ZANTIMIZA ETF

FUND OF FUNDS

ZAN SECURITIES

LICENSED DEALER OF DSE | INVESTMENT ADVISOR | FUND MANAGER

ZAN TIMIZA

EXCHANGE TRADED FUND

FUND OF FUNDS

(A Mult-Jurisdictional Fund Of Funds)

OFFER DOCUMENT

OFFER DETAILS

Opening Date of the initial Sales:
17 August 2026

Closing Date of the intial Offer
17 September 2026

Number of Initial Units
To be offered:
50,000,000 Units

Amount Intended
To Be Raised:
TZS 5,000,000,000

Offer of Units At TZS 100 each for cash at par during the **Initial Sales Period** and at applicable Net Asset Value (**NAV**) during the Subsequent Sale Period

2026

INVEST TODAY
GROW TOMORROW

Zan Invest App

ZAN SECURITIES LIMITED

ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND

(ZAN TIMIZA ETF)

(An Open-ended Exchange Traded Fund of Funds)

OFFER DOCUMENT

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This Offer Document sets forth concisely, the information about the Scheme that a prospective investor ought to know before investing. The Offer Document should be retained for future reference. The Scheme particulars have been prepared in accordance with the Capital Markets and Securities Act, Cap 79 of the laws of Tanzania and the Capital Markets and Securities (Collective Investment Schemes) Regulations, GN No. 770 of 1997. The Units being offered for public subscription have not been approved or disapproved by the Capital Markets and Securities Authority. Prospective investors should carefully consider the matters set forth and those under the caption “risk factors”. The Offer Document shall remain effective until a ‘material change’ (other than a change in the fundamental attributes and within the purview of this Offer Document) occurs and thereafter the changes will be submitted to the Authority for authorization and circulated to the Unit holders along with half year reports.

CAUTION STATEMENT

A COPY OF THIS OFFER DOCUMENT HAS BEEN DELIVERED TO THE CAPITAL MARKETS AND SECURITIES AUTHORITY FOR APPROVAL. THE SECURITIES OFFERED HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE AUTHORITY.

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE MATTERS SET FORTH UNDER THE CAPTION "RISK FACTORS" ON SECTION 11.

IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS OFFER DOCUMENT, YOU ARE ADVISED TO CONSULT YOUR INVESTMENT ADVISOR, STOCKBROKER, LAWYER, BANKER OR ANY OTHER FINANCIAL CONSULTANT. THE PRICE FOR UNITS OF THE SCHEME AND THE INCOME FROM THE UNIT MAY GO UP OR DOWN

DIRECTORS' DECLARATION

The Board of Directors of Zan Securities Limited, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer Document contains all information with regard to the Manager and the offer, which is material in the context of the offer, that the information contained in this Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Offer Document as a whole or any of such information or the expression of any such opinions misleading in any material respect.

The directors of Zan Securities Limited, whose names appear in section 3 of this Offer Document, accept responsibility accordingly.

Abdisalaam Khatibu

Chairman

Raphael Masumbuko

Secretary

STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

Dear Investors,

It is with great pleasure that I place before you this Offer Document for the Zan Timiza Fund of Funds Exchange Traded Fund (ZAN TIMIZA ETF). Building on the landmark success of our inaugural Collective Investment Scheme, the Timiza Fund launched in May 2024, this marks another pioneering milestone as Zan Securities Limited brings Tanzania's first multi-jurisdictional Fund of Funds ETF to the market.

Since its inception, the Timiza Fund has demonstrated exceptional performance, growing from an initial asset base of TZS 10.3 billion to an impressive TZS 48.3 billion as of July 9, 2026 representing a remarkable 369% growth. Today, we are proud to serve a community of over 13,000 investors, having successfully delivered a strong annualized return of 15% in 2025.

Having carefully assessed the evolving dynamics of the East African capital markets and our investors' demand for diversified, institutional-grade wealth compounding, we have engineered the ZAN TIMIZA ETF. Structured as an Exchange Traded Fund by combining the broad diversification of regional collective investment schemes with the intraday liquidity and tradability of the Dar es Salaam Stock Exchange (DSE), the Fund maximizes the velocity of compounding growth for our unitholders.

Being the Chief Executive Officer of the Manager, I confirm that:

a) The Offer Document forwarded to CMSA is in accordance with the applicable laws, particularly, the Capital Markets and Securities Act Cap 79 of the Laws of Tanzania and the Capital Markets and Securities (Collective Investment Schemes) Regulations G.N No. 770 of 1997.

b) All legal requirements connected with the launching of the Scheme, including the guidelines, instructions, and orders issued by the Government and any other competent Authority in this behalf, have been duly complied with.

c) The disclosures made in the Offer Document are true, fair, and adequate to enable investors to make a well-informed decision regarding investment in the proposed Scheme.

Looking ahead, Zan Securities Limited will continue to leverage our proven track record to protect your capital and drive sustainable wealth creation. To sum up, I take this opportunity to invite both our existing and prospective investors to review this Offer Document and join us in this next chapter of capital market innovation and financial growth.

Raphael Masumbuko
Chief Executive Officer

OVERVIEW OF THE CAPITAL MARKET INDUSTRY

1. HIGHLIGHTS ON THE PERFORMANCE OF THE INDUSTRY

Tanzania's capital markets have entered a phase of rapid expansion and high liquidity, driven by an increasingly vital ecosystem of diversified financing and investment vehicles that support the nation's broader economic growth trajectory. Total market capitalization and primary capital deployments have climbed significantly, propelled by strong financial performances across banking, telecommunications, and industrial counters. Concurrently, the popularity of Collective Investment Schemes (CIS) has experienced a surge, transitioning the local asset management industry into an inclusive, retail-driven space.

However, as the proliferation of individual unit trusts, money market funds, equity schemes, and fixed-income vehicles accelerates across Tanzania and the broader East African Community (EAC), the investment landscape has become increasingly fragmented. This fragmentation highlights the necessity for a consolidated, multi-jurisdictional Fund of Funds (FoF) structure—a specialized vehicle designed to systematically pool capital across top-performing underlying funds, eliminating selection friction and optimizing asset allocation for both retail and institutional investors through a single listed instrument.

2. KEY MARKET INDICATORS

The operational depth of the Dar es Salaam Stock Exchange (DSE) is anchored by robust macro indicators, with total market capitalization standing firm at TZS 22.33 trillion as of late 2025. This market depth is further demonstrated by extraordinary primary debt auction metrics, highlighted by a benchmark 25-year government bond that recently witnessed a 270% oversubscription, drawing tenders worth TZS 980 billion. Corporate debt issuances have mirrored this momentum, achieving historic subscription rates such as Azania Bank’s Bondi Yangu at 210.9%, CRDB Bank’s Samia Infrastructure Bond at 215.4%, and Tanzania Commercial Bank's Stawi Bond at 281% under its MTN framework. Shariah-compliant asset classes have introduced an entirely new dimension of volume, with CRDB Bank’s Al-Barakah Sukuk pulling record-breaking oversubscriptions.

For a Fund of Funds structure, these robust primary debt metrics and expanding CIS asset pools provide a deep, yield-accretive target universe. The ZAN TIMIZA ETF is uniquely positioned to capture these high-yielding fixed-income opportunities and top-performing underlying fund returns, systematically sweeping accrued coupons and distributions back into a single compounding capital pool.

3. REGULATORY ENVIRONMENT

The structural oversight managed by the Capital Markets and Securities Authority (CMSA) continues to evolve rapidly to ensure robust market integrity, transactional transparency, and heightened investor protection. A major milestone in this effort was the operationalization of the

Capital Markets Tribunal, alongside the comprehensive modernization of DSE trading rules, aligning local price discovery and settlement processes with international standards. Concurrently, the Bank of Tanzania's disciplined monetary policies have successfully contained inflation at 3.4% and safely eased the Central Bank Rate to 5.75%, providing a stable macroeconomic foundation for advanced asset management structures.

This progressive regulatory framework actively supports the introduction of innovative investment structures like Exchange Traded Funds (ETFs) and multi-jurisdictional Fund of Funds. The alignment of CMSA guidelines with regional EAC market frameworks provides the explicit legal and operational foundation required for the ZAN TIMIZA ETF to execute cross-border fund selections, operate a transparent daily Net Asset Value (NAV) mechanism, and leverage Authorized Participant arbitrage to align secondary market trading prices with underlying fund valuations.

4. CHALLENGES

Despite stellar macroeconomic indicators and robust banking sector assets climbing to TZS 74.76 trillion, individual investors face clear operational hurdles when navigating regional capital markets. Direct investment across multiple standalone unit trusts, corporate bonds, and equities exposes investors to single-issuer concentration risks, manual rebalancing costs, and varying secondary market liquidity across regional exchanges. Furthermore, managing multi-currency exposures and tracking underlying fund performance requires ongoing professional oversight that retail investors often lack.

The Zan Timiza Fund of Funds ETF directly solves these structural challenges. By utilizing a dual-engine Core-Satellite strategy, strict concentration guardrails (capping single-fund exposure at 20%), a mandatory 2% to 15% cash liquidity buffer, and a liquidity-tiering framework ensuring at least 60% of portfolio assets can be liquidated within 48 hours, the Fund Manager mitigates market concentration and illiquidity risks on behalf of unitholders.

5. FUTURE PROSPECTS

The future outlook for Tanzanian and East African asset management is immensely favorable, backed by accelerated structural reforms and expanding financial inclusion drives across the EAC. The market has displayed an aggressive appetite for highly innovative, targeted financial products, ranging from specialized unit trusts to forward-thinking Exchange Traded Funds designed to democratize market access. This vibrant environment paves the perfect path for the Zan Timiza Fund of Funds ETF to bridge current market gaps. Operating strictly as an asset accumulation vehicle with a non-distribution policy, the Fund sweeps all harvested dividends, coupons, and unit trust distributions directly back into high-conviction assets. By combining the diversification of a multi-jurisdictional Fund of Funds with the continuous intraday tradability of an ETF listed on the DSE, the Scheme provides investors with an efficient, liquid, and transparent instrument to achieve long-term capital compounding across East Africa's growth drivers.

ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND

(ZAN TIMIZA ETF)

(An Open-ended Exchange Traded Fund of Funds)

HIGHLIGHTS OF THE ZAN TIMIZA ETF

(i)	Objectives	An open-ended balanced fund structured as a multi-jurisdictional Fund of Funds (FoF) designed to invest in eligible East African Community (EAC) collective investment schemes, listed corporate bonds, Treasury bonds, money market investments, and listed equities. All underlying fund allocations are selected in accordance with the quantitative screening criteria, asset allocation limits, and risk parameters defined under Section 9.0 and benchmarked against the Fund's Composite Blended Performance Benchmark (Section 10.0). The Fund operates strictly as an asset accumulation vehicle, enforcing a non-distribution policy to maximize the velocity of compounding wealth. Rather than distributing cash payouts, all internally accrued dividends, coupons, and fund distributions are systematically and automatically swept back into the capital pool for strategic reinvestment.
(ii)	Investment Policy	The Scheme operates as a multi-jurisdictional Fund of Funds (FoF) balanced portfolio. To optimize diversification, primary capital is allocated into top-performing EAC Collective Investment Schemes (Target: 50%, Limit: 40%–80%). This core exposure is structurally complemented by direct fixed income securities (Target: 25%, Limit: 10%–50%) and direct listed equities (Target: 20%, Limit: 0%–30%), alongside a disciplined liquid cash buffer (Target: 5%, Limit: 2%–15%) to maintain robust portfolio liquidity
(iii)	Eligible Investors	All investors domestic and foreign including individuals and institutions

<table>
<tr><td></td><td></td><td>as per the provisions of the Act.</td></tr>
<tr><td>(iv)</td><td>Face Value</td><td>TZS 100 per Unit.</td></tr>
<tr><td>(v)</td><td>Issue Price</td><td>TZS 100 per Unit. Units will be sold at TZS 100/= per Unit during the initial sale period 17th August to 17th September 2026</td></tr>
<tr><td>(vi)</td><td>Entry and Exit Loads</td><td>The Scheme shall charge neither entry nor exit load. Investors shall buy and sell Units on the secondary market at continuous, market-cleared exchange prices, subject to standard trading charges in the Dar es Salaam Stock Exchange.</td></tr>
<tr><td>(vii)</td><td>Minimum initial investment</td><td>TZS 20,000</td></tr>
<tr><td>(viii)</td><td>Minimum Additional Subsequent Investment</td><td>Minimum share as traded on the DSE</td></tr>
<tr><td>(ix)</td><td>Maximum Investment Amount</td><td>There is no limit on the maximum amount to be invested by an investor.</td></tr>
<tr><td>(x)</td><td>Holding Basis</td><td>Single or Joint as opted by respective investors</td></tr>
<tr><td>(xi)</td><td>How to Invest</td><td>By completing application form and depositing funds in the account of the Fund through the branches of NMB Bank PLC Custodian of the Fund and Licensed Dealing Members of the Dar es Salaam Stock Exchange. No money shall be paid to any intermediary who is not a licensed dealer or investment advisor.

Prerequisite CDS Account Verification: Prior to the processing of any subscription payment, allotment, or secondary market transaction, the applicant’s Central Depository System (CDS) Account must be duly opened, verified, and configured through a Licensed Dealing Member or Custodian. All issued Units will be credited directly to the unitholder’s CDS Account to enable seamless post-listing secondary market trading on the DSE. No payment or application money shall be paid to or processed by any intermediary who is not a licensed dealer, custodian, or authorized agent.

USSD CODE
<table>
<tr><td>TIGO PESA</td><td>AIRTEL MONEY</td><td>M-PESA</td></tr>
<tr><td>Mobile phone -- USSD
Dial *150*01#
Select – LIPIA BILI</td><td>Mobile phone -- USSD
Dial *150*60#
Select 5 – make payment</td><td>Mobile phone -- USSD
Dial *150*01#
Select – LIPIA BILI</td></tr>
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		<table><tr><td>Select – KUPATA MAJINA YA KAMPUNI Select – ZAN SECURITIES LIMITED</td><td>Select 2- Choose business Select 7 Choose business Select- ZAN SECURITIES LIMITED</td><td>Select – KUPATA MAJINA YA KAMPUNI Select- FEDHA & ELIMU Select- ZAN SECURITIES LIMITED</td></tr></table>
(xii)	Payment Terms	In full on application for specified number of Units.
(xiii)	Additional Investment	Investors may make additional investments through the Dar es Salaam Stock Exchange (DSE).
(xiv)	Liquidity / Repurchase	Continuous intraday liquidity is available via trading on the Dar es Salaam Stock Exchange. Direct primary market repurchases at NAV are strictly restricted to institutional-sized blocks managed via Authorized Participants.
(xv)	Transparency	The NAV will be declared on a daily basis on every working day beginning not later than 10 Business days from the Initial Sale closure date.
(xvi)	Valuation of Units	The NAV of the Fund will be determined by the Manager once on every working day after end of business day.
(xvii)	Income Distribution	Operating strictly as an accumulation vehicle, the Fund enforces a non-distribution policy to maximize the velocity of compounding wealth. Rather than distributing cash payouts to unitholders, all dividends harvested from direct equities, coupons from fixed income securities, and distributions from underlying unit trusts are systematically and immediately swept back into the Fund's capital pool for automated reinvestment.

ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND

(Incorporated in the United Republic of Tanzania)

Sponsor, Manager and Investment Advisor

Zan Securities Limited VIVA towers, 1st Floor | Ali Hassan Mwinyi Road,

P.O. Box 5366, DAR ES SALAAM

Custodian and Trustee

NMB Bank PLC

Dar es Salaam,

Advocates

10th Floor, Suite No. 1005 Uhuru Heights, Bibi Titi Mohamed Road,

P. O. Box 7281 Dar es Salaam, Tanzania

Auditors

forvis mazars

3rd Floor, 85K Building, 85 Kinondoni Rd,

P.O. Box 78999,

Dar es Salaam,

Tanzania

The Directors of Zan Securities Limited whose names are hereunder indicated accept responsibility for the information contained in this Offer Document as being accurate as at the date of publication of the document.

NAMES OF DIRECTORS

SN	NAME	DESIGNATION
1.	MR. ABDISALAAM ISSA KHATIBU	CHAIRMAN
2.	MR. HARRY KITILYA	DIRECTOR
3.	MR. MELVINNE HARRY KITILYA	DIRECTOR

22nd May 2026

Forward-Looking Statements

This Offer Document contains certain statements that constitute "forward-looking statements" regarding the operational intent, strategic targets, estimated market yields, and prospective performance of the Scheme. Words such as *"anticipates," "believes," "estimates," "expects," "intends," "targets," "plans," "projects,"* and similar expressions identify forward-looking statements.

Important Cautionary Parameters:

- No Guarantee of Future Performance: Forward-looking statements are based on the Manager's current beliefs, macroeconomic assumptions, and market conditions as of the date of this Offer Document. They represent projections rather than historical facts or guarantees of future returns.
- Inherent Market Risks: Actual results, the Fund's Net Asset Value (NAV), and real-time yield compounding may differ materially from expectations due to underlying market risks, including regional interest rate fluctuations, macroeconomic shifts across the EAC, regulatory changes, secondary market liquidity variations on the DSE, and underlying fund performance.
- No Manager Duty to Update: The Scheme, Sponsor, and Manager undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise, except as mandated by the Capital Markets and Securities Authority (CMSA) or applicable capital markets laws. Prospective investors are cautioned not to place undue reliance on these statements.

ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND

(Incorporated in the United Republic of Tanzania)

DEFINITIONS AND ABBREVIATIONS

In this Offer Document unless the context otherwise requires, the following words have the meaning herein ascribed:

"Acceptance Date" or "Date of Acceptance" or "DOA" means the official business day on which a valid primary market Creation or Redemption order is submitted by an Authorized Participant and accepted by the Manager within specified banking hours."

"Accounting Year" means the accounting year of Zan Securities Limited as well as the Scheme which is from January to December.

"Act" means the Capital Markets and Securities Act, Cap 79 of the laws of Tanzania and the Regulations made there-under.

"Additional Investment" means any subsequent purchase of listed Units executed on the secondary market of the Dar es Salaam Stock Exchange (DSE) by either existing unitholders or new investors after the closure of the Initial Sale Period

"Authorized Participant" means a specialized financial institution that has entered into an agreement with the Fund to create and redeem Units of the Fund directly in large blocks. Authorized Participants facilitate this process primarily by exchanging a basket of the Fund's underlying securities for Units, thereby assisting in maintaining the Fund's market price in close alignment with its NAV per unit. For the purposes of this Document the Authorized Participant shall be Zan Securities Limited or any other entity that has entered into an Authorised Participant Agreement with the Fund Manager and has been approved by the Fund Manager.

"Authority" means the Capital Markets and Securities Authority established under the Act.

"Business day" means a day other than (i) Saturday and Sunday (ii) a day on which the principal stock exchange of the country (Dar es Salaam Stock Exchange) or the Bank of Tanzania or banks in Tanzania are closed for business, or (iii) a day on which Zan Securities Limited offices remain closed or a day on which Sale and Repurchase/switching of Units is suspended by the Directors.

"Citizen" means a citizen of the United Republic of Tanzania in accordance with the Citizenship Act, Cap 357 (Revised Edition 2002).

"Commencement date" means the date on which the Manager for the first time offers for sale to the public Units in the Scheme (17th August 2026).

“Compulsory charge” means any fiscal charge and any necessary charge payable for the benefit of any person other than the Manager in connection with the acquisition or holding of securities acquired by the Scheme.

“Custodian” or **“Trustee”** means an entity that under the Deed of Trust is a participating party performing the functions of a Trustee under the Act.

“Date of Acceptance” – please refer to **“Acceptance Date”.**

“Deed of Trust”, “Trust Deed” or **“Deed”** means the deed incorporating the ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND dated 22nd May 2026 and any deed supplemental thereto.

“Directors” means the Board of Directors of Zan Securities Limited

“ETF” Means Exchange Traded Fund

“Fund” means the “ZAN TIMIZA ETF” incorporated pursuant to the Deed of Trust.

“Financial Year” means the period commencing on 1st January and ending on 31st December of every year.

“Initial Sale” means the sale of Units by the Scheme from 17th August to 17th September 2026

“Initial Investment” means amount invested by an investor during the Initial Sale period.

“Investment Policy’’ means a set of rules and guidelines on allowable investments and limits by the Scheme.

“Investment Strategy’’ means activities and actions for implementing the investment policy of the Scheme.

“Joint-Holding” means individuals holding the Fund jointly.

“Manager” means an entity (i.e. ZAN SECURITIES LIMITED), which is responsible for the day to day management and administration of the Scheme.

“Minister” means the Minister responsible for matters relating to finance in the United Republic of Tanzania.

“Net Asset Value” or **“NAV”** means the value arrived at after taking the value of the Schemes assets and subtracting there-from the liabilities of the Scheme taking into account the accruals and provisions.

“Offer Document” or **“Offering Document”** means this offering document dated 22nd May 2026.

“Record Date” means the date appointed for entitlement relating to corporate actions such as income distribution.

“Register” means the central electronic register of Unit holders maintained and operated by the CSD & Registry Company Limited (CSDR) in accordance with the rules of the Dar es Salaam Stock Exchange (DSE) and Central Depository System regulations, as synchronized with the records of the Manager.

“Repurchase” (or “Redemption”) means the process through which the Scheme redeems large institutional blocks of Units (Redemption Units) exclusively submitted by Authorized Participants in exchange for an underlying portfolio basket and/or cash at Net Asset Value.

“Sale” means the Initial Sale and the Subsequent Sale of Units and is explained as follows:

(a) **“Initial Sale”** means the offer for sale of Units during Initial Sale period.

(b) **“Subsequent Sale”** means the offer for sale of Units after closure of the Initial Sale.

“Scheme” means the **“ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND”** or **“ZAN TIMIZA ETF”** incorporated pursuant to the Deed of Trust.

“Service charge” means that portion of the re-purchase price of a Unit which includes compulsory charges as well as expenses of the Manager in administering the Scheme.

“Statement of Account” or **“SOA”** means an accounting advice issued by the Scheme to a Unit holder indicating the number of Units held by the Unit holder in the Scheme.

“Time” means East African Standard Time.

“Unit” means a Unit issued under the Scheme representing a proportionate right in the beneficial ownership of the assets and to entitlement of the Scheme.

“Unit Capital” means the aggregate of the face value of units issued under the Scheme and outstanding for the time being.

“Unit holder” means a person or body corporate recognized by the Scheme as a bona fide holder of Units in the Scheme.

“Zan Securities” or **“Company”** means **ZAN SECURITIES LIMITED**, a registered Company under the Companies Act Cap 212.

“ZAN TIMIZA ETF” means ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND.

Contents

1.0 SCHEME INITIATION

Upon launch, ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND, otherwise known as "ZAN TIMIZA ETF", will be an exchange traded open ended fund of funds managed by Zan Securities Limited.

1.1 BASIS FOR INTRODUCTION OF THE FUND

The introduction of the Zan Timiza Fund of Funds ETF (the "Fund") is driven by the evolving dynamics of the Tanzanian capital markets, increasing investor sophistication, and the growing demand for diversified, professionally managed investment solutions. As Collective Investment Schemes continue to expand in both scale and participation, a gap has emerged for a structured vehicle that enables investors to efficiently access multiple high-performing funds through a single, liquid instrument.

1.1.1 Market Evolution and Opportunity

The Tanzanian investment landscape has witnessed significant growth in recent years, with a rising number of licensed unit trusts and mutual funds offering exposure to fixed income, equities, and balanced strategies. While these funds have demonstrated strong performance individually, access remains fragmented, requiring investors to independently evaluate, select, and manage multiple investments.

The Fund addresses this inefficiency by providing a consolidated platform that systematically allocates capital across a curated portfolio of well-performing funds. This approach not only simplifies the investment process but also enhances portfolio efficiency through institutional-grade asset allocation and continuous performance monitoring.

1.1.2 Rationale for a Fund of Funds Structure

The Fund adopts a "fund of funds" strategy, investing primarily in a diversified basket of top-performing collective investment schemes based on rigorous selection criteria, including historical performance, risk-adjusted returns, fund manager expertise, liquidity profile, and consistency of income distribution.

This structure provides several advantages:

- **Diversification:** Investors gain exposure to multiple underlying funds across asset classes, sectors, and strategies, reducing concentration risk.
- **Professional Selection:** The Fund Manager actively identifies and allocates capital to funds with strong track records and robust investment processes.

- **Risk Management:** Portfolio rebalancing ensures optimal exposure in response to market conditions and performance trends.
- **Accessibility:** Investors can access a diversified portfolio through a single listed security.

1.1.3 ETF Structure and Liquidity Advantage

By structuring the Fund as an Exchange Traded Fund (ETF), investors benefit from enhanced liquidity and transparency. Units of the Fund will be listed and traded on the Dar es Salaam Stock Exchange, allowing investors to buy and sell in real time during market hours.

The ETF structure combines the diversification benefits of collective investment schemes with the tradability of listed securities, offering:

- Intraday liquidity
- Transparent pricing
- Lower barriers to entry and exit
- Ease of portfolio integration for both retail and institutional investors

1.1.4 Addressing Investor Needs

The Fund is designed to meet the needs of a broad spectrum of investors, including:

- **Retail investors** seeking simplified access to diversified investments without the need for active portfolio management
- **Institutional investors** aiming to optimize asset allocation efficiently
- **Income-focused investors** looking to benefit from underlying funds with consistent performance and distribution histories

1.1.5 Strategic Objective

The primary objective of the Fund is to deliver sustainable, risk-adjusted returns by investing in a portfolio of well-performing funds, while maintaining liquidity, transparency, and cost efficiency. By leveraging both the fund of funds strategy and ETF structure, the Fund aims to democratize access to high-quality investment opportunities and contribute to the continued development of Tanzania’s capital markets.

1.1.6 Portfolio rebalancing

To ensure that the ZAN TIMIZA ETF continuously adheres to its targeted balanced strategy and strategic investment limits, the Manager enforces a systematic Portfolio Rebalancing Policy.

A. Rebalancing Frequency (Calendar-Based)

- **Periodic Review:** The Fund Manager shall formally review and rebalance the portfolio on a **Semi-Annual basis** (coinciding with the financial reporting periods ending June 30 and December 31) to realign asset allocations back to their targeted weights.

B. Rebalancing Triggers (Threshold-Based)

In addition to periodic reviews, the Manager will execute out-of-cycle rebalancing if market movements cause any asset class to breach its predefined operational limits:

Asset Class	Target Weight	Rebalancing Trigger Band	Action Required
EAC Collective Investment Schemes (CIS)	**50%**	**< 40% or > 80%**	Realign within 10 Business Days
Fixed Income (Direct)	**25%**	**< 10% or > 50%**	Realign within 10 Business Days
Listed Equities (Direct)	**20%**	**< 0% or > 30%**	Realign within 10 Business Days
Cash & Cash Equivalents	**5%**	**< 2% or > 15%**	Realign within 5 Business Days

C. Single-Issuer & Single-Fund Limits Rebalancing

- Concentration Guardrails: If market price appreciation causes an exposure in a single underlying CIS to exceed 20% of AUM, or a single fund management company to exceed 30% of AUM, the Manager will trim the position back within allowable boundaries during the next rebalancing window.
- Single-Stock Limit: Direct single-stock allocations that appreciate beyond 5% of AUM will be systematically rebalanced.

D. Rebalancing Execution Mechanics & Cash-Flow Utilization

- Non-Distribution Inflows: As an asset accumulation vehicle, all harvested coupons, dividends, and underlying fund distributions will be utilized as primary cash-flow sources to purchase underweight asset classes during rebalancing, minimizing transaction costs.
- Liquidity Cushion: Rebalancing transactions will utilize the 2% to 15% cash buffer and prioritize underlying holdings within the 48-hour liquidity tier to prevent forced liquidations or adverse market impact.

2.0 CONSTITUTION AND MANAGEMENT OF ZAN SECURITIES LIMITED

2.1 Management of Zan Securities

Zan Securities Limited is led by the board of directors that is comprised of three professionals .The Board is assisted by a management team that manages day to day operations of the Company.

2.2 Functions of the Directors

The functions of the Directors include inter alia:

(a) to maintain, operate or engage in any investment arrangement that would enable increase in value of assets and profit of the company;

(b) to formulate in relation to any collective scheme:

  i. any plan or plans, under which a person may acquire an interest in units;

  ii. savings and insurance plan or plans under which a person may acquire an interest in units in association with or as the agent of the insurance company, but not including insurance business;

(c) To extend investment or fund or portfolio management services to persons in and outside Tanzania.

3.0 MANAGEMENT OF THE SCHEME

The ZAN TIMIZA ETF will be managed by Zan Securities Limited. Zan Securities Limited has a competent management team to carry out day to day operations of the ZAN TIMIZA ETF.

3.1 Board of Directors

(i). MR. ABDISALAAM ISSA KHATIBU- CHAIRMAN

Abdisalaam Issa Khatibu is a distinguished businessman and leader with a career spanning over three decades. Since 2010, he has served as the Chairperson of Zansecurities Ltd, where his strategic vision and leadership have driven the company's success in the financial sector.

Prior to his tenure at Zansecurities Ltd, Abdisalaam Issa Khatibu held several prominent roles in public service and international development. From 1995 to 2010, he represented the Makunduchi Constituency as a Member of Parliament and concurrently chaired the Parliamentary Committee for Industries and Trade. His advocacy for economic growth and trade policies contributed significantly to the development of Tanzania's industrial sector during his parliamentary tenure.

He served as the Deputy Minister for Finance in the United Republic of Tanzania from 1995 to 2008. In this capacity, he played a pivotal role in fiscal policy formulation and economic management, earning recognition for his commitment to fiscal prudence and sustainable development.

Abdisalaam Issa Khatibu's dedication to agricultural development and rural empowerment is evident in his extensive experience with the Food and Agriculture Organization (FAO). As a National Project Advisor and later as the National Project Director/Team Leader, he spearheaded initiatives to promote smallholder-oriented irrigated rice production in Tanzania. His efforts to enhance agronomic research, improve seed distribution systems, and facilitate training programs have had a lasting impact on agricultural productivity and food security in the region.

(ii). MR. HARRY KITILYA - DIRECTOR

Mr. Harry M. Kitillya was the Commissioner General of the Tanzania Revenue Authority (TRA) since 2003 - 2013 He graduated with B.A Hons at the University of Dar es Salaam in 1972, obtained his M.Acc at Bowling Green State University in the USA in 1978. In 1992 and 2007 he attended the PIAM and Senior Executive Fellows (SEF) at Harvard University. Prior to this appointment, he was the Deputy Commissioner General for two years and earlier on the Commissioner for Income Tax since the inception of TRA in 1996. seeing the Central Government tax administration functions in Tanzania. He has been a member of the National Tax Appeals Board, UN Committee of Experts in International Cooperation in Tax Matters, Joint Finance Commission of Tanzania, Management Committee of the Commonwealth Association of Tax Administrators (CATA) and Export Processing Zone Authority (EPZA). Mr. Harry M. Kitillya is currently chairman of the board of directors TOL Gases Limited

(iii). MR. MELVINNE HARRY KITILYA – DIRECTOR

Mr. Kitillya is a seasoned financial market professional with over seven years in the field, specializing in equities, fixed income, research and private placements. He is a licensed by the Capital Markets & Securities Authority (CMSA) as Authorized Dealers Representative to the Dar es Salaam Stock Exchange (DSE), Commodities Dealer Representative and Derivative Trader.

Mr. Kitillya serves in a dual capacity as both an Executive Member of the Board of Directors and as a key member of the active Management Team. While he contributes deep technical expertise in equities and fixed income to daily operations, the Board maintains strict governance boundaries to ensure effective oversight. To mitigate any conflict of interest or oversight overlap, Mr. Melvinne Harry Kitillya acts in a non-voting, advisory capacity on board matters concerning the direct evaluation of management performance, executive compensation, or internal audit reviews.

3.2 Zan Securities Limited Management Team

(i). MR. RAPHAEL MASUMBUKO RUTAMAGA – CHIEF EXECUTIVE OFFICER

Mr. Masumbuko is licensed by the Capital Markets & Securities Authority (CMSA) as Authorized Dealers Representative, Nominated Advisor representative (NOMADR) and Investment advisor, Dar es Salaam Stock Exchange Floor Trader and attended East Africa Securities Industry Training Institute (SITI) course. He also attended training on Capital Market development leaders organized by London Stock Exchange UK.

He has over twelve years' experience in capital market and financial services, worked for various stock brokerage firms and banks; including Vertex International Securities Ltd, Orbit Securities Co Ltd, Akiba Commercial Bank and Sumaria Group. He has extensive knowledge and working experience of equities, fixed income, and foreign exchange. He has MSc. Finance & Accounting. He holds Postgraduate degree in Financial Management and Advanced Diploma in Accountancy from the Institute of Finance Management. Prior to joining Zan securities Ltd, Mr. Masumbuko worked with Vertex International Securities Ltd as Head of Operations responsible for all dealing and operations activities.

(ii). CPA (T) FADHILA NASSIR MBURA- MANAGER, FINANCE AND INVESTMENTS

Mrs. Mbura has over seven years' experience in financial Markets. She joined Zan Securities in 2015. Prior to her current role, Mrs. Mbura was a finance officer then senior finance officer at Zan Securities. She holds Bachelor of Science in Accounts and Finance with Honors from Iringa University formerly as Tumaini University and is a Certified Public Accountant- CPA (T). She is also licensed by the Capital Markets & Securities Authority (CMSA) as Authorized Dealer Representative certificate from the Capital Markets and Securities Authority and the Chartered Institute for Securities and Investment of London., Commodities Dealer Representative and Derivative Trader certificate from the Capital Markets and Securities Authority.

(iii). MR. MELVINNE HARRY KITILLYA- MANAGER BUSINESS DEVELOPMENT AND EXECUTIVE DIRECTOR

Mr. Kitillya is a seasoned financial market professional with over seven years in the field, specializing in equities, fixed income, research and private placements. He is licensed by the

Capital Markets & Securities Authority (CMSA) as Authorized Dealers Representative to the Dar es Salaam Stock Exchange (DSE), Commodities Dealer Representative and Derivative Trader. Prior to joining Zan Securities Ltd, Mr. Kitillya worked for OMNI Development Corporation as the Finance Officer, specializing in real estate development projects in Dar Es Salaam, Tanzania. He has extensive knowledge and work experience with the real estate market in Dar es Salaam. Mr. Kitillya holds a bachelor's degree in business management and hospitality management from Michigan State University.

(iv). MR. ISAAC MGEMA LUBEJA- MANAGER ADVISORY AND RESEARCH

Mr. Lubeja has over 5 years in the financial markets. He specializes in fund management and capital market research with a focus on equity and fixed income, he also oversees macroeconomic developments in the market. Mr. Lubeja also functions as the firm's corporate finance liaison overseeing equity and debt financing within Tanzania. Isaac holds a BA (Hons) Accounting and Finance from Middlesex University, UK and is an Associate member of the Chartered Institute for Securities and Investments UK (CISI).

4.0 DUTIES OF THE MANAGER

The Manager of the Scheme has the following duties:

(a) manage, the Scheme in accordance with the Deed of Trust in the exclusive interest of the Unit holders and fulfill the duties imposed on it by the general law;
(b) maintain or cause to be maintained the books and records of the Scheme and prepare the Scheme's accounts and reports, including at least two reports to be published in respect of each financial year and sent to all registered Unit holders;
(c) publish and distribute to Unit holders annual reports within four months of the end of the Scheme's financial year provided that the Manager may subject to approval of the Authority distribute an abridged version to Unit holders;
(d) ensure that an up-to-date register of Unit holders is maintained with the CSD & Registry Company Limited (CSDR);
(e) ensure that appropriate systems and procedures are put in place for servicing investors;
(f) ensure that the Deed of Trust is made available for inspection by the public in Tanzania, free of charge at all times during normal working hours at its place of business and make copies of such documents available upon the payment of a reasonable fee.

<u>5.0 CUSTODIAN OF THE SCHEME</u>

5.1 Constitution of the Custodian

NMB Bank Plc is a fully fledged commercial bank established in 1997 and incorporated in the United Republic of Tanzania as a public company limited by shares in 2008 under the Companies Act, 2002, and licensed under the Banking and Financial Institutions Act, 2006, to conduct banking business in Tanzania. The Bank is regulated by the Bank of Tanzania (BOT) and is subject to the provisions of the Banking and Financial Institutions Act and its regulations. The Bank has been listed on the Dar es Salaam Stock Exchange (DSE) since 2008, trades under the ticker symbol NMB, and has its ordinary shares identified by International Securities Identification Number (ISIN) TZ1996100222.

5.2 Board of Directors of the Custodian

S.N	Title	Name
1.	Board Chairman (Non-Executive Director)	Mr. David Nchimbi
2.	Member (Non-Executive Director)	Mr. Benson Mahenya
3.	Member (Non-Executive Director)	Mr. Juma Kisaame
4.	Member (Non-Executive Director)	Mr. Hendrik Reisinger
5.	Member (Non-Executive Director)	Mr. Ramadhani Mwikalo
6.	Member (Non-Executive Director)	Mr. Giriraj Jadeja
7.	Member (Non-Executive Director)	Prof. Sylvia Temu
8.	Member (Non-Executive Director)	Dr. Sophia Kongela
9.	Member (Non-Executive Director)	Ms. Joyce Nkini Iwisi
10.	Member Executive Director	Ms. Ruth Zaipuna
11.	Member Executive Director Finance & Chief Financial Officer	Mr. Juma Kimori

<u>6.0 ASSOCIATED PERSONS</u>

Neither the Custodian nor the Directors are associated Persons.

6.1. Related Party & Board Independence Disclosure

The Scheme discloses that Mr. Harry Kitillya (Non-Executive Director) and Mr. Melvinne Harry Kitillya (Executive Director) are related persons (father and son). To manage potential conflicts of interest and preserve absolute board independence, the Scheme has instituted the following mitigation frameworks:

- No Common Majority: Related directors do not constitute a voting majority on the Board of Directors.
- Abstention on Related Matters: In any Board proceedings involving transactions, evaluations, or remuneration policies where a related party has a direct or indirect personal interest, the affected directors are required to declare their interest and fully abstain from voting.

- Arm's Length Principles: All corporate transactions and fund operations managed by Zan Securities Limited are subject to strict arm's length principles, verified independently by our Custodian (NMB Bank PLC) and our external auditors.

7.0 DUE DILIGENCE BY THE MANAGER

It is confirmed that:

(a) the Offer Document forwarded to CMSA is in accordance with the Capital Markets and Securities Act, Cap 79 of the laws of Tanzania and the Capital Markets and Securities (Collective Investment Schemes) Regulations, 1997 [G.N No: 770 of 1997];

(b) all legal requirements connected with the launching of the ZAN TIMIZA ETF Scheme including guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with;

(c) The disclosures made in the offer document are true, fair and adequate to enable investors to make a well informed decision regarding investment in the proposed Scheme.

Date: 22nd May 2026

Mr. Raphael Masumbuko Chief Executive Officer

Place: Dar es Salaam

Signed by the Chief Executive Officer

8.0 OFFER DETAILS AND SCHEME FEATURES

8.1 The ZAN TIMIZA ETF – The Scheme and Investor Challenges it Addresses

The Zan Timiza Fund of Funds ETF (the "Fund") is an Exchange Traded Fund (ETF) structured as a Collective Investment Scheme (CIS), whose Units are listed and traded on the Dar es Salaam Stock Exchange in the same manner as ordinary shares.

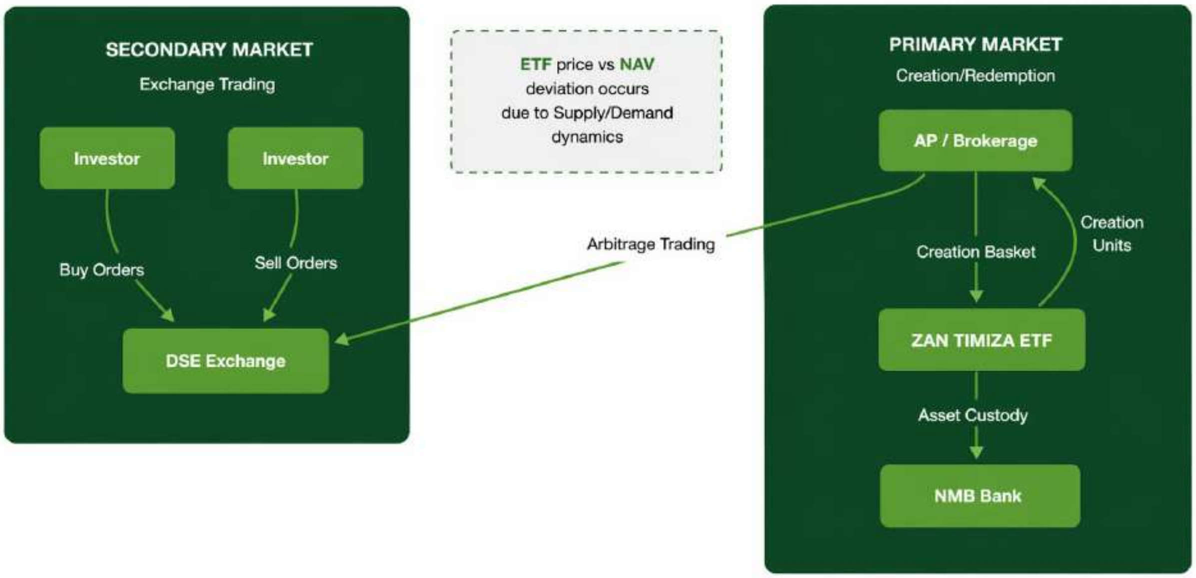
Unlike traditional ETFs that track a single index or basket of securities, this Fund adopts a fund of funds strategy, investing primarily in a diversified portfolio of well-performing collective investment schemes. This structure enables investors to gain exposure to multiple professionally managed funds through a single, liquid investment instrument.

Collective Investment Scheme (CIS) Selection Criteria and Methodology:

The Fund Manager selects underlying collective investment schemes through a structured due-diligence framework evaluating both quantitative and qualitative parameters: Quantitative Screening: Underlying funds must demonstrate a minimum continuous track record of three (3) years (or two years for money market funds), a minimum Assets Under Management (AUM) threshold, consistent risk-adjusted returns, and competitive Total Expense Ratios (TER). Qualitative Evaluation: The Manager assesses the underlying fund manager's licensing status with regional regulatory bodies (e.g., CMSA, CMA), investment governance, risk-management systems, custodian oversight, and historical distribution reliability.

8.2 Fund Structure

The Fund is established under a Trust Deed and operates within a robust governance framework comprising a Trustee and a Custodian Bank responsible for safeguarding the Fund's assets. The underlying portfolio consists primarily of selected high-performing funds, complemented by other eligible investments where appropriate.



Creation and Redemption Mechanism

The Fund operates a creation and redemption mechanism facilitated by Authorized Participants (APs). APs may create or redeem Units of the Fund in large blocks (Creation Units or Redemption Units), at Net Asset Value (NAV)-based prices.

These transactions may be settled through a basket of underlying fund investments and/or cash, as determined and published by the Fund Manager. This mechanism plays a critical role in ensuring that the market price of the ETF Units remains closely aligned to the Fund's underlying NAV.

Key Features and Advantages

- **Diversified Exposure**
  Investors gain access to a curated portfolio of well-performing funds across asset classes, enhancing diversification and reducing concentration risk.

- **Liquidity and Tradability**
  Units can be bought and sold on the Dar es Salaam Stock Exchange throughout the trading day at market-determined prices.

- **Professional Fund Selection**
  The Fund Manager actively allocates capital to underlying funds based on performance, risk management, and consistency of returns.

- **Transparency**
  The Fund's holdings and Net Asset Value are regularly disclosed, providing clarity to investors.

- **Cost Efficiency**
  The ETF structure reduces distribution and transaction costs compared to traditional investment channels, with cost savings passed on to investors.

- **Efficient Structure**
  The creation and redemption process minimizes the impact of large inflows and outflows on existing investors, enhancing overall fund efficiency.

8.2.1. Open-Architecture Authorized Participant (AP) & Market Maker Framework

An Authorized Participant is a licensed market intermediary that has the ability to directly create or redeem Units of the Fund in large blocks at NAV.

Role of the Authorized Participant

- Provide continuous liquidity in the secondary market by quoting competitive bid and offer prices.
- Perform a market-making function to ensure efficient price discovery and minimize price deviations from NAV.
- Support market stability by buying Units in times of excess supply and supplying Units during periods of high demand.
- Facilitate the creation and redemption process by delivering or receiving the prescribed basket of underlying fund investments and/or cash.
- Execute large subscription or redemption requests on behalf of institutional investors.
- Maintain an inventory of ETF Units to support smooth and efficient trading in the market

Independence

To safeguard the independence and integrity of the creation, redemption, and arbitrage mechanisms that align the market trading price with the Net Asset Value (NAV) per Unit, the Scheme operates an open-architecture AP structure.

- **Non-Exclusive Appointment**: While Zan Securities Limited acts as the initial designated Authorized Participant and primary market maker to ensure immediate operational readiness at listing, the AP agreement is strictly non-exclusive.
- **Onboarding Independent Market Intermediaries:** The Fund Manager shall actively onboard additional independent Licensed Dealing Members (LDMs) of the Dar es Salaam Stock Exchange (DSE) as Authorized Participants. Any CMSA-licensed broker-dealer that meets the capital

adequacy, clearing, and operational standards prescribed by the DSE and the Manager may execute an Authorized Participant Agreement.

- **Operational Separation of Functions:** Within Zan Securities Limited, the Asset Management division (responsible for portfolio management and NAV calculation) and the Brokerage/Trading division (responsible for market-making and AP order execution) shall maintain strict operational separation, including physical/digital information barriers (Chinese Walls) and separate reporting channels, to prevent conflicts of interest.

8.2.2. Permitted Investments

Subject to applicable laws, regulations, and approvals from the Capital Markets and Securities Authority (CMSA), and provided such investments remain consistent with the Fund's objective, the **Zan Timiza Fund of Funds ETF (the "Fund")** may invest in the following asset classes:

a) **Collective Investment Schemes (Primary Allocation)**
The Fund will primarily invest in a diversified portfolio of well-performing collective investment schemes, including money market funds, bond funds, balanced funds, and equity funds, both locally and within the East African Community (EAC), based on rigorous performance and risk assessment criteria.

b) **Listed Exchange Traded Funds (ETFs) and Similar Instruments**
Investments may be made in listed ETFs and other pooled investment vehicles that provide efficient exposure to diversified asset classes or specific strategies aligned with the Fund's objectives.

c) **Listed Equities (Strategic Exposure)**
The Fund may invest in listed equities on the Dar es Salaam Stock Exchange and other eligible EAC exchanges, primarily for liquidity management, tactical allocation, or to enhance returns.

d) **Cash and Money Market Instruments**
The Fund may hold cash and invest in short-term money market instruments, including fixed deposits with licensed financial institutions, for liquidity management purposes.

e) **Fixed income securities**
The fund may invest in high investment grade fixed income securities, such as Treasury bonds, Treasury bill and investment grade corporate bonds.

8.2.3. Initial Issue Expenses

All initial issue expenses of the Fund, including but not limited to marketing and advertising costs, printing, regulatory fees, and communication expenses, shall be borne by the Fund Manager, Zan Securities Limited, in its capacity as Sponsor and Manager of the Scheme. Accordingly, these costs shall not be charged to the Fund and will not impact investor returns.

8.2.4. Calculation of the Net Asset Value (NAV)

The Net Asset Value (NAV) of the Fund shall be calculated on a daily basis as follows:

1. **Determination of Assets**
   The fair value of all assets attributable to the Fund, including underlying fund investments, shall be determined in accordance with the valuation principles outlined in Section 3.6.
2. **Deduction of Liabilities**
   All liabilities of the Fund shall be determined and deducted in accordance with Regulation 6 of the Third Schedule of the CIS Regulations.
3. **NAV Per Unit**
   The NAV per Unit is calculated by dividing the net value of the Fund (total assets less total liabilities) by the total number of outstanding Units.

8.2.5. Valuation of the Assets of the Fund

The Fund shall be valued at the close of each Business Day. The Fund Manager shall ensure that all assets are valued in accordance with the following principles:

a) **Collective Investment Schemes**
Investments in underlying funds shall be valued based on the latest available Net Asset Value (NAV) published by the respective fund managers.

b) **Listed Securities**
Listed equities and ETFs traded on the Dar es Salaam Stock Exchange or other eligible exchanges within the EAC shall be valued at their closing market prices, adjusted for prevailing exchange rates where applicable.

c) **Cash and Deposits**
Cash holdings and deposits with financial institutions shall be valued at principal amount plus accrued interest.

d) **Other Assets**
Any other assets shall be valued in accordance with methodologies prescribed by the CMSA from time to time.

e) **Accounting Standards Compliance**
Where any valuation method conflicts with the requirements of IFRS 9 or other applicable International Financial Reporting Standards (IFRS), the provisions of IFRS shall prevail.

8.2.6. Trading on the Dar es Salaam Stock Exchange

Units of the Zan Timiza Fund of Funds ETF will be listed and traded on the Dar es Salaam Stock Exchange. Upon listing, investors may buy and sell Units of the Fund in the same manner as ordinary listed securities.

The trading price of ETF Units will be determined continuously during market hours based on prevailing market supply and demand. As such, the market price of the Units may trade at a premium or discount to the Fund's NAV per Unit, reflecting real-time market dynamics.

All transactions in the secondary market will be executed through licensed stockbrokers and dealers who are members of the Exchange. Settlement will occur through the Central Depository System (CDS) on a Delivery versus Payment (DvP) basis, in accordance with the rules and procedures of the Exchange.

Investors are required to maintain an active CDS account to hold and transact in ETF Units. Units purchased will be credited to the investor's CDS account and may be freely transferred or sold, subject to applicable regulations.

To support liquidity and efficient price discovery, the Fund will appoint an Authorised Participant (AP) or Market Maker responsible for providing continuous bid and offer quotes during trading hours.

8.3 Eligible Investors (Who May Invest in the Scheme)

The Fund is open for investment to all domestic and foreign investors including:

(a) Resident and non-resident citizens of Tanzania or partner states of the East African Community either individually or jointly. In the case of Joint Holding via the secondary market, operations, trading execution mandates, and title transfers are governed exclusively by the electronic account mandates and clearing regulations established by the Dar es Salaam Stock Exchange (DSE) and the investor's Licensed Dealing Member (LDM) within the CDS framework.

(b) parents or lawful guardians on behalf of resident or non-resident Tanzanians or East Africans who are yet to attain majority age;

(c) bodies corporate incorporated in Tanzania or East African partner states;

(d) local Government authorities;

(e) pension or social security funds incorporated in Tanzania or other East African partner states in which the sponsor is a body corporate incorporated in Tanzania or East Africa and the beneficiaries are citizens of East Africa;

(f) cooperative societies, charitable or religious trusts, other community based groups as well as investment clubs registered in any East African states in which non-citizen individuals or companies incorporated outside East Africa do not hold any equity;

(g) such other individual/ institution/body corporate etc. as may be decided by ZAN SECURITIES from time to time, so long as wherever applicable they are in conformity with Regulations by the Capital Markets and Securities Authority.

8.4 Holding Basis

Single as well as Joint Holding as opted by respective investors. However, Joint Holding is allowed only to individual category of investors.

8.5 Tenure of investment

The Scheme is open ended and one can remain invested as long as one desires.

8.6 Requirements for Admission into the Scheme

Every eligible person desirous of participating in the Scheme shall:

8.6.1 Primary Market Admission (Initial Sale Period): Applicants must complete the physical or electronic application form prescribed by the Manager and route cleared funds via authorized banking or mobile money collection channels.

8.6.2 Secondary Market Admission (Post-Listing): Investors are admitted automatically to the Scheme by acquiring listed Units on the DSE via a Licensed Dealing Member, requiring an active Central Depository System (CDS) account.

8.7 Minimum Investment Amount – Entry Value

- **TZS 20,000 (Twenty Thousand)**

Based on the initial Unit value of TZS 100 per Unit, the minimum subscription shall be 200 Units.

There shall be no maximum investment limit, and all valid applications shall be allotted in full, subject to compliance with the terms of this Offer Document.

8.8 Issue Price of ZAN TIMIZA ETF Units

8.8.1 Initial Sale

Units shall be sold at initial (face) value of TZS 100 per Unit without any upfront entry load.

8.8.2 Subsequent Secondary Market Pricing

Upon the expiration of the mandatory fifteen-day (15) Cool-off Period, the Scheme shall be open for continuous secondary market trading on the Dar es Salaam Stock Exchange (DSE) effective from October 07, 2026

Once subsequent secondary market trading commences, Units of the Fund shall no longer be issued or sold at a fixed par value. Instead, the purchase price of Units on the secondary market shall be determined continuously in real time based on prevailing market supply, demand, and order-book execution dynamics on the DSE trading floor.

While these transactions will execute at the live market price—which may trade at a premium or a discount to the Fund's intra-day net asset value —the Scheme itself shall levy no entry loads, upfront service fees, or manager-imposed distribution charges to arrive at the purchase price. Investors will interact with the market at competitive, market-cleared pricing, subject only to standard regulatory exchange fees as prescribed by the DSE.

8.9 Entry Load - Nil

Units of the Fund shall be issued / allotted without charging any entry load.

8.10 Exit Load - Nil

The Scheme levies no exit loads or redemption penalties. Retail and institutional investors exiting via secondary market sales on the DSE will transact at prevailing exchange market prices, subject only to brokerage commissions and standard regulatory exchange fees.

8.11 Timetable for the Initial Sale

The time table for the Initial Sale of ZAN TIMIZA ETF Units to the public is as follows:

Event	Date
Opening of the Offer	17th August, 2026
Closing of the Initial Sale	17th September, 2026
Completion of Register	24th September, 2026
Approval of Unit Investors Register	30th September, 2026
Announcement of Results	30th September, 2026
Submission of approved register to CSDR	30th September, 2026
Listing of the ETF on the Exchange	7th October, 2026
Opening of Trading	7th October, 2026

8.12 Initial Value and Sale / Repurchase Price

Initial value of a Unit of the Fund is TZS 100. The sale price during the initial offer will therefore be based on this value. Subsequent secondary market buy and sell transactions executed on the DSE shall be based on real-time, market-determined trading floor prices, while primary market creation and redemption blocks handled by the Authorized Participant shall be valued at the applicable business day's NAV.

8.13 Initial Issue Expenses

The followings are the initial issue expenses:

(a) advertising;

(b) commission to agents;

(c) printing and marketing expenses; and

(d) miscellaneous expenses.

These expenses will be charged to the sponsor of the Scheme. The Scheme will not be charged with any initial expenses.

8.14 Allotment of Units

There is no maximum target for the size of the Scheme and therefore, subject to the applications being in accordance with the terms of this offer, full and firm allotment will be made to the Unit holders. Units shall be allotted up to four decimal places. Allotment of Units shall be subject to the realization of invested amount by the Manager and the applicant fulfilling all eligibility conditions as set out in this Document.

8.15 Use of Proceeds and Investment Avenues

All gross cash proceeds raised during the Initial Sale Period targeting TZS 5,000,000,000 through will be deposited into the Scheme's Collection Account maintained with the Custodian, NMB Bank PLC. Because all initial formation, marketing, legal, regulatory, and issue expenses are 100% borne by the Sponsor and Manager (Zan Securities Limited), 100% of the gross proceeds raised will be deployed directly into investment assets without any deductions or upfront capital drag.

8.15.1 Use of Primary Issue Proceeds

All gross cash proceeds raised during the Initial Sale Period targeting TZS 5,000,000,000 through will be deposited into the Scheme's Collection Account maintained with the Custodian, NMB Bank PLC. Because all initial formation, marketing, legal, regulatory, and issue expenses are 100% borne by the Sponsor and Manager (Zan Securities Limited), 100% of the gross proceeds raised will be deployed directly into investment assets without any deductions or upfront capital drag.

8.15.2 Allocation across Investment Avenues

Following the closure of the Initial Offer and the mandatory 15-day Cool-off Period (ending October 02, 2026) the accumulated capital pool will be systematically deployed into the following permitted investment avenues in accordance with the Fund's Investment Policy:

1. **EAC Collective Investment Schemes (Primary Target: 50% | Range: 40%–80%):** Capital allocated into top-performing, high-liquidity Collective Investment Schemes (Money Market Funds, Fixed Income Schemes, and Equity Unit Trusts) operating across the East African Community (EAC).
2. **Direct Sovereign & Corporate Fixed Income (Target: 25% | Range: 10%–50%):** Capital deployed directly into Treasury Bonds, Treasury Bills issued by Central Banks within the EAC, and investment-grade listed corporate debt instruments to lock in baseline yields.
3. **Direct Listed Blue-Chip Equities (Target: 20% | Range: 0%–30%):** Tactical allocation into high-dividend, liquid equities actively traded on the Dar es Salaam Stock Exchange (DSE) and eligible EAC exchanges for long-term capital appreciation.
4. **Cash and Cash Equivalents Buffer (Target: 5% | Range: 2%–15%):** High-yield call deposits and short-term interest-bearing money market instruments held with licensed financial institutions to maintain daily settlement buffers and market-making liquidity.

8.16 Anti-Money Laundering (AML) and Know-Your-Customer (KYC) Compliance

The Manager, Trustee, and Custodian are strictly committed to complying with the Anti-Money Laundering Act (Cap 423 of the Laws of Tanzania), the Prevention of Terrorism Act, and the regulations issued by the Financial Intelligence Unit (FIU) and the Capital Markets and Securities Authority (CMSA).

8.16.1 Customer Due Diligence (CDD) during the Initial Sale Period

Every applicant subscribing for Units directly during the Initial Sale Period must satisfy statutory KYC requirements prior to unit allotment:

- **Individual Investors:** Submission of a certified copy of a valid government-issued photo ID (National ID/NIDA, Passport, or Voter ID), Tax Identification Number (TIN), bank account verification, proof of physical address, and mobile financial account details.
- **Corporate & Institutional Investors:** Certified copies of the Certificate of Incorporation, Memorandum and Articles of Association, Board Resolution authorizing the investment, TIN certificate, list of beneficial owners (holding $\geq 10\%$ equity/control), and IDs of authorized signatories.
- **Joint and Minors Accounts:** Full identification documentation for all joint holders, or birth certificate/guardian documentation for minors.

8.16.2 Secondary Market KYC (Central Depository System Framework)

For all subsequent secondary market purchases executed on the Dar es Salaam Stock Exchange (DSE), investor KYC verification is enforced at the point of onboarding by the investor’s Licensed Dealing Member (LDM) or custodian bank under DSE clearing rules and the Central Depository System (CDS) framework.

8.17 Initial Issue Expenses

The followings are the initial issue expenses:

(a) advertising;

(b) commission to agents;

(c) printing and marketing expenses; and

(d) miscellaneous expenses.

9.0 INVESTMENT POLICY

(a) The profile of the Scheme's investment is structured as an open-ended multi-jurisdictional Fund of Funds (FoF) balanced portfolio. To optimize geographic diversification, capture cross-border compounding opportunities, and defend against systemic vulnerabilities within regional markets, the Fund's asset allocation shall be managed within strict institutional guardrails.

The primary engine of the portfolio consists of top-performing collective investment schemes across the East African Community (EAC). This core exposure is structurally complemented by direct fixed income allocations to secure baseline yields, tactical exposure to listed blue-chip equities to drive capital appreciation, and a disciplined liquid cash buffer to facilitate seamless execution and manage secondary market stability. No investment in unlisted equity instruments or partly paid-up securities shall be made under any circumstances.

(b) The target asset allocation and strategic operational boundaries of the Fund, based on the provisions of the Deed of Trust, are defined as follows:

Item	**Asset Class**	**Target Allocation**	**Strategic Limits (Minimum / Maximum)**
i)	**EAC Collective Investment Schemes (CIS)**	**50%**	**40% – 80%**
ii)	**Fixed Income (Direct)**	**25%**	**10% – 50%**
iii)	**Listed Equities (Direct)**	**20%**	**0% – 30%**
iv)	**Cash & Cash Equivalents**	**5%**	**2% – 15%**

(c) Investment Strategies

The ZAN TIMIZA ETF's investment management philosophy is based on preservation of capital and generation of competitive returns to investors as priorities. Subject to approval of the Authority and in compliance with Regulations, the asset allocation indicated above may change from time to time in response to variations in market condition, emerging opportunities, political environment and economic factors. It should be noted that the percentages stated above are indicative and not absolute and may vary substantially depending upon the information the Manager has; the intention being at all times to seek to protect the interests of the Unit holders. Such changes in investment strategy will be short lived and only for defensive or specific considerations. ZAN SECURITIES shall seek approval from the Authority prior effecting any changes in the Investment Strategy.

10.0 PERFORMANCE BENCHMARK – BLENDED PERFORMANCE BENCHMARK

10.1 Blended performance benchmark

The performance of the Scheme shall be measured against a customized Blended Performance Benchmark, structurally aligned with the fund's multi-jurisdictional, balanced asset allocation strategy. This composite benchmark is calculated on a weighted basis, comprising 50% of the Weighted Average Return of Selected East African Community (EAC) Collective Investment Schemes to mirror the core Fund of Funds (FoF) engine, 25% of the regional Central Banks' 10-Year Sovereign Bond Index to reflect direct fixed-income allocations, 20% of the S&P East Africa Broad Market Index (BMI) to represent tactical listed blue-chip equity exposure, and 5% of the regional 91-Day Treasury Bill rate representing the liquid cash buffer. The benchmark is rebalanced periodically in lockstep with the strategic asset allocation boundaries defined under this Deed of Trust to ensure an accurate, risk-adjusted baseline for comparison.

This blended approach ensures strict regulatory compliance and provides unit holders with a transparent mechanism to evaluate the Fund Manager's tactical asset allocation and underlying scheme selection. By tracking a diversified regional basket across both equity and fixed-income asset classes, the benchmark serves as an authentic barometer for cross-border compounding opportunities and regional market stability. Performance reports published in the Scheme's fact sheets and annual financial statements will contrast the net asset value (NAV) growth of the Fund directly against this composite index to clearly demonstrate the realization of alpha.

Portfolio Component	Target Allocation	Strategic Investment Limit	Benchmark Proxy / Index Used
EAC Collective Investment Schemes (CIS)	**50%**	40% – 80%	Weighted Average Return of Peer EAC Collective Investment Schemes
Fixed Income (Direct)	**25%**	10% – 50%	Regional Central Bank 10-Year Sovereign Bond Index
Listed Equities (Direct)	**20%**	0% – 30%	S&P East Africa Broad Market Index (BMI)
Cash & Cash Equivalents	**5%**	2% – 15%	Regional 91-Day Treasury Bill Yield (Average)
Total Composite Benchmark	**100%**	—	**100% Blended Index Performance**

10.2 Benchmark Rebalancing & Alignment Methodology

To maintain continuous structural consistency between portfolio performance tracking and asset allocation, the composite benchmark shall be rebalanced using the exact same calendar-based and threshold-triggered rebalancing methodology detailed under Section 1.1.6 (Portfolio Rebalancing):

1. **Semi-Annual Calendar Rebalancing:** The composite benchmark weights shall be formally reviewed and reset back to their target baseline weights (50% CIS / 25% Fixed Income / 20% Equities / 5% Cash) semi-annually on June 30 and December 31, aligning with the Fund's reporting cycle.
2. **Threshold-Triggered Rebalancing:** In the event that market asset appreciation causes the portfolio's actual asset allocation to breach any of the strategic trigger bands defined in **Section 1.1.6 (B)** (e.g., CIS allocation dropping below 40% or exceeding 80%, or cash dropping below 2% or exceeding 15%), the composite benchmark weights will be re-aligned in lockstep upon portfolio execution.

11.0 RISK FACTORS AND STEPS TAKEN TO MITIGATE IDENTIFIED RISKS

Investors should note that investments in the Scheme are subject to market risks and the Net Asset Value of the Fund may go up or down depending upon the factors and forces affecting the securities market. Past performance is not necessarily indicative of the future. Investors should be aware that the following risks may affect performance and steps taken by the manager in mitigating identified risks.

11.1 Risks Relating to the Issuer (The Scheme and Manager)

11.1.1 Conflict of Interest and Concentration of Roles

- **Risk Explanation:** Zan Securities Limited serves in multiple capacities as Sponsor, Manager, Investment Advisor, and initial Authorized Participant/Market Maker. This concentration of roles presents potential operational conflicts between secondary market trading desk activities and overall fund administration.
- **Management & Control:**
    1. **Trustee Oversight:** The independent Trustee/Custodian (NMB Bank PLC) exercises dual-control oversight over all primary market creations and redemptions.
    2. **Open-Architecture AP Framework:** The AP structure is non-exclusive, allowing independent DSE broker-dealers to participate in creation/redemption arbitrage.

3. **Information Barriers (Chinese Walls):** Strict operational, digital, and physical separation is maintained between the trading desk and portfolio management teams.

11.1.2 Concentration Risk in Associate-Managed Schemes

- **Risk Explanation:** As a Fund of Funds, the Scheme may allocate capital into underlying collective investment schemes managed by Zan Securities Limited or its commercial associates, potentially creating concentration or self-dealing risks.
- **Management & Control:**
    1. **Mandatory Trustee Approval:** Any allocation to an associate-managed fund requires prior written consent from the Trustee (NMB Bank PLC) under Regulation 21.
    2. **Single-Scheme Cap:** Exposure to any single underlying scheme is capped at **20% of total AUM**, and exposure to any single fund management entity is capped at **30% of total AUM**.
    3. **Arm's-Length Auditing:** All related-party transactions are audited externally and disclosed transparently in semi-annual and annual reports.

11.1.3 Dual-Layered Fee Layering Risk

- **Risk Explanation:** Unitholders bear expenses at both the Scheme level (capped at 2.10% p.a.) and the underlying CIS level, which could result in fee drag on compounding returns.
- **Management & Control:**
    1. **100% Fee Rebate/Waiver on Associate Schemes:** Where the Scheme invests in internal or associate-managed funds, all underlying asset management fees are 100% waived or rebated back to the Fund.
    2. **Institutional Class Negotiated Rates:** For third-party schemes, the Manager negotiates wholesale/institutional fee classes.
    3. **Total Cost of Ownership (TCO) Cap:** The total combined friction (Scheme fees + underlying weighted fees) is monitored to ensure the overall TCO does not exceed 2.75% p.a. across the portfolio.

11.2 Risks Relating to the Market

11.2.1 Interest Rate Risk

- **Risk Explanation:** Changes in macroeconomic interest rates affect the valuation of direct fixed-income assets (Treasury bonds, corporate bonds) and underlying fixed-income unit trusts.
- **Management & Control:** The Manager actively mitigates interest rate volatility by laddering bond maturities across short, medium, and long-term tenors and balancing fixed-income assets with short-term money market term deposits.

11.2.2 Exchange Rate and Cross-Border Regional Risk

- **Risk Explanation:** The Fund is structured as a multi-jurisdictional Fund of Funds authorized to invest in top-performing EAC collective investment schemes and listed equities across regional partner states (e.g., Kenya, Uganda, Rwanda). Fluctuations in foreign exchange rates between the Tanzanian Shilling (TZS) and regional currencies (e.g., KES, UGX, RWF) or cross-border capital flow restrictions may impact the converted TZS valuation of non-domestic holdings.
- **Management & Control:**
    1. **Domestic Currency Baseline:** Primary portfolio assets, liquid buffers, and unit pricing remain denominated and settled in Tanzanian Shillings (TZS).
    2. **Regional Hedging & Allocation Caps:** Exposure to non-TZS regional asset classes is managed within strict tactical limits (maximum 30% of portfolio AUM).
    3. **FX Monitoring:** The Manager utilizes forward conversion monitoring and prioritizes regional funds that maintain internal currency hedging mechanisms.

11.2.3 Macroeconomic & Regulatory Risks

- **Risk Explanation:** Amendments to capital markets legislation, tax regimes (such as regional withholding taxes), or statutory CIS regulations could impact internal wealth accumulation.
- **Management & Control:** The Manager maintains continuous engagement with the Capital Markets and Securities Authority (CMSA), the Tax Authorities, and East African regulatory bodies to proactively adapt portfolio structures to regulatory changes.

11.3 Risks Relating to the Securities Being Offered (ETF Units & FoF Structure)

11.3.1 Underlying Fund Operational & Performance Risk

- **Risk Explanation:** The performance of the Scheme depends directly on the investment decisions, liquidity, and operational stability of the external underlying fund managers.
- **Management & Control:**
    1. **Rigorous Due Diligence:** Underlying schemes must pass a quantitative and qualitative screening process evaluating 3-year risk-adjusted returns, AUM size, manager track record, and operational governance.
    2. **Core-Satellite Diversification:** The portfolio maintains a 70%–80% defensive core in highly liquid institutional Money Market and Fixed Income schemes.

11.3.2 Secondary Market Premium / Discount to NAV and Tracking Risk

- **Risk Explanation:** While the underlying Net Asset Value (NAV) is calculated daily end-of-day, secondary market units traded on the Dar es Salaam Stock Exchange (DSE) execute at real-time market-cleared prices. Market supply and demand dynamics may cause units to trade at a premium or a discount relative to the intraday NAV per Unit.

- **Management & Control:**
    1. **Arbitrage Efficiency:** The primary creation and redemption mechanism allows Authorized Participants to execute block transactions at NAV, driving market prices back into tight alignment with NAV.
    2. **Daily iNAV / NAV Transparency:** The daily NAV is published widely before market opening across financial news outlets and the Manager's website to ensure efficient price discovery.

11.3.3 Dependency on Authorized Participant for Secondary Market Liquidity

- **Risk Explanation:** Retail and general investors rely on secondary market liquidity on the DSE trading floor. If the designated Authorized Participant fails to provide continuous bid-ask quotes or experiences operational disruption, market liquidity and trading throughput could be temporarily restricted.
- **Management & Control:**
    1. **Contractual Market-Making Obligations:** The AP agreement enforces explicit continuous quoting obligations and maximum bid-ask spread limits during market hours.
    2. **Open-Architecture AP Onboarding:** The Manager is actively authorized to onboard additional CMSA-licensed broker-dealers as APs to eliminate single-intermediary dependency.
    3. **Mandatory Cash Buffer:** The Scheme maintains a 2% to 15% liquid cash and cash equivalents buffer to support primary block settlement without disturbing underlying holdings.

11.3.4 Liquidity Risk

- **Risk Explanation:** The Scheme is exposed to liquidity risk, which arises from the potential difficulty of liquidating assets rapidly at or near their fair value to meet unexpected, large-scale primary block redemption requests or secondary market rebalancing requirements. Given the Fund's structure as a multi-jurisdictional Fund of Funds (FoF), this risk manifests across its core allocations depending on secondary market trading volumes and execution cycles of underlying EAC schemes.
- **Management & Control:**
    1. **Liquidity-Tiering Framework:** The Fund Manager enforces a strict liquidity-tiering framework ensuring that **at least 60% of total portfolio assets can be liquidated within 48 hours** to manage primary block redemptions and market adjustments smoothly.
    2. **Mandatory Cash Buffer:** Liquidity is managed structurally through a mandatory **2% to 15% cash and cash equivalents buffer** held in high-yield call accounts and short-term Treasury bills to absorb daily redemption volatility without disrupting core holdings.
    3. **High-Quality Asset Selection:** Investments are restricted strictly to highly liquid, top-performing underlying schemes, sovereign Treasury bonds, and listed blue-

chip equities, while unlisted equities and partly paid-up securities are completely prohibited.

4. **Staggered Maturities:** The Manager optimizes cash flows by laddering and staggering the investment horizons of direct fixed-income assets to align with historical redemption patterns.

12.0 CHARGES TO THE SCHEME

The income of the Scheme will be charged with costs to a maximum of 2.1% of NAV including:

(a) taxes as per the rates applicable;

(b) investment management fee at 1.3% of NAV;

(c) custodian fees at 0.05% of NAV with the minimum of TZS 200,000 per annum;

(d) other charges at 0.75% of NAV. These include common charges in the normal course of business such as bank charges, marketing and selling expenses, transaction costs pertaining to the distribution of Units, audit fee, costs related to investors communication, costs for providing account statements and income/redemption payments.

In case the other charges exceed 0.75% of NAV, the amount in excess will be borne by the Manager.

13.0 CHARGES TO INVESTORS

No entry fees are charged during the initial offer period. However, subsequent secondary market trading will incur standard DSE transaction charges.

14.0 ACCOUNTING POLICIES

14.1 Accounting Policies

14.1.1 Income Recognition

(a) In respect of interest–bearing investments, such as term deposits, income is recognized on accrual basis;

(b) profit or loss on sale of investments is recognized on the sale date on the basis of weighted average cost;

(c) the difference between carrying cost and maturity value of Treasury Bills and other long term discounted instruments is treated as income over the remaining life of the instrument on yield to maturity (YTM) basis. For short-term investments, valuation will be on amortization basis. Both shall, however, be reported in the annual financial statements in compliance to the International Financial Reporting Standards Number 7 on financial instruments (IFRS 7) as required by the National Board of Auditors and Accountants (NBAA);
(d) other income is accounted for on receipt basis.

14.1.2 Expenses

Expenses are accounted for on accrual basis.

14.1.3 Investments

(a) Investments are stated at cost or written down cost.
(b) In case of secondary market transactions, investments are recognized on trade dates.
(c) Subscription to primary market issues is accounted as investments, on allotment.
(d) Investments in Treasury bills, Government bonds, corporate bonds and term deposits are transferred to current assets on the redemption / due date.
(e) The cost of investments includes brokerage and any applicable taxes and stamp fees.

14.1.4 Impairment and Valuation of Financial Assets (IFRS 9 Alignment)

In accordance with International Financial Reporting Standards (IFRS 9: Financial Instruments) and the investment restrictions under Section 28.5(c), the Scheme invests strictly in listed equities, liquid Collective Investment Schemes (CIS), sovereign Treasury bonds/bills, and high-grade corporate debt securities. The Scheme does not engage in direct lending, private debt, or partly-paid illiquid arrangements.

Financial assets are assessed for impairment and valuation as follows:

- **Fair Value Through Profit or Loss (FVTPL):** Listed equities, listed Exchange Traded Funds, and underlying Collective Investment Scheme (CIS) units are held at fair value based on daily closing market prices or published Net Asset Values (NAVs). Realized and unrealized gains/losses are recognized directly in the Statement of Comprehensive Income.
- **Expected Credit Loss (ECL) Model:** Fixed-income assets (such as Treasury bonds, Treasury bills, and corporate debt) held at amortized cost are evaluated using the IFRS 9 three-stage Expected Credit Loss (ECL) model:

- **Stage 1 (Performing):** Securities with no significant increase in credit risk since initial recognition require a 12-month ECL allowance.
- **Stage 2 (Underperforming):** Securities that experience a significant increase in credit risk (e.g., credit rating downgrade) require a lifetime ECL allowance.
- **Stage 3 (Credit-Impaired):** If a corporate debt issuer defaults on a contractual coupon or principal payment, the asset is classified as credit-impaired. Interest accrual ceases immediately, and full lifetime expected credit losses are recognized based on market recovery value.

14.1.5 Reversal of Impairment Allowances

Any subsequent reversal of an ECL allowance or recovery of a previously impaired debt security is credited directly to the Statement of Comprehensive Income in accordance with IFRS 9 provisions.

14.1.6 Restructured Traded Debt Instruments

In the event of an exchange-wide or issuer-driven debt restructuring (such as a sovereign debt exchange offer or corporate bond restructuring), the revised security shall be re-valued at its prevailing fair market value or discounted cash flow yield on the effective date of the restructuring. Where fair value cannot be reliably determined, IFRS 9 impairment testing shall apply.

14.1.7 Valuation of Financial Assets

Traded investments are valued at the closing market rates on the valuation date and in its absence, the latest available quote within a period of 30 days prior to the valuation date. If no quotes are available for a period of 30 days prior to valuation date, the same is treated as non-traded investment. When a debt security is not traded on any stock exchange on any particular valuation day, the value at which it was traded on the principal stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 15 days prior to the valuation date. When a debt security is purchased by way of private placement, the value at which it was bought may be used for a period of 15 days beginning from the date of purchase.

In case of listed debentures and bonds, the market rate, being cum-interest, the same is adjusted for the interest element if any.

Valuation of non-traded / thinly traded debt securities are as follows:

(i) debt securities where the time of purchase the residue maturity is up to 364 days:

debt securities purchased with residual maturity of up to 364 days is valued at cost (including accrued interest till beginning of the day) plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument;

(ii) debt securities where at the time of purchase the residual maturity is of more than 364 days:

in case of debt securities where the maturity is greater than 364 days at the time of purchase, the last valuation price (i.e. price prevalent on the 365th day) plus the amortized value up to the date of valuation is used instead of purchase cost as given in the methodology stated at (i) above.

(iii) Valuation of Investments in Other Collective Investment Schemes (CIS)

- NAV-Based Valuation: Investments held by the Fund in units or shares of other collective investment schemes (such as external unit trusts or mutual funds) shall be valued at the latest available Net Asset Value (NAV) per unit as declared by the respective fund managers or administrators on the valuation date.
- Absence of Current NAV: In the event that a declared NAV is unavailable on the exact valuation date, the latest published or officially confirmed NAV within the preceding 15 days shall be utilized.

15.0 NOMINATION FACILITY

(a) Nomination facility is available under the Scheme;
(b) where the Units are held by more than one person on joint basis, such Unit holders may together nominate a person in whom all the rights in the Units shall vest in the event of death of all the joint Unit holders;
(c) Non-individuals cannot nominate;
(d) Existing nomination (if any) in respect of the Units stands rescinded upon the transfer of Units, however the transferor is entitled to nominate a person of his/ her choice;
(e) cancellation of nomination can be made only by those individuals who hold Units on their own behalf singly or jointly basis. On cancellation of the nomination the nomination shall stand rescinded and the Manager shall not be under any obligation to transfer the Units in favor of the nominee;
(f) only one person, including minors (to be represented by a guardian), can be nominated per application form;
(g) on registration of nomination, a suitable endorsement shall be made on the Statement of Account or in the form of a separate letter as decided by the Manager;
(h) nomination can be changed by the Unit holder/s at any time during the currency of the investment;

(i) where a nomination in respect of any Unit has been made, the Units shall, on the death of the member; vest in the nominee and on compliance of necessary formalities, the death claim shall be settled in favor of the nominee in respect of the Units so vested, subject to any charge or encumbrance over the said Units
(j) the nomination facility extended under the Scheme is subject to the existing laws. In the provision of this ZAN TIMIZA ETF the Manager is not in any way attempting to grant any rights other than those granted by law to the nominee;
(k) In the event of dispute between heirs and consequent litigation in that behalf, resulting in a court order directing devolvement on a basis different from the one indicated in the nomination, then such court order would prevail over the nomination and to that extent, the nomination facility is not final.

16.0 ACQUISITION OF UNITS

16.1 When Units May be Acquired

Units may be bought on any Business day during the Initial Sale period and/or immediately after the lapse of "cool off period" as specified, for Subsequent Sale thereafter Units may be bought freely on the DSE on any official business trading day of the exchange, independent of internal administrative register cleanups managed by the Fund Manager. The Initial Sale shall take place from 17th August to 17th September 2026

(a) The application form for acquisition of Units and the Scheme Offer Document are available from authorized agents or can be downloaded from ZAN SECURITIES website: www.zansec.co.tz.
(b) Investors are permitted to submit multiple applications during Initial Sale period.

16.2 Where Units May be Acquired

During Initial Sale as well as Subsequent Sale period, Scheme Units can be acquired through any of the following authorized entities:

(a) Any of the branches of NMB Bank PLC

(b) The offices of the Licensed Dealing Members of the Dar es Salaam Stock Exchange the list is included in appendix (i)

16.3 Investing in ZAN TIMIZA ETF from other countries

Investors wishing to invest in ZAN TIMIZA ETF from other countries may do so through Licensed Custodians in Tanzania or may contact any of the Licensed Dealing Members of the Dar es Salaam Stock Exchange. They may also contact Zan Securities Limited to obtain additional information or guidance.

17.0 PAYMENT FOR ACQUISITION OF UNITS

17.1 Payment Architecture During the Initial Sale Period

During the Initial Sale Period (17th August 2026 to 17th September 2026) , all applications for the primary issuance of Units must be accompanied by payment in full for the specified number of Units applied for. Payment shall be accepted exclusively in Tanzanian currency through the following authorized primary channels:

- **Banking Channels:** Tendering cash or a Tanzanian Shilling (TZS) denominated banker's cheque or electronic funds transfer (EFT/TISS) acknowledged by the Custodian and made payable to the **“ZAN TIMIZA ETF Collection Account”** maintained at NMB Bank PLC.
- **Mobile Financial Services (MFS):** Electronic payments securely routed via registered mobile money platforms, utilizing the designated USSD codes and business short-codes for **M-Pesa, Tigo Pesa, and Airtel Money**.
- **Cross-Border Primary Subscriptions:** Investors applying from outside the United Republic of Tanzania must route primary subscription funds through a licensed custodian bank in Tanzania or utilize a Licensed Dealing Member (LDM) of the Dar es Salaam Stock Exchange (DSE) to facilitate the wire transfer of cleared funds into the Scheme's collection account prior to the closing date.

No primary application money shall be paid to any unlicensed market intermediary. The contract for the primary issuance of Units shall be deemed concluded on the formal Acceptance Date within the Initial Sale window, subject to the cleared realization of funds by the Manager.

17.2 Payment Architecture for Subsequent Secondary Market Purchases

Subsequent to the closure of the Initial Sale Period and the expiration of the mandatory Cool-off Period, the primary collection accounts, mobile money billing codes, and direct subscription channels shall be permanently deactivated for retail investor capital collection.

From 7th October onwards, payment for all additional investments and subsequent purchases of Units cannot be made directly to the Manager or Custodian. Instead, payment must be executed in full through the clearing and settlement systems of the Dar es Salaam Stock Exchange (DSE).

Purchasing investors must fund their trading accounts held with their respective Licensed Dealing Member (LDM) or stockbroker in accordance with standard DSE broker-client agreement terms. Settlement of secondary market transactions shall occur electronically on a Delivery versus Payment (DvP) basis via the Central Depository System (CDS). The consideration price for such transactions shall comprise the market-determined execution price of the Units on the DSE trading floor plus standard regulatory broker commissions and exchange fees.

17.3 Ring-Fencing of Subscription Monies & Investment Timelines

In strict compliance with Regulation 21 of the Capital Markets and Securities (Collective Investment Schemes) Regulations, GN No. 770 of 1997, all primary application and subscription funds received during the Initial Sale Period (17th August to 17th September 2026) shall be deposited and held securely in a separate, dedicated ring-fenced collection account under the exclusive custody of the Custodian, NMB Bank PLC.

- Prohibition of Early Deployment: No portion of the subscription monies shall be invested, deployed into underlying securities, or otherwise drawn down prior to the formal conclusion of the Initial Sale Period and the completion of full unit allotment at the initial issue price of TZS 100 per Unit.
- Deployment Upon Allotment: Following the formal closure of the Initial Offer on 17th September 2026, the reconciliation of cleared funds, and the allotment of Units to successful applicants, the Custodian shall transfer the net subscription proceeds into the Fund's operational investment account for deployment in accordance with the Scheme's Investment Policy.

18.0 LIQUIDITY – SUBSEQUENT SALE AND REPURCHASE OF ZAN TIMIZA ETF UNITS

Units of the ZAN TIMIZA ETF are intended to be very liquid. The Manager will facilitate sale and Repurchase of the Units so that investors may invest and exit the Fund as per their financial requirements.

18.1 Subsequent Secondary Market Transacting and Liquidity

Following the formal closure of the Initial Offer Period on 17th September, the primary channel for all subsequent investments and divestments by individual and institutional investors shall shift exclusively to the secondary market.

From 7th October onwards, the Scheme will not accept direct, fragmented primary applications or additional cash subscriptions from retail investors through mobile money or banking channels. Instead, all additional investments, subsequent purchases, and subsequent sales of ZAN TIMIZA ETF Units must be executed electronically through the Dar es Salaam Stock Exchange (DSE).

Investors seeking to increase their holdings or exit their positions must route their orders through a Licensed Dealing Member (LDM) or stockbroker licensed by the Capital Markets and Securities Authority (CMSA) and registered with the DSE. Transactions will be cleared and settled on a Delivery versus Payment (DvP) basis via the investor's active Central Depository System (CDS) account in strict accordance with the operational rules, board lot specifications, and trading procedures of the exchange.

While the underlying Net Asset Value (NAV) of the Scheme will continue to be calculated and published daily by the Manager, the execution price of all subsequent transactions on the secondary market will be determined continuously in real-time based on live market supply, demand, and order-book dynamics on the DSE trading floor. Consequently, secondary market transactions may execute at a market price representing a premium or a discount to the prevailing NAV per Unit. Continuous market liquidity and tight bid-ask spreads will be structurally supported during trading hours by the designated Authorized Participant, Zan Securities Limited, acting in its capacity as the primary market maker.

19 INCOME DISTRIBUTION

Operating strictly as an accumulation vehicle, the Fund enforces a non-distribution policy to maximize the velocity of compounding wealth. Rather than distributing cash payouts to unitholders, all dividends harvested from direct equities, coupons from fixed income securities, and distributions from underlying unit trusts are systematically and immediately swept back into the Fund's capital pool for automated reinvestment into high-conviction assets. This structure, supported by a strict liquidity-tiering framework ensuring at least 60% of assets can be liquidated within 48 hours to manage redemptions smoothly, protects the portfolio from unnecessary cash drag and ensures capital remains fully deployed across the EAC capital markets.

20 TRANSFER OF UNITS

Units issued under the Scheme and listed on the Dar es Salaam Stock Exchange (DSE) are freely transferable corporate securities, subject to the provisions of the Capital Markets and Securities Act, the DSE Trading Rules, and the Central Depository System (CDS) Regulations. Following the listing of the Scheme, the manual registry maintained by the Manager shall be synchronized with the Central Depository System. Consequently, any commercial or market-driven transfer of ownership from a selling Unit holder to a purchasing investor shall be executed automatically upon the electronic matching and settlement of trades on the DSE trading floor. Legal title transfers occur electronically on a Delivery versus Payment (DvP) basis within the CDS framework. For non-commercial or off-market transfers including but not limited to the settlement of death claims, estate distribution, corporate restructurings, or compliance with a valid court order—the transfer shall not be executed manually by the Manager. Instead, such transfers must be lodged with and processed by a licensed depository participant or directly through the DSE and the CDS registry operator, in accordance with standard statutory procedures for listed securities. The Manager will only recognize transfers that have been cleanly processed, settled, and updated within the official electronic CDS ledger. Partial electronic transfers of an investor's unit balance are fully permitted under the exchange lot rules

21.0 ASSOCIATE TRANSACTIONS AND CONFLICT OF INTEREST MITIGATION

To ensure that investment decisions remain strictly in the exclusive interest of Unit holders, any potential investment in collective investment schemes managed by the Manager, Sponsor, or their commercial associates shall be governed by the following mandatory safeguards: Prior Written Approval of the Trustee: In accordance with Regulation 21, any transaction or investment allocation involving a scheme managed by the Manager or an associate entity requires prior written consent from the independent Trustee/Custodian (NMB Bank PLC). Prohibition of Double-Dipping (Fee Elimination): Where the Scheme invests in an underlying unit trust or collective investment scheme managed by Zan Securities Limited or its associates, the Fund Manager shall waive or rebate all underlying asset management fees. The Manager shall not charge double management fees on the portion of capital deployed into internal or associated schemes. Fair Allocation & Arm's-Length Standard: Selection of underlying schemes—whether internal or third-party—shall be conducted purely on a commercial, arm's-length basis governed by the Fund's Investment Policy criteria (historical track record, risk-adjusted returns, and liquidity profiles). Arm's-Length Reporting to CMSA and Unitholders: All associate transactions and holdings shall be explicitly disclosed in the semi-annual and annual reports sent to Unitholders and submitted to the Authority.

22.0 "INVESTOR GRIEVANCE" REDRESSAL

The Manager believes in providing investors with a superior service so as to make the investor's experience of dealing with the Scheme an efficient and satisfactory one. In order to achieve these goals, ZAN SECURITIES endeavors to continuously establish and upgrade systems to handle all investor service transactions efficiently and resolve investor grievances (if any) promptly.

Accordingly, in case of grievances, investors may refer them to:

The Chief Executive Officer

Zan Securities Limited

P O Box 5366,

Dar es Salaam

Tel: +255 22 2103433

E-mail: info.dsm@zansec.co.tz

A special "Investor Complaint Form" is available at the ZAN SECURITIES, designated agents as well as on the Website www.zansec.co.tz

23.0 DETERMINATION OF NET ASSET VALUE

NAV of the Scheme shall be calculated by determining the value of the Scheme's assets and subtracting there-from the liabilities of the Scheme taking into account, the accruals and provisions. The NAV per Unit is calculated by dividing the NAV of the Scheme by the total number of Units issued and outstanding under the Scheme on the date of calculation.

The Scheme will declare its 1st NAV not later than 10 Business days from the Initial Sale closure date and thereafter on daily basis as follows:

(a) NAV shall be issued to the press for publication on every working day;

(b) NAV shall be published on the website of the Dar es Salaam Stock Exchange (DSE) i.e dse.co.tz

(c) The NAV shall also be available on the website of ZAN SECURITIES (www.zansec.co.tz);

(d) If on any valuation day, market information used in carrying out valuation is not available due to public holiday or any other reason, the information of the previous Business day shall be taken for the purpose of NAV calculation.

24.0 UNIT HOLDERS RIGHTS AND SERVICES

(a) Unit holders under the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme and to the income declared by the Scheme;
(b) Unit holders have the right to ask ZAN SECURITIES any information which may have an adverse bearing on their investments and ZAN SECURITIES shall be bound to disclose such information to the Unit holders;
(c) a summary of the annual report in respect of the Scheme shall be made available to Unit holders not later than four months from the date of closure of the relevant Accounting Year and be made available for inspection at the office of ZAN SECURITIES and branches of NMB Bank Plc;
(d) the financial year of the Scheme shall close on 31st December of every individual year;

(e) Semi-annual reports shall be published in Newspapers of wide circulation in Tanzania and posted on ZAN SECURITIES website not later than two months after the period in which they relate;
(f) In the event of a change to fundamental attributes, Unit holders shall be granted a window to liquidate their holdings freely via the secondary market, structurally supported by the continuous liquidity and market-making obligations of the designated Authorized Participant
(g) Unit holders have the right to inspect the following documents at the offices of ZAN SECURITIES free of charge at all times during normal working hours at its place of business
    i. The Act
    ii. The Capital Markets and Securities (Collective Investment Schemes) Regulations 1997 [G.N No: 770 of 1997];
    iii. The Deed of Trust of the ZAN TIMIZA ETF;
    iv. The Offer Document of the ZAN TIMIZA ETF;
    v. The Companies Act Cap 212.

25.0 TAXATION

The information provided below is only for purposes of providing general information to Unit holders. In view of the individual nature of tax consequences, each Unit holder is advised to consult his own legal or tax adviser with respect to specific tax implications arising out of his/her participation in the Scheme.

As per taxation laws in force on the date of this Offer Document, the tax implications of the Scheme are as follows:

(i.) income from Government bonds whose tenure is above two years is tax exempt;
(ii.) withholding tax on interest from all other bonds, treasury bills and bank deposits is 10% and is final;
(iii.) Because the Scheme operates strictly as an accumulation vehicle, it does not distribute cash payouts to investors. Long-term capital growth realized upon selling Units on the DSE secondary market is subject to prevailing tax laws on listed securities trading
(iv.) gains arising from sale or maturity of listed bonds are tax exempt.

26.0 TERMINATION OF THE SCHEME

The Scheme may be terminated if:

(a) if it is so resolved at the extra ordinary general meeting;

(b) pursuant to section 122 and 124 of the Act.

27.0 GENERAL INFORMATION

(a) Applications for the issuance of Units under the following circumstances are liable to be rejected by the Manager if:
   i. an application is received with an amount less than the minimum amount of investment prescribed from time to time;
   ii. an application has not been signed by an applicant;
   iii. an applicant is not eligible to invest in the Scheme;
   iv. The cheque deposited along with the application is rejected and payment is not received by the Manager.

(b) any decision of ZAN SECURITIES about the eligibility or non-eligibility of a person to make an application under the Scheme shall be final subject to the approval by the Authority. Refund of application money in a rejected case will be made after the requisite operational and other procedural formalities are complied with and at the cost of the applicant and the Manager not incurring any liability whatsoever for interest or any other sum(s);

(c) all applications will be reviewed by the Manager in relation to objectives of the Scheme and allotment will be based upon criteria that will be approved by the Authority;

(d) Unit holders who come to hold Units under a false declaration/certificate shall be liable to have their ownership of the Units cancelled and their name removed from the register of Unit holders. In such cases, the Manager shall have the right to repurchase the outstanding Unit holding at the offer price or at NAV whichever is lower, after deducting a sum equal to 10% of the Repurchase price as penalty.

28.0 ABSTRACT OF SIGNIFICANT PROVISIONS OF THE DEED OF TRUST FOR ZAN TIMIZA ETF

28.1 Compliance by Manager and the Custodian

(a) ZAN SECURITIES as Manager and NMB BANK PLC as Custodian shall in all manners act as required of them by the terms of this Offer Document and the Act;

(b) the Manager shall have the power and competencies as set out in its constitutive document and shall subject to the provisions of this Offer Document be entitled to make arrangements necessary to carry into effect the objects, investment policy and provisions of the ZAN TIMIZA ETF;

(c) neither the Manager nor the Directors thereof shall either directly or indirectly derive any pecuniary advantage or personal interest from the acquisition or sale by the Manager of any securities or property intended for the purpose of the "ZAN TIMIZA FUND OF FUNDS EXCHANGE TRADED FUND";

(d) the Custodian shall exercise all the powers necessary to protect the interest of Unit holders

under the Deed of Trust;

(e) the Custodian shall not have or acquire an interest in any agreement or transaction which has

conflicting interests with the Scheme or concerning an underlying security or property.

28.2 Limit of Liability for Unit Holders

Unit holders under the Scheme are not liable to make any further payment after they have paid the purchase price towards the purchase of Units and no further liability shall be imposed by the Manager or Custodian on them in respect of the Units which they hold.

28.3 No Exemption of Liability for Manager and the Custodian

The Manager and the Custodian of the Scheme shall not be exempted from any liability to holders unopposed under the laws of Tanzania or breaches of trust through fraud or negligence nor may they be indemnified against such liability by holders or at holder's expense.

28.4 Interest of Unit Holders into the Property of the Scheme

(a) The property of the Scheme consists of the investment amount as well as all income and rights arising out of application of the investment amount;

(b) the property of the Scheme is held by the Custodian in trust for the holders of the Units pari- passu according to the number of Units held by each holder. All sums to be distributed to Unit holders are held by the Custodian on trust to distribute or otherwise apply them in accordance with the Deed or the Act;

(c) in no event shall a Unit holder have or acquire any rights against the Manager or Custodian except as expressly conferred upon such Unit holder by the Deed of Trust.

28.5 Investment and Borrowing Restrictions

(a) The Scheme shall not borrow;

(b) the investment policy of the Manager shall be aimed at investing at fair prices in a balanced

spread in fixed income securities in order to achieve the stated objectives of the Scheme;

(c) the Manager shall not invest Scheme property in securities which are partly paid up or which in other ways are likely to incur any liability for the Scheme;

(d) investment of Scheme property shall be effected in accordance with regulations prescribed by the Authority from time to time and in line with the Scheme investment policy as outlined hereunder:

(e) To ensure the portfolio retains its primary identity as a Fund of Funds while preserving the flexibility to capture direct market opportunities and secure baseline yields, assets are managed within the following strategic boundaries:

Asset Class	**Target Allocation**	**Strategic Limits (Min / Max)**	**Operational Guidance**
EAC Collective Investment Schemes (CIS)	**50%**	40% – 80%	The primary engine of the FoF. Includes Money Market, Fixed Income, and Equity Unit Trusts within the EAC.
Listed Equities (Direct)	**20%**	0% – 30%	Direct exposure to blue-chip equities listed on regional exchanges (e.g., DSE, NSE, USE, RSE).
Fixed Income (Direct)	**25%**	10% – 50%	Direct investments in Government Treasuries and high-quality corporate bonds to secure baseline yield and liquidity.

Cash & Cash Equivalents	**5%**	2% – 15%	Held in high-yield call accounts or T-bills for regional settlement and redemption buffers.

(iii) Investment Strategies

The ZAN TIMIZA ETF is an institutional-grade, open-ended collective investment scheme structured to maximize long-term capital compounding across regional markets. Designed to comply with regional regulatory standards like the Capital Markets and Securities Authority (CMSA) guidelines, the Fund targets a balanced asset allocation consisting of a 50% core allocation in EAC Collective Investment Schemes (CIS), 25% in direct fixed income, 20% in direct listed equities, and a 5% liquid cash buffer. This multi-jurisdictional structure optimizes geographic diversification while addressing the regional realities of cross-border capital movement and currency volatility.

To shield investors from systemic vulnerabilities, the portfolio operates within a strict risk-management matrix and a dual-engine Core-Satellite investment strategy. Fund selection is split between a defensive "Core" of highly liquid, large-scale institutional Money Market Funds (70%–80% of CIS allocation) and a high-growth "Satellite" component of active, cross-border equity schemes. Portfolio concentration guardrails strictly cap exposure to any single underlying scheme at 20% of Assets Under Management (AUM) and limit single asset management company exposure to 30% of AUM, while direct single-stock allocations are restricted to 5% to eliminate single-issuer risks.

28.6 Valuation of Assets and Pricing

28.6.1 Valuation of assets

Investments held by the Scheme shall be valued by considering the following:

(a) The latest closing prices of listed shares including cross listed companies as on every working day.
(b) amortised cost basis for fixed income securities for which the objective is to collect cashflows or by taking the latest “yield to maturity” for listed fixed income securities provided that these securities are actively traded (i.e. at least twice every month) after taking into account of tax liabilities arising from such an investment;
(c) for listed but not actively traded (as per the prescribed limits) fixed income securities the valuation method is “yield to maturity” using comparable traded securities adjusted to accommodate risk and illiquidity factors while making an adjustment for tax;
(d) amount of principal and accrued interest less tax on interest earning deposits;
(e) where instruments have been bought on “repo” basis, the instrument must be valued at the resale price after deduction of applicable interest up to date of resale. If the Repurchase price exceeds the value, the credit must be taken for appreciation and if the Repurchase price is lower than the value, depreciation must be provided for;

(f) Such other criteria or methods as may be prescribed by the Authority from time to time.

Note: “In the event that any of the accounting procedures outlined under this clause 28.6.1 is not in compliance with the treatment required under International Financial Reporting Standards (IFRS) on financial instruments, the treatment and reporting requirements of IFRS shall prevail.”

28.6.2 Pricing of Assets

The Scheme shall utilize daily end-of-day valuation to determine its official Net Asset Value (NAV) for portfolio accounting, financial reporting, and primary market block creations/redemptions by Authorized Participants. However, for all secondary market trading transactions executed by retail and institutional investors on the Dar es Salaam Stock Exchange (DSE), units shall be traded at continuous, real-time prices determined by market supply and demand dynamics on the exchange floor.

28.7 Dealing, Suspension and Deferral of Dealing

The Scheme provides continuous intraday liquidity, with dealing occurring automatically on every official trading business day of the Dar es Salaam Stock Exchange (DSE). Any price offer which the manager or the distribution company quotes or publishes shall be the maximum price payable on purchase and any redemption price shall be the net price receivable on redemption.

28.7.1 Circumstances under which Dealing can be Deferred or Suspended

(a) the Manager shall not carry out sale or Repurchase of Units during the Cool off Period not exceeding fifteen days from the Initial Sale closure date;
(b) the Manager shall with the approval of the Authority suspend Repurchase of Units in the event of exceptional circumstances;
(c) the Manager may, with the absolute written consent of the Trustee and prior notification to the Authority, defer primary market creation or redemption requests by Authorized Participants if total primary block redemptions submitted exceed 10% of the Scheme's total outstanding Unit Capital within a single dealing day.
(d) sale and Repurchase operations shall not be carried out by the Manager during the books closure period (if any).

28.7.2 Settlement of Secondary Market Sales

Liquidity for secondary market investors is realized via the immediate execution of sell orders on the DSE trading floor. Clearing and settlement of these secondary transactions are executed on a Delivery versus Payment (DvP) basis through the Central Depository System (CDS) in accordance with standard DSE clearing cycles. Direct cash redemptions and the 3-to-10 business day processing window are restricted exclusively to institutional-sized blocks managed via the primary market agreement with the Authorized Participant."

28.8 Appropriation of Income

No amount shall be deducted from the income or capital of the Scheme other than compulsory fiscal charges, applicable taxes, statutory audit fees, and approved scheme expenses as explicitly disclosed under Section 28.9.3. All such deductions shall be made in consultation with the Custodian and Auditor, subject to the overall inclusive cap of 2.10% of NAV per annum.

28.9 Fees and Charges

28.9.1 Initial Charge

There shall be no initial charge for Units sold during the Initial Sale of Units under the Scheme. All initial charges shall be borne by the Manager.

28.9.2 Subsequent Charge

The Manager shall not levy any service charge to arrive at the sale as well as Repurchase price of a Unit and thus, while primary market block creations occur at NAV, secondary market Scheme Units will be bought and sold at prevailing real-time exchange market prices

28.9.3 Charges to the Scheme

In accordance with Regulation 44 of the Capital Markets and Securities (Collective Investment Schemes) Regulations, GN No. 770 of 1997, the total operating expenses charged to the income of the Scheme shall be strictly capped at an inclusive maximum ceiling of 2.10% of Net Asset Value (NAV) per annum, including all applicable taxes.

The breakdown and basis of the Scheme-level fees are defined as follows:

1. Investment Management / Advisory Fee: 1.30% of NAV per annum (base fee).
2. Custodian / Trustee Fee: 0.05% of NAV per annum (subject to a minimum of TZS 200,000 per annum).
3. Other Operational Charges & Taxes: Up to 0.75% of NAV per annum. This cap includes all common operational expenses incurred in the normal course of business—such as audit fees, legal expenses, publishing/investor communication costs, bank charges, exchange regulatory fees, and all applicable taxes (including VAT).

However, the other charges and investment management/ advisory fee as shown above will be limited to 2.1% of NAV. In an event, where the other charges exceed 0.75% of NAV, the excess portion shall be borne by the Manager. All expenses of the Scheme during the Initial Sale period shall be borne by the Manager.

28.11 Publication of Annual and Interim Reports

The Manager shall as soon as after 31st December but not later than the end of May of each subsequent year cause to be published the annual report of the Scheme which shall contain the particulars prescribed under the Act. The Manager shall publish an interim report covering six months of operations before the end of September of each year.

29.0 MEETINGS

(a) There shall be held every year a general meeting of Unit holders, minimum notice period for calling a general meeting will be twenty one days. The Scheme shall conduct meetings of Unit holders as follows:

(b) Unit holders shall be able to appoint proxies;

(c) votes shall be proportionate to the number of Units held;

(d) The quorum for meetings at which a special or extraordinary resolution is to be considered shall be the holders of twenty five per cent of the Units in issue; and ten per cent if only an ordinary resolution is to be considered;

(e) If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for not less than fifteen days and the quorum at an adjourned meeting shall be those persons present in person or by proxy;

(f) An extraordinary general meeting shall be convened for the following purposes:
   i. to modify, alter or add to this Offer Document;
   ii. To terminate the Scheme;

(g) The Custodian or Manager and their associated persons are prohibited from voting their beneficially owned Units at or counted in the quorum for a meeting at which they have material interest in the business to be conducted.an ordinary resolution may be passed by a simple majority of the votes of those present and entitled to vote in person or by proxy at a dully convened meeting; and

(h) A special or extraordinary resolution may only be passed by seventy-five per cent or more of the votes of those present and entitled to vote in person or by proxy at a duly convened meeting.

30.0 DEATH OF A UNIT HOLDER

(a) For accounts held jointly, in the event of death of any one of the Joint Holder of Units, the survivor shall be the only person recognized by the Scheme as having any title to or interest in the Units represented by the respective Statement of Account;

(b) where a nomination in respect of Units has been made, the Units shall, on the death of all the Unit holders, vest in the nominee and on compliance of necessary formalities the nominee shall be issued a Statement of Account in respect of the Units so vested subject to any charge or encumbrance over the said Units. Provided that nothing herein contained shall affect any right, which any other person may have as against such survivors or survivor in respect of the said Units; In absence of a nomination, the executor or administrator of a deceased sole Unit holder shall be the only person who may be recognized by the Scheme as having any title to Units. In such a case, the executor or administrator of the deceased's estate shall be recorded as the Unit holder of the Units previously held in the name of the deceased. A Statement of Account shall be issued to the administrator or executor in that capacity;

(c) alternatively, in absence of a nomination, any person becoming entitled to a Unit in consequence of the death of any sole Unit holder or upon the death of both Unit holders [when Units are held on joint basis], subject as hereinafter provided, upon producing such evidence as the Scheme shall consider sufficient either be registered as a holder of such Unit upon giving to the Scheme notice in writing of his desire to that effect or transfer such Unit to some other person;

(d) all the limitations, restrictions and provisions of this Scheme relating to transfers shall be applicable to any such notice or transfer as if the death had not occurred and such notice or transfer were a transfer executed by the Unit holder;

(e) The Scheme may retain any moneys payable by it in respect of any Unit of which any person is entitled to be registered as the Unit holder or which any person under these provisions is entitled to transfer, until such person be registered as the holder of such Unit or shall duly transfer the same.

IN WITNESS WHEREOF the parties have executed these presents in the manner and respective date hereinafter appearing; SEALED with the Common Seal of the said **ZAN SECURITIES LIMITED** and DELIVERED in the presence of us

This 2nd day of June 2026

Name: RAPHAEL MASUMBUKO

Signature: ....

Qualification: CHIEF EXECUTIVE OFFICER

Postal Address: P.O BOX 5366, DSM

Name: ISAAC LUBEJA

Signature: ....

Qualification: MANAGER, ADVISORY & RESEARCH

Postal Address: PO BOX 5366

SEALED with the Common Seal of the said **NMB BANK PLC**
and DELIVERED in the presence of us this ...5th... day of ...June...2026

Name:...AZIZ CHACHA...

Signature: ...

Qualification:...TREASURER...

Postal Address: ...

Name:...

Signature: ...

SIGNATURE:

FARIJA GHIKAS
DIRECTOR OF LEGAL AND COMPANY SECRETARY
NMB BANK PLC
P.O.Box 9213
DAR ES SALAAM

Qualification:...

Postal Address: ...

IPO APPLICATION FORM

ZAN TIMIZA ETF | Fund of Funds

KYC DOCUMENTS TO BE ATTACHED: *NIDA / Passport • TIN Certificate • Passport Size Photograph*

INVESTMENT DETAILS

DSE CDS NO.		**AMOUNT TO INVEST**	

SECTION 1 : CLIENT DETAILS

I. PERSONAL INFORMATION

TITLE	Mr / Mrs / Ms / Other (please specify):		
NAME	First	Middle	Last
DATE OF BIRTH	DD / MM / YEAR	**GENDER**	☐ MALE ☐ FEMALE
NIDA NO. / PASSPORT NO.		**TIN**	

II. CONTACT DETAILS

MOBILE NO.		**EMAIL**	
RESIDENTIAL ADDRESS			
NATIONALITY		**COUNTRY OF RESIDENCE**	

III. BANK DETAILS (TZS Account)

ACCOUNT NUMBER		**ACCOUNT NAME**	
BANK NAME		**BRANCH NAME**	

IV. EMPLOYMENT INFORMATION

EMPLOYMENT STATUS	☐ Employed	☐ Self Employed	☐ Unemployed	☐ Retired

SOURCE OF FUNDS	☐ Salary/Savings ☐ Loans ☐ Business Profits

V. NEXT OF KIN DETAILS

FULL NAME		**RELATIONSHIP**	
MOBILE NUMBER		**EMAIL**	

SECTION 2 : INVESTMENT ACCOUNT DETAILS

Offer for subscription of ZAN TIMIZA ETF units. Use the bank details below for payment.

BANK NAME	NMB Bank
BRANCH NAME	Bank House
ACCOUNT NAME	ZAN TIMIZA ETF RECEIVING ACCOUNT_TZS
ACCOUNT NUMBER	10110001330

SECTION 3 : SIGNING MANDATE

I/We confirm that the information given above is true to the best of our knowledge. By signing this form, I/We confirm that I/We have read, understood and agree to be bound by the terms and conditions.

SPECIMEN SIGNATURE	NAME	SIGNATURE	DATE
Authorized Signatory 1			DD / MM / YEAR
Authorized Signatory 2			DD / MM / YEAR

SECTION 4 : FOR ZAN SECURITIES LIMITED (INTERNAL USE)

	SIGNATURE	DATE
Verified By		DD / MM / YEAR
Authorized By		DD / MM / YEAR

Email: investorsupport@zansec.co.tz | WhatsApp: 0756 111 888 | Mobile: 0750 011 250

ZAN SECURITIES LIMITED — Licensed Dealer of DSE | Investment Advisor | Fund Manager

Scan here to download Zan Invest Application and buy units through your mobile phone

APPENDIX (i)- LICENSED DEALING MEMBERS

ZAN Securities Limited Head Office 1st Floor, Viva Tower, 295 Ali Hassan Mwinyi Road PO Box 5366, Dar es Salaam Tel: +255 222 103 433 Email: info.dsm@zansec.co.tz Zanzibar Office 3rd Floor, Michenzani Mall Karume Road, Zanzibar Email:info.znz@zansec.co.tz	**Orbit Securities Company Limited** 4th Floor, Golden Jubilee Tower (PSPF Bldg.) Ohio Street, P.O. Box 70254, Dar es Salaam Tel. +255 22 2111758 Fax. +255 22 2113067 Email: orbit@orbit.co.tz Website: www.orbit.co.tz
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KADOO Securities Limited P.O Box 54618, Dar es Salaam Mob: +255 743 022 222. Email: info@kadoosl.co.tz	**E. A. Capital Limited** 3rd Floor, Acacia Estates 84 Kinondoni Road, P.O. Box 20650, Dar es Salaam Tel: +255 769 257511 Email: ck@eacapital-tz.com
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Zan Invest App

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