margin deposits	16.1	**53 998 628**	55 792 547	**1 484 948**	508 088
Collateral deposits	16.2	**703**	20 267	**703**	20 267
Cash and cash equivalents	17	**2 303 763**	2 223 161	**1 510 256**	1 600 178
Non current assets held for sale	18	**–**	–	**–**	176 891
Total assets		**59 790 410**	61 336 472	**5 345 412**	4 370 480

		GROUP		COMPANY	
	Notes	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Equity and liabilities					
Total equity	19.3	**4 386 147**	4 173 147	**3 322 637**	3 304 230
Stated capital		**(165 612)**	(118 697)	**(159 896)**	(112 983)
Reserves		**846 282**	754 650	**89 379**	89 442
Retained earnings		**3 705 477**	3 537 194	**3 393 154**	3 327 771
Equity attributable to equity holders of the parent		**4 386 147**	4 173 147	**3 322 637**	3 304 230
Non-current liabilities		**116 008**	190 941	**87 398**	159 922
Employee benefits	20.1	**7 212**	7 257	**7 212**	7 257
Deferred taxation	21.1/3	**28 610**	31 019	**–**	–
Lease liability	27	**55 713**	131 195	**55 713**	131 195
Deferred income	25	**24 473**	21 470	**24 473**	21 470
Current liabilities		**55 288 255**	56 972 384	**1 935 377**	906 328
Trade and other payables	22	**639 478**	544 513	**211 172**	169 417
Income tax payable		**4 054**	18 035	**4 054**	17 903
Deferred income	25	**2 455**	1 745	**2 455**	1 745
Employee benefits	20.1	**174 168**	136 198	**163 276**	130 355
Lease liability	27	**68 769**	59 079	**68 769**	58 553
JSE Clear Derivatives Default Fund collateral contribution	16.3	**400 000**	400 000	**–**	–
Margin deposits	16.1	**53 998 628**	55 792 547	**1 484 948**	508 088
Collateral deposits	16.2	**703**	20 267	**703**	20 267
Total equity and liabilities		**59 790 410**	61 336 472	**5 345 412**	4 370 480

Consolidated statement of changes in equity

for the year ended 31 December 2023

	Notes	Stated capital and treasury shares[3] R'000	NDR R'000	Share-based payments reserve R'000	Fair value reserve[2] R'000	Total reserves R'000	Retained earnings R'000	Total equity R'000
Group								
Balance at 1 January 2022		(67 741)	682 723	72 839	1 926	757 488	3 529 234	4 218 981
Profit for the year from continuing operations		–	–	–	–	–	748 556	748 556
Other comprehensive income		–	(17 717)	–	(3 578)	(21 295)	–	(21 295)
Total comprehensive income for the year		–	(17 717)	–	(3 578)	(21 295)	748 556	727 261
LTIS 2018 Allocation 1 shares vested	20.5	4 995	–	(8 633)	–	(8 633)	–	(3 638)
LTIS 2018 Allocation 2 shares vested	20.5	7 838	–	(7 838)	–	(7 838)	–	–
Distribution from the JSE Debt Guarantee Fund Trust[1]		–	(3 414)	–	–	(3 414)	3 414	–
Dividends paid to owners	19.4	–	18 187	–	–	18 187	(737 806)	(719 619)
Equity-settled share-based payment	20.5	–	–	13 951	–	13 951	–	13 951
Transfer of profit to investor protection funds		–	6 814	–	–	6 814	(6 814)	–
Transfer of listed companies fines – Issuer regulation		–	2 880	–	–	2 880	(2 880)	–
Transfer of qualifying deductible expenses related to Fines – Issuer Regulation		–	–	–	–	–	–	–
Treasury shares – acquisitions and sales[4]		(63 401)	(3 491)	–	–	(3 491)	3 491	(63 401)
Treasury shares – transaction costs		(388)	–	–	–	–	–	(388)
Total contributions by and distributions to owners of the Group recognised directly in equity		(50 956)	20 977	(2 520)	–	18 457	(740 595)	(773 095)
Note						19.3		

[1] *The JSE Debt Guarantee Fund Trust Deed makes specific provision for the utilisation of excess funds for the purpose of reducing the risk of claims being made against the Trust. To this effect, R5.8 million (2022: R3.4 million) before intercompany adjustments was transferred to the JSE Limited to defray market regulatory expenditure.*

[2] *This reserve relates to the equity investment in Globacap Technology Limited net of deferred tax. Refer to note 29 for details on this transaction.*

[3] *Debit balance due to treasury shares held by the JSE empowerment trust and shares held to facilitate the settlement of Long-Term Incentive Schemes. Refer to note 19 for further details.*

[4] *Shares acquired at an average price of R104.73 (2022: R116.53).*

	Notes	Stated capital and treasury shares[3] R'000	NDR R'000	Share-based payments reserve R'000	Fair value reserve[2] R'000	Total reserves R'000	Retained earnings R'000	Total equity R'000
Group								
Balance at 31 December 2022		**(118 697)**	**685 983**	**70 319**	**(1 652)**	**754 650**	**3 537 194**	**4 173 147**
Profit for the year		–	–	–	–	–	830 979	830 979
Other comprehensive income		–	74 237	–	13 512	87 749	–	87 749
Total comprehensive income for the year		–	74 237	–	13 512	87 749	830 979	918 728
LTIS 2018 Allocation 2 – shares vested	20.5	15 548	–	(24 832)	–	(24 832)	–	(9 284)
LTIS 2018 Allocation 3 – shares vested	20.5	7 920	–	(7 920)	–	(7 920)	–	–
Distribution from the JSE Debt Guarantee Fund Trust[1]		–	(5 772)	–	–	(5 772)	5 772	–
Dividends paid to owners	19.4	–	16 377	–	–	16 377	(662 402)	(646 025)
Equity-settled share-based payment	20.5	–	–	19 964	–	19 964	–	19 964
Transfer of profit to investor protection funds		–	11 690	–	–	11 690	(11 690)	–
Transfer of listed companies fines – Issuer regulation		–	35	–	–	35	(35)	–
Transfer of qualifying deductible expenses related to Fines – Issuer Regulation		–	(5 659)	–	–	(5 659)	5 659	–
Treasury shares – acquisitions[4]		(79 260)	–	–	–	–	–	(79 260)
Treasury shares – sales		9 300	–	–	–	–	–	9 300
Treasury shares – transaction costs		(423)	–	–	–	–	–	(423)
Total contributions by and distributions to owners of the Group recognised directly in equity		**(46 915)**	**16 671**	**(12 788)**	**–**	**3 883**	**(662 696)**	**(705 728)**
Balance at 31 December 2023		**(165 612)**	**776 891**	**57 531**	**11 860**	**846 282**	**3 705 477**	**4 386 147**
Note						19.3		

[1] *The JSE Debt Guarantee Fund Trust Deed makes specific provision for the utilisation of excess funds for the purpose of reducing the risk of claims being made against the Trust. To this effect, R5.8 million (2022: R3.4 million) before intercompany adjustments was transferred to the JSE Limited to defray market regulatory expenditure.*

[2] *This reserve relates to the equity investment in Globacap Technology Limited net of deferred tax. Refer to note 29 for details on this transaction.*

[3] *Debit balance due to treasury shares held by the JSE empowerment trust and shares held to facilitate the settlement of Long-Term Incentive Schemes. Refer to note 19 for further details.*

[4] *Shares acquired at an average price of R104.73 (2022: R116.53).*

	Notes	Stated capital and treasury shares[1] R'000	NDR R'000	Share-based payments reserve R'000	Fair value reserve[2] R'000	Total reserves R'000	Retained earnings R'000	Total equity R'000
Company								
Balance at 1 January 2022		(62 027)	19 494	72 839	1 926	94 259	3 335 762	3 367 994
Profit for the year		–	–	–	–	–	729 204	729 204
Other comprehensive income		–	1 892	–	(3 578)	(1 686)	–	(1 686)
Total comprehensive income for the year		–	1 892	–	(3 578)	(1 686)	729 204	727 518
LTIS 2018 Allocation 1 shares vested	20.5	4 995	–	(8 633)	–	(8 633)	–	(3 638)
LTIS 2018 Allocation 2 shares vested	20.5	7 838	–	(7 838)	–	(7 838)	–	–
Dividends paid to owners		–	–	–	–	–	(737 806)	(737 806)
Equity-settled share based payment	19.4	–	–	13 951	–	13 951	–	13 951
Transfer of listed companies fines – Issuer regulation	20.5	–	2 880	–	–	2 880	(2 880)	–
Transfer of qualifying deductible expenses related to Fines – Issuer Regulation		–	(3 491)	–	–	(3 491)	3 491	–
Net treasury shares – acquisitions and sales		(63 401)	–	–	–	–	–	(63 401)
Treasury shares – transaction costs		(388)	–	–	–	–	–	(388)
Total contributions by and distributions to owners of the Company recognised directly in equity		(50 956)	(611)	(2 520)	–	(3 131)	(737 195)	(791 282)
Balance at 31 December 2022		**(112 983)**	**20 775**	**70 319**	**(1 652)**	**89 442**	**3 327 771**	**3 304 230**
Profit for the year		**–**	**–**	**–**	**–**	**–**	**722 162**	**722 162**
Other comprehensive income		**–**	**4 836**	**–**	**13 512**	**18 348**	**–**	**18 348**
Total comprehensive income for the year		**–**	**4 836**	**–**	**13 512**	**18 348**	**722 162**	**740 510**
LTIS 2018 Allocation 2 – shares vested	20.5	**15 548**	**–**	**(24 832)**	**–**	**(24 832)**	**–**	**(9 284)**
LTIS 2018 Allocation 3 – shares vested	20.5	**7 920**	**–**	**(7 920)**	**–**	**(7 920)**	**–**	**–**
Dividends paid to owners		**–**	**–**	**–**	**–**	**–**	**(662 402)**	**(662 402)**
Equity-settled share based payment	19.4	**–**	**–**	**19 964**	**–**	**19 964**	**–**	**19 964**
Transfer of listed companies fines – Issuer regulation	20.5	**–**	**36**	**–**	**–**	**36**	**(36)**	**–**
Transfer of qualifying deductible expenses related to Fines – Issuer Regulation		**–**	**(5 659)**	**–**	**–**	**(5 659)**	**5 659**	**–**
Treasury shares – acquisitions[3]		**(79 260)**	**–**	**–**	**–**	**–**	**–**	**(79 260)**
Treasury shares – sales		**9 300**	**–**	**–**	**–**	**–**	**–**	**9 300**
Treasury shares – transaction costs		**(421)**	**–**	**–**	**–**	**–**	**–**	**(421)**
Total contributions by and distributions to owners of the Company recognised directly in equity		**(46 913)**	**(5 623)**	**(12 788)**	**–**	**(18 411)**	**(656 779)**	**(722 103)**
Balance at 31 December 2023		**(159 896)**	**19 988**	**57 531**	**11 860**	**89 379**	**3 393 154**	**3 322 637**
Note		19.3	19.3	19.3			19.3	

[1] *Debit balance due to treasury shares held to facilitate the settlement of Long-Term Incentive Schemes. Refer to note 19 for further details.*
[2] *This reserve relates to the equity investment in Globacap Technology Limited net of deferred tax. Refer to note 29 for details on this transaction.*
[3] *Shares acquired at an average price of R104.73 (2022: R116.53).*

Consolidated statement of cash flows

for the year ended 31 December 2023

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Cash flows from operating activities					
Cash generated by operations	23.1	**1 117 531**	1 029 621	**1 060 393**	1 079 872
Finance income received	23.3	**4 927 630**	3 229 577	**195 991**	130 860
Finance costs paid	23.4	**(4 630 488)**	(3 017 945)	**(68 633)**	(49 177)
Dividends received		**6 730**	6 635	**–**	–
Taxation paid	23.2	**(310 270)**	(270 141)	**(271 356)**	(253 022)
Net cash generated by operating activities		**1 111 133**	977 747	**916 395**	908 533
Cash flows from investing activities					
Proceeds from sale of other investments		**357 567**	32 847	**323 335**	–
Acquisition of other investments		**(466 775)**	(175 457)	**(432 809)**	(140 322)
Capital injection in subsidiaries		**–**	–	**(40 000)**	(130 000)
Dividends from associate		**20 570**	40 271	**20 570**	40 271
Proceeds from disposal of intangible asset (refer to note 18)		**–**		**76 891**	–
Acquisition of leasehold improvements		**(13 265)**	(20 024)	**(13 265)**	(20 024)
Acquisition of intangible assets		**(89 354)**	(134 593)	**(89 354)**	(134 593)
Acquisition of other property and equipment		**(64 888)**	(38 494)	**(61 437)**	(38 129)
Proceeds from disposal property plant and equipment		**256**	35	**244**	
Debt instrument: Globacap SAFE note		**–**	(9 625)	**–**	(9 625)
Net cash used in investing activities		**(255 889)**	(305 040)	**(215 825)**	(432 422)
Cash flows from financing activities					
Acquisition of treasury shares		**(79 682)**	(73 055)	**(79 682)**	(73 055)
Proceeds on sale of treasury shares		**9 300**	9 267	**9 300**	9 267
Lease liabilities repaid		**(65 792)**	(62 435)	**(65 266)**	(59 617)
Dividends paid		**(646 025)**	(719 619)	**(662 402)**	(737 806)
Net cash used in financing activities		**(782 199)**	(845 842)	**(798 050)**	(861 211)
Net increase/(decrease) in cash and cash equivalents		**73 045**	(173 135)	**(97 479)**	(385 100)
Cash and cash equivalents at 1 January		**2 223 161**	2 393 002	**1 600 178**	1 981 984
Effect of exchange rate fluctuations on cash held		**7 557**	3 294	**7 557**	3 294
Cash and cash equivalents at 31 December 2023	17	**2 303 763**	2 223 161	**1 510 256**	1 600 178

Notes to the consolidated financial statements

for the year ended 31 December 2023

1. Reporting entity

JSE Limited (the "JSE" or the "Company") is a company domiciled in South Africa. Its registration number is 2005/022939/06. The JSE is licensed as an exchange in terms of the Financial Markets Act 2012 (FMA). The JSE has the following main lines of business: Capital Markets, Post-Trade Services and Information Services. The address of the Company's registered office is One Exchange Square, 2 Gwen Lane, Sandown. The consolidated financial statements of the Company as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries and controlled structured entities (collectively referred to as the "Group" and individually as "Group entities") and reflect the Group's interest in associates.

When reference is made to the "Group" in the accounting policies, it should be interpreted as referring to the Company, where the context requires, unless otherwise noted.

2. Basis of preparation

2.1 Statement of compliance

The Group consolidated and Company financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), interpretations issued by the IFRS Interpretations Committee (IFRS-IC), the South African Institute of Chartered Accountants (SAICA) financial reporting guides as issued by the Accounting Practice Committee, the SAICA Headline Earnings Circular 1/2023, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act, 2008 (Companies Act). The Group financial statements were authorised for issue by the Board of Directors (Board) on 15 March 2024.

2.2 Basis of measurement

The Group and Company financial statements have been prepared on the historical cost basis, except for the following material items in the statement of financial position, measured at fair value as described below:

- Loan to the JSE Empowerment Fund Trust;
- Fair value financial assets through other comprehensive income;
- Shared-based payment transactions; and
- Fair value financial assets through profit and loss.

The methods used to measure fair values are set out in note 5.

2.3 Functional and presentation currency

The consolidated and separate financial statements are presented in South African rand (which is the Company's functional currency), rounded to the nearest thousand, except where otherwise indicated.

2.4 Use of estimates and judgements

The preparation of financial statements are in conformity with IFRS and requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Basis of preparation *continued*

2.4 Use of estimates and judgements *continued*

For the period ended 31 December 2023 the following areas require the use of estimates:

Amortisation of intangible assets

Intangible assets are amortised over the estimated useful economic lives, which are based on management's best estimates of future performance and periods over which value from the intangible assets will be realised taking into account contractual terms and management intention regarding the future use of software. Details of intangible assets and their related amortisation are provided in note 11. Changes to estimated useful lives of intangible assets are included in note 2.4.1.

Useful lives of property and equipment

Property and equipment are depreciated over their estimated useful economic lives, which are based on management's best estimates of future performance and periods over which value from these assets are realised. Details of property and equipment and their related depreciation are provided in note 10. Changes to estimated useful lives of property and equipment are included in note 2.4.1.

Useful lives of customer contracts

Customer contracts are amortised over the estimated useful economic lives which are based on management's best estimates of future performance and periods over which value from the customer contracts are to be realised. Details of customer contracts are provided in note 11.

Goodwill impairment testing

Goodwill is tested for impairment annually or more frequently if there is an indicator of impairment. When identifying impairment indicators, management considers the impact of changes in market, legal, operating environments and other circumstances that could indicate that an impairment exists. This requires management to make significant judgements concerning the existence of impairment indicators, identification of cash-generating units and estimates of projected cash flows when estimating the value in use or fair value less cost to sell. Details of goodwill impairment testing are provided in note 11.7 and 11.8.

Deferred tax assets

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which that can be utilised. Company budgets and forecasts were used to substantiate the utilisation of the deferred tax asset. The inputs used in the projection of estimated future taxable profits requires management judgement. The main components relating to this tax asset consists of employee benefits and IFRS 16 Leases. Included in employee benefits are leave pay and discretionary bonus. Judgement is required when considering the amount allocated to the leave pay liability whereby, should an employee have an annual leave balance of more than 1.5 times their annual leave cycle, they will forfeit their annual leave unless it is in excess for business reasons in which it will then have to be approved by the Divisional Head in consultation with Human Resources based on the case merits. The discretionary bonus scheme is an annual incentive for qualifying employees. All permanent staff members are eligible to participate in this scheme. Awards are assessed on individual performance and the achievement of specific corporate deliverables as set out in the annual corporate scorecard approved by the Board.

2. Basis of preparation *continued*

2.4 Use of estimates and judgements *continued*

Revenue from contracts with customers

The Group concluded that the revenue for initial listing fees is to be recognised over an expected period which reflects average listing period of issuers. This is based on an average historical minimum life expectancy of a listed company which management estimated based on historic information. The company has the obligation to provide the platform to the issuer over the term for which it received the revenue.

For the period ended 31 December 2023 the following areas require the use of judgements:

Structured entities

There is one unconsolidated structured entity, namely JSE Benevolent Fund which is not consolidated because the JSE does not control the Fund based on management's assessment in terms of IFRS 10. Refer to note 13.2. The Group holds 44.55% in Strate (Pty) Limited and applies the equity method of accounting. Refer to note 3.1(iii) for details.

Fair value determination

Refer to note 5.

2.4.1 Changes to the use of estimates and assumptions

Useful life of property, plant and equipment (PPE) and intangible asset:

During the current reporting period, the group IT assessment indicated a change to the useful life of computer software components and some PPE items supporting the major operating systems within the JSE Group namely; Millennium IT (MIT), Real Time Clearing (RTC) and Integrated Trading and Clearing (ITAC) systems.

It became evident that the expected remaining useful life of the impacted system components needed to be extended to align to the Group IT strategy. The assets are capable of functioning in a manner intended by management during the extended useful life period.

The aforementioned changes have been accounted for as a change in accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The change in the estimated remaining useful life period is adjusted for prospectively from 1 January 2023 and the impact of the change is as follows:

Useful life disclosure:

The useful life assessment resulted in the extension of the estimated useful life period for the affected intangible assets and property plant and equipment (PPE). The PPE period is within the range disclosed as at 31 December 2022. Intangible assets (computer software) have increased from 3 – 5 years to 3 – 15 years.

Financial statement impact:

	GROUP		COMPANY	
Impact of revised useful life (in rands)	**31 Dec 2023 12 months**	**Future periods impact**	**31 Dec 2023 12 months**	**Future periods impact**
Statement of comprehensive income				
Amortisation (Decrease/ (increase))	**54 830 911**	**(54 830 911)**	**25 331 019**	**(25 331 019)**
Depreciation (Decrease/ (increase))	**1 801 744**	**(1 801 744)**	**1 801 744**	**(1 801 744)**
Deferred tax (expense)/ income	**(15 290 817)**	**15 290 817**	**(7 325 846)**	**7 325 846**
Net profit/(loss) impact	**41 341 838**	**(41 341 838)**	**19 806 917**	**(19 806 917)**
Statement of financial position				
Intangible assets – increase/(decrease)	**54 830 911**	**(54 830 911)**	**25 331 019**	**(25 331 019)**
PPE – increase/(decrease)	**1 801 744**	**(1 801 744)**	**1 801 744**	**(1 801 744)**
Deferred tax (liability)/ asset	**(15 290 817)**	**15 290 817**	**(7 325 846)**	**7 325 846**
Net equity	**41 341 838**	**(41 341 838)**	**19 806 917**	**(19 806 917)**

2. Basis of preparation *continued*

2.5 Changes in accounting policies

The Group has consistently applied the accounting policies set out in note 3 to all periods presented in these consolidated financial statements, with exception to note 2.5.1.

New standards and amendments that impact on the Group's accounting policies have been assessed during the period, and these have had no material impact on the Group's financial statements. Refer to note 4 for new standards and interpretations not yet adopted.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)– effective date: 1 January 2023

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted. The amendments had no impact on the Group's consolidated financial statements.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2 – effective date: 1 January 2023

The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies. They also provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The impact of the amendments is included in the accounting policy disclosures in these Group annual consolidated financial statements.

Definition of Accounting Estimates – Amendments to IAS 8 – effective date: 1 January 2023

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board. The amendments had no impact on the Group's consolidated financial statements.

IFRS 17 Insurance contracts – effective date: 1 January 2023

IFRS 17 is the new standard that prescribes the accounting for insurance contracts and will replace the current insurance contracts standard, IFRS 4. IFRS 17 aims to provide more transparency and comparability between insurance companies and other industries by providing a prescriptive approach to determining policyholder liabilities, as well as the release of profits on these contracts to the income statement. The amendments had no impact on the Group's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – effective date: 1 January 2023

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments had no impact on the Group's consolidated financial statements.

2.5.1 Change in the statement of comprehensive income (SOCI) presentation

The presentation of margin and collateral deposit interest income and interest expense was changed in the current year to be separately presented in the Statement of Comprehensive Income above "Profit from operating activities before net finance income" due to the change in the JSE Clear operations. JSE Clear only serviced the JSE in prior years and as a result the amount was previously disclosed as part of finance income and finance expenses in the SOCI below "Profit from operating activities before net finance income".

JSE Clear (Pty) Ltd commenced operations as an independent clearing house in the current year from 1 January 2023 and is now viewed as an income generating centre from a Group perspective. This resulted in the income earned from margin and collateral deposits supporting a substantial part of the Group operations. Management has, therefore, presented operational income from margin and collateral deposits separately to provide more relevant information as the activities involved in generating net margin and collateral interest income differ from interest earned on own fund accounts.

2. Basis of preparation *continued*

2.5 Changes in accounting policies *continued*

2.5.1 Change in the statement of comprehensive income (SOCI) presentation *continued*

The voluntary change in the presentation policy was accounted for in terms of IAS 1 and comparatives are restated in terms of IAS 8 as a change in accounting policy for comparability. The presentation change had no impact on profits for the year, statement of cash flow and statement of financial position.

Restatement impact on the prior year figures:

	31 DECEMBER 2022 (R'000)		
	Previously presented	Adjustment	Restated
Group			
Margin and collateral interest income	–	3 271 428	3 271 428
Margin and collateral interest expense		(3 169 535)	(3 169 535)
Profit from operating activities before net finance income	–	101 893	101 893
Finance income	3 391 561	(3 271 428)	120 133
Finance costs	(3 188 197)	3 169 535	(18 662)
Net finance income	203 364	(101 893)	101 471
Company			
Margin and collateral interest income	–	41 843	41 843
Margin and collateral interest expense		(33 901)	(33 901)
Profit from operating activities before net finance income	–	7 942	7 942
Finance income	133 515	(41 843)	91 672
Finance costs	(52 316)	33 901	(18 415)
Net finance income	81 199	(7 942)	73 257

3. Material accounting policies

3.1 Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group financial statements incorporate the assets, liabilities and results of the operations of JSE Clear (Pty) Limited, JSE Clear Derivatives Default Fund (Pty) Limited, the JSE Derivatives Fidelity Fund Trust, the JSE Guarantee Fund Trust, JSE Trustees (Pty) Limited, JSE Debt Guarantee Fund Trust, Nautilus MAP Holdings (Pty) Limited, Nautilus Map (Pty) Limited, JSE LTIS 2010 Trust, JSE LTIS 2018 Trust, JSE Empowerment Fund Trust and JSE Investor Services (Pty) Limited and JSE Private Placements (Pty) Ltd and its subsidiaries, as subsidiary companies.

JSE Investor Services (Pty) Limited (JIS), has two wholly owned subsidiaries named JSE Investor Services CSDP (Pty) (JIS CSDP) Limited and Pacific Custodians (Nominees) (RF) (Pty) Limited.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In the separate financial statements of the Company, investments in subsidiaries are carried at cost less accumulated impairment losses. The accounting policies of subsidiaries have been changed when necessary to align them with the adopted by the Group.

BESA Limited, BondClear Limited and Nautilus MAP Operations (Pty) Limited are dormant and are in the process of deregistration.

3. Material accounting policies *continued*

3.1 Basis of consolidation *continued*

(ii) Structured entities

The JSE Guarantee Fund Trust, the JSE Derivatives Fidelity Fund Trust and the JSE Debt Guarantee Fund Trust are trusts established in terms of the Trust Property Control Act of 1988 (Trust Property Control Act) and are collectively referred to as the investor protection funds. These investor protection funds have been established in consonance with the statutory obligations imposed on the JSE, as a licensed exchange, by the peremptory provisions of section 8(1)(h) of the FMA which state that a licensed exchange must have a guarantee, compensation fund or warranty in place to enable it to provide compensation to clients, subject to the exchange rules. The funds and assets of these trusts are segregated from the assets of the JSE but the JSE, by virtue of its role as trustee and custodian of these funds, has to consolidate the results of these funds in its Annual Financial Statements. The JSE's control as custodian and trustee of the assets of these Funds is exercised within the ambit of the JSE's powers as trustee, as defined in the trust deeds and rules of these Funds.

(iii) Investments in associates

Associates are those entities in which the Group has significant influence, but not control, over financial and operating policies. The conclusion regarding control or significant influence relating to associates is reassessed on an annual basis.

In performing this assessment, the directors determine whether or not the Group has control over the respective investee based on whether the Group has the practical ability to direct the significant activities unilaterally.

In making this assessment, the following factors are considered:

- The inability of the Group to unilaterally appoint the majority of board members of the investee;
- Composition of the investee's board and board appointees of the Group;
- The lack of any contractual or legal rights conferred upon the Group by the investee or any other shareholder of the investee to direct its activities; and
- The Group's shareholding in the investee relative to other investors.

Associates are accounted for using the equity method and are recognised initially at cost, which includes transaction costs. The Group's investment includes goodwill identified on acquisition, and is net of any accumulated impairment losses. The equity method is applied to the Group's investment in Strate (Pty) Limited. In applying the equity method, account is taken of the Group's share of the income and expenses and other comprehensive income of the associate from the effective date on which the enterprise became an associate until significant influence ceases. The share of the associated company's retained earnings and reserves is determined from the latest audited financial statements.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate. In the separate financial statements of the Company, the associate is accounted for at cost less accumulated impairment losses.

In terms of the Group's investment in Globacap, the Group has assessed the factors above and has concluded that the investment does not meet the requirement for it to be classified as an investment in associates. Refer to note 29 for further details on the classification of Globacap.

(iv) Business combinations

The acquisition method of accounting is used to account for all business combinations, 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.

3. Material accounting policies *continued*

3.1 Basis of consolidation *continued*

(iv) Business combinations *continued*

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at 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.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in JSE Investor Services Proprietary Limited, the Group elected to recognise the non-controlling interests in at its proportionate share of the acquired net identifiable assets.

(v) Non-controlling interest

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis.

Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3.2 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with the associate are eliminated against the investment to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3. Material accounting policies *continued*

3.3 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. The assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains on subsequent increases in fair value less costs to sell are not recognised in excess of any cumulative impairment loss.

3.4 Foreign currency transactions

Transactions in foreign currencies are translated to South African rand at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing on reporting date. Translation differences on monetary items are recognised in profit and loss. Translation differences included in fair value adjustment of instruments measured at fair value through other comprehensive income are included in other comprehensive income.

3.5 Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade receivables, interest receivable, a loan to the JSE Empowerment Fund Trust, other receivables, margin and collateral deposits, cash and cash equivalents, trade payables, interest payable, amounts due to and from Group companies and JSE Clear Derivatives Default Fund (Pty) Limited.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets are accounted for at trade date, being the date that the Group commits itself to purchase or sell the asset. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. This applies to intercompany loans recognised by the JSE Limited in note 13.

Non-derivative financial instruments are measured initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

The Group classifies non-derivative financial assets into the following categories:

- Fair value through other comprehensive income (OCI) financial assets;
- Amortised cost; and
- Fair value through profit and loss.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Financial assets at fair value through other comprehensive income (OCI) – debt instruments

The Group's investments in debt securities are classified as fair value through OCI financial assets and this relates to the bonds from investor protection fund investments and South African Government Bonds held by the JSE Limited. The principal objective of holding these investments are to collect contractual cash flows and selling these investments in accordance with the relevant mandates. The contractual terms of these investments give rise to cash flows that are solely payments of principal and interest. Fair value gains and losses relating to debt instruments are subsequently classified to profit or loss upon realisation of the investment.

3. Material accounting policies *continued*

3.5 Financial instruments *continued*

(i) Non-derivative financial instruments *continued*

***Financial assets at fair value through other comprehensive income (OCI) – debt instruments** continued*

Impairment losses on monetary items such as debt securities and foreign exchange gains and losses are recognised in profit or loss. Translation differences included in fair value adjustment are recognised in other comprehensive income. When these investments are derecognised, the cumulative gain or loss previously recognised in OCI is transferred to profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss. Refer to note 14 (Other investments) for the financial assets classified as fair value through OCI.

Financial assets designated at fair value through other comprehensive income (OCI) – equity instruments

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends on fair value through OCI equity instruments are recognised in profit or loss when the Group's right to receive payment is established (last day to register). Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investment in Globacap under this category. Refer to note 29 for more detail.

Financial assets at amortised cost

For debt instruments, the business model test and cash flow characteristics of solely payments of principal and interest (SPPI) test is applied by the Group in determining the category which best applies to the financial instruments that it holds and or trades. Under the business model test the Group determines the objective for which it holds the financial instrument. Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Other non-derivative financial instruments classified at amortised cost include trade and other receivables, contributions in JSE Clear Derivatives Default Fund (Pty) Limited, trade and other payables, cash and cash equivalents, amounts due to and from Group companies, and margin and collateral deposits.

Fair value through profit and loss (FVTPL)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income. This category includes equity instruments held by JIS CSDP and investment in the Globacap SAFE note included in comparative periods.

A financial asset is primarily derecognised when:

- the rights to receive cash flows from the asset has expired; or
- the Group has transferred its rights to receive cash flows from the asset.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, expire or are substantially modified. The difference between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and term deposits with maturities of six months or less from the acquisition date and are used by the Group in the management of its short-term commitments and capital requirements.

(iii) Stated capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3. Material accounting policies *continued*

3.5 Financial instruments *continued*

(iii) Stated capital *continued*

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased as part of the Long-Term Incentive Schemes, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Shares purchased by the JSE LTIS 2010 Trust and LTIS 2018 Trust as part of the Long-Term Incentive Scheme are classified as treasury shares and are presented against stated capital. When treasury shares are subsequently sold, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in stated capital.

3.6 Property and equipment

(i) Recognition and measurement

Items of property and equipment (including leasehold improvements), are measured at cost less accumulated depreciation and accumulated impairment losses.

Costs include expenditures that are directly attributable to the acquisition of the asset. When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

(ii) Derecognition

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. Zero book value items are derecognised when the entity ceases to use the asset or on sale.

(iii) Subsequent costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iv) Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leasehold improvements are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current period are as follows:

o Computer hardware*	3 to 10 years
o Vehicles	5 years
o Furniture and equipment	3 to 15 years
o Leasehold improvements	Aligned with the lease period

* *Refer to note 2.4.1 for details on current year changes to the useful lives.*

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. Material accounting policies *continued*

3.7 Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The Group measures goodwill at the acquisition date as the fair value of the consideration transferred, including the recognised amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

As such, goodwill is measured at cost less accumulated impairment losses. In respect of the associate, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associate.

(ii) Licences

Licences are recorded as intangible assets and held at cost less accumulated amortisation.

(iii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss as an expense as incurred. Development activities involve a plan or design for the production of new or substantially improved technology. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the asset. The expenditure capitalised includes the cost of internal and external labour charges. Other development expenditure is recognised in profit or loss as an expense as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(iv) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(v) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(vi) Amortisation

Amortisation is based on the cost of the asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current periods are as follows:

o Trade names	5 to 10 years
o Computer software*	3 to 15 years
o Licences	3 to 8 years

* *Refer to note 2.4.1 for details on current year changes to the useful lives.*

Amortisation of the internally developed intangible assets will commence when development is complete and is available for use. These assets will be tested for impairment annually during the period of development.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(vii) Customer relationship

The customer relationship intangible assets were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the relationships over their estimated useful lives which management estimates as 15 years.

3. Material accounting policies *continued*

3.7 Intangible assets *continued*

(viii) Derecognition

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. This gain or loss is recognised in profit or loss when the asset is derecognised. Zero book value items are derecognised when the entity ceases to use the asset or on sale.

3.8 Leases

Leases and right-of-use asset

Group as a lessee

The Group assesses a contract at the inception date, to ascertain whether the contract is, or contains a lease. That is, if the contract transfers the right of use of an identifiable asset for a period of time in exchange for consideration.

Lease liabilities are measured at the present value of remaining lease payments discounted at the incremental borrowing rate at the date of initial application. The Group recognises right-of-use assets at the commencement of the lease. The right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Right-of-use assets are subject to impairment considerations.

The Group applies the recognition exemptions for lease contracts that have a term of 12 months or less and do not contain a purchase option and contracts for which the underlying asset is of low value.

At inception or upon reassessment of the arrangement, the Group separates payments and other considerations required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes, for a finance lease, that it is impracticable to separate payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use asset depreciation

Depreciation is based on the cost of the asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the right-of-use assets from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

o Properties	25 months to 80 months
o Computer hardware	five years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3. Material accounting policies *continued*

3.9 Impairment

(i) Financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. Impairment provisions for trade receivables are recognised based on the simplified approach using the lifetime expected credit losses.

During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables. The forward-looking information that is incorporated include macro-economic factors such as GDP growth and unemployment. For trade receivables, which are reported net, such provisions are recorded in a separate provision account, with the profit or loss being recognised within profit from operating activities in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking ECL model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12 month ECL along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group assesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group's debt instruments at fair value through OCI comprise of South African government bonds and investments held by the investor protection funds as per note 3.5. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Impairment losses do not reduce the carrying amount of debt instruments at fair value through other comprehensive income in the statement of financial position, which remains at fair value.

(ii) Non-financial assets

The carrying amount of the Group's non-financial assets, other than deferred tax 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 impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent from other assets and groups. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of goodwill allocated to the cash generating unit, and then to reduce the carrying amounts of other assets of the cash generating unit pro rata.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

3. Material accounting policies *continued*

3.9 Impairment *continued*

(ii) Non-financial assets *continued*

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortisation, if no impairment loss had been recognised. Impairment losses in respect of goodwill are not reversed.

(iii) Write off

The Group writes off financial assets when there is no reasonable expectations of recovering a financial asset in its entirety or a portion thereof by directly reducing the gross carrying amount of a financial asset. The write off is recognised in statement of comprehensive income.

3.10 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employee renders the service are discounted to their present value.

(ii) Short-term employee benefits

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

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The JSE accrues for the value of leave due on the basis of the number of days owing and the relevant associated costs.

(iii) Share-based payment transactions

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employee became unconditionally entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expenses in profit or loss.

The JSE company grants share awards directly to the employees of its subsidiary entities (employer companies). In terms of IFRS 2, where and entity is the issuing and settling entity for the group share scheme, the employer companies (i.e. subsidiaries receiving the services) are required to account for the transaction as an equity-settled award as the employer companies do not have an obligation to settle the award directly with the employee. In order to account for its obligation, the Company recognises an increase to investment in subsidiaries (i.e., an increase in the carrying value of the investment) together with an increase to the share based payment reserve in equity. Since the award is settled in JSE Limited shares, the Company accounts for the award as an equity-settled award. The subsidiaries of the group recognise a capital contribution from JSE Limited as a holding company.

3. Material accounting policies *continued*

3.11 Revenue

IFRS 15 provides a five step model for the determination and recognition of revenue to be applied to all contracts with customers. Revenue comprises primary market fees, trading fees, clearing and settlement fees, information services fees, funds under management, private placement fees, clearing membership fees, SME development and revenue from Investor Services fees as well as Strate *ad valorem* fees and recognised at a point in time except for:

A. Initial listing fees included in primary market fees, which is recognised over an expected period of time. Refer to note 25.

B. Annual listing and annual clearing membership fees are recognised over the period covered by the contract. These payment in advance are fully recognised as revenue by year end as payments are annually in advance from 1 January each year.

Revenue from contracts with clients is recognised when control of the services are transferred to the client at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that this principal is reflected in its revenue arrangements, because it typically controls the services before transferring them to the customer.

The Group receives advance payments from clients relating to the initial listing fees. There is no significant financing component for deferred listing fees. This is recognised over an expected period based on an average listing period of issuers. This is also based on an average historical minimum life expectancy of a listed company. Any adjustments to the contract liability balance are charged against revenue. Refer to note 25.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a client before the Group transfers the related goods or services.

The Group applies the practical expedient for short-term advances received from clients.

3.12 Other income

Other income comprises rental income, net foreign exchange gains, dividend income, profit on sale of financial assets, profit on sale of property and equipment, fines to listed companies and other sundry income. Dividend income is recognised in profit or loss when the right to receive payment is established, which is the date the dividend is declared. Premises rental income is recognised on a straight-line basis over the term of the lease. On derecognition of a financial asset in its entirety, the difference between: a) the carrying amount and b) the sum of consideration received and any cumulative gain or loss that has been recognised in other comprehensive income where applicable shall be recognised in profit or loss.

Fines – listed companies

In the execution of its regulatory mandate, the Issuer Regulation Department may impose fines.

Section 1, paragraph 1.25 of the Listings Requirements, as read with Section 11(4) of the Financial Markets Act, 19 of 2012, prescribe how these fines must be appropriated.

Therefore, although the fines are recorded in profit and loss in terms of IFRS, they are not available for distribution to shareholders. To reflect this position, an amount equal to the fines imposed and an amount equal to deductible expenses (both on a net after tax basis) is transferred within the statement of changes in equity from retained earnings to a non-distributable reserve (called the Issuer Regulation Fine Reserve) for the exclusive use as set out in the Listings Requirements.

3.13 Margin and collateral interest income

Margin and collateral interest income comprise of finance income earned on deposits held as collateral. Interest income is recognised as it accrues, using the effective interest method.

3.14 Margin and collateral interest expense

Margin and collateral interest expense comprise of finance costs earned on deposits held as collateral. Interest expense is recognised in profit or loss using the effective interest method.

3. Material accounting policies *continued*

3.15 Finance income and costs

Finance income includes interest income from funds invested and interest earned on the loan to the JSE Empowerment Fund Trust. Interest income is recognised as it accrues, using the effective interest method.

Finance costs includes interest expense related to IFRS 16 leases and interest due to South African Revenue Services. Interest expense is recognised in profit or loss using the effective interest method.

3.16 Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss, except to the extent that they relate to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. When there is uncertainty associated with income tax treatments within the Group, management will assess and disclose how judgements were made when determining taxable profit/(loss), tax bases, unused tax losses, unused tax credits and tax rates.

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 is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future and the Group can control the timing of the reversal. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which that can be utilised. 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.

The change in the South African corporate tax rate from 28% to 27% was substantively enacted in the prior year's budget speech and impacted the group entities current taxation recognition. The change in tax rate impacted deferred tax assets and liabilities in the prior year as these are measured at tax rates expected to apply in the period when the asset is realised or the liability is settled.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

Withholding taxes

Dividend withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends declared on or after 1 April 2012. The Company withholds dividend tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised as part of the Company's tax charge, but rather as part of the dividend paid, recognised directly in equity.

3. Material accounting policies *continued*

3.17 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributed to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to qualifying black shareholders and employees under the long-term incentive scheme.

3.18 Operating segment

The Group determines and presents segments based on the information used to run the business by the Executive Committee (Exco).

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Costs in the JSE are managed holistically across the Exchange and variances against budget are closely monitored. Revenue results as disclosed in note 6 are reviewed regularly by the entity's chief operating decision makers (Exco) to make key decisions about resources to be allocated to the segment and assess its performance. Costs are not allocated to the individual segments and are reviewed by Exco as a single unit. The holistic cost centre segment does not meet the definition of an operating segment as it does not earn revenues and thus not disclosed in these financial statements.

4. New standards and interpretations not yet adopted

A new standard has been issued by the International Accounting Standards Board (IASB) prior to the publication of these financial statements, but are effective in future accounting periods, as listed below:

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) – effective date: 1 January 2024

The amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendment not expected to have a material impact for the Group.

Non-current Liabilities with Covenants (Amendments to IAS 1) – effective date: 1 January 2024

The amendment is to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The impact of the amendment on the Group is currently being assessed.

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) – effective date 1 January 2024

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

5. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the below mentioned methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

5.1 Investments in equity and debt securities

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

5.2 Share based payment transactions

The fair values of the shares granted to employees in terms of LTIS 2018 incentive schemes are measured using the Black-Scholes model.

Measurement inputs include the share price on measurement date, the exercise price of the instrument, the expected volatility (based on weighted average historic volatility, adjusted for changes expected owing to publicly available information), the weighted average expected life of the instrument, expected dividends, and the interest rate (based on the notional amount compounded annually (NACA) rate). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

5.3 Globacap equity investment

The investment is not publicly traded and categorised as level 3 fair value hierarchy. The fair value of these investments is determined using appropriate valuation methodologies which includes discounted cash flow analysis, and implied equity price where applicable. Refer to note 29 for further details on significant estimates and judgements for inputs used.

6. Revenue and other income

6.1 Revenue from contracts with clients comprises:

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Capital markets				
Bond Electronic Trading Platform (ETP)	**9 021**	9 627	**9 021**	9 627
Colocation fees	**42 613**	33 073	**42 613**	33 073
Commodity derivatives fees	**79 685**	102 917	**79 685**	102 917
Issuer services fees	**10 820**	7 281	**10 820**	7 281
Currency derivatives fees	**36 691**	41 294	**36 691**	41 294
Equity derivatives fees	**116 904**	163 344	**116 904**	163 344
Equity market fees	**487 617**	479 148	**487 617**	479 148
Interest rate market fees	**85 442**	72 864	**90 461**	75 833
Primary market fees[1]	**161 325**	157 515	**161 325**	157 515
JSE Investor Services fees	**190 104**	159 059	**–**	–
JSE Private Placement fees	**1 194**	277	**–**	–
SME development revenue[4]	**890**	–	**890**	–
Post-trade services				
Clearing and settlement fees	**411 331**	437 696	**411 331**	437 696
Back-office services (BDA)	**368 337**	351 366	**368 337**	351 366
Funds under management	**103 711**	95 234	**162 703**	135 223
JSE Clear revenue[3]	**111 942**	–	**–**	–
Information services				
Index fees	**80 126**	68 499	**80 126**	68 499
Market data fees	**368 288**	319 508	**368 288**	319 508
Total revenue excluding Strate ad *valorem fees* – cash equities and bonds[2]	**2 666 040**	2 498 703	**2 426 812**	2 382 324
Strate *ad valorem* fees – cash equities	**127 477**	132 854	**127 477**	132 854
Strate *ad valorem* fees – bonds	**20 955**	18 422	**20 955**	18 422
	2 814 472	2 649 979	**2 575 244**	2 533 600

1 *An amount of R2.5 million gain (2022: R1.9 million loss) was recognised in Primary market fees relating to initial listing fees for the current year.*
2 *The Strate ad valorem stream of income is evaluated in conjunction with the directly attributable cost included in note 7.2.*
3 *In the current year, JSE Clear (Pty) Ltd started operating as an independent clearing house and central counterparty (CCP) in terms of FSCA effective 1 January 2023. As a result, a new revenue stream was recognised in the current year for membership and clearing fees.*
4 *New revenue stream in the current year providing SME's with placement and development services.*

6. Revenue and other income *continued*

6.2 Other net income comprises:

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Investor protection funds	**6 730**	6 635	**–**	–
– Dividend income recognised on investments held at the reporting period	**6 730**	6 635	**–**	–
Dividends received from associate	**–**	–	**20 569**	40 271
Net foreign exchange (loss)/profit	**(1 362)**	5 470	**(1 273)**	5 404
Fair value gain on other investments (Globacap SAFE note)	**4 016**	609	**4 016**	609
Income recognised from deferred income (data centre and disaster recovery)	**–**	–	**–**	4
Fair value loss on sale of bonds (reclassified from OCI)	**(5 351)**	–	**(5 351)**	
Investor protection levy[1]	**–**	30 754	**–**	30 754
Fines issued in terms of Issuer Regulations	**–**	4 000	**–**	4 000
Rental income[2]	**3 555**	2 871	**5 136**	2 871
VAT recovery[3]	**15 136**	–	**15 136**	–
Sundry income	**6 875**	3 828	**5 214**	3 759
	29 599	54 166	**43 448**	87 672

6.3 Margin and collateral interest income and interest expense[4]

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Interest income earned on margin and collateral deposits	**4 779 218**	3 271 428	**63 281**	41 843
– Derivatives	**4 684 007**	3 202 965	**–**	–
– JSE Clear Derivatives Default Fund	**31 930**	26 620	**–**	–
– Equities	**63 281**	41 843	**63 281**	41 843
Interest expense on margin and collateral deposits	**(4 650 990)**	(3 169 535)	**(50 896)**	(33 901)
– Derivatives	**(4 568 449)**	(3 109 059)	**–**	–
– JSE Clear Derivatives Default Fund	**(31 644)**	(26 575)	**–**	–
– Equities	**(50 896)**	(33 901)	**(50 896)**	(33 901)
Total net margin and collateral deposit interest income	**128 229**	101 893	**12 385**	7 942

[1] *The current year pricing policy change resulted in the change to the recovery mechanism for the levy. The FSCA levy cost is recovered as part of the transaction price for services rendered to the end user client.*
[2] *JSE Limited company rental income includes an amount of about R1.6 million relating to income charged to the JIS subsidiary.*
[3] *VAT recovered on non-resident supplier invoices subsequently registered as a South African VAT vendor.*
[4] *Restated, refer to note 2.5.1 for further details.*

7. Profit before taxation comprises:

7.1 Personnel expenses

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Remuneration paid to employees		**664 598**	602 342	**574 589**	517 413
Fixed-term contractors		**23 818**	17 502	**23 085**	16 997
Contribution to defined contribution plans		**24 857**	22 130	**21 228**	19 969
Directors' emoluments		**42 495**	36 692	**39 859**	34 635
– Executive directors	24.1	**27 909**	22 334	**27 909**	22 334
– Non-executive directors*	24.3	**14 586**	14 358	**11 950**	12 301
Long-term incentive schemes**		**38 033**	25 585	**34 708**	25 585
– JSE LTIS 2018		**38 033**	25 585	**34 708**	25 585
Gross personnel expenses		**793 801**	704 251	**693 469**	614 599
Less: Capitalised to intangible assets		**(10 009)**	(11 554)	**(10 009)**	(11 554)
		783 792	692 697	**683 460**	603 045

* *Group includes JSE Clear non-executive directors.*

** *Includes the accounting impact of accelerated LTIS for good leavers. Includes critical skills cash scheme amounting to R18.1 million (2022: R10.5 million).*

7. Profit before taxation comprises: *continued*

7.2 Other expenses

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Amortisation of intangible assets[4]	**104 866**	164 900	**83 144**	151 011
Auditor's remuneration	**13 834**	9 661	**9 109**	5 099
– Audit fee	**9 974**	7 677	**6 170**	3 890
– Fees for other services	**1 280**	735	**50**	35
– Prior year under accrual	**2 580**	1 249	**2 889**	1 174
Consulting fees	**8 073**	10 973	**6 537**	9 631
Depreciation	**102 556**	108 493	**100 446**	104 929
– Computer hardware	**35 316**	47 786	**33 656**	46 309
– Furniture and equipment	**2 907**	3 032	**2 887**	2 668
– Right-of-use assets	**38 356**	39 645	**37 926**	37 926
– Leasehold improvements	**25 925**	17 979	**25 925**	17 974
– Vehicles	**52**	52	**52**	52
Enterprise development	**8 646**	8 082	**8 646**	8 082
Write off/Impairment of intangible asset[3]	**5 824**	5 396	**5 657**	5 396
Write off/Impairment of PPE[3]	**5 665**	–	**5 460**	–
Investor protection levy (Equity market)	**79 702**	39 608	**59 490**	39 608
Impairment of intercompany receivables	**–**	–	**–**	1 885
Other expenses[1]	**233 367**	210 312	**155 484**	132 081
Strate *ad valorem* fees	**144 125**	150 968	**144 125**	150 968
Technology costs	**384 993**	344 748	**327 295**	322 586
Intercompany cross charge[2]		–	**13 400**	–
Professional fees[5]	**53 071**	66 456	**47 199**	61 794
Marketing and promotional expenses[5]	**50 981**	41 965	**50 573**	38 984
Premises and facility costs[5]	**54 926**	51 475	**52 283**	50 079
	1 250 629	1 213 036	**1 068 848**	1 082 134

1 *Other expenses comprises mainly of administration fees and legal fees, swift charge, travel costs, internal audit and reviews costs, learning and development costs, data information charges and operational risk losses.*
2 *In the current year, JSE Clear (Pty) Ltd started operating as an independent clearing house and central counterparty (CCP) in terms of FSCA effective 1 January 2023. As a result, the RTC intangible asset was transferred to the entity which resulted in an amount being charged to JSE Limited for the system usage cost.*
3 *Relates to PPE items with a carrying value of approximately R5.7 million (2022: nil) and Intangible assets amounting to approximately R5.8 million (2022: R5.4 million) written off in the current year for assets no longer in use.*
4 *Amortisation reduced due to the revised useful life of the JSE Group core systems. Refer to note 2.4.1 for further details.*
5 *The balances have been disaggregated in the current and prior years to provide further information on other expenses.*

7. Profit before taxation comprises: *continued*

7.3 Finance income

	GROUP 2023 R'000	GROUP 2022* R'000	COMPANY 2023 R'000	COMPANY 2022* R'000
Investor protection funds	**12 785**	8 482	**–**	–
– Finance income on cash	**10 324**	6 393	**–**	–
– Finance income from debt instruments at fair value through other comprehensive income	**2 460**	2 089	**–**	–
Finance income from debt instruments at fair value through other comprehensive income	**20 811**	–	**20 811**	–
Finance income earned on own funds	**153 516**	111 651	**115 334**	91 672
Total finance income	**187 112**	120 133	**136 146**	91 672

7.4 Finance costs

	GROUP 2023 R'000	GROUP 2022* R'000	COMPANY 2023 R'000	COMPANY 2022* R'000
Finance cost other**	**18 223**	18 662	**17 962**	18 415
Total finance costs	**18 223**	18 662	**17 962**	18 415

* *Restated, refer to note 2.5.1 for further details.*
** *Calculated using effective interest rate method. Mainly consist on finance costs from IFRS 16 leases.*

8. Income tax expenses

8.1 Taxation

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Current tax expense				
– Current year	**298 340**	275 382	**257 849**	262 498
– Prior year adjustment	**88**	–	**(342)**	–
– Withholding tax	**39**	–	**–**	–
Deferred tax asset				
– Prior year adjustment	**(1 028)**	–	**(1 028)**	–
– Reversal of deductible temporary differences	**9 123**	1 526	**8 283**	4 714
– Change in tax rate	**–**	2 551	**–**	2 709
Deferred tax liability				
– Prior year adjustment	**(420)**	229	**–**	–
– Origination of taxable temporary differences	**3 875**	10 680	**6 270**	12 998
– Change in tax rate	**–**	(2 086)	**–**	(929)
	310 018	288 282	**271 033**	281 990

8.2 Reconciliation of effective tax rate

	GROUP 2023 %	GROUP 2022 %	COMPANY 2023 %	COMPANY 2022 %
Current tax rate	**27.00**	28.00	**27.00**	28.00
Adjusted for:				
– Non-taxable income[1]	**(0.58)**	(0.18)	**(0.63)**	(1.12)
– Adjustment for prior periods[2]	**(0.33)**	0.02	**(0.14)**	–
– Non-deductible expenses:				
– Depreciation on leasehold improvements	**0.70**	0.49	**0.79**	0.49
– Impairment provision raised on intercompany loan	**–**	–	**–**	0.05
– Capital nature expenses[4]	**0.23**	0.03	**0.27**	0.03
– Other[3]	**0.70**	0.48	**–**	0.33
– Assessed losses[5]	**0.39**	–	**–**	–
– Change in tax rate[6]	**–**	0.03	**–**	0.17
– Share of profit of equity-accounted investee	**(0.92)**	1.11	**–**	–
Net effective tax rate	**27**	28	**27**	28

1 *Non-taxable income includes dividends received (Company), section 12H learnership allowance and Globacap fair value gain recognised through P/L.*
2 *Prior year adjustments relating to bonus and leave pay provisions.*
3 *Mainly includes losses of exempt entities (0.67%), non-deductible expenses (0.03%). Prior year includes impairment loss on intangible assets (0.17%) (refer to note 11), non-trade expenses related to amounts not incurred in a production of income (0.1%) and non-deductible expenses relating to the JSE Empowerment Fund Trust (0.21%).*
4 *Relates to cost incurred for consultation and legal fees.*
5 *Reversal of JPP's previously recognised tax asset and additional losses incurred where no deferred tax assets was recognised.*
6 *On 23 February 2022, the Minister of Finance announced a reduction to the South African corporate income tax rate from 28% to 27% for companies with years of assessment ending on or after 31 March 2023. The change in tax rate impacted prior year deferred tax assets and liabilities which are measured at tax rates expected to apply in the period when the asset is realised or the liability is settled. In the current year both current and deferred taxes are measured at 27%.*

8. Income tax expenses *continued*

8.3 The Group's consolidated effective tax rate for the year ended 31 December 2023 is 27% (2022: 28%).

8.4 The following corporate tax rates are applicable to the entities in the Group:

	Current tax	Deferred tax
JSE Limited	27% (2022: 28%)	27% (2022: 27%)
JSE Clear (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
JSE Clear Derivatives Default Fund (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
Strate (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
Nautilus MAP Holdings (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
Nautilus Map RF (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
JSE Trustees (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
JSE Investor Services (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
JSE Investor Services CSDP (Pty) Ltd	27% (2022: 28%)	27% (2022: 27%)
JSE Private Placements (Pty) Limited	27% (2022: 28%)	27% (2022: 27%)
Pacific Custodians (Nominees) (RF) (Pty) Ltd.	27% (2022: 28%)	27% (2022: 27%)
JSE Derivatives Fidelity Fund Trust	Exempt from income tax in terms of s10(1)(d)(iii) of the Income Tax Act of 1962	
JSE Guarantee Fund Trust	Exempt from income tax in terms of s10(1)(d)(iii) of the Income Tax Act of 1962	
JSE Debt Guarantee Fund Trust	Exempt from income tax in terms of s10(1)(d)(iii) of the Income Tax Act of 1962	

9. Earnings and headline earnings per share

9.1 Total basic earnings per share

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Profit for the year attributable to ordinary shareholders	**830 979**	748 556	**722 162**	729 204
Weighted average number of ordinary shares:				
Issued ordinary shares at 1 January	**86 877 600**	86 877 600	**86 877 600**	86 877 600
Effect of own shares held (JSE LTIS 2018 and JEF Trust)	**(5 351 912)**	(4 720 454)	**(3 222 273)**	(2 590 815)
Weighted average number of ordinary shares at 31 December	**81 525 688**	82 157 146	**83 655 327**	84 286 785
Total earnings per share (cents)	**1 019.3**	911.1	**863.3**	865.1

9. Earnings and headline earnings per share *continued*

9.2 Total diluted earnings per share

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Profit for the year attributable and distributable to ordinary shareholders	**830 979**	748 556	**722 162**	729 204
Weighted average number of ordinary shares (diluted):				
Weighted average number of ordinary shares at 31 December (basic)	**81 525 688**	82 157 146	**83 655 327**	84 286 785
Effect of LTIS Share Scheme	**1 414 139**	916 922	**1 414 139**	916 922
Weighted average number of ordinary shares (diluted)	**82 939 827**	83 074 068	**85 069 466**	85 203 706
Diluted earnings per share (cents)	**1 001.9**	901.1	**848.9**	855.8

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices using a volume-weighted average price for the year.

9.3 Headline earnings per share

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Reconciliation of headline earnings:				
Profit for the year attributable to ordinary shareholders	**830 979**	748 556	**722 162**	729 204
Adjustments are made to the following:				
Net amount	**4 252**	5 396	**4 130**	5 396
Write off/Impairment of intangible asset	**5 824**	5 396	**5 657**	5 396
– Taxation effect	**(1 572)**	–	**(1 527)**	–
Net amount	**4 283**	(10)	**4 134**	–
Property and equipment written off	**5 665**	–	**5 460**	–
Loss on disposal of property and equipment	**203**	(14)	**203**	–
– Taxation effect	**(1 585)**	4	**(1 529)**	–
Total headline earnings	**839 514**	753 941	**730 426**	734 600
Total headline earnings per share (cents)	**1 029.8**	917.7	**873.1**	871.5

9.4 Diluted headline earnings per share

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Total diluted headline earnings per share (cents)	**1 012.2**	907.6	**858.6**	862.2

10. Property and equipment

10.1 Cost

	GROUP				
	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
2023					
Balance at 1 January 2023	**610 659**	**70 841**	**216 823**	**338**	**898 660**
Additions	**64 888**	**–**	**13 265**	**–**	**78 153**
Write off**	**–**	**(10 824)**	**(11 727)**	**–**	**(22 552)**
Disposal	**(245)**	**–**	**–**	**–**	**(245)**
Derecognition*	**(325 872)**	**(26 788)**	**(51 857)**	**–**	**(404 517)**
Balance at 31 December 2023	**349 429**	**33 229**	**166 504**	**338**	**549 500**
2022					
Balance at 1 January 2022	577 033	67 994	196 799	338	842 164
Additions	35 647	2 847	20 024	–	58 518
Disposals	(24)	–	–	–	(24)
Derecognition*	(1 997)	–	–	–	(1 997)
Balance at 31 December 2022	610 659	70 841	216 823	338	898 661

10.2 Accumulated depreciation

	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
2023					
Balance at 1 January 2023	**532 045**	**61 939**	**138 944**	**239**	**733 167**
Write off**	**–**	**8 565**	**(8 322)**	**–**	**(16 887)**
Disposal	**(231)**	**–**	**–**	**–**	**(231)**
Depreciation charge for the year	**35 316**	**2 907**	**25 925**	**52**	**64 200**
Derecognition*	**(325 872)**	**(26 788)**	**(51 857)**	**–**	**(404 517)**
Balance at 31 December 2023	**241 258**	**29 493**	**104 690**	**291**	**375 733**
2022					
Balance at 1 January 2022	486 259	58 907	120 965	187	666 318
Depreciation charge for the year	47 786	3 032	17 979	52	68 848
Disposals	(3)	–	–	–	(3)
Derecognition*	(1 997)	–	–	–	(1 997)
Balance at 31 December 2022	532 045	61 939	138 944	239	733 167

10.3 Carrying amounts

	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
2023					
At 31 December 2022	78 614	8 902	77 879	99	165 494
At 31 December 2023	**108 171**	**3 736**	**61 814**	**48**	**173 767**
2022					
At 31 December 2021	90 774	9 087	75 834	151	175 845
At 31 December 2022	78 614	8 902	77 879	99	165 494

* *Zero balance assets derecognised for non-cash proceeds.*
** *Written off PPE items for non-cash proceeds.*

10. Property and equipment *continued*

10.4 Cost

	Notes	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
		COMPANY				
2023						
Balance at 1 January 2023		**606 119**	**69 881**	**216 579**	**338**	**892 918**
Additions		**61 437**	**–**	**13 265**	**–**	**74 702**
Write off**		**–**	**(9 132)**	**(9 759)**	**–**	**(18 891)**
Disposal		**(245)**	**–**	**–**	**–**	**(245)**
Derecognition of zero book value items*		**(325 872)**	**(26 788)**	**(51 857)**	**–**	**(404 517)**
Balance at 31 December 2023		**341 440**	**33 961**	**168 229**	**338**	**543 967**
2022						
Balance at 1 January 2022		572 832	67 034	196 555	338	836 759
Additions		35 284	2 847	20 024	–	58 155
Derecognition*		(1 997)	–	–	–	(1 997)
Balance at 31 December 2022		606 119	69 881	216 579	338	892 917

10.5 Accumulated depreciation

	Notes	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
2023						
Balance at 1 January 2023		**529 003**	**61 029**	**138 838**	**239**	**729 110**
Depreciation charge for the year	7.2	**33 656**	**2 887**	**25 925**	**52**	**62 520**
Write off**		**–**	**(6 889)**	**(6 543)**	**–**	**(13 432)**
Disposal		**(245)**	**–**	**–**	**–**	**(245)**
Derecognition of zero book value items*		**(325 872)**	**(26 788)**	**(51 857)**	**–**	**(404 517)**
Balance at 31 December 2023		**236 543**	**30 239**	**106 364**	**291**	**373 437**
2022						
Balance at 1 January 2022		484 691	58 361	120 864	187	664 103
Depreciation charge for the year	7.2	46 309	2 668	17 974	52	67 003
Disposals**		(1 997)	–	–	–	(1 997)
Balance at 31 December 2022		529 003	61 029	138 838	239	729 109

10.6 Carrying amounts

	Notes	Computer hardware R'000	Furniture and equipment R'000	Leasehold improvements R'000	Vehicles R'000	Total owned assets R'000
2023						
At 31 December 2022		77 116	8 852	77 741	99	163 807
At 31 December 2023		**104 897**	**3 722**	**61 865**	**47**	**170 530**
2022						
At 31 December 2021		88 141	8 673	75 691	151	172 657
At 31 December 2022		77 116	8 852	77 741	99	163 807

* *Zero balance assets derecognised for non-cash proceeds.*
** *Written off PPE items for non-cash proceeds.*

11. Intangible assets

	Notes	GROUP Goodwill R'000	Trade names R'000	Customer relationship R'000	Computer software R'000	Software under development R'000	Total intangible assets R'000
11.1 Cost							
2023							
Balance at 1 January 2023		**215 504**	**2 217**	**133 828**	**1 306 741**	**50 818**	**1 709 108**
Additions		**–**	**–**	**–**	**37 824**	**51 530**	**89 352**
Transfer from software development		**–**	**–**	**–**	**40 342**	**(40 342)**	**–**
Write off*		**–**	**–**	**–**	**(529)**	**(5 657)**	**(6 186)**
Derecognition*		**–**	**–**	**–**	**(113 806)**	**–**	**(113 806)**
Balance at 31 December 2023		**215 504**	**2 217**	**133 828**	**1 270 572**	**56 349**	**1 678 470**
2022							
Balance at 1 January 2022		215 504	2 217	133 828	1 195 808	31 393	1 578 750
Additions		–	–	–	72 328	67 661	139 989
Derecognition*		–	–	–	(9 631)	–	(9 631)
Transfer from software development		–	–	–	48 236	(48 236)	–
Balance at 31 December 2022		215 504	2 217	133 828	1 306 741	50 818	1 709 108
11.2 Accumulated amortisation and impairment losses							
2023							
Balance at 1 January 2023		**–**	**1 753**	**19 331**	**991 824**	**–**	**1 012 908**
Amortisation for the year	15.2	**–**	**464**	**8 922**	**95 480**	**–**	**104 866**
Write off**		**–**	**–**	**–**	**(362)**	**–**	**(362)**
Derecognition*		**–**	**–**	**–**	**(113 806)**	**–**	**(113 806)**
Balance at 31 December 2023		**–**	**2 217**	**28 253**	**973 137**	**–**	**1 003 606**
2022							
Balance at 1 January 2022		–	1 753	10 409	840 081	–	852 243
Amortisation for the year		–	–	8 922	155 978	–	164 900
Impairment loss**		–	–	–	5 396	–	5 396
Derecognition*		–	–	–	(9 631)	–	(9 631)
Balance at 31 December 2022		–	1 753	19 331	991 824	–	1 012 908
11.3 Carrying amounts							
2023							
At 31 December 2022		215 504	464	114 497	314 917	50 818	696 200
At 31 December 2023		**215 504**	**–**	**105 575**	**297 435**	**56 349**	**674 863**
2022							
At 31 December 2021		215 504	464	123 419	355 727	31 393	726 507
At 31 December 2022		215 504	464	114 497	314 917	50 818	696 200

** Assets derecognised/written off for non-cash proceeds.*

*** Relates to an idle intangible asset which was reserved for an untraded commodities product. The amount is fully impaired in the current year as no future economic benefits are expected to be recovered through use or sale of the asset. The value in use (recoverable amount) is determined at nil in the current year as there is no information supporting the continued usage for the asset as at reporting date.*

11. Intangible assets *continued*

11.4 Cost

	COMPANY				
	Goodwill R'000	Trade names R'000	Computer software R'000	Software under development R'000	Total intangible assets R'000
2023					
Balance at 1 January 2023	**82 987**	**1 829**	**1 070 335**	**48 181**	**1 203 332**
Additions	**–**	**–**	**37 824**	**51 530**	**89 354**
Transfer from software under development	**–**	**–**	**37 705**	**(37 705)**	**–**
Write off*				**(5 657)**	**(5 657)**
Derecognition*	**–**	**–**	**(113 806)**		**(113 806)**
Balance at 31 December 2023	**82 987**	**1 829**	**1 032 057**	**56 349**	**1 173 222**
2022					
Balance at 1 January 2022	82 987	1 829	1 160 303	28 756	1 273 874
Additions	–	–	72 328	67 661	139 989
Derecognition*	–	–	(9 631)	–	(9 631)
Transfer from software under development	–	–	48 236	(48 236)	–
Transfer to non-current assets held for sale	–	–	(200 901)		(200 901)
Balance at 31 December 2022	82 987	1 829	1 070 335	48 181	1 203 331

11.5 Accumulated amortisation and impairment losses

	Goodwill R'000	Trade names R'000	Computer software R'000	Software under development R'000	Total intangible assets R'000
2023					
Balance at 1 January 2023	**–**	**1 829**	**834 688**	**–**	**836 517**
Amortisation for the year	**–**	**–**	**83 144**	**–**	**83 144**
Derecognition*			**(113 806)**	**–**	**(113 806)**
Balance at 31 December 2023	**–**	**1 829**	**804 025**	**–**	**805 854**
2022					
Balance at 1 January 2022	–	1 829	811 923	–	813 752
Amortisation for the year	–	–	151 011	–	151 011
Transfer to non-current assets held for sale			(124 011)	–	(124 011)
Impairment loss**			5 396	–	5 396
Derecognition			(9 631)		(9 631)
Balance at 31 December 2022	–	1 829	834 688	–	836 517

11.6 Carrying amounts

	Goodwill R'000	Trade names R'000	Computer software R'000	Software under development R'000	Total intangible assets R'000
2023					
At 31 December 2022	82 987	–	235 646	48 181	366 813
At 31 December 2023	**82 987**	**–**	**228 032**	**56 349**	**367 366**
2022					
At 31 December 2021	82 987	–	348 380	28 756	460 122
At 31 December 2022	82 987	–	235 646	48 181	366 813

* *Assets derecognised/written off for non-cash proceeds.*

** *Relates to an idle intangible asset which was reserved for an untraded commodities product. The amount is fully impaired in the current year as no future economic benefits are expected to be recovered through use or sale of the asset. The value in use (recoverable amount) is determined at nil in the current year as there is no information supporting the continued usage for the asset as at reporting date.*

11. Intangible assets *continued*

11.7 Impairment testing for cash-generating units containing goodwill – Company

For the purpose of impairment testing, goodwill is allocated to the cash-generating unit (CGU), which represent the lowest level at which goodwill is monitored for internal management purposes, which is not higher than the operating segments as reported in note 6.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The only CGU allocated goodwill is the interest rate market related to the goodwill that arose with the acquisition of the Bond Exchange of South Africa. The carrying value of the goodwill as at 31 December 2023 was R83 million (2022: R83 million) and the carrying value of CGU it was assigned to was R114 million.

In order to assess impairment of this goodwill, management calculated the value in use by performing estimated future cash flows. This has been included in the Capital Markets reportable segment. A weighted average cost of capital (WACC) of 21.6% (2022: 22.3%) was used to discount the future earnings, taking into account any specific risk premiums that may be applicable.

These cash flows have been based on the financial forecasts for the 2023 financial year and strategic plans over a 5-year-period (2022: 6 years), which is consistent with past experience. The period of 5-years is aligned to the remaining useful life of underlying licences supporting the entity. These are in line with inflation. An average revenue growth rate used was 5% (2022: 2%) and the terminal rate was 3% (2022: 2%)

The assumptions used include profit before interest and tax, depreciation, working capital movements, capital maintenance expenditure and an appropriate discount rate.

The recoverable amount of the CGU totalling R215 million (2022: R133 million) was determined based on the value in use within the Company. The Goodwill assessment related to the CGU did not require impairment during the 2023 financial year.

Sensitivity analysis

Changes in the following key assumptions on which management has based its determination of the recoverable amount would impact the recoverable amount as follows with no required impairment:

- A 100 basis point increase in the discount rate would decrease the recoverable amount of the CGU by R10.7 million (2022: R6.9 million) at 31 December
- A 100 basis point decrease in the growth rate would decrease the recoverable amount by R28.4 million (2022: R20.2 million) at 31 December.

11. Intangible assets *continued*

11.8 Impairment testing for goodwill acquired in a business combination – Group

The JSE acquired 74.85% of the voting shares of Link Market Services South Africa (Pty) Limited, subsequently renamed 'JSE Investor Services (Pty) Limited' during 2020. On 17 June 2021, the Group acquired the remaining 25.15% interest in the equity of JIS increasing its ownership interest to 100%. The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The JSE Investor Services Group (JIS) is regarded as a single integrated CGU due to the fact that the services are integrated and the Group is managed on an integrated basis. The carrying amount of goodwill pertaining to JIS was R133 million as at 31 December 2023 (2022: R133 million).

The free cash flow model was used to calculate the recoverable amount of R264 million (2022: R365 million) based on the cash flow projections from formally approved budgets covering a five year period and is based on certain assumptions. Management made the following key assumptions in its determination of the recoverable amount:

- JSE Investor Services is a going concern and would be able to continue operating for the foreseeable future
- The calculations use cash flow projections based on financial budgets approved by JSE Investor Services (Pty) Limited management and the Group Board. The projections incorporated past experience and growth expectations.
- A discount rate of 21.3% (2022: 20.1%) was used to calculate the present value of future cash flows
- Funding will be sourced under market related conditions as required
- An average revenue growth rate of 4% (2022:5%)was used with a terminal rate of 4% (2022: 4%)
- Five year projection was applied.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The recoverable amount of the CGU was determined based on value in use.

The Goodwill related to JSE Investor (Pty) Limited did not require impairment during the 2023 financial year.

Sensitivity analysis

Changes in the following key assumptions on which management has based its determination of the recoverable amount would impact the recoverable amount as follows with no required impairment:

- A 100 basis point increase in the discount rate would decrease the recoverable amount of the CGU by R32.5 million (2022: R26 million) at 31 December
- A 100 basis point decrease in the growth rate would decrease the recoverable amount of the CGU by R42.8 million (2022: R16 million) at 31 December

12. Investment in associate

12.1 Carrying amount

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Strate (Pty) Limited				
Carrying amount at beginning of year	**328 988**	328 262	**21 416**	21 416
– Dividends received	**(20 570)**	(40 271)	**–**	–
– Share of profit	**38 720**	40 997	**–**	–
Total investment in associate*	**347 139**	328 988	**21 416**	21 416

* *JSE's portion of the net assets of Strate (Pty) Limited amounts to R347 million (44.55% of net assets of R779 million) (2022: R329 million – 44.55% of net assets totaling R738 million).*

12.2 Summarised financial statements at 31 December

	STRATE (PTY) LIMITED 2023 R'000	STRATE (PTY) LIMITED 2022 R'000
Non-current assets	**365 226**	240 002
Current assets	**598 777**	638 005
Total assets	**964 003**	878 007
Equity	**778 891**	737 950
Non-current liabilities	**63 925**	10 718
Current liabilities	**121 187**	129 338
Total equity and liabilities	**964 003**	878 007
Revenue	**558 013**	491 726
Other income including finance income	**42 690**	30 001
Expenses	**(462 962)**	(388 450)
Taxation	**(52 937)**	(41 252)
Profit for the year	**84 804**	92 026

12. Investment in associate *continued*

12.3 Unlisted associated company

	EFFECTIVE HOLDING		NUMBER OF SHARES HELD	
	2023 %	2022 %	**2023**	2022
Group and Company				
Strate (Pty) Limited	**44.55**	44.55	**4 346**	4 346

Strate (Pty) Limited is an authorised Central Securities Depositary (CSD) for the electronic settlement of cash equity, bond and money market instruments and a company incorporated in South Africa. The Group does not exercise control over this entity. Strate acquired 100% holding in Trustlink (Pty) Ltd, a swift bureau business, effective 1 January 2023. The transaction did not impact JSE's effective holding of 44.55% and the classification of the investment as an associate.

13. Subsidiaries – Company

13.1 Investments in subsidiaries

	Issued share capital/trust capital	PERCENTAGE HOLDING 2023 %	PERCENTAGE HOLDING 2022 %	CARRYING VALUE 2023 R'000	CARRYING VALUE 2022 R'000
13.1.1 JSE Clear (Pty) Limited[1]					
– Ordinary shares at par value	8 301	**100**	100	**238 201**	218 201
– Capital contribution to facilitate LTIS				**2 865**	
Total Capital investment in JSE Clear (Pty) Limited				**241 066**	
13.1.2 JSE Clear Derivatives Default Fund (Pty) Limited[2]					
– Ordinary shares of R1 each	1	**100**	100	*****	*
– Reclassified to non-current assets held for sale[2]				**(*)**	(*)
13.1.3 JSE Trustees (Pty) Limited					
– Ordinary shares of R1 each	7	**100**	100	*****	*
The Group elected directors to hold shares in their capacity as nominees for the Exchange. The Exchange has control over the operating and decision-making activities of JSE Trustees (Pty) Limited.					
13.1.4 Nautilus MAP Holdings (Pty) Limited					
– 1 ordinary share of R1 each	1	**100**	100	*****	*
Nautilus MAP Holdings (Pty) Limited holds 100% of the ordinary shares in Nautilus MAP RF (Pty) Limited and Nautilus MAP Operations (Pty) Limited. The entities are in the process of being deregistered.					
13.1.5 JSE LTIS 2010 Trust					
– Trust capital	1 000	**100**	100	**1**	1
13.1.6 JSE LTIS 2018 Trust					
– Trust capital	1 000	**100**	100		

13. Subsidiaries – Company *continued*

13.1 Investments in subsidiaries *continued*

	Issued share capital/trust capital	PERCENTAGE HOLDING 2023 %	PERCENTAGE HOLDING 2022 %	NUMBER OF SHARES HELD 2023 R'000	NUMBER OF SHARES HELD 2022 R'000
13.1.7 BESA Limited					
– Ordinary shares of 12.5 cents each	1 925	**100**	100	**101 150**	101 150
BESA Limited holds 100% of the ordinary shares in BESA Investments (Pty) Limited and 80% of the ordinary shares of BondClear Limited. The remaining 20% of the ordinary share capital in BondClear Limited is held by the JSE. All three entities are in the process of being deregistered.					
13.1.8 JSE Investor Services					
– 100% of the ordinary shares at par value each	1 381	**100**	74.85	**307 073**	307 073
– Capital contribution to facilitate LTIS				**194**	
Total Capital investment in JSE Investor Services				**307 266**	
JSE Investor Services (Pty) Ltd holds 100% of the ordinary shares in JSE Investor Services CSDP (Pty) Ltd and Pacific Custodians (Nominees) (RF) (Pty) Ltd.					
13.1.9 JSE Private Placements (Pty) Ltd[3]	1200	**100**	100.00	**1**	1
– Ordinary shares at par value		**100**	100.00	**35 000**	15 000
13.1.10 JSE Ventures (Pty) Ltd[4]					
100% wholly owned subsidiary		**100**	–	*	–
Investments in subsidiaries				**684 484**	641 426

13.1.11 Investor protection funds

In terms of section 9.1(e) of the FMA, the JSE is required to have an investor protection mechanism in place to enable it to provide compensation to clients in certain circumstances. In compliance with this requirement, the JSE has guarantee funds (The JSE Guarantee Fund Trust and The JSE Debt Guarantee Fund Trust) that cover the Equities and Interest Rate Markets respectively, and a fidelity fund (The JSE Derivatives Fidelity Fund Trust) that covers the derivatives markets. The three funds are housed in formalised trusts. The funds are administered in terms of their respective trust deeds and their sets of rules. Certain JSE directors are trustees. As a result of the control exercised over these funds, the Group is required to consolidate them.

* *Less than R1 000.*

[1] *JSE Clear (Pty) Ltd is the appointed clearing house and CCP for the JSE's derivative markets, as defined in the Financial Markets Act No.19 of 2012 (FMA). The principal activities of the company during the year were the continued development and provision of clearing facilities for these markets and the enhancement of the risk management practices of the clearing house. Additionally, in 2022 JSE Clear was successfully able to secure an Independent Clearing House licence (ICH), making it the only licensed Central Counterparty Clearing House (CCP) operating in South Africa. Consequently an amount of R20 million (2022:115 million) was contributed by the JSE Limited to recapitalise JSE Clear (Pty) Ltd and the entity will operate as a CCP in the 2023 financial period. Refer to note 18 for further details.*

[2] *JSE Clear Derivatives Default Fund (Pty) Limited is incorporated as a private for profit company wholly owned by JSE Clear (Pty) Ltd and JSE Group. The investment in subsidiary was transferred to JSE Clear (Pty) Ltd (wholly owned subsidiary of JSE Limited) effective 1 January 2023 and reclassified to non current held for sale in the prior year. Refer to note 18 for further details.*

[3] *JSE Private Placements (Pty) Limited is a private markets solution using the Globacap platform, a block chain based information technology system and platform that aims to simplify and automate private capital markets for growth on the African continent. Capital amounting to R20 million (2022: R15 million) was injected to the company in the current year.*

[4] *JSE Ventures (Pty) Limited is a wholly owned subsidiary incorporated during the current year. The entity will offer carbon market solutions and will commence operations in 2024.*

13. Subsidiaries – Company *continued*

13.2 Involvement with unconsolidated structured entities

The table below describes the structured entities that the Group does not consolidate but in which it holds an interest.

Name of structured entity	Nature and purpose	Interest held by the Group
The JSE Benevolent Fund	This fund was created by the then members of the JSE prior to the JSE's demutualisation in 2005. The purpose of the fund is to provide financial assistance and poverty relief to stockbrokers, employees of authorised members of the JSE, full-time employees of the JSE prior to 8 November 1995 and their dependants. The assets of the fund are applied by the Benevolent Fund Committee according to the applicable rules and their discretion.	The committee shall at all times be comprised of at least three people who are not connected persons in relation to each other and shall have exclusive administration and control of the Fund and of the income arising therefrom. The Committee may delegate its powers and duties to such sub-Committee as it deems fit. This is a structured fund to which administrative services are outsourced to a third party. The JSE does not provide financial or administrative support to this unconsolidated fund.

13.3 Due from Group entities

	COMPANY	
	2023 R'000	2022 R'000
Nautilus MAP RF (Pty) Limited	**31 576**	31 576
Allowance for impairment loss	**(30 961)**	(30 961)
Owed by/(Owing to) Nautilus MAP RF (Pty) Limited	**629**	629
JSE Clear (Pty) Limited*	**200 730**	42 456
JSE Derivatives Fidelity Fund Trust Interco	**212**	–
JSE Trustees (Pty) Limited	**7 412**	10 561
JSE Guarantee Fund Trust	**4 097**	5 897
JSE Debt Guarantee Fund Trust	**1 647**	457
JSE Empowerment Trust	**10 889**	25 045
JSE Investor Services (Pty) Limited	**22 589**	1 229
JSE Private Placements (Pty) Limited	**5 245**	8 611
Total due from Group entities – current assets	**254 065**	95 500

* *Comprises of approximately R2.5 million payable to and R203.2 million receivable from JSE Clear (Pty) Ltd.*

13. Subsidiaries – Company *continued*

13.3 Due from Group entities *continued*

Amounts due from Nautilus MAP RF (Pty) Limited are unsecured and interest free.

An additional R1.8 million allowance for impairment loss was accounted for in the prior year. The company used a general approach when calculating the Nautilus impairment loss allowance (ECL). The Nautilus liquidation proceedings are still in progress and the loss allowance is based on the loss expected at default. The balance receivable represents Nautilus cash funds expected to be received by JSE on liquidation of the subsidiary.

All entities are incorporated in the Republic of South Africa.

The significant increase to receivables from JSE Clear (Pty) Limited is due to the intercompany loan of R100 million used to transfer the JSE Clear derivative default fund (DDF) collateral deposit. The transfer was to facilitate independent clearing house operations in JSE Clear as further detailed in note 18. The initial collateral deposits required from clearing members are managed and invested by JSE Clear DDF in terms of the JSE Clear rules and the respective Investment Mandates. The remaining balance owed to the JSE relates to working capital funding provided.

Amounts due from Group entities are interest free and consist mainly of management fees payable to the Company and operating expenses paid on behalf of subsidiaries. These fees are invoiced monthly by the Company and are payable within 30 days from invoice date.

In accordance with the JSE's holistic transformation strategy, a loan to facilitate enterprise development was granted to the JSE Empowerment Fund Trust. The intention of this loan is to assist the sustainability of the financial and operational independence of the fund. The loan is interest-free. The JSE has the option to terminate the agreement with the fund on one month's written notice, charging interest at JIBAR on any outstanding amounts.

14. Other investments

14.1 Investor protection funds fair value through OCI financial assets

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
14.1.1 JSE Derivatives Fidelity Fund Trust				
Bonds*	**18 416**	15 056	**–**	–
Listed equities	**101 158**	96 256	**–**	–
Protective cell funds	**160 799**	129 647	**–**	–
	280 372	240 959	**–**	–
14.1.2 JSE Guarantee Fund Trust			**–**	–
Bonds*	**13 556**	11 240	**–**	–
Listed equities	**70 873**	68 884	**–**	–
Protective cell funds	**120 464**	97 126	**–**	–
Collective investment scheme	**8 658**	7 225	**–**	–
	213 552	184 475	**–**	–
	493 924	425 433	**–**	–
14.2 Other investments				
Stock Exchange Nominees (Pty) Ltd – at fair value through OCI	**1**	1	**1**	1
Bonds – Reserve Portfolio – measured at fair value through OCI*	**256 020**	142 527	**256 020**	142 527
Fair value through profit and loss equity instruments held by JIS	**663**			
Non-listed equity instruments designated at fair value through OCI (Globacap)	**113 354**	81 869	**113 354**	81 869
	863 962	649 831	**369 374**	224 397

* *The bonds value includes an investment in South African Government Bonds executed by the Group in the prior year as part of the highly liquid investment held for regulatory capital purposes. The Group believes that no impairment allowance is necessary in respect all bond financial assets. Historic default rates in the assessment of the probability of credit losses, while incorporating forward-looking macro-economic factors were used when testing for impairment allowances.*

The following equity instruments have been disposed of during the current year: The Foschini Group, Sibanye Gold Limited, Capitec Bank and BHP Group (2022: Anheuser-Busch InBev SA, Anglo American PLC, Standard Bank Group Limited, The Foschini Group, Bidvest Limited and Thungela Resources). These disposals were actioned as part of the investment mandate. The proceeds of these equity instruments amounted to R17.6 million (2022: R25.6 million) and the cumulative gain on disposal was R5.2 million (2022: 2.7 million). The amount of the proceeds is equal to fair value. No sale transactions were executed for the unit trust investments in the current period. There were no transfers in equity during the year.

All bonds are debt instruments amounting to R288 million (2022: R169 million) and the remaining balance of R575 million (2022: R481 million) relates to equity instruments. Bonds disposed of in the current year amount to R323 million (2022: nil) at a realised loss of R5.4 million (2022: nil) recognised in profit and loss.

15. Trade and other receivables

15.1 Trade and other receivables

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Interest receivable	**388 020**	351 976	**7 887**	7 107
Other receivables*	**31 569**	38 570	**24 451**	15 783
Prepaid expenses	**93 532**	95 268	**89 465**	90 136
Trade receivables	**317 499**	307 218	**271 256**	282 720
	830 619	793 032	**393 059**	395 746

* *Includes JSE share of FTSE revenue, management fee in respect of JSE Trustees.*

15.2 Expected credit loss

The age analysis of trade receivables is as follows:

	GROUP		COMPANY	
	Gross R'000	**Allowance for impairment losses R'000**	**Gross R'000**	**Allowance for impairment losses R'000**
At 31 December 2023:				
Fully performing: 0-30 days	**188 275**	**395**	**163 979**	**344**
Past due: 31-90 days	**104 390**	**647**	**89 445**	**555**
Past due: More than 90 days	**43 634**	**17 758**	**35 207**	**16 476**
Total	**336 300**	**18 801**	**288 631**	**17 375**
At 31 December 2022:				
Fully performing: 0-30 days	287 980	–	273 089	–
Past due: 31-90 days	22 038	–	15 416	–
Past due: More than 90 days	12 615	15 415	8 937	14 721
Total	322 633	15 415	297 441	14 721

15. Trade and other receivables *continued*

15.2 Expected credit loss *continued*

The movement in the allowance for impairment losses in respect of trade receivables during the year was as follows:

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
At 1 January	**15 415**	9 479	**14 721**	8 623
Increase in allowance for impairment	**4 490**	5 936	**3 758**	6 098
Receivables written off during the year as uncollectable	**(1 104)**	–	**(1 104)**	–
At 31 December	**18 801**	15 145	**17 375**	14 721

The expected credit loss per category is as follows:

Ageing	Default Rate
Current	0.21%
31 to 60 days	0.38%
61 to 90 days	0.86%
91 to 120 days	1.00%
Over 120 days	1.02%

Under IFRS 9, the Group uses debtor historic default rates in the assessment of the probability of credit losses, while incorporating forward-looking macro-economic factors. The year to date impairment was mainly raised in respect of specific debtors where the recoverability of amounts owing appeared to be doubtful. The Group believes the impairment allowance is sufficient in respect of trade receivables.

The Group uses the simplified approach in calculating ECL for trade receivables and other receivables.

The debtors credit terms are 30 days. Debtors outstanding for more that 120 days are written off.

The Group uses the general approach in calculating ECL for interest receivables. The ECL is immaterial.

16. Margin and collateral deposits

Margin and collateral deposits received are managed and invested on behalf of members in terms of the JSE's rules. These funds have been placed with A1+/A1- rated banks. A corresponding liability has been raised (which is due to market participants) against these margin and collateral deposits, as the JSE only manages these assets to facilitate clearing of the equity and derivative markets.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
16.1 Margin deposits				
Derivatives funds held by JSE Clear (Pty) Limited	**52 513 680**	55 284 459	**–**	–
Equities	**1 484 948**	508 088	**1 484 948**	508 088
	53 998 628	55 792 547	**1 484 948**	508 088
16.2 Collateral deposits	**703**	20 267	**703**	20 267

The JSE acts as an agent in equity securities lending transactions necessary to facilitate electronic settlement of equity trades in the Strate environment. At 31 December 2023, interest-bearing collateral deposits of R0.7 million (2022: R20.3 million) have been lodged as security against securities lending transactions with a market value of R0.2 million (2022: R5.7 million). The closing balance fluctuates for each period depending on open securities lending transaction at that point in time.

16.3 JSE Clear Derivatives Default Fund (Pty) Limited

JSE Clear Derivatives Default Fund (Pty) Limited has established a default fund for neutralising losses in the event of clearing member default.

The initial collateral deposits required from clearing members are managed and invested in terms of the JSE Rules.

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
JSE Clear Derivatives Default Fund collateral deposits	**500 000**	500 000	**–**	–
JSE Clear Derivatives Default Fund (Pty) Limited members' contributions	**400 000**	400 000	**–**	–

17. Cash and cash equivalents

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Cash and cash equivalents comprises:				
Bank balances	**1 030 283**	1 034 190	**522 960**	677 789
Term deposits	**1 273 480**	1 188 971	**987 296**	922 389
Total cash and cash equivalents	**2 303 763**	2 223 161	**1 510 256**	1 600 178

18. Assets of disposal group classified as held for sale

JSE Clear Proprietary Limited (JSEC), a wholly owned subsidiary of JSE Limited, was granted an independent clearing house (ICH) licence by the Financial Services Conduct Authority (FSCA) in the prior year. Operations as an ICH commenced during the current year.

The prerequisite for the ICH licence is the ability for JSEC to function as an independent entity i.e. the main operational assets and transactions must be controlled and executed by the entity directly. JSE Limited transferred the real time clearing system intangible asset, investment in subsidiary (JSE Clear Derivatives Default Fund Proprietary Limited – JSEC DDF) and the collateral deposit relating to JSEC DDF to JSEC in 2023.

Consequently, the intangible assets and collateral deposit relating to clearing operations were presented as a non current asset classified as held for sale in the prior year. These assets were successfully transferred to the entity via a cash and intercompany transaction for the intangible asset and collateral deposit respectively.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
18.1 Assets of disposal groups classified as held for sale				
Intangible assets	**–**	–	**–**	76 891
Investment in subsidiaries*	**–**	–	**–**	–
JSE Clear Derivatives Default Fund collateral deposits**				100 000
Total assets	**–**	–	**–**	176 891

* *Less than R1 000.*
** *Non cash transfer resulting in an increase to the receivable from JSE Clear (Pty) Ltd as disclosed in note 13.*

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
19. Stated capital and reserves				
19.1 Authorised stated capital				
400 000 000 ordinary shares with a par value of 10 cents per share	**40 000**	40 000	**40 000**	40 000
19.2 Issued stated capital				
Actual number of shares in issue				
Number of actual issued shares	**86 878**	86 878	**86 878**	86 878
LTIS treasury shares actual	**(3 348)**	(2 693)	**(3 348)**	(2 693)
Empowerment trust treasury shares	**(2 130)**	(2 130)	**–**	–
Actual number shares in issue* (net of treasury shares)	**81 399**	82 055	**83 529**	84 184
Stated capital (net of treasury shares)				
Stated capital	**8 688**	8 688	**8 688**	8 688
Share premium	**184 354**	184 354	**184 354**	184 354
LTIS treasury shares actual**	**(352 938)**	(306 023)	**(352 938)**	(306 023)
JSE empowerment fund shares	**(5 715)**	(5 715)	**–**	–
Balance at 31 December	**165 612**	(118 697)	**(159 896)**	(112 982)

** Differs from note 9.1 weighted average number of shares compared to actuals disclosed in this note.*

*** The objective of JSE LTIS Trust is to facilitate the purchase and allocation of JSE Limited shares awarded to beneficiaries in terms of the JSE Long Term Incentive Scheme. The trust acts as an agent of the company, consequently these shares are directly held by JSE Limited company in a principal capacity as treasury shares. The LTIS trust does not hold any shares at separate entity level.*

19. Stated capital and reserves *continued*

19.3 Stated capital and reserves

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Stated capital (net of treasury shares)[4]	**(165 612)**	(118 697)	**(159 896)**	(112 982)
Non-distributable reserves made up as follows:	**788 751**	684 331	**31 848**	19 123
Accumulated dividends paid to JEF Trust	**67 893**	51 517	**–**	–
Fines – listed companies	**13 260**	18 883	**13 260**	18 883
Fair value reserve[1]	**11 860**	(1 652)	**11 860**	(1 652)
JEF Trust reserve	**54 360**	54 360	**–**	–
Investor protection funds reserve[2]				
Fair value reserve (Non-distributable reserves)[1]	**289 931**	215 696	**6 728**	1 892
– JSE Derivatives Fidelity Fund Trust	**146 712**	108 266	**–**	–
– JSE Guarantee Fund Trust	**136 492**	105 538	**–**	–
– South African Government bonds reserve	**6 728**	1 892	**6 728**	1 892
Investor protection funds reserves (accumulated income)[2]	**351 446**	345 527	**–**	–
– JSE Debt Guarantee Fund Trust	**123 070**	120 273	**–**	–
– JSE Derivatives Fidelity Fund Trust	**140 933**	135 983	**–**	–
– JSE Guarantee Fund Trust	**87 443**	89 271	**–**	–
Non-distributable reserves				
Share based payment reserve[3]	**57 531**	70 319	**57 531**	70 319
Retained earnings	**3 705 477**	3 537 194	**3 393 154**	3 327 771
	4 386 147	4 173 147	**3 322 637**	3 304 230

1 *This reserve comprises fair value adjustments in respect of fair value through OCI financial assets.*
2 *These funds were established for the purpose of investor protection in the event of a member defaulting in the Equity, Equity Derivatives and Bond Markets.*
3 *This reserve relates to the portion of the LTIS 2018 Long-Term Incentive Schemes that have been expensed to date.*
4 *The total number of treasury shares held by the Group as at 31 December 2023 was 5 478 333 (2022: 4 823 009).*

19. Stated capital and reserves *continued*

19.4 Dividends declared and paid

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Ordinary dividend of 769 cents (2022: 754 cents) per share*	**651 712**	639 000	**668 089**	655 057
Special dividend of Nil cents (2022: 100 cents) per share*	**–**	84 748	**–**	86 878
Total dividend of 769 cents (2022: 854 cents) on unallocated treasury shares	**(5 687)**	(4 129)	**(5 687)**	(4 129)
	646 025	719 619	**662 402**	737 806

* *The dividend paid to the JSE Empowerment Fund amounting to R16.4 million (2022: 18.2 million) is eliminated at Group level.*

20. Employee benefits

20.1 Group and Exchange

	Notes	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Non-current liabilities		**7 212**	7 257	**7 212**	7 257
Cash-settled liability	20.4	**7 212**	7 257	**7 212**	7 257
Current liabilities		**174 168**	136 198	**163 276**	130 355
Leave pay accrual		**43 365**	42 809	**41 007**	39 966
Cash-settled liability	20.4	**20 933**	8 556	**17 981**	8 556
Discretionary bonus and bursary scheme	20.2	**109 872**	84 833	**104 288**	81 833

20.2 Discretionary bonus

The Group Remuneration Committee (GRC) determines the discretionary bonus pool, based on its assessment of annual corporate performance against a pre-set corporate scorecard for the year as approved by the Board. Individual awards are linked to seniority, individual performance and contribution to corporate performance. Awards under this scheme are not subject to deferral.

The CEO shall, in respect of each financial year of employment with the Company (at the discretion of the GRC) be entitled to receive a discretionary bonus, the gross amount of which annual bonus shall not exceed 200% of cost to company remuneration for that financial year. The quantum of the bonus, shall be based on the Company's financial performance for that year and meeting the annual corporate and Group CEO scorecard objectives.

The discretionary bonus scheme is an annual incentive for qualifying employees. All permanent staff members are eligible to participate in this scheme.

The total discretionary bonus pool for 2023 amounted to R107.3 million (2022: R81.2 million), of which R34.4 million (2022: R27.6 million) was paid to executive management.

20. Employee benefits *continued*

20.3 Retirement benefits

The JSE provides retirement benefits for employees through the JSE Pension Scheme, which is a defined contribution retirement scheme.

20.4 Critical skills cash scheme

This is a cash-only retention scheme, applicable to selected senior employees of the JSE with scarce or critical skills. Employees that participate in this scheme are not eligible to participate in the JSE's long-term equity scheme. The scheme is not a cash settled share based payment transaction

During the current financial year, the award granted in 2021 has vested and a new award was granted which will vest in March 2025. The unvested portion attracts interest at the commercial rate earned on funds under management in JSE Trustees. Corporate and individual performance hurdles apply to awards granted under this scheme. The net present value and interest movement in both schemes resulted in a charge to profit and loss of R18.1 million (2022: R11.7 million). The value vested in the current year during March is R11.75 million (2022: R12.95 million). The current year liability consist of the unvested scheme granted in 2022 and 2023 to vest in March 2024 and March 2025 respectively.

	CRITICAL SKILLS CASH SCHEME	
	2023 R'000	2022 R'000
Total cash value of award approved by Board	**17 041**	19 136

20.5 Long-Term Incentive Schemes (LTIS 2018)

The LTIS 2018 scheme was approved by shareholders at the annual general meeting held in May 2018.

Scheme objective and design

The main objective of LTIS 2018 is to retain and incentivise selected senior employees of the JSE to deliver sustained corporate performance, aligned with shareholder interests, over rolling three and four year time horizons.

These LTIS schemes are full-value, performance share schemes. Scheme participants receive equity awards on an annual basis and vesting is linked to continued employment and the JSE achieving pre-set Group performance conditions over the vesting period. To fulfil these share awards, JSE ordinary shares are acquired on an annual basis in the open market by a trust established by the JSE, with scheme participants having immediate beneficial ownership from the date of the award, but subject to restrictions. Share awards are forfeited if either the employment requirement or the corporate performance conditions are not met.

The profiles of the active tranches are as follows:

Allocation #1 under LTIS 2018 – Fully vested

The first award (Allocation 1) under LTIS 2018 was granted in September 2018 and all tranches were fully vested by 31 August 2022 in the prior year.

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #2 under LTIS 2018 – Fully vested

	Corporate performance shares
Share price at grant date (rands per share)	159.80
Total number of shares granted	359 595
Dividend yield (%)	3
Grant date	7 March 2019
Vesting profile:	
50% of the shares awarded vest on 1 March 2022 (Tranche 1)	179 798
50% of the shares awarded vest on 1 March 2023 (Tranche 2)	179 798

The shares forfeited by leavers to date are 43 810 (Tranche 2). No shares were outstanding by year end.

Tranche 2 – fully vested

Tranche 2: 50% of the total award, vested on 1 March 2023. All participants still in the employ of the Company as at 1 March 2023 were eligible to participate in the vesting of this tranche in accordance with the terms and conditions of the Scheme rules.

In respect of Tranche 2, the Board assessed the performance over the three-year vesting term against the pre-set financial and strategic targets and determined that 43.3% of these Tranche 2 shares vested for those participants still in the employ of the JSE on 1 March 2023.

	Corporate performance shares
As at 31 December 2023, details of Tranche 2 were as follows:	
Original number of Tranche 2 shares awarded in September 2018	179 798
Forfeited by leavers to date	(43 810)
Tranche 2 shares forfeited for missing performance targets	(77 090)
Accelerated for good leavers to date	(3 253)
Tranche 2 shares vested on 1 March 2023	(55 645)
Tranche 2 shares outstanding	–

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #3 under LTIS 2018

	Corporate performance shares
Share price at grant date (rands per share)	102.73
Total number of shares granted	494 170
Dividend yield (%)	3
Grant date	13 March 2020
Vesting profile:	
50% of the shares awarded vest on 1 March 2023 (Tranche 1)	247 085
50% of the shares awarded vest on 1 March 2024 (Tranche 2)	247 085

The shares forfeited by leavers to date are 136 750 (Tranche 1 and Tranche 2). The total shares outstanding at year end are 178 710.

Tranche 1 – fully vested

Tranche 1: 50% of the total award, vested on 1 March 2023. All participants still in the employ of the Company as at 1 March 2023 were eligible to participate in the vesting of this tranche in accordance with the terms and conditions of the Scheme rules.

In respect of Tranche 1, the Board assessed the performance over the three-year vesting term against the pre-set financial and strategic targets and determined that 44% of these Tranche 1 shares vested for those participants still in the employ of the JSE on 1 March 2023.

	Corporate performance shares
As at 31 December 2023, details of Tranche 1 were as follows:	
Original number of Tranche 1 shares awarded in September 2018	247 085
Forfeited by leavers to date	(68 375)
Tranche 1 shares forfeited for missing performance targets	(100 068)
Accelerated for good leavers to date	(4 897)
Tranche 1 shares vested on 1 March 2023	(73 745)
Tranche 1 shares outstanding	–

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #4 under LTIS 2018

	Corporate performance shares
Share price at grant date (rands per share)	120.72
Total number of shares granted	542 982
Dividend yield (%)	3
Grant date	12 March 2021
Vesting profile:	
50% of the shares awarded vest on 1 March 2024 (Tranche 1)	271 491
50% of the shares awarded vest on 1 March 2025 (Tranche 2)	271 491

The shares forfeited by leavers to date are 100 772 (Tranche 1 and Tranche 2). The total shares outstanding at year end are 442 210.

Allocation #5 under LTIS 2018

	Corporate performance shares
Executive Committee award	
Share price at grant date (rands per share)	114.39
Total number of shares granted	391 880
Dividend yield (%)	3
Grant date	1 March 2022
Vesting profile:	
50% of the shares awarded vest on 1 March 2025 (Tranche 1)	195 940
50% of the shares awarded vest on 1 March 2026 (Tranche 2)	195 940

The shares forfeited by leavers to date are Nil (Tranche 1 and Tranche 2). The total shares outstanding at year end are 391 880.

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #5 under LTIS 2018 *continued*

	Corporate performance shares
Senior management award	
Share price at grant date (rands per share)	117.31
Total number of shares granted	274 200
Dividend yield (%)	3
Grant date	1 March 2022
Vesting profile:	
50% of the shares awarded vest on 1 March 2025 (Tranche 1)	137 100
50% of the shares awarded vest on 1 March 2026 (Tranche 2)	137 100
	274 200

The shares forfeited by leavers to date are 50 410 (Tranche 1 and Tranche 2). The total shares outstanding at year end are 223 790.

Allocation #6 under LTIS 2018 – Granted during the period under review

In accordance with shareholder approval, for the provision of financial assistance to the JSE LTIS 2018 Trust, the Board approved a fresh annual allocation of shares (Allocation 6) to selected employees for the 2023 year. These individual allocations were all accepted by the scheme participants on or before 20 March 2023. Allocation 6 comprises a total of 756 828 JSE ordinary shares, and these shares were acquired in the open market on or before 16 March 2023, at a volume-weighted average price (including all execution costs) of R104.73 per ordinary share for both Executive Committee and Senior members. These shares are held in trust and are restricted until all vesting conditions are fulfilled whereupon the shares vest. The vesting is subject to –

(i) the JSE achieving specified corporate performance targets over the measurement period; and
(ii) the LTIS 2018 participant remaining in the employ of the JSE for the vesting term.

Of the total number of shares granted in Allocation 6, a total of 486 352 shares has been granted to members of the JSE's Executive Committee.

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #6 under LTIS 2018 – Granted during the period under review *continued*

	Corporate performance shares
Executive Committee award	
Share price at grant date (rands per share)	104.73
Total number of shares granted	486 352
Dividend yield (%)	7.9%
Grant date	1 March 2023
Vesting profile:	
50% of the shares awarded vest on 1 March 2026 (Tranche 1)	243 176
50% of the shares awarded vest on 1 March 2027 (Tranche 2)	243 176

The shares forfeited by leavers to date are Nil (Tranche 1 and Tranche 2). The total shares outstanding at year end are 486 352.

	Corporate performance shares
Senior management award	
Share price at grant date (rands per share)	104.73
Total number of shares granted	270 476
Dividend yield (%)	7.9%
Grant date	1 March 2023
Vesting profile:	
50% of the shares awarded vest on 1 March 2026 (Tranche 1)	135 238
50% of the shares awarded vest on 1 March 2027 (Tranche 2)	135 238

The shares forfeited by leavers to date are Nil (Tranche 1 and Tranche 2). The total shares outstanding at year end are 270 476.

20. Employee benefits *continued*

20.5 Long-Term Incentive Schemes (LTIS 2018) *continued*

Allocation #6 under LTIS 2018 – Granted during the period under review *continued*

The profit or loss charge for the period, calculated using the Black-Scholes valuation methodology, in respect of allocations granted under LTIS 2018 is as follows:

	2023	2022
Allocation #1 (granted in September 2018)		(R2.7m)
Allocation #2 (granted in March 2019)	**R0.30m**	(R4.8m)
Allocation #3 (granted in March 2020)	**R0.51m**	R0.5m
Allocation #4 (granted in March 2021)	**R3.19m**	R8.3m
Allocation #5 (granted in March 2022)	**R6.79m**	R12.6m
Allocation #6 (granted in March 2023)	**R9.17m**	0
	R19.96m	R13.9m

21. Deferred tax assets and liabilities

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 27% (2022: 27%). Refer to note 3.16.

	ASSETS		**LIABILITIES**		**NET**	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
21.1 Deferred tax assets and liabilities are attributable to the following:						
Group						
Intangible assets	**–**	–	**(32 578)**	(31 019)	**(32 578)**	(31 019)
Fixed assets	**777**	966	**(124)**	–	**653**	966
Operating lease asset	**–**	–	**–**	(6)	**–**	(6)
IFRS 16 leases	**17 485**	24 893	**–**	–	**17 485**	24 893
Employee benefits	**23 045**	22 874	**–**	–	**23 045**	22 874
Allowance for impairment losses	**3 046**	2 496	**–**	–	**3 046**	2 496
Prepayments	**–**	–	**(8 444)**	(8 911)	**(8 444)**	(8 911)
Cash restraint payments	**472**	817	**–**	–	**472**	817
Fair value adjustment through OCI – Government bonds	**–**	–	**(2 296)**	(476)	**(2 296)**	(476)
Fair value adjustment OCI – Globacap investment	**–**	460	**(3 392)**	–	**(3 392)**	460
Fair Value adjustment P&L – Globacap	**–**	–	**(867)**	–	**(867)**	–
Loan to the JSE Empowerment Fund Trust	**247**	474	**–**	–	**247**	474
Interest accrued	**–**	–	**–**	–	**–**	–
Assessed losses	**–**	2 214	**–**	–	**–**	2 214
Income received in advance	**8 039**	7 436	**–**	–	**8 039**	7 436
Total	**53 110**	62 629	**(47 701)**	(40 412)	**5 410**	22 218

21. Deferred tax assets and liabilities *continued*

21.2 Movement in temporary differences during the year:

	Balance 1 January 2022 R'000	Recognised in profit or loss R'000	Recognised in OCI R'000	Balance 31 December 2022 R'000	**Recognised in profit/(loss) R'000**	**Recognised in OCI R'000**	**Balance 31 December 2023 R'000**
Group							
Intangible assets	(34 666)	3 647	–	(31 019)	**(1 559)**	**–**	**(32 578)**
Fixed assets	227	739	–	966	**(313)**	**–**	**653**
Operating lease asset	(6)	–	–	(6)	**6**	**–**	**–**
IFRS 16 leases	32 196	(7 303)	–	24 893	**(7 408)**	**–**	**17 485**
Employee benefits	30 900	(8 026)	–	22 874	**172**	**–**	**23 045**
Allowance for impairment losses	1 592	904	–	2 496	**550**	**–**	**3 046**
Prepayments	(5 366)	(3 545)	–	(8 911)	**467**	**–**	**(8 444)**
Cash restraint payments	2 064	(1 247)	–	817	**(345)**	**–**	**472**
Fair value adjustment through OCI – Government bonds	–	–	(476)	(476)	**–**	**(1 892)**	**(2 296)**
Fair value adjustment through OCI – Globacap investment	–	–	460	460	**–**	**(3 852)**	**(3 392)**
Fair Value adjustment through P&L – Globacap	–	–	–		**(867)**	**–**	**(867)**
Assessed losses	–	2 214	–	2 214	**(2 214)**	**–**	**–**
Loan to the JSE Empowerment Fund Trust	284	190	–	474	**(227)**	**–**	**247**
Interest accrued	(53)	53	–	–	**–**	**–**	**–**
Income received in advance	7 803	(367)	–	7 436	**603**	**–**	**8 039**
Total	34 973	(12 742)	(16)	22 218	**(11 136)**	**(5 672)**	**5 410**

Deferred tax assets and deferred tax liabilities are netted off at an entity level. The only deferred tax liability that exists at year end is related to the customer contracts, referred to as intangible assets in the table above.

The net group deferred tax balance consists of R34 million (2022: R53 million) deferred tax asset and R29 million (2022: R31 million) liability as presented in the face of the Consolidated statement of financial position.

JPP has estimated tax losses of R16 million (2022: R8 million) which are available for set-off against future taxable income. Deferred tax assets of R4 million relating to the tax losses carried forward has not been recognised.

Deferred tax recognised in other comprehensive income relates to South African Bonds and Globacap investment. There are no current and deferred tax implications relating to investor protection funds recognised at OCI, which are exempt from tax.

21. Deferred tax assets and liabilities *continued*

21.3 Deferred tax assets and liabilities are attributable to the following:

	ASSETS		LIABILITIES		NET	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000	**2023 R'000**	2022 R'000
Company						
Intangible assets	**–**	–	**(3 849)**	–	**(3 849)**	–
Fixed assets	**–**	–	**(123)**	–	**(123)**	–
Operating lease asset	**–**	–	**–**	(6)	**–**	(6)
IFRS 16 leases	**17 485**	24 867	**–**	–	**17 485**	24 867
Employee benefits	**19 135**	21 298	**–**	–	**19 135**	21 298
Allowance for impairment losses	**2 815**	1 979	**–**	–	**2 815**	1 979
Prepayments	**–**	–	**(8 176)**	(8 778)	**(8 176)**	(8 778)
Cash restraint payments	**472**	817	**–**	–	**472**	817
Loan to the JSE Empowerment Fund Trust	**247**	474	**–**	–	**247**	474
Income received in advance	**8 039**	7 436	**–**	–	**8 039**	7 436
Fair value adjustment through OCI – Government bonds	**–**	–	**(2 296)**	(476)	**(2 296)**	(476)
Fair Value adjustment through P&L – Globacap	**–**	–	**(867)**	–	**(867)**	–
Fair Value adjustment through OCI – Globacap	**–**	460	**(3 392)**	–	**(3 392)**	460
Total	**48 193**	57 329	**(18 704)**	(9 260)	**29 489**	48 069

21. Deferred tax assets and liabilities *continued*

21.4 Movement in temporary differences during the year

	Balance 1 January 2022 R'000	Recognised in profit or loss R'000	Recognised in OCI R'000	Balance 31 December 2022 R'000	**Recognised in Profit/(loss) R'000**	**Recognised in OCI R'000**	**Balance 31 December 2023 R'000**
Company							
Intangible assets	–	–	–	–	**(3 849)**	**–**	**(3 849)**
Fixed assets	–	–	–	–	**(123)**	**–**	**(123)**
Operating lease asset	(6)	–	–	(6)	**6**	**–**	**–**
IFRS 16 leases	31 862	(6 995)	–	24 867	**(7 382)**	**–**	**17 485**
Employee benefits	29 418	(8 120)	–	21 298	**(2 162)**	**–**	**19 135**
Allowance for impairment losses	1 449	530	–	1 979	**836**	**–**	**2 815**
Prepayments	(5 269)	(3 509)	–	(8 778)	**602**	**–**	**(8 176)**
Cash restraint payments	2 064	(1 247)	–	817	**(345)**	**–**	**472**
Loan to the JSE Empowerment Fund Trust	284	190	–	474	**(226)**	**–**	**247**
Income received in advance	7 803	(367)	–	7 436	**603**	**–**	**8 039**
Fair value adjustment through OCI – Government bonds	–	–	(476)	(476)	**–**	**(1 820)**	**(2 296)**
Fair Value adjustment through OCI – Globacap	–	–	460	460	**–**	**(3 852)**	**(3 852)**
Fair Value adjustment through P&L – Globacap	–	–	–	–	**(867)**	**–**	**(867)**
Total	67 605	(19 520)	(16)	48 069	**(12 908)**	**(5 672)**	**29 489**

22. Trade and other payables

	GROUP		**COMPANY**	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Trade payables*	**246 874**	188 972	**205 212**	162 023
Interest payable	**392 045**	353 320	**5 398**	5 173
Receipts in advance	**561**	2 221	**561**	2 221
	639 478	544 513	**211 172**	169 417

* *Includes accruals, VAT output, and customer deposits.*

23. Notes to the statement of cash flows

23.1 Cash generated by operations

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Profit before tax	**1 140 997**	1 036 838	**993 195**	1 011 194
Adjusted for non-cash items:				
– depreciation of property and equipment	**64 199**	68 849	**62 520**	67 003
– amortisation of intangible assets	**104 866**	164 900	**83 144**	151 011
– depreciation of right of use assets	**38 356**	39 645	**37 926**	37 926
– Non cash items in respect of intangible assets written off	**5 824**	5 396	**5 657**	5 396
– Non cash items in respect of property plant and equipment written off	**5 665**	–	**5 460**	–
– JSE LTIS 2018 – Share based payment expense	**19 964**	13 951	**16 907**	13 951
– Share of profit of equity-accounted investees	**(38 720)**	(40 997)	**–**	–
– non-cash items in respect of employee benefits*	**22 293**	93 321	**22 293**	93 321
– Reclassified OCI on loss on sale of other investments	**5 351**	–	**5 351**	–
– Unrealised loss/(gain) on forex	**2 528**	(5 053)	**2 440**	(5 053)
– Unrealised fair value gain on other investments	**(4 016)**	–	**(4 016)**	–
– Effects of amortisation on the bonds	**2 501**	(138)	**2 501**	(138)
– Net profit on disposal of property and equipment	**203**	(14)	**203**	–
Adjusted for amounts presented separately:				
– Finance costs (note 6.3 and 7.4)	**4 669 213**	3 188 197	**68 858**	52 316
– Finance income (Note 6.3 and 7.3)	**(4 966 329)**	(3 390 594)	**(199 427)**	(132 548)
– dividend Income	**(6 730)**	(6 635)	**(20 570)**	(40 271)
Surplus from operations	**1 066 165**	1 167 666	**1 082 442**	1 254 109
Changes in:				
– Increase in trade and other receivables	**(9 099)**	(42 496)	**(62 655)**	(74 453)
– Increase/(decrease) in trade and other payables	**60 464**	(95 549)	**40 606**	(99 784)
Cash generated by operations	**1 117 531**	1 029 621	**1 060 393**	1 079 872

* *This relates to critical cash scheme vesting in March 2024 and March 2025, Discretionary bonus provision to be paid in March 2024 and Bursary Fund remaining balance not yet utilised.*

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000

23. Notes to the statement of cash flows *continued*

23.2 Taxation paid

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Taxation payable at beginning of year	**(12 635)**	(7 210)	**(17 903)**	(8 426)
Deferred tax effects*	**–**	12 717	**–**	19 491
Current taxation expense*	**(298 465)**	(288 282)	**(257 507)**	(281 990)
Net Taxation paid at year end	**830**	12 635	**4 054**	17 903
Taxation paid	**(310 270)**	(270 141)	**(271 356)**	(253 022)

23.3 Finance income

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Finance income receivable at beginning of year	**351 976**	190 959	**7 107**	5 419
Finance income during the year (note 6.3 and 7.3)	**4 966 329**	3 390 594	**199 427**	132 548
Finance income receivable at year end	**(388 020)**	(351 976)	**(7 887)**	(7 107)
Movement in interest capitalised to other investments	**(2 656)**	–	**(2 656)**	–
Total finance income received	**4 927 630**	3 229 577	**195 991**	130 860

23.4 Finance costs

	GROUP 2023 R'000	GROUP 2022 R'000	COMPANY 2023 R'000	COMPANY 2022 R'000
Finance costs payable at beginning of year	**(353 320)**	(183 068)	**(5 173)**	(2 034)
Finance costs during the year (note 6.3 and 7.4)	**(4 669 213)**	(3 188 197)	**(68 858)**	(52 316)
Finance costs payable at year end	**392 045**	353 320	**5 398**	5 173
Total cash finance costs paid	**(4 630 488)**	(3 017 945)	**(68 633)**	(49 177)

* *Prior year tax expense includes deferred tax effects which have a nil impact on tax paid.*

24. Directors' and executives' remuneration[3]

24.1 Executive directors – Current year remuneration

		Basic salary[1] R'000	Defined contribution pension plan[1] R'000	Medical aid[1], UIF and other R'000	Total guaranteed pay R'000	Contractual bonus[1] (includes deferral) R'000	Discretionary bonus[1, 2, 4] R'000	Total annual incentives R'000	Total current year remuneration R'000	Total long-term and other benefits[5] R'000	Total number of shares granted in the LTIS schemes[6]
2023											
L Fourie	CEO	**7 640**	**312**	**50**	**8 002**	**–**	**12 151**	**12 151**	**20 153**	**2 105**	**125 468**
F Suliman[9]	CFO	**4 009**	**176**	**236**	**4 421**	**–**	**3 335**	**3 335**	**7 756**	**–**	**54 892**
		11 649	**488**	**286**	**12 423**	**–**	**15 486**	**15 486**	**27 909**	**2 105**	**180 360**
2022											
L Fourie	CEO	7 124	291	45	7 460	–	11 330	11 330	18 790	–	114 590
A Takoordeen[7]	CFO	1 323	66	80	1 469	2 075	–	2 075	3 544	443	–
		8 447	357	125	8 929	2 075	11 330	13 405	22 334	443	114 590

24.2 Other key executives – Current year remuneration

		Basic salary[1] R'000	Defined contribution pension plan[1] R'000	Medical aid[1], UIF and other R'000	Total guaranteed pay R'000	Contractual bonus[1] (includes deferral) R'000	Discretionary bonus[1, 2, 4] R'000	Total annual incentives R'000	Total current year remuneration R'000	Total long-term and other benefits[5] R'000	Total number of shares granted in the LTIS schemes[6]
2023											
A Greenwood	Director of Post-Trade Services	**4 111**	**243**	**148**	**4 502**	**–**	**3 145**	**3 145**	**7 647**	**1 095**	**54 892**
P Ntoagae[8]	Director of Human Resources	**953**	**40**	**33**	**1 026**	**–**	**–**	**–**	**1 026**	**–**	**–**
VSM Lee	Director of Marketing and Corporate Affairs	**3 119**	**177**	**58**	**3 354**	**–**	**2 097**	**2 097**	**5 451**	**–**	**29 214**
I Monale	Chief Operating Officer	**3 573**	**151**	**170**	**3 894**	**–**	**2 573**	**2 573**	**6 467**	**–**	**40 711**
MH Randall	Director of Information Services	**3 515**	**147**	**125**	**3 787**	**–**	**2 855**	**2 855**	**6 642**	**857**	**46 192**
VJ Reddy	Director Capital Markets	**4 390**	**300**	**310**	**5 000**	**–**	**4 289**	**4 289**	**9 289**	**790**	**60 991**
Q Mthembu[11]	Group Chief Risk Officer	**2 011**	**84**	**89**	**2 184**	**–**	**1 100**	**1 100**	**3 284**	**–**	**19 029**
T Tsoaeli[11]	Chief Information Officer	**3 240**	**137**	**125**	**3 502**	**–**	**2 900**	**2 900**	**6 402**	**–**	**41 169**
		24 912	**1 279**	**1 058**	**27 249**	**–**	**18 958**	**18 958**	**46 207**	**2 742**	**292 198**

24. Directors' and executives' remuneration[3] *continued*

24.2 Other key executives – Current year remuneration *continued*

2022		Basic salary[1] R'000	Defined contribution pension plan[1] R'000	Medical aid[1], UIF and other R'000	Total guaranteed pay R'000	Contractual bonus[1] (includes deferral) R'000	Discretionary bonus[1, 2, 4] R'000	Total annual incentives R'000	Total current year remuner-ation R'000	Total long-term and other benefits[5] R'000	Total number of shares granted in the LTIS schemes[6]
A Greenwood	Director of Post-Trade Services	4 010	236	130	4 376	–	3 000	3 000	7 376	471	54 720
P Ntoagae[8]	Director of Human Resources	2 151	94	70	2 315	1 500	1 440	2 940	5 255	–	16 750
H Kotze[10]	Chief Information Officer	538	23	22	583	3 768	–	3 768	4 351	–	–
VSM Lee	Director of Marketing and Corporate Affairs	3 004	170	52	3 226	–	1 900	1 900	5 126	–	22 500
I Monale	Chief Operating Officer	3 450	146	150	3 746	–	2 250	2 250	5 996	–	26 130
MH Randall	Director of Information Services	3 389	142	113	3 644	–	2 800	2 800	6 444	369	25 420
VJ Reddy	Director Capital Markets	3 934	269	274	4 477	–	4 000	4 000	8 477	211	56 200
EI Haniff	Managing Director: JSE Investor Services	1 214	56	1	1 271	–	–	–	1 271	–	–
Q Mthembu[11]	Group Chief Risk Officer	1 144	47	34	1 225	–	850	850	2 075	–	–
T Tsoaeli[11]	Chief Information Officer	270	11	9	290	2 200	–	2 200	2 490	–	–
		23 104	1 194	855	25 153	7 468	16 240	23 708	48 861	1 051	201 720

Footnotes 1 – 11 below are applicable to notes 24.1 – 24.2.

1 *Represents short-term employee benefits.*

2 *Discretionary bonuses are subject to both personal performance and the achievement of specific corporate deliverables (per the annual corporate scorecard approved by the Board at the beginning of each financial year). These awards are not subject to deferral, unless otherwise so determined by the Board in any particular year. A portion of the discretionary bonus may be paid in equity, at the discretion of the Group Remuneration Committee.*

3 *All executive directors and other key executives are full-time employees of JSE Limited.*

4 *CEO's discretionary bonus – cash only.*

5 *Represents the net value (after forfeiture for corporate performance) of share awards granted under provisions of the LTIS 2018 that vested during the current financial year.*

6 *Represents unvested or unsettled shares as at 31 December 2023 (prior year as at 31 December 2022), granted under the provisions of the LTIS 2018 Long Term Incentive Schemes in the current year.*

7 *Resigned effective 20 May 2022.*

8 *Resigned effective May 2023.*

9 *Appointed Chief Financial Officer effective January 2023.*

10 *Resigned.*

11 *Appointed during the prior period.*

24. Directors' and executives' remuneration *continued*

24.3 Total Board member Committee emolument

		Total R'000	Board member fees R'000	Committee member fees R'000
2023[1]				
Z Bassa	Chairman of Group SRO Oversight Committee	**1 275**	**490**	**785**
MS Cleary	Non-Executive director	**807**	**490**	**317**
Nolitha Fakude	Chairman of Group Remuneration Committee	**840**	**490**	**350**
SP Kana	Lead Independent Director; Chairman of the Group Audit Committee; Chairman of the Group Sustainability Committee	**2 110**	**490**	**1 620**
F Khanyile	Non-Executive director	**1 220**	**490**	**730**
I Kirk	Non-Executive director	**1 265**	**490**	**775**
BJ Kruger	Chairman of the Group Deals Committee	**1 328**	**490**	**838**
MA Matooane	Chairman of Group Risk Management Committee	**305**	**164**	**141**
P Nhleko	Chairman of the Board	**2 800**	**490**	**2 310**
Total company		**11 950**	**4 084**	**7 866**
2022				
Z Bassa	Chairman of Group SRO Oversight Committee	1 195	450	745
MS Cleary	Non-Executive director	882	450	432
N Fakude	Chairman of the Group Remuneration Committee	899	450	449
SP Kana	Lead Independent Director; Chairman of the Group Audit Committee; Chairman of the Group Sustainability Committee	1 790	450	1 340
F Khanyile	Non-Executive director	1 129	450	679
I Kirk	Non-Executive director	1 112	450	662
BJ Kruger	Chairman of the Group Deals Committee	1 265	450	815
MA Matooane	Chairman of Group Risk Management Committee	853	450	403
P Nhleko	Chairman of the Board	2 274	450	1 824
NMC Nyembezi	Board Chairman, Chairman of Group Nominations Committee	903	152	751
Total company		12 302	4 202	8 100

[1] *All directors are independent non-executive directors.*

25. Deferred income

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Initial listing fees	**26 928**	23 214	**26 928**	23 214

Initial listing fees

This amount represents monies for initial listing fees, which is recognised over an expected period based on an average listing period of issuers. This is also based on an average historical minimum life expectancy of a listed company within the Group. Any adjustments to the contract liability balance are charged against revenue.

The following amounts relating to the performance obligation from existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2023:

	GROUP AND COMPANY	
	2023 R'000	2022 R'000
Revenue expected to be recognised	**2 455**	1 745
Reconciliation		
Deferred income at 1 January	**23 214**	24 490
Deferred during the year	**5 968**	696
Recognised as revenue during the year	**(2 255)**	(1 971)
Balance at 31 December	**26 928**	23 214

The deferred income balance consists of R24.5 million (2022: R21.5 million) Non-current liability and R2.4 million (2022: R1.7 million) current liability as presented in the face of the Consolidated statement of financial position.

26. Related parties

26.1 Identity of related parties

The JSE is the main provider of risk management, clearing and settlement, and accounting systems to equity member firms (many of whom are shareholders). Revenue earned from this source, and from providing trading and market data to member firms, amounted to R1.7 billion (2022: R1.6 billion) for the year.

The associated companies and subsidiaries of the Group are identified in notes 12 and 13 respectively.

The directors and key executives are listed in note 24.

26. Related parties *continued*

26.2 Material related-party transactions and balances

Strate *ad valorem* fees	– see notes 6.1 and 7.2
Amounts due to and from related parties	– see notes 13.3
Directors' emoluments	– see note 24
Other key executives' remuneration	– see note 24
Rental income charged to related parties*	– see note 6.2
Income recognised from deferred income (data centre and disaster recovery)	– see note 6.2
Intercompany cross charge to JSE Limited by JSE Clear	– see note 7.2
Investment in subsidiary (Additional capital injection)	– see note 13.1

* *In the current year, a subsidiary of the group; namely JSE Investor Services (JIS) started occupying the JSE head office building resulting in an intercompany rental charge of circa R1.6 million.*

Management fees from related entities R163 million (2022: R137 million)

The JSE provides secretarial services to all the Group entities (excluding Strate (Pty) Limited) for no consideration.

27. Leases

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Impact on the statements of financial position as at 31 December 2023				
Assets				
Right-of-use assets at 1 January	**256 298**	256 298	**251 624**	251 624
Accumulated depreciation	**(196 576)**	(158 220)	**(191 902)**	(153 976)
Total assets*	**59 722**	98 077	**59 722**	97 648
Lease Liabilities				
Current portion	**68 769**	59 079	**68 769**	58 553
Non-current portion	**55 713**	131 195	**55 713**	131 195
Total liabilities	**124 482**	190 274	**124 482**	189 748

* *At the end of the current year, the right of use asset only consist of the head office property lease. The hardware lease contract ended on 31 December 2023.*

27. Leases *continued*

The following amounts are recognised in the statement of comprehensive income for the period ending 31 December 2023

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Depreciation	**(38 356)**	(39 645)	**(37 926)**	(37 926)
Profit/(Loss) from operating activities	**(38 356)**	(39 645)	**(37 926)**	(37 926)
Finance cost	**(14 464)**	(19 949)	**(14 464)**	(19 764)
Impact on profit for the year	**(52 820)**	(59 595)	**(52 390)**	(57 690)
Changes in liabilities arising from financing activities				
Opening balance 1 January 2023	**190 274**	252 708	**189 748**	249 366
Loan repayments for the year	**(80 256)**	(82 384)	**(79 731)**	(79 381)
Interest charges for the year	**14 464**	19 949	**14 464**	19 764
Balance 31 December 2023	**124 482**	190 274	**124 482**	189 748

There is no material impact on other comprehensive income or the basic and diluted earnings per share.

The table below refers to the payments of future lease agreements.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	**2023 R'000**	2022 R'000
Discounted payments				
Not later than one year	**68 769**	59 079	**68 769**	58 553
Between one and five years	**55 713**	131 195	**55 713**	131 195
	124 482	190 274	**124 482**	189 748
Undiscounted payments				
Not later than one year	**76 063**	73 542	**76 063**	73 017
Between one and five years	**58 139**	140 915	**58 139**	140 915
Balance 31 December 2022	**134 202**	214 458	**134 202**	213 933

28. Financial risk management

The Group has exposure to the following risks:

- Operational risk;
- Market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and other market risk);
- Capital risk;
- Liquidity risk;
- Investment risk;
- Credit risk;
- Counterparty risk; and
- Settlement risk.

Risk management framework

The Group recognises that effective risk and opportunity management is fundamental to the achievement of its strategic objectives and its ability to respond to a fast-changing operating environment. The Board of directors have overall responsibility for the establishment and oversight of the Group's risk management framework, including determining the Group's risk appetite. The Board has established the Group Risk Management Committee, which is responsible for developing the Group's risk and resilience management policies and monitoring risk exposures and identifying opportunities. The committee reports regularly to the Board of directors on its activities.

The Group's risk and resilience management policies are established to anticipate, withstand, respond to and recover from the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The aim of risk and opportunity management is to facilitate and coordinate the management of risks and the identification of opportunities. This is achieved by ensuring that:

- risks and opportunities are identified, assessed, managed and reported on a reliable and regular basis;
- resources are effectively allocated to manage risks and opportunities; and
- the JSE Group is compliant with regulatory requirements.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, has developed a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Risk Committee oversees how management monitors compliance with the Group's risk and resilience management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The success of risk and opportunity management is dependent on ensuring that risks and opportunities are contained within acceptable levels.

Management are responsible for effectively managing risks and opportunities within their area of responsibility and identifying and informing the Board of potential risks. The Group Risk Management Committee is assisted in its role by the Group enterprise risk management function and Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of the risk and resilience management controls and procedures, the results of which are reported to the Group Risk Management Committee and Group Audit Committee.

28. Financial risk management *continued*

28.1 Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems, and from external factors. Specifically included in operational risk management are risks arising from legal and regulatory requirements, risks associated with project implementation, exposures emanating from Information Technology (IT) and data maintenance and security, business continuity and generally accepted standards of corporate behaviour. Operational risk arises from all of the Group's operations.

The Board accepts overall responsibility for operational risk, with the responsibility for day-to-day management of operational risk delegated to management. Each business unit is accountable for mitigating operational risk in their area of business. This responsibility is supported by the development of overall standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal obligations;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Requirements for Operational Resilience, which includes the identification of our points of failures, in order to put sufficient controls to prevent these from materialising;
- Requirements for the reporting of operational losses and proposed remedial action;
- Development of contingency plans;
- Development of crisis plans (including communication plans);
- Development of IT and data security controls;
- Development of cyber controls (including detection controls);
- Training and professional development;
- Ethical and business standards; and
- Risk mitigation, including insurance where this is effective.

28. Financial risk management *continued*

28.2 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, 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 optimising the return.

28.2.1 Currency risk

The majority of the JSE's transactions are concluded in its functional currency (South African rand), with the result that its exposure to foreign currency risk from operating transactions is limited. US Dollar revenue earned from the Information Services division is maintained in a US Dollar denominated bank account. Foreign currency costs (mainly in technology) for both business as usual and projects are funded out of this account. As such, there is a natural hedge relating to foreign currency denominated expenditure in the Group.

The Group's exposure to foreign currency risk based on notional amounts was as follows:

	GROUP			COMPANY		
	USD R'000	GBP R'000	EUR R'000	USD R'000	GBP R'000	EUR R'000
2023						
Financial assets	**214 017**	**113 354**	**–**	**214 017**	**113 354**	**–**
Trade receivables	**47 037**	**–**	**–**	**47 037**	**–**	**–**
Cash and cash equivalents	**166 980**		**–**	**166 980**		**–**
Other investments – Globacap equity securities at FVOCI*		**113 354**	**–**	**–**	**113 354**	**–**
Financial liabilities	**(11 250)**	**–**	**–**	**(11 250)**	**–**	**–**
Trade payables	**(11 250)**	**–**	**–**	**(11 250)**	**–**	**–**
Net exposure	**202 767**	**113 354**	**–**	**202 767**	**113 354**	**–**
2022						
Financial assets	127 489	92 103	–	127 489	92 103	–
Trade receivables	51 999	–	–	51 999	–	–
Cash and cash equivalents	75 490	–	–	75 490	–	–
Other investments – Globacap equity securities at FVOCI*		81 869	–	–	81 869	–
Other investments – SAFE note debt securities measured at FVTPL*	–	10 234	–	–	10 234	–
Financial liabilities	(2 751)	(85)	(81)	(2 751)	(85)	(81)
Trade payables	–	(85)	(81)	–	(85)	(81)
Lease liability	(2 751)	–	–	(2 751)	–	–
Net exposure	124 738	92 018	(81)	124 738	92 018	(81)

* *Other investments which include foreign exposure are considered as part of the fair value sensitivity analysis in note 29.*

28. Financial risk management *continued*

28.2 Market risk *continued*

28.2.1 Currency risk *continued*

As at 31 December 2023:

Bank buying rates
USD – 18.29 (2022: 16.6765)
EUR – 20.194 (2022: 17.7386)
GBP – 23.290 (2022: 20.0467)

Bank selling rates
USD – 18.566 (2022: 17.3648)
EUR – 20.2832 (2022: 18.6907)
GBP – 23.5483 (2022: 21.1304)

Sensitivity analysis

A 10% (2022: 10%) change of the rand against the USD and a 5% (2022: 5%) change of the rand against the EUR and a 5% (2022:5%) change of the rand against the GBP, at 31 December, would have increased/decreased profit by R20.3 million (2022: R17.1 million). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2022.

	GROUP		COMPANY	
	Profit or loss R'000	**OCI R'000**	**Profit or loss R'000**	**OCI R'000**
2023				
USD	**20 277**	**–**	**20 277**	**–**
GBP		**5 668**		**5 668**
Net impact	**20 277**	**5 668**	**20 277**	**5 668**
2022				
USD	12 474	–	12 474	–
GBP	4 601	231	4 601	231
EUR	(4)	–	(4)	–
Net impact	17 071	231	17 071	231

28. Financial risk management *continued*

28.2 Market risk *continued*

28.2.2 Interest rate risk

Interest rate risk is the risk of the JSE being exposed to fluctuations in the fair values or future cash flows of financial instruments because of changes in market interest rates. The Group is exposed to cash flow interest rate risk in respect of its floating rate financial assets and financial liabilities as set out below and to fair value interest rate risk in respect of fixed rate bonds classified as financial instruments. Cash flow interest rate risk is managed by the JSE, ensuring that the floating rate financial assets are at least equal to or greater than the floating rate financial liabilities. The fair value interest rate risk arising from fixed rate bonds is managed by a reputable asset manager according to approved guidelines. There is no interest rate risk on the margin and collateral as there is an equal liability to offset the asset.

The following table analyses the interest rate risk profile for assets and liabilities at year-end:

	GROUP		COMPANY	
	Fixed rate R'000	**Floating rate* R'000**	**Fixed rate R'000**	**Floating rate* R'000**
2023				
Assets	**35 562 841**	**21 527 542**	**1 914 377**	**1 081 530**
Investments	**287 991**	**–**	**–**	**–**
JSE Clear Derivatives Default Fund collateral deposit	**289 000**	**211 000**	**–**	**–**
Margin and collateral deposits	**33 712 370**	**20 286 258**	**927 081**	**558 570**
Cash and cash equivalents	**1 273 480**	**1 030 283**	**987 296**	**522 960**
Liabilities	**(33 943 570)**	**(20 455 058)**	**–**	**(558 570)**
JSE Clear Derivatives Default Fund contributions	**(231 200)**	**(168 800)**	**–**	**–**
Margin and collateral deposits	**(33 712 370)**	**(20 286 258)**	**–**	**(558 570)**
Net exposure	**1 619 271**	**1 072 483**	**1 914 377**	**522 960**
2022				
Assets	36 432 172	22 272 625	902 349	1 326 183
Investments	168 823	–	–	–
JSE Clear Derivatives Default Fund collateral deposit	289 000	211 000	–	100 000
Margin and collateral deposits	34 845 000	20 967 813	–	528 355
Cash and cash equivalents	1 129 349	1 093 812	902 349	697 828
Liabilities	(35 076 200)	(21 136 613)	–	(528 355)
JSE Clear Derivatives Default Fund contributions	(231 200)	(168 800)	–	–
Margin and collateral deposits	(34 845 000)	(20 967 813)	–	(528 355)
Net exposure	1 355 972	1 136 012	902 349	797 828

* *Floating rate assets yield interest at call rates.*

28. Financial risk management *continued*

28.2 Market risk *continued*

28.2.2 Interest rate risk *continued*

Sensitivity analysis

A change of 100 (2022: 100) basis points on the fixed rate bonds and 100 (2022: 100) basis points in the floating rate instruments at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as 2022.

	GROUP		COMPANY	
	Profit or loss R'000	**OCI R'000**	**Profit or loss R'000**	**OCI R'000**
2023				
Fixed-rate bond: +100 bps	**–**	**16 725**		**15 508**
Fixed-rate bond: -100 bps	**–**	**(15 212)**	**–**	**(14 062)**
Floating-rate instruments: +100 bps	**10 725**	**–**	**5 230**	**–**
Floating-rate instruments: -100 bps	**(10 725)**	**–**	**(5 230)**	**–**
2022				
Fixed-rate bond: +100 bps	–	(8 190)	–	(7 221)
Fixed-rate bond: -100 bps	–	8 807	–	7 779
Floating-rate instruments: +100 bps	11 360	–	6 978	–
Floating-rate instruments: -100 bps	(11 360)	–	(6 978)	–

28. Financial risk management *continued*

28.2 Market risk *continued*

28.2.3 Other market price risk

The Group is exposed to the risk of fluctuations in the fair value of financial instruments through other comprehensive income (FVOCI) and fair value through profit and loss (FVTPL) because of changes in market prices (other than changes in interest rates and currencies). With regard to the unit trusts, the Group is exposed to fluctuations in the fair value of the unit trusts (which is determined by the fair value movement of the underlying instruments).

To manage its other market price risk arising from the fair value financial instruments, the investments are managed by a reputable asset manager according to approved guidelines. The JSE Group Investment Committee monitors the investments in unit trusts, financial instruments through other comprehensive income, financial instruments through profit and loss.

Sensitivity analysis – other market price risk

The financial instruments measured at fair value through other comprehensive income and fair value through profit and loss are considered in the sensitivity analysis below exclude the listed bonds, as management believes that the majority of the sensitivity of these instruments lies in their exposure to interest rates, which is included in the interest rate sensitivity analysis in note 28.2.2.

The fair value of certain financial instruments through other comprehensive income are listed on JSE Limited, with the majority of the investments included in the JSE All Share Index.

A 4% (2022: 4%) increase/decrease in the JSE All Share Index at the reporting date, with all other variables held constant, would have increased/decreased equity by R6.9 million (2022: R6.6 million) and profit by Rnil (2022: Rnil). This analysis is performed on the same basis as 2022.

The collective investment schemes and protective cell funds are predominately benchmarked against the MSCI World Index. A 5% (2022: 5%) increase/decrease in the MSCI World Index at the reporting date, with all other variables held constant, would have increased/decreased equity by R14.5 million (2022: R11.7 million). The analysis is performed on the same basis as in 2022.

The fair value of the investment in unlisted equity and debt instruments relating to the Globacap investment is influenced by the inputs to the discounted cashflow models and funding round transaction price. Price risk is caused by the deterioration in the underlying operating asset performance, net expected cash flow projections and availability of funds to finance operations. Refer to Note 29 for further details.

28. Financial risk management *continued*

28.3 Liquidity risk

Liquidity risk is the risk that the JSE will be unable to meet its short-term funding requirements. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

This risk is managed by the JSE by maintaining the members' funds and the JSE's own funds in current and call accounts. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a minimum period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The following table analyses the terms of receipt of financial assets and repayment of financial liabilities existing at year-end.

	GROUP					COMPANY				
	Up to 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	More than 5 years R'000	No stated contractual maturity R'000	Up to 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	More than 5 years R'000	No stated contractual maturity
2023										
Financial assets	**38 884 984**	**18 655 198**	**31 340**	**256 652**	**575 971**	**3 021 367**	**532 198**	**19 363**	**236 657**	**113 355**
Other investments	–	–	31 340	256 652	575 971	–	–	19 363	236 657	113 355
Trade and other receivables (excluding payments in advance)	349 068	–	–	–	–	295 707	–	–	–	–
Interest receivable	388 020	–	–	–	–	7 887	–	–	–	–
Due from Group entities	–	–	–	–	–	254 065	–	–	–	–
Margin and collateral deposits	36 079 331	17 920 000	–	–	–	1 485 651	–	–	–	–
JSE Clear Derivatives Default Fund collateral deposit	297 000	203 000	–	–	–	–	–	–	–	–
Cash and cash equivalents	1 771 565	532 198	–	–	–	978 058	532 198	–	–	–
Financial liabilities	**(36 974 865)**	**(18 139 448)**	**(58 139)**	**–**	**–**	**(1 715 277)**	**(57 048)**	**(58 139)**	**–**	**–**
Trade payables	(246 874)	–	–	–	–	(205 212)	–	–	–	–
Lease liabilities	(19 016)	(57 048)	(58 139)	–	–	(19 016)	(57 048)	(58 139)	–	–
Interest payable	(392 045)	–	–	–	–	(5 398)	–	–	–	–
JSE Clear Derivatives Default Fund collateral deposit	(237 600)	(162 400)	–	–	–	–	–	–	–	–
Margin and collateral deposits	(36 079 331)	(17 920 000)	–	–	–	(1 485 651)	–	–	–	–
Net impact	**1 910 118**	**515 751**	**(26 799)**	**256 652**	**575 971**	**1 306 090**	**475 151**	**(38 775)**	**236 657**	**113 355**

28. Financial risk management *continued*

28.3 Liquidity risk *continued*

	GROUP					COMPANY			
	Up to 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	More than 5 years R'000	No stated contractual maturity R'000	Up to 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	More than 5 years R'000
2022									
Financial assets	35 133 084	24 050 655	88 419	130 405	481 006	1 881 941	597 700	176 544	115 983
Other investments	–	–	38 419	130 405	481 006	–	–	26 544	115 983
Trade and other receivables (excluding payments in advance)	345 788	–	–	–	–	298 503	–	–	–
Interest receivable	351 976	–	–	–	–	7 107	–	–	–
Due from Group entities	–	–	–	–	–	70 455	25 045	–	–
Margin and collateral deposits	32 717 813	23 095 000	–	–	–	528 355	–	–	–
JSE Clear Derivatives Default Fund collateral deposit	319 000	181 000	–	–	–	–	–	100 000	–
Cash and cash equivalents	1 398 506	774 655	50 000	–	–	977 523	572 655	50 000	–
Financial liabilities	(33 535 912)	(23 294 957)	(140 915)	–	–	(716 026)	(54 763)	(140 915)	–
Trade payables	(191 192)	–	–	–	–	(164 243)	–	–	–
Lease liabilities	(18 386)	(55 157)	(140 915)	–	–	(18 254)	(54 763)	(140 915)	–
Interest payable	(353 320)	–	–	–	–	(5 173)	–	–	–
JSE Clear Derivatives Default Fund collateral deposit	(255 200)	(144 800)	–	–	–	–	–	–	–
Margin and collateral deposits	(32 717 813)	(23 095 000)	–	–	–	(528 355)	–	–	–
Net impact	1 597 172	755 698	(52 496)	130 405	481 006	1 165 916	542 937	35 628	115 983

28. Financial risk management *continued*

28.4 Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, margin and collateral deposits, trade and other receivables (excluding payments in advance), interest receivable, other investments and amounts due from Group entities. Credit risk on cash and cash equivalents, margin and collateral deposits, and interest receivable is minimised by ensuring funds are only placed with A-1+ and A-1 rated banking institutions, with no concentration of funds in one specific banking institution. Segregation of duties, multiple signatories, third party confirmation of investments and monitoring of compliance with investment mandates are applied daily to monitor and control exposure to credit risk associated with other investments. Trade and other receivables are monitored by the JSE's Finance department on an ongoing basis.

Minimum counterparty credit rating for investing in SA government bonds is 'BB-' by Standard & Poor's or its Moody's or Fitch rating equivalents.

The Group considers a financial asset in default when payments are 120 days past due and all collection processes have been followed. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held be the Group. A financial asset is written off when there is no reasonable expectation of recovering the cash flows. The movement in trade receivables is not directly correlated to the ECL movement due to the different credit risk profile of the trade receivables in 2022.

The JSE is exposed to credit losses in the event of default by a clearing member. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client and the size and nature of the member's portfolio at the time of default. A significant number of the Group's clients have been transacting with the Group for over four years and losses have occurred infrequently. In monitoring customer credit risk, clients are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, ageing profile, maturity and existence of previous financial difficulties. The JSE has established a robust system of mitigates to reduce the probability and impact of this risk, which includes ensuring that members are appropriately capitalised. Furthermore the JSE monitors whether clients and members have sufficient securities or cash to honour their transactions on a daily basis. The JSE is investigating further ways in which risk of settlement failure can be reduced through alternative methods of clearing.

The JSE operates a separate legal entity to house a formal default fund for JSE Clear to clarify and limit clearing members' and the JSE's obligations in the case of a clearing member default. This is a pre-funded resource whereby, in the event of any clearing member default. The initial margin of the defaulting party is insufficient to cover losses, the defaulting clearing members' contributions are used first, thereafter the JSE's contribution, and last, the contributions of the non-defaulting clearing members are used to fund losses.

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Outstanding client receivables and contract assets are regularly monitored. The calculation of the expected credit loss reflects the possibility of default, loss given default as well as the time value of money available at reporting date. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

28. Financial risk management *continued*

28.5 Capital

The Group defines "capital" as stated capital and retained earnings, per the statement of financial position, within the respective entities.

The relevant risks for which capital is held, within JSE Limited and JSE Clear are:

- Operational risk, including legal risk;
- Investment risk; and
- Wind up/recovery risk.

In addition, JSE Limited holds capital for business risk.

JSE Limited holds additional levels of capital to finance future growth opportunities.

In compliance with the Financial Markets Act 2012, the JSE and JSE Clear are required to hold regulatory capital.

The Group Board monitors the level of capital and may issue new shares, adjust the amount of dividends paid to shareholders or return surplus capital to shareholders in JSE Limited and may issue new shares in JSE Clear.

The Group Board also monitors the return on equity as a measure of financial performance.

The Board believes JSE Limited and JSE Clear are sufficiently capitalised.

29. Fair value estimation

29.1 Fair value measurement hierarchy

Financial instruments measured in the statement of financial position at fair value require disclosure. The following is the fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The following table presents the Group's assets and liabilities that are measured at fair value.

	GROUP			
	Level 1 R'000	**Level 2 R'000**	**Level 3 R'000**	**Total balance R'000**
December 2023				
Assets				
Other investments				
– Equity securities (financial instruments)	**172 694**	**289 921**	**–**	**462 616**
– Debt securities (financial instruments measured at fair value through OCI)	**287 991**		**–**	**287 991**
– Non-listed equity instruments designated at fair value through OCI	**–**	**–**	**113 355**	**113 355**
Total assets	**460 685**	**289 921**	**113 355**	**863 962**
December 2022				
Assets				
Other investments				
– Equity securities (financial instruments)	165 140	233 999	–	399 138
– Debt securities (financial instruments measured at fair value through OCI)	168 823		–	168 823
– Non-listed equity instruments designated at fair value through OCI	–	–	81 869	81 869
SAFE note debt securities FVTPL	–	–	10 234	10 234
Total assets	333 963	233 999	92 103	660 065

29. Fair value estimation *continued*

29.1 Fair value measurement hierarchy *continued*

	COMPANY			
	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total balance R'000
December 2023				
Assets				
Other investments				
– Debt securities (financial instruments measured at fair value through OCI)	**256 020**	**–**	**–**	**256 020**
– Non-listed equity instruments designated at fair value through OCI	**–**	**–**	**113 355**	**113 355**
Total assets	**256 020**	**–**	**113 355**	**369 374**
December 2022				
Assets				
Other investments				
– Debt securities (financial instruments measured at fair value through OCI)	142 527	–	–	142 527
– Non-listed equity instruments designated at fair value through OCI	–	–	81 869	81 869
SAFE note debt securities FVTPL	–	–	10 234	10 234
Total assets	142 527	–	92 103	234 630

The fair value of financial instruments traded in active markets is based on quoted market prices, which represent actual and regularly occurring market transactions between market participants at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker or industry group pricing market transactions on an arm's length basis and transactions occur regularly. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily FTSE 100 equity investments and South African Government Bonds classified as fair value through OCI.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Level 2 is made up of protective cell funds and collective investment schemes, which is measured at the clean price and the foreign currency respectively and are publicly traded.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Level 3 comprise of unlisted equity investments and debt securities SAFE note in Globacap.

For all other financial assets and liabilities, the carrying value approximates the fair value.

29. Fair value estimation *continued*

29.2 Reconciliation: Level 3 recurring fair value measurements

29.2.1 Globacap investment

29.2.1.1 Globacap equity investment reconciliation

In 2021, JSE limited acquired a minority stake for R84 million in Globacap Technology Ltd (Globacap), an unlisted entity based in the United Kingdom. Management has elected to designate the investment at fair value through OCI, as the investment is a strategic long-term investment not held for returns in the short term.

	Ordinary shares R'000	Preferred shares R'000	Globacap equity interest R'000
Globacap equity investment reconciliation			
Opening balance 1 January 2022	86 480	–	86 480
Net fair value movement recognised in OCI during the period (pre-tax)	(4 611)	–	(4 611)
Closing balance 31 December 2022	**81 869**	**–**	**81 869**
Transferred from SAFE note investment	**–**	**14 250**	**14 250**
Net fair value movement recognised in OCI during the period (pre-tax)	**16 806**	**429**	**17 235**
Closing balance 31 December 2023	**98 675**	**14 679**	**113 354**

29.2.1.2 Simple Agreement Future Equity (SAFE) note reconciliation

In the prior year (9 March 2022) the JSE participated in a bridge funding round to the value of £500 000 (R9.6 million). The bridge funding round was raised using a Simple Agreement Future Equity note (SAFE note), a debt instrument convertible to equity. In the prior year, the investment was classified as measured mandatorily at fair value through profit and loss.

In April 2023, the SAFE note converted to an equity instrument (preferred B shares) during the successful execution of the series B funding round. The conversion resulted in a derecognition of the Fair value through profit and loss instrument and the group designated the equity instrument at Fair value through OCI in line with the rest of the exposure. Post conversion, the JSE owns 14.4% (2022: 18.4%) effective stake in Globacap.

	SAFE note R'000
Simple Agreement Future Equity SAFE note (FVTPL)	
Reconciliation: Level 3 recurring fair value measurements	
Opening balance 1 January 2022	–
Investment acquired	9 625
Net fair value movement recognised in P&L during the period (pre-tax)	609
Closing balance 31 December 2022	**10 234**
Net fair value movement recognised in P&L during the period (pre-tax)	**4 016**
Transferred from SAFE note investment	**(14 250)**
Closing balance 31 December 2023	**–**

29. Fair value estimation *continued*

29.2 Reconciliation: Level 3 recurring fair value measurements *continued*

29.2.1 Globacap investment *continued*

The fair value of both preferred equity shares (previously SAFE note) and ordinary equity investments were determined using the methodology below. The different rights and preferences between the ordinary shares and preferred B shares have not been taken into account as they are considered negligible. No dividends were received in the current and prior reporting periods.

External, independent valuators were used in performance of the valuation at acquisition.

The fair value on derecognition date and as at 31 December 2023 is determined in line with the valuation technique applied for the period ended 31 December 2022. Management considers the valuation technique as a reasonable basis of determining fair value as it incorporated a highly successful funding round outcome for the series B transaction.

The fair value of the SAFE note was measured using the probability weighted valuation technique at derecognition date as follows:

- A discounted cashflow valuation technique (income approach) using a detailed bottom-up approach for key commercial drivers and forecasted cashflows.
- A market price valuation approach which encompasses the successful funding round using the price external investors are willing to invest into Globacap.

For the period ended 31 December 2022, probabilities were applied, using management judgement, to the two valuation methods as follows:

- An 80% weighting has been applied to the discounted cashflow model.
- A 20% weighting has been applied to the market price valuation.

Given the successful execution of the series B funding round, the weighting applied to the market price is adjusted to 50% as the likeliness of occurrence was confirmed on 14 April 2023. The new weighting is as follows:

- A 50% weighting has been applied to the discounted cashflow model.
- A 50% weighting has been applied to the market price valuation.

Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2023 are shown below:

The valuation results in a fair value adjustment (largely driven through foreign exchange gains and losses) in other comprehensive income of R17 million gain (2022: R4.6 million loss) for the financial asset measured at other comprehensive income and R4 million gain (2022: R0.6 million gain) recognised in profit and loss for the SAFE note financial asset measured at fair value through profit and loss as reflected above.

29. Fair value estimation *continued*

Description of significant unobservable inputs to valuation *continued*

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2023 are shown below:

Discounted cashflow model (weighted at 50% (2022: 80%) probability)

- 10-year free cash flow to equity forecast;
- 21.8% (2022: 20%) WACC;
- 48% (2022: 48%) revenue growth for years 2027-2030; 10% (2022: 48%) for years after 2030, and
- 19% (2022: 15%) operating expense growth rate 2027-2032; 3.9% for years after 2030.

Market model – Post funding expected value per share (weighted at 50% (2022: 20%) probability)

- Series B funding round price £ 1.6448 per share

The fair value was calculated as at 31 December 2023.

Valuation technique		Significant unobservable inputs	Range	Sensitivity of the input to fair value
Non-listed equity instruments designated at fair value through OCI (Ordinary and preferred equity instrument)	Net Present Value (NPV) Method	Weighted average cost of capital (WACC)	21.8% (2022: 20%)	5% (2022: 5%) increase/(decrease) in the WACC would result in a fair value increase/(decrease) of R6.8 million (Dec 2022: R12.1 million)
		Revenue growth rate	48% (2022: 48%)	3% (2022: 3%) increase/(decrease) in revenue growth rate from 2023 onwards results in a fair value increase/(decrease) of R6.5 million (Dec 2022: R10.6 million)
	Transaction price (market approach)	Series B funding round transaction price (Implied share price)	£1.6448 per share* (2022: £1.6448)	20% (2022: 20%) increase/(decrease) in the series B funding round price results in a R21.8 million (Dec 2022: R6 million) increase/(decrease) in fair value.
	Probability weighting	Weighting of 50% on the DCF value and 50% on the implied equity value (series B value).	50%/50% (2022: 80%/20%)	10% (2022: 10%) increase/(decrease) to the implied equity valuation weighting will result in a R20.9 million (Dec 2022: R11 million) increase/(decrease) in fair value

* *Series B funding round price £1.6448 per share.*

For the sensitivity analysis, it is assumed that any change in the individual inputs will not impact other assumptions as the inputs are not considered to have significant interrelations.

The fair value of the investment in Globacap is based on the premise of the investee continuing to operate on its current trajectory. Given the nature of the investment and the life stage of the investee, the value of the investment will be impacted significantly by the investee's ability/inability to generate funding.

30. Funds under management

30.1 JSE Trustees (Pty) Limited, JIS (Pty) Ltd and JIS CSDP (Pty) Ltd

	Year ended 31 December 2023 R'000	Year ended 31 December 2022 R'000
Assets under administration		
Interest receivable	**315 467**	302 131
Fixed deposits	**29 750 000**	32 625 000
Current and call accounts	**18 548 500**	19 769 720
Total assets under administration	**48 613 967**	52 696 851

In terms of rule 2.100.7 of the JSE rules, the JSE Trustees act as an agent on behalf of members, who in turn, act as agents on behalf of their clients. JSE Trustees' principal activities while acting as an agent are the acceptance of monies on deposit for account of clients of members of the Exchange and the later repayment of such monies. These monies are invested in various interest-earning bank accounts. JSE Trustees earns an administration fee for the services rendered. Funds so deposited or invested neither form part of the assets of JSE Trustees nor of any member acting on behalf of a client.

Credit risk on assets under administration is minimised by ensuring funds are only placed with A-1+/-A-1 rated banking institutions and that there is not a concentration of exposure to one counterparty.

To monitor liquidity risk, duration limits have been set and authorised for JSE Trustees. The authorised duration limits have been tailored to the liquidity requirements of JSE Trustees and the weighted average duration of funds invested may not exceed 100 (2022: 100) days. At least 30% of the fund size must be invested on call at all times.

31. Guarantees, contingent liabilities and commitments

31.1 Guarantees

A guarantee of an amount of R12 million (2022: 12 million) was issued by Rand Merchant Bank of South Africa Limited in favour of Strate Limited on behalf of JSE Limited in terms of an agreement to cover any failure by JSE Investor Services CSDP (Pty) Limited to comply with Strate rules and regulations.

JSE Limited issued a letter of undertaking and indemnity to Strate Limited in respect of JSE Investor Services CSDP (Pty) Limited for R12 million for the purpose of ensuring that the subsidiary is in compliance with the Rules of Strate which applies to Central Securities Depository Participants in South Africa.

31.2 Contingent liabilities

No material contingent liabilities existed as at 31 December 2023

31.3 Sub-lease income

The table below refers to future minimum lease agreements receipts.

	GROUP AND COMPANY	
	2023 R'000	2022 R'000
31.3.1 The JSE sub-leases areas of the building in which it operates (refer note 6.2). The minimum lease receipts expected from sub-leases are set out below:		
Total future minimum lease receipts:		
Not later than one year	**379**	1 530
Between one and five years	**411**	–
	790	1 530

No other commitments exist as at 31 December 2023.

32. Events after reporting date

There have been no material events that would require adjustment or disclosure in the annual financial statements between 31 December 2023 and the date of Board approval of the annual financial statements.

Share information

The JSE has a primary listing on the Johannesburg Stock Exchange. There are no secondary listings.

Share code: JSE
ISIN: ZAE000079711
LEI: 231800MZ1VUQEBWRF039
Sector: Financial Services
Sub-sector: Investment Services

	Authorised share capital (Shares)	Nominal value (Rand)	Number of shares in issue (Shares)	Nominal value (Rand)	Closing price (Rand per share)	Market capitalisation (Rand billion)
31 December 2022	400 000 000	40 000	86 877 600	8 620	108.47	9.4
30 June 2023	400 000 000	40 000	86 877 600	8 620	91.00	7.9
31 December 2023[1]	400 000 000	40 000	86 877 600	8 620	92.44	8.0

[1] *The JSE has one class of shares: ordinary shares with a par value of 10 cents per share. The total number of treasury shares held by the Group at as 31 December 2023 was 5 478 333 shares (2022: 4 823 009 shares). Further details of the stated capital for the period under review are disclosed in note 19 of the Company's audited consolidated annual financial statements, available at https://group.jse.co.za/investor-relations/reporting-suite.*

Shareholder spread as at 31 December 2023

	Number of shareholders	Shares held	%
Public			
Institutional shareholders	320	**70 593 352**	**81.26%**
Non-institutional shareholders	6 851	**8 240 931**	**9.49%**
Total	7 171	**78 834 283**	**90.75%**
Non-public			
JEF Trust	1[1]	**2 129 639**	**2.45%**
JSE LTIS Trust	61	**3 114 733**	**3.59%**
Directors and company secretary	4	**59 579**	**0.06%**
Total identified shares		**84 138 234**	
Miscellaneous (below threshold)		**2 739 366**	**3.15%**
Total share capital		**86 877 600**	**100%**
Geographic ownership			
South Africa		**57 379 581**	**66.05%**
United States		**9 330 518**	**10.74%**
United Kingdom		**8 884 537**	**10.23%**
Rest of world		**11 282 964**	**12.98%**
Total		**86 877 600**	**100%**

[1] *Historically, we have reported on the number of beneficiaries of the JEF Trust, however, for FY2023 we are reporting the Trust as the shareholder.*

Corporate information and directorate

JSE Limited

(Incorporated in the Republic of South Africa)
Registration number: 2005/022939/06
Share code: JSE
ISIN: ZAE000079711
LEI: 213800MZ1VUQEBWRF039

Registered office

One Exchange Square
2 Gwen Lane
Sandown, 2196

Postal address

Private Bag X991174
Sandton, 2146

Contacts

Telephone: +27 (0) 11 520 7000
Web: www.jse.co.za
Investor relations: ir@jse.co.za
Group company secretary: GroupCompanySecretary@jse.co.za

Directors as at 31 December 2023

P Nhleko (Chairman)
Z Bassa
MS Cleary
VN Fakude[1]
SP Kana (Lead Independent Director)
FN Khanyile
IM Kirk
BJ Kruger
L Fourie (Group CEO)[2]
F Suliman (Group CFO)[2]

[1] *Stepped down 5 January 2024.*
[2] *Executive director.*

Changes to the Board in 2023

Ms F Suliman joined the JSE on 9 January 2023 as Group CFO. Her appointment to the Board as executive director was confirmed by shareholders at the annual general meeting (AGM) held on 9 May 2023.

MA Matooane retired as an independent non-executive director at the AGM held on 9 May 2023, having served for a consecutive term of ten years on the Board.

Subsequent to the 2023 reporting period, and as previously announced: Ms Nolitha Fakude, independent non-executive director, retired from the Board effective 5 January 2024.

Group company secretary

GA Brookes

Transfer secretary

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196

Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)
1 Merchant Place
Corner Fredman and Rivonia Road
Sandton, 2196

AGM scrutineers

The Meeting Specialist Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196

Auditors

Ernst & Young Inc.
102 Rivonia Road
Sandton, 2196

Bankers

First National Bank of SA Limited Corporate Account Services
4 First Place
Bank City
Simmonds Street
Johannesburg, 2001

Investor queries should be directed to ir@jse.co.za and will be redirected, where necessary, to the appropriate Board member or executive for a response.

Governance and secretarial queries should be directed to GroupCompanySecretary@jse.co.za

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www.jse.co.za