

MCB SECURITIES LTD

ANNUAL REPORT

FOR THE YEAR ENDED JUNE 30, 2026

MCB SECURITIES LTD

ANNUAL REPORT FOR THE YEAR ENDED JUNE 30, 2026

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NOTICE

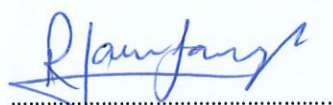
Unless otherwise mentioned herein, all references of Acts and Regulations in this Annual Report relate to legislations issued in the Republic of Mauritius.

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MCB SECURITIES LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED JUNE 30, 2026

The Directors are pleased to submit the Annual Report of MCB Securities Ltd for the year ended June 30, 2026 as set out on pages 3 to 49.

This report was approved by the Board of Directors on September 23, 2026.



.....
Ronald Lam Yan Foon
Director



.....
Shivraj (Kevin) Rangasami
Director

MCB SECURITIES LTD

SECRETARY'S CERTIFICATE

FOR THE YEAR ENDED JUNE 30, 2026

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001.



For and on behalf of

MCB Group Corporate Services Ltd
Company Secretary

Date: September 23, 2026

MCB SECURITIES LTD

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED JUNE 30, 2026

1. GOVERNANCE STRUCTURE

1.1 Overview

MCB Securities Ltd (the “Company” or “MCBSL”), previously known as M.C.B Stockbrokers Ltd, is a private Company and is wholly owned by MCB Capital Markets Ltd (“MCBCM”) which is itself wholly owned by MCB Group Ltd (“MCBG”). MCBSL provides stockbroking services and acts as principal distributor for most of the investment products proposed by the different units of MCBCM. As from June 30, 2026, it has become a public interest company as its total assets have exceeded five hundred million rupees for two consecutive years. It is committed to the highest standard of business integrity, transparency and professionalism in all its activities to ensure that the activities within the Company are managed ethically and responsibly to enhance business value for all stakeholders.

1.2 Statement of Compliance

The Board of Directors has given and will continue to give due consideration to the principles of good corporate governance which are applicable to the Company under the National Code of Corporate Governance for Mauritius (“Code”).

Throughout the year ended June 30, 2026, to the best of the Board’s knowledge the organisation has complied with the Code in all material aspects except in terms of number of independent directors and disclosure of remuneration of executive directors due to the sensitive nature of the information. The company is looking for another independent director to maintain the recommended minimum number of 2 independent directors.

The Board of Directors regularly reassesses the requirements of the Code to ensure that the Company remains compliant thereto in all material aspects.

1.3 Constitutive documents or Charter documents

1.3.1 Board Charter

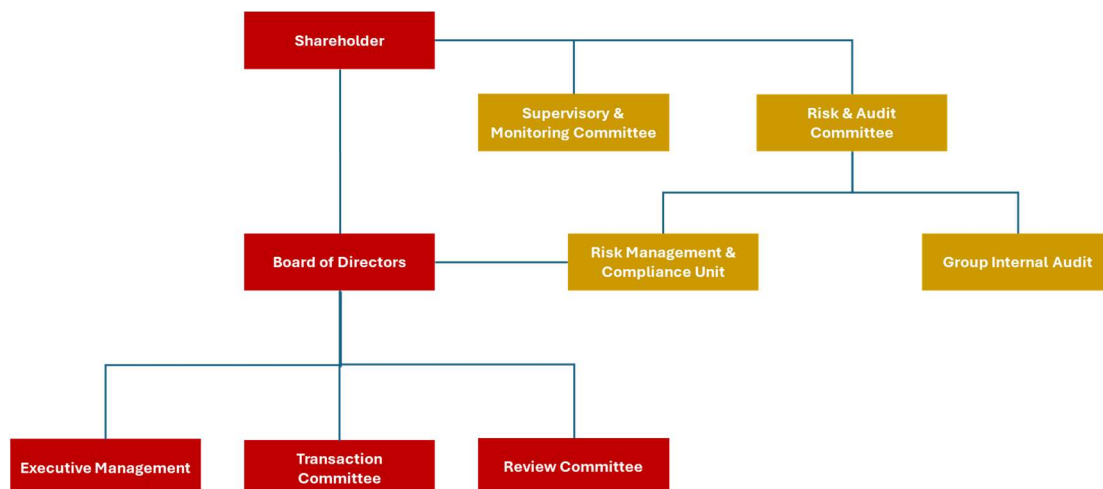
The Board Charter has been duly approved by the Board and is regularly reviewed. The Charter provides for delegation of authority and clear lines of responsibility with a reporting mechanism whereby matters affecting the affairs and reputation of the Company are duly escalated to the Board of the Company and to the Audit Committee of the holding company.

MCB SECURITIES LTD

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED JUNE 30, 2026

1.3.2 Organisation Structure



1.3.3 Position Statements

Position Statements have been approved by the Board and provide a clear definition of the roles and responsibilities of the Chairperson, the Managing Director and the Company Secretary.

1.3.4 Statement of Main Accountabilities

The Board is responsible and accountable for the long-term success of the Company and as such has approved and has set its main collective responsibilities as follows:

	Main Accountabilities
Chairperson	-Provides overall leadership to the Board -Ensures that the Board is effective in its tasks of setting and implementing the Company's direction and strategy -Ensures that the development needs of the directors are identified and appropriate training is provided to continuously update their skills and knowledge. -Maintains sound relations with shareholders
Board	-Ensures compliance by the Company with applicable legislation, regulation and policies -Safeguards the assets of the Company -Ensures that long-term interests of shareholders are served
Managing Director	-Communicates vision and strategy to staff -Ensures efficient utilization of resources -Sets direction and oversees operations

1.3.5 Material Clauses of the Constitution

There are no clauses of the constitution that are deemed to be material enough for special disclosure.

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CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED JUNE 30, 2026

2. BOARD STRUCTURE

2.1 Board and Chairperson's roles and responsibilities

The Board structure is unitary with a mix of independent, executive and non-executive directors with the necessary knowledge, skills, objectivity, intellectual honesty, integrity, experience and commitment to make sound judgements on the key issues relevant to the business of the Company, independent of management and to protect the interests of shareholders, clients and other stakeholders.

The Chairperson's primary role is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy and to ensure that appropriate policies and procedures are in place for the effective management of the Company.

Mr Dipak Chummun was elected as Chairperson of the Company in November 2025 following the resignation of Mr Jeremy Paulson-Ellis. The external obligations of the Chairperson have in no way hindered the discharge of his duties and responsibilities.

2.2 Composition of the Board and Board Attendance

The Board examines the size, composition and the essential competencies of its members regularly to ensure that there is an appropriate balance of skill, experience and knowledge on the Board to carry out its duties and responsibilities effectively. The Board currently comprises four members as detailed below:

Name	Title	Category	Gender	Country of Residence	Board Attendance
Jeremy PAULSON-ELLIS (up to November 2025)	former Chairperson	Non-Executive	Male	United Kingdom	2/4
Ronald LAM YAN FOON	Director	Non-Executive	Male	Mauritius	4/4
Shivraj RANGASAMI	Director	Executive	Male	Mauritius	4/4
Paul TSANG MIN CHING	Director	Independent	Male	Mauritius	4/4
Dipak CHUMMUN	Chairperson	Non-Executive	Male	Mauritius	4/4

Messrs Ronald Lam Yan Foon, Dipak Chummun and Paul Tsang Min Ching are also directors of MCBCM, the holding company.

The Board is of the opinion that its size and level of diversity is commensurate with the Company whose major activity is stockbroking and distribution of financial products.

The Board is of the view that the existing directors have sufficient knowledge and industry experience to exercise independent judgement and demonstrate objectivity in their conduct and deliberations at Board meetings.

The Board is of the opinion that one executive director is adequate for the smooth running of the Company, given the size of the Company's operations.

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FOR THE YEAR ENDED JUNE 30, 2026

2.3 Profile of Directors

A brief profile of each director along with their directorships is set out below:

(i) Ronald (Rony) Lam, Non-Executive Director

Rony Lam started his career with KPMG in Beijing and London, where he qualified as a Chartered Accountant. In 2000, he joined the Financial Institutions M&A team of HSBC Investment Bank covering Europe and North America, and then worked at Barclays in London and Asia. From 2007 to 2012, he was a Partner at Fenchurch Advisory Partners, an international investment banking firm focused exclusively on advising financial institutions on mergers and acquisitions and capital market transactions. Rony was a Cambridge Commonwealth Trust scholar and holds a BA (Honours) and MA (Cantab) in Economics from Cambridge University. He also has a Diploma in Mandarin Chinese from People's University of China. He is a board member of several companies within the MCB Capital Markets Group.

(ii) Shivraj (Kevin) Rangasami, Executive Director and Managing Director

Kevin Rangasami reckons more than 25 years of experience in the financial services industry having started his career in the audit and business assurance division of De Chazal Du Mée (now BDO Mauritius) undertaking numerous assignments in Mauritius and Africa across key sectors of the economy. He joined the MCB group in 2003 to head the Fund Management business at MCB Capital Markets and was appointed as Managing Director of the Brokerage & Investments business in 2012, focusing on corporate advisory, debt and equity capital raising and investment product structuring and distribution. Kevin is the former Chairman of the Stock Exchange of Mauritius (SEM) and a board member of the Central Depository & Settlement Ltd (CDS). He is a Fellow of the Association of Chartered and Certified Accountants (FCCA) and holds a Global MBA from the Alliance Manchester Business School, UK. He is also a member of the CFA Society of Mauritius (CFASM) and of the Mauritius Institute of Professional Accountants (MIPA).

(iii) Paul Tsang Min Ching, Independent Director

Paul Tsang Min Ching started his career at De Chazal du Mée in 1985 and was responsible for the audit of several of the big Corporates in Mauritius. He joined ENL Ltd as project accountant in December 1994 to oversee the financial aspects of projects. He was appointed as Group Financial Accountant in 2002 and subsequently as Group Head of Finance. Paul Tsang retired from the ENL Group in December 2023. He has extensive experience in strategic planning, preparation of consolidated financial statements, feasibility studies and structured debt financing. He currently chairs the Audit and Risk Committee of MCB Capital Markets.

(iv) Dipak Chummun, Non-Executive Director

Dipak Chummun holds a BSc (Honours) in Computer Science and is a Fellow Chartered Accountant (UK). He joined MCB as Group Chief Finance Officer in September 2024. He qualified as a Chartered Accountant with PwC in London before moving to Singapore with its Banking Division. He then pursued a career with Standard Chartered Bank, Barclays, Emirates NBD and Deutsche Bank, holding senior Group, Regional and Country roles in Corporate Banking, Global Markets, Strategy, M&A, Risk and Finance mainly in London, Dubai, Singapore and Frankfurt. He specialized in setting up and growing emerging markets businesses whilst simultaneously navigating challenges such as the Asian crisis, global credit crisis and more recently the Covid pandemic. Prior to joining MCB, he spent nearly 10 years as Group CFO of IBL Ltd, the largest diversified group listed in Mauritius with businesses across Africa and the Indian Ocean. He is an experienced board member and has been the Chairman of several companies in the financial services sector, including DTOS, Eagle Insurance and the Stock Exchange of Mauritius, as well as in industry and has been a former Council member of the ICAEW in London and a member of its International Advisory Board. Dipak is also an Executive Director of MCB Group Ltd and a Non-Executive Director of several MCB Group companies.

2.4 Company Secretary

MCB Group Corporate Services Ltd is the appointed Secretary to the Board. All board members have access to the Company Secretary for information relating to Board matters.

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2.5 Board Committees

The Audit & Risk Committee, established at the level of the holding company MCBCM, is responsible for addressing all audit-related matters concerning MCBCM's subsidiaries, including MCBSL.

3. DIRECTORS APPOINTMENT PROCEDURES

3.1 Director Selection

The Board identifies candidates who possess the requisite qualifications, skills, and experience. Once suitable candidates have been identified, the Board undertakes the appointment process in consultation with the Corporate Governance and Sustainability Committee (CGSC) of MCB Group Limited, its ultimate holding company.

3.2 Election and Re-election of Directors

All directors are re-elected each year at the Annual Meeting of Shareholders.

3.3 Induction of new Directors

New directors are given an induction pack, which comprises the constitutive documents and the minutes of the last meeting of the Board. An introductory meeting is organised with the Managing Director to explain the business activities of the Company and its governing policies.

The Chairperson, the Managing Director as well as the Company Secretary are readily available to answer queries that any newly appointed directors may have with respect to the Company.

The above-mentioned induction programme meets the specific needs of both the Company and the newly appointed directors and enable the latter to participate actively in Board discussions.

3.4 Professional Development

Directors are encouraged to keep themselves up to date with the professional practices and industry related developments. The Chairperson regularly reviews and comes to an agreement with each Director, if necessary, on his training and development needs. Upon request from the Directors, the Company shall provide the necessary resources for developing and updating the skills and knowledge of the directors so that they fulfil their role on the Board and committees.

During the year, Directors completed online information security awareness training aimed at enhancing their understanding of cyber risks, data protection and security best practices. The training reinforced the importance of safeguarding information assets and supporting a strong culture of security and risk awareness across the Group.

3.5 Succession Planning

MCBG is one of the largest groups in Mauritius and has a large number of employees with different skills, academic and professional qualifications, and expertise in various fields of business and finance. MCB Group's strategy includes the recognition and fostering of talents at executive and management levels across the Group thus ensuring that opportunities are created to develop current and future leaders.

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3.6 Time Commitment

Each director is expected to devote sufficient time and attention to the affairs of the Company. The Company expects a time commitment of at least 3 to 5 days per annum. This includes attendance at Board meetings, Board committees (if applicable), the Annual Meeting of Shareholders and meetings as part of the Board evaluation process and training and development programmes. There is always the possibility of additional time commitment in respect of ad hoc matters that may arise from time to time, and particularly when the Company undergoes a period of increased activity.

4 BOARD PERFORMANCE AND EVALUATION

4.1 Legal duties of Directors

The directors are aware of their legal duties under the Act and other relevant legislation. They exercise the required level of care, skill and diligence which a reasonably prudent and competent director in such position would exercise.

4.2 Remuneration Philosophy

The Board reviews the adequacy of the directors' and senior executives' remuneration and recommendations are made accordingly to the CGSC of the MCB Group Ltd.

The CGSC of MCB Group Ltd is responsible for setting up and developing the Group's general policy concerning the remuneration of directors. MCBG lays significant emphasis on appointing the right people with the relevant skills and appropriate behaviours, and rewarding them in line with market practice.

4.3 Directors' Remuneration

The Directors' fees and remuneration are in accordance with market rates. For the financial year ended June 30, 2026 fees paid to independent directors and non-executive directors eligible for director's fees, were as follows:

Directors:	2026
	Rs.
Mr Paul Tsang Min Ching	199,500

The Company did not comply with Section 221 of the Companies Act 2001 for the year ended June 30, 2026, which requires all public interest entities to fully disclose the remuneration and benefits received by all its directors, including the executive directors. Due to the sensitive nature of the information, the executive director's remuneration and fees have not been disclosed.

The Non-Executive Directors who are already in executive positions within MCB Group do not receive additional remuneration as Board members, in line with the Group's policy. As such, the non-executive directors of the Company are not remunerated and have not received remuneration in the form of share options or bonuses associated with organisational performance.

4.4 Directors' interests in shares

The directors do not hold shares in the Company directly or through any associate (as defined under the Listing Rules of the Stock Exchange of Mauritius).

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4.5 Directors' service contracts

There are no fixed term contracts or service contracts between the Company and the Directors.

4.6 Related Party Transactions

Related party transactions have been conducted in accordance with the Conflicts of interest and Related Party Transaction Policy and the Code of Ethics. For related party transactions, please refer to note 25 of the Financial Statements.

4.7 Policies of the Company

The following policies of the holding company, MCBG, which are reviewed on a regular basis, have been adopted by the Company.

Whistleblowing

The Whistleblowing Policy of MCBG provides the employees within the Group and anyone wishing to raise genuine concerns in the interest of the Group a reporting channel on suspected misconduct or malpractice within the Company without the risk of subsequent victimization or discrimination. The policy outlines the complaint handling and reporting processes to improve transparency.

Code of Ethics

This code has been devised to provide Directors and employees of each business clusters regrouped under the MCB Group Limited, the required information on how to always conduct business with the highest level of integrity. Compliance with the Code of Ethics is regularly monitored and evaluated by the Board.

Conflicts of Interest and Related Party Transaction Policy

The objective of the policy is to define the scope of conflicts of interest and related party transactions conducted by the Directors and senior officers of MCBG and its subsidiaries and to set out prudent rules and limits for dealing with related parties.

4.8 Information Governance

The Board oversees information governance within the organization. The Information, Information Technology and Information Security Governance Policy of the MCB Group applies to all subsidiaries of the Group. All policies relating to information security are made accessible to all the employees of the Group without restriction via its intranet system. Appropriate governance arrangements are in place whereby the IT function and function responsible for monitoring adherence to Information Risk and IT are kept separate. The Company is compliant with all the requirements of the Data Protection Act.

4.9 Register of Interest

A register of interests is maintained by the Company Secretary and is available for consultation by shareholders upon request.

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FOR THE YEAR ENDED JUNE 30, 2026

4.10 Board and Directors' Performance

The Board acknowledges the need of regularly reviewing the performance and effectiveness of the Board and its Directors and resolved to carry out an evaluation exercise every three years. A review was conducted internally for the financial year 2023/2024 by means of a questionnaire filled by each Director to assess the Board's effectiveness and whether directors continue to discharge their respective duties effectively. The questions were categorised as follows:

- Structure of the Board
- Board efficiency and effectiveness
- Strategy and performance
- Risk management and Governance
- Director's self-assessment

The evaluation showed that the Board and its Committees are adequately constituted and are operating effectively. No significant action has to be taken as a result of the evaluation. The directors endeavour to maintain the same vigilance in leading the Company.

5 RISK GOVERNANCE AND INTERNAL CONTROL

The Board is responsible for risk management, the procedures in place within the organisation and the definition of the overall strategy for risk tolerance.

The Company's policy on risk management encompasses all significant business risks including physical, operational, human resources, technology, business continuity, financial, compliance and reputational which could influence the achievement of the Company's objectives.

The system of internal controls, which is embedded in all key operations, provides reasonable rather than absolute assurance that the Company's business objectives will be achieved. The Risk Management and Compliance Unit of MCB Capital Markets has been tasked by the parent of the Company to provide guidance and assistance to its non-bank financial services subsidiaries.

The Risk Management and Compliance Unit is responsible for the design, implementation and monitoring of all risk, compliance and anti-money laundering policies and procedures of the Company and has a direct reporting line to the Board of Directors.

The Board is satisfied regarding the implementation, operation and effectiveness of internal control and risk management. The internal audit function is outsourced to the Internal Audit Strategic Business Unit of The Mauritius Commercial Bank Ltd, which provides another balanced assessment of key risks and control, independent from reports received from the Company's management.

The key risks for the Company are legal, regulatory, operational, reputational, performance and financial risks. The Board is ultimately responsible for these matters but delegates the ongoing tasks to management.

Legal risks are managed by management of the Company with oversight from the Risk Management & Compliance Unit, taking advice from the Company's legal advisor where appropriate. The Board also takes out appropriate insurance cover.

Regulatory risks are managed by management of the Company with oversight from the Risk Management & Compliance Unit and involves the setting out of proper processes and procedures in order to meet the licensing requirements set by the Financial Services Commission and the Company's responsibilities under The Financial Intelligence and Anti-Money Laundering Act 2002.

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The **operational risks** profile of business activities and processes have been analysed and following evaluation, appropriate controls have been designed and implemented. In addition, risk arising from business processes is managed through the application of the necessary technical controls at every stage of those processes.

Reputational and performance risks are managed by the Board.

The identification and management of the **financial risks** are discussed in note 3 to the Financial Statements.

During the financial year under review all significant areas with respect to risk governance were covered by internal control and no unremedied material risk or deficiency has been noted in the organisation's system of internal controls.

6 REPORTING WITH INTEGRITY

6.1 Organisational overview

MCBSL is a wholly owned subsidiary of MCB Capital Markets, the investment banking, asset management and proprietary investment arm of the MCB Group.

MCBSL operates primarily from Mauritius and is a pioneer member of the local exchange, the Stock Exchange of Mauritius, providing execution services, market making, underwriting, sponsored research, IPO-related and other equity capital markets advisory services to local and international institutional and retail clients.

Through strategic partnerships with leading global financial institutions, MCBSL offers clients seamless access to a broad range of international investment opportunities, facilitating the execution of transactions in equities, fixed income securities and other financial instruments listed on major global exchanges.

MCBSL also acts as market maker / liquidity provider on an ETF listed in Mauritius and Botswana, on equity, credit-linked and equity-linked instruments.

As the principal distribution channel for investment solutions within MCB Capital Markets, MCBSL offers a broad spectrum of products designed to meet varying risk and return objectives. These include collective investment schemes, exchange-traded products, corporate bonds, capital-protected notes, credit-linked notes and equity-linked notes, enabling clients to access tailored investment opportunities aligned with their financial objectives.

After several years of sustained growth in revenue and profitability, coupled with continued balance sheet strengthening, FY2026 marked an important strategic inflection point for the Company. While remaining focused on delivering robust financial performance, management accelerated investments aimed at supporting future growth and enhancing long-term shareholder value.

Despite an 11% decline in operating income, profit before tax marginally exceeded the previous year's performance, notwithstanding a fair value markdown of approximately MUR 22 million on investments previously underwritten by the Company. Excluding this non-cash revaluation impact, profit before tax would have surpassed the MUR 100 million threshold for the first time in the Company's history, underscoring the resilience and underlying strength of its core operations.

During the year, the Company also achieved a significant milestone on the international stage by participating as one of the anchor investors in the USD 400 million Eurobond issuance by MCB Group. The bond, listed on the London Stock Exchange, attracted strong institutional interest and placed the Company alongside leading development finance institutions and globally recognised investors, reinforcing its growing presence and credibility within international capital markets.

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Total assets expanded from MUR 600 million to MUR 2.9 billion, driven largely by the build-up of securities inventories supporting the Company's growing structured solutions franchise and market making activities across institutional and retail client segments.

Looking ahead, the Company remains well positioned to deliver further growth despite a challenging market environment. The strategic initiatives and investments undertaken in recent financial years are expected to strengthen the business, enhance earnings resilience, and support sustained value creation over the medium term.

6.2 Overview of the external environment

MCBSL operates in a dynamic environment, and its business is impacted by political, economic and technological.

6.3 The business model

Given the small relative size of the market and the number of players in this space, MCBSL has adopted a revised business model which aims at diversifying its sources of revenue whilst consolidating its market position on the execution front. This diversification strategy also helps to weather the difficult market conditions and the non-recurring nature of revenues for the classical stockbroking business.

Key performance indicators, performance and outlook

Performance for the company is measured through several indicators including:

- Overall market share of value traded
- Average commission rate charged
- Market share from foreign trades
- Level of subscription / over-subscription in financial products distributed by the company
- Growth in revenues and profits
- Diversification of sources of revenues
-

6.4 Sustainable development

The Company ensures compliance with MCB Group's Environmental and Social Policy.

6.5 Health and Safety Issues

The Company is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders.

The health and safety of staff and visitors is paramount and all reasonable measures are taken to ensure a sound and healthy working environment.

The Company is an equal opportunity employer and does not discriminate in any way with regard to race, religion or gender. All employment opportunities are openly advertised and the selection process involves the whole staff.

6.6 Corporate Social Responsibility

Corporate Social Responsibility contributions amounted to Rs 274,074 (2025: Rs 305,705).

6.7 Charitable Donation

No donation was made by the Company during the year under review (2025: Rs Nil).

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6.8 Political Donation

The Company did not make any political donations during the year under review (2025: Rs Nil).

6.9 Documents available on the Website

The Board of directors is pleased to announce that the following documents amongst others which have been approved by the Board can be viewed on the Website of the Ultimate Holding Company:

- ⇒ The full Annual Report of the Company including the financial statements, which will be made available following its approval by the Board
- ⇒ The Constitution
- ⇒ The Board Charter
- ⇒ The Code of Ethics
- ⇒ The Conflicts of interests and related party transactions policy
- ⇒ The Information, information technology and information security policy
- ⇒ The Position Statements of the Chairperson, the Managing Director and the Company Secretary
- ⇒ The Organisational chart
- ⇒ The Statement of major accountabilities within the organization
- ⇒ The Structure, organization and qualifications of the key members of the internal audit function
- ⇒ The Nomination and appointment process
- ⇒ Profile of the Directors
- ⇒ Profile of the Company Secretary

7 AUDIT

An Audit Committee has been set up at the MCB Capital Markets Group level in October 2012 to deal with audit related issues of all its subsidiaries including MCBSL. The Audit Committee will henceforth meet thrice yearly.

7.1 Internal Auditors

The internal audit function is outsourced to the Internal Audit SBU of The Mauritius Commercial Bank Ltd (IA), which provides another balanced assessment of key risks and controls, independent from reports received from the Company's management. The Head of IA is independent of the Executive Management of the Company and reports to the Audit and Risk Committee of MCBCM.

Internal Audit (IA) ensures that the quality of internal audit services provided to MCB Group remains aligned with internationally recognised professional standards and leading practices. IA adopts a systematic, disciplined and risk-based approach, leveraging focused audit programmes, data analytics and computer-assisted audit techniques to evaluate and enhance the effectiveness of MCB Group's governance, risk management and internal control processes.

In accordance with the requirements of the Global Internal Audit Standards (GIAS) issued by the Institute of Internal Auditors (IIA), an external quality assessment of the internal audit activity is required to be conducted at least once every five years. The latest external quality assessment was performed in 2023 by an internationally recognised auditing firm, which concluded that the Internal Audit Strategic Business Unit was in conformance with the International Standards for the Professional Practice of Internal Audit (IPPF Standards) that were in force at the time.

In addition, the Internal Audit Strategic Business Unit is currently undergoing an independent assessment by the Institut Français de l'Audit et du Contrôle Interne (IFACI), an organisation affiliated with the IIA, as part of its continuous

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improvement journey, with a view to obtain the IFACI Quality Certification, which provides independent recognition of the function's conformance with the Global Internal Audit Standards (GIAS).

The internal audit exercise focused on the review of the framework put in place at MCB Securities Ltd in respect of mitigating the risk of Money Laundering and Terrorism Financing [AML/CFT], in line with the requirements of the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Handbook.

The following areas, systems and processes of the Company including non-financial matters:

- Governance: Definition of strategic objectives & KPIs and Board and other committees' oversight.
- Close the Books and Financial Reporting: Transaction processing, Review of GL/TB entries, Review of Management accounts, Reconciliations and reporting.
- Dealings on Local/Foreign markets: Client onboarding including KYC, Order taking and processing and Settlement and reconciliation.
- Invoicing and Statements to clients: Customer Invoicing, Brokerage and commissions configuration and Dispatching of contract notes and Advices to clients.
- Order Taking: Prescribed trades and Dealings.
- Information Technology and General Controls: Business continuity plan and Disaster recovery plan, Change Management, Computer operations, Application controls, Logical access control.

There are no restrictions placed on the internal auditors in conducting their audit exercises.

7.2 External Auditor

The Audit committee receives reports from the Company's external auditor and has separate sessions with the latter to discuss audit related issues without management's presence. No significant issues were noted in relation to the financial statements. The external auditor did not carry out non-audit services for the Company during the financial year under review.

The Audit Committee of MCBCM recommends the appointment of the external auditor for all the subsidiaries of MCBCM Group on a yearly basis, after having reviewed the Audit Plan presented by the external auditor.

The Audit Committee also evaluates the performance of the External Auditor and reviews the integrity, independence and objectivity of the External Auditor by:

- Confirming that the External Auditor is independent from the Company
- Considering whether the relationships that may exist between the Company and the External Auditor impair the External Auditor's judgement

Upon approval from the Audit Committee, the Board of the Company thereafter recommends the appointment of external auditors to the shareholder in the Annual Meeting of shareholders for approval by way of an ordinary resolution.

7.3 Auditors' Fees

The fees payable to the auditors, for audit and other services were:

	2026	2025
	Rs.	Rs.
Audit Fees – BDO & Co:	273,125	259,900

The auditors did not receive any fees for other services.

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8 RELATIONS WITH THE SHAREHOLDER AND OTHER KEY STAKEHOLDERS

The shareholder, fairly represented on the Board is kept properly informed on matters affecting the Company. The Annual Meeting of Shareholder is held in accordance with the Companies Act and upon consultation with the shareholder. Notices for the annual meeting and other shareholder meetings are duly sent to the shareholder.

The Company's website provides relevant information to other stakeholders. Open lines of communication are maintained to ensure transparency and optimal disclosure.

8.1 Shareholders Agreement Affecting the Governance of the Company by the Board

There is currently no such agreement.

8.2 Major Transaction

No major transaction as defined under section 130(2) of the Act was undertaken.

8.3 Third Party Management Agreement

Management Agreements are in place between sister companies within the MCB Group whereby there are common directors. However, all the companies are 100% owned and controlled by the same entity.

8.4 Shareholders Holding more than 5% of the Company

The Company is wholly owned by MCBCM.

8.5 Share Option Plan

No such scheme currently exists within the Company.

8.6 Timetable of important events

The Board aims to hold board meetings on a quarterly basis and the annual meeting of shareholders is held by December every year.

8.7 Dividend Policy

The Company intends to distribute any excess cash as dividends, subject to its overall capital requirements, liquidity and profitability.

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors collectively as a Board acknowledge their responsibilities for the following and state that:

- (i) the financial statements fairly present the state of affairs of the Company as at the end of the financial year and the result of operations and cash flows for the period;
- (ii) adequate accounting records and effective internal control systems and risk management have been maintained;
- (iii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iv) the financial statements have been prepared in accordance with the IFRS Accounting Standards, the Companies Act 2001 and the Financial Reporting Act 2004;
- (v) the financial statements have been prepared on a going concern basis;
- (vi) they are responsible for safeguarding the assets of the Company;
- (vii) they are responsible for leading and controlling the organisation and meeting all legal and regulatory requirements;
- (viii) they have taken reasonable steps for the prevention and detection of fraud and other irregularities
- (ix) they regularly reassess the requirements of the code to ensure that the Company remains compliant thereto in all material aspects.

The external auditor is responsible for reporting on whether the financial statements are fairly presented.

Having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, we are satisfied that the annual report and financial statements taken as a whole are fair, balanced and understandable.

For and on behalf of the Board of Directors:


.....
Director


.....
Director

Date: September 23, 2026

MCB SECURITIES LTD
CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED JUNE 30, 2026

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED JUNE 30, 2026

As per Section 75(3) of the Financial Reporting Act

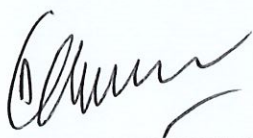
Name of Public Interest Entity : MCB Securities Ltd

Reporting Period : 1 July 2025 to 30 June 2026

We, the directors of MCB Securities Ltd, confirm to the best of our knowledge that the Company has not fully complied with all the Principles of the Corporate Governance Code for Mauritius (2016) for the reasons stated below.

	Areas of non-application of the Code	Explanation of non-application
> Principle 2	Boards should normally have at least two independent directors and should have at least one lady director.	The company is in the process of recruiting an independent director.
> Principle 4	The Company did not fully disclose details of the remuneration paid to each individual director.	Due to the sensitive nature of the information, the executive director's remuneration and fees have not been disclosed.

Signed for and on behalf of the Board of Directors on 23 September 2026.



Chairperson

Dipak Chummun



Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of MCB Securities Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MCB Securities Ltd (the "Company"), set out on pages 19 to 49 which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of MCB Securities Ltd (continued)

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholder of MCB Securities Ltd (continued)

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor, and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

The Company did not comply with Section 221(1)(e)(i) and (iii) of the Mauritian Companies Act 2001 for the year ended June, 30 2026, whereby the amounts which represent the total of the remuneration and benefits received or due and receivable, from the Company by executive directors of the company engaged in full time including all bonuses and commissions should be disclosed individually.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the Annual Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Annual Report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

Other Matter

This report is made solely to the Company's Shareholder, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's Shareholder those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & Co

BDO & Co
Chartered Accountants

Feizal Bhaukaurally, FCCA
Licensed by FRC

Port Louis,
Mauritius

September 23, 2026

18(b)

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MCB SECURITIES LTD

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

	Notes	2026 Rs.	2025 Rs.
ASSETS			
Non current assets			
Equipment	5	477,173	914,859
Intangible assets	6	8,862,790	12,808,904
Investment in financial assets	7	356,828,976	216,508,798
Investment in subsidiary	8	10,000	10,000
		<u>366,178,939</u>	<u>230,242,561</u>
Current assets			
Investment in Financial Assets	7	1,924,789,172	-
Trade receivables	9	590,349,326	208,673,507
Other receivables and prepayments	10	1,892,566	2,006,123
Cash and cash equivalents	24(b)	106,388,897	176,673,219
		<u>2,623,419,961</u>	<u>387,352,849</u>
Total assets		<u>2,989,598,900</u>	<u>617,595,410</u>
EQUITY AND LIABILITIES			
Capital & reserves			
Share capital	11	1,000,000	1,000,000
Fair value reserve		38,806,345	35,531,568
Retained earnings		437,580,474	401,724,647
Equity holders' interest		<u>477,386,819</u>	<u>438,256,215</u>
Non current liability			
Deferred tax liability	12	23,538	434,913
Current Liabilities			
Borrowings	23	1,924,357,859	-
Trade and other payables	13	583,439,644	178,107,586
Current tax liabilities	14(a)	4,391,040	796,696
		<u>2,512,188,543</u>	<u>178,904,282</u>
Total liabilities		<u>2,512,212,081</u>	<u>179,339,195</u>
Total equity and liabilities		<u>2,989,598,900</u>	<u>617,595,410</u>

These financial statements have been approved for issue by the Board of Directors on September 23, 2026.



)
DIRECTORS
)

The notes on pages 24 to 49 form an integral part of these financial statements.
Auditor's report on pages 18 to 18(b).

MCB SECURITIES LTD

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026 Rs.	2025 Rs.
Revenue	15	150,985,378	168,568,588
Operating expenses	18	(22,824,415)	(19,955,120)
Administrative & other expenses	19	(62,978,948)	(56,569,180)
Operating profit		65,182,015	92,044,288
Other income	16	52,233,696	8,569,341
Profit on disposal of financial assets		32,045,627	922,512
Change in fair value of financial assets at FVTPL	7(b)	(21,350,040)	(15,294,747)
Net finance cost	17	(45,404,673)	(4,589,966)
Profit before taxation		82,706,625	81,651,428
Income tax charge	14(b)	(6,850,798)	(3,190,244)
Profit for the year		75,855,827	78,461,184
Earnings per share	21	758.56	784.61

The notes on pages 24 to 49 form an integral part of these financial statements.
Auditor's report on pages 18 to 18(b).

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026	2025
		Rs.	Rs.
Profit for the year		75,855,827	78,461,184
Other comprehensive income:		-	-
Items that may be reclassified to profit or loss:		-	-
Changes in fair value of financial assets through OCI	7 (c)	3,274,777	4,102,779
Other Comprehensive Income for the Year		3,274,777	4,102,779
Total Comprehensive Income for the Year		79,130,604	82,563,963

The notes on pages 24 to 49 form an integral part of these financial statements.
Auditor's report on pages 18 to 18(b).

MCB SECURITIES LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026

		Share Capital	Fair Value Reserve	Retained Earnings	Total
		Rs.	Rs.	Rs.	Rs.
Balance at July 01, 2025		1,000,000	35,531,568	401,724,647	438,256,215
Profit for the year		-	-	75,855,827	75,855,827
Other Comprehensive Income for the year		-	3,274,777	-	3,274,777
Total Comprehensive income for the year		-	3,274,777	75,855,827	79,130,604
Dividends Paid	22	-	-	(40,000,000)	(40,000,000)
Balance at June 30, 2026		1,000,000	38,806,345	437,580,474	477,386,819
Balance at July 01, 2024		1,000,000	31,428,789	323,263,463	355,692,252
Profit for the year		-	-	78,461,184	78,461,184
Other Comprehensive Income for the year		-	4,102,779	-	4,102,779
Total Comprehensive income for the year		-	4,102,779	78,461,184	82,563,963
Balance at June 30, 2025		1,000,000	35,531,568	401,724,647	438,256,215

The notes on pages 24 to 49 form an integral part of these financial statements.
Auditor's report on pages 18 to 18(b).

MCB SECURITIES LTD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026 Rs.	2025 Rs.
Cash flow from operating activities			
Cash used in operations	24(a)	94,598,155	(235,525,434)
Tax paid	14(a)	(3,667,829)	(2,696,209)
Net cash used in operating activities		90,930,326	(238,221,643)
Cash flows from investing activities			
Interest received		18,303,479	4,249,767
Purchase of equipment	5	(375,041)	(372,361)
Purchase of computer software	6	(560,089)	(5,789,710)
Purchase of financial assets		(4,424,684,730)	(445,174,191)
Disposals of financial assets		2,408,673,228	461,797,879
Investment in subsidiary		-	(10,000)
Dividends received		3,748,964	3,945,905
Net cash (used in)/generated from investing activities		(1,994,894,189)	18,647,289
Cash flow from financing activities			
Proceeds from borrowings		2,914,786,847	-
Repayment of borrowings		(1,433,244,640)	-
Interest paid		(34,379,692)	-
Dividends Paid		(40,000,000)	-
Net cash generated from financing activities		1,407,162,515	-
Net decrease in cash and cash equivalents		(496,801,348)	(219,574,354)
Movement in cash and cash equivalents			
At July 1,		176,673,219	397,645,123
Decrease		(496,801,348)	(219,574,354)
Effect of foreign exchange rate changes		7,597,518	(1,397,550)
At June 30,	24(b)	(312,530,611)	176,673,219

The notes on pages 24 to 49 form an integral part of these financial statements.
Auditor's report on pages 18 to 18(b).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

1 GENERAL INFORMATION

MCB Securities Ltd is a limited liability company, incorporated and domiciled in Mauritius. The main activities of the Company consist of providing brokerage services for transactions in securities. Its registered address is 9-15, Sir William Newton Street, Port Louis, Mauritius.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

2 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of MCB Securities Ltd comply with the Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards. These financial statements are those of an individual entity. The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest rupee (Rs), except when otherwise stated.

The financial statements are prepared under the historical cost convention, except that financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are stated at fair value.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IAS 21 The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments have no impact on the Company's financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2026 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures

Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

2 ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Effective date January 1, 2026 (cont'd)

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures (cont'd)

Contracts Referencing Nature-dependent Electricity: The amendments clarify how IFRS 9 should be applied to power purchase agreements with specific characteristics. The amendments include clarification on the application of the 'own-use' requirements and permitting hedge accounting if these contracts are used as hedging instruments. New disclosure requirements have also been included to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IAS 28 Investments in Associates and Joint Ventures

Amendments to the Fair Value Option for Investments in Associates and Joint Ventures: Narrow scope amendments to clarify which investments in associates and joint ventures a company is eligible to measure using the fair value option in IAS 28 - Investments in Associates and Joint Ventures. The amendments clarify that entities that have a main business activity of investing in particular types of assets are eligible to use the fair value option for such investments. The amendments are effective in the period in which an entity first applies IFRS 18 - Presentation and Disclosure in Financial Statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(a) Basis of preparation (cont'd)**

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Effective date January 1, 2029

IFRS 20 Regulatory Assets and Regulatory Liabilities

Regulatory Assets and Regulatory Liabilities: IFRS 20 requires entities subject to rate regulation to recognise regulatory assets and regulatory liabilities for timing differences between when goods or services are supplied and when amounts are included in regulated rates. Companies that supply vital services such as electricity, water and gas are often subject to this type of regulation. The Standard introduces a comprehensive measurement and presentation model, including specific disclosure requirements to explain the nature and financial effects of rate regulation. This standard replaces IFRS 14 - Regulatory Deferral Accounts and supplements the information a company provides when applying IFRS 15 - Revenue from Contracts with Customers.

The effective date of the following amendments have been deferred indefinitely until further notice

IFRS 10 Consolidated Financial Statements

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

IAS 28 Investments in Associates and Joint Ventures

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(b) Revenue Recognition****(i) Revenue from contracts with customers***Performance obligations and timing of revenue recognition*

The majority of the revenue is derived from providing services with revenue recognised over time when the service has been rendered to the customer. There is limited judgement needed in identifying the point in time when the service has been rendered and will usually have a present right to payment. Transfer of control of the trade execution performance obligation generally occurs on the trade date because that is when the underlying financial instrument (for a purchase) or purchaser (for a sale) is identified and the pricing is agreed upon (i.e., the Company has identified the counterparty and enters into the contract on behalf of its customer). On the trade date, the customer has obtained control of the service because it can direct the use of, and obtain substantially all of the remaining benefits from, the asset that comes from the trade execution service.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, services are priced at their standalone selling price with no remaining performance obligations. Therefore, there is no judgement involved in allocating the contract price to each performance obligation. Where a customer requests more than one product line, the Company is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Costs of obtaining long-term contracts and costs of fulfilling contracts

The costs of fulfilling contracts do not result in the recognition of a separate asset because for service contracts, revenue is recognised over time by reference to the stage of completion meaning that control of the asset (the design service) is transferred to the customer on a continuous basis as work is carried out. Consequently, no asset for work in progress is recognised.

(c) Financial Instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument.

(i) Financial Assets

The Company classifies its financial assets into the categories discussed below, depending on the purpose for which the asset was acquired.

(i) Fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

- debt investments that do not qualify for measurement at either amortised cost or FVTOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through FVTOCI

Changes in fair value are recognised in profit or loss

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(c) Financial Instruments (cont'd)****(i) Financial Assets (cont'd)****(ii) Amortised cost**

These assets arise principally from the provision of services to customers (eg trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

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

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

2 ACCOUNTING POLICIES (CONT'D)

(c) Financial Instruments (cont'd)

(i) Financial Assets (cont'd)

(iii) Fair value through other comprehensive income

The Company has a number of strategic investments in listed and unlisted entities for which the Company has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Company considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

The Company has debt securities whose objective is achieved by both holding these securities in order to collect contractual cash flows and having the intention to sell the debt securities before maturity. The contractual terms of the debt securities give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

(ii) Financial Liabilities

The Company classifies its financial liabilities into the "other financial liabilities" category which includes trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) Equity Instruments

Equity Instruments are recorded at the proceeds received, net of direct issue costs.

(d) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of the new shares are shown in equity as deduction, net of tax, from proceeds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(e) Impairment of Non-Financial Assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(f) Foreign Currencies**(i) Functional and Presentation Currency**

Items included in the financial statements are measured using Mauritian Rupees, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Mauritian Rupees, which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings & cash and cash equivalents are presented in profit or loss within Finance Costs.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(g) Intangible assets*Computer software*

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (3-5 years).

- Computer Software 5 years

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Company and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding 3 years).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(g) Intangible assets (cont'd)***Customer Relationships*

Customer relationships paid by the Company and having finite useful life is initially recorded at cost. It is subsequently measured at cost less accumulated amortisation and impairment losses. Customer relationship is amortised using the straight-line method over its estimated useful life of 5 years. Amortisation method and useful life are reviewed at each reporting date and adjusted if appropriate.

(h) Equipment

Equipments are initially recorded at cost and stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight line method to write off the cost of the assets to their residual values over their estimated useful lives as follows:

- Office Equipment	5 years
- Computer Equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

(i) Current and Deferred Income Tax

The tax expense for the period comprises current tax, deferred tax, Corporate Climate Responsibility and Corporate Social Responsibility Levy. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly to equity.

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) and Corporate Climate Responsibility (CCR) are regarded as a tax and are therefore subsumed with the income tax shown within profit or loss and the income tax liability on the statement of financial position. The Corporate Social Responsibility (CSR) and the Corporate Climate Responsibility Levy (CCR) charge for the current period are measured at the amount expected to be paid to the Mauritian Tax Authorities.

A 10% alternative minimum tax on adjusted book profits is applicable to the Company. AMT is applicable where the normal tax payable is less than 10% of adjusted book profit. For AMT, the Company will not be allowed to offset any tax credits such as the foreign tax credit against the AMT payable.

The Company is subject to the Advanced Payment System (APS) whereby it pays income tax on a quarterly basis.

(i) Current Tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

2 ACCOUNTING POLICIES (CONT'D)**(i) Current and Deferred Income Tax (cont'd)****(ii) *Deferred Tax***

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

(j) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reliably estimated will be required to settle this obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

(k) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared.

(l) Investment in subsidiary

Separate financial statements of the investor

In the separate financial statements of the investor, investments in subsidiary company are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

(m) Borrowing costs

Borrowing costs are recognised in the profit or loss in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
3 FINANCIAL RISK MANAGEMENT
(a) Financial Risk Factors

The Company's activities expose it to a variety of financial risks. A description of the significant risk factors is given below together with the risk management policies applicable.

(i) Currency Risk

The Company operates mainly in Mauritius and is exposed to foreign exchange risk arising from various currency exposures as tabled below.

Included in the tables below are the Company's financial assets and financial liabilities at carrying amounts classified by currency.

	MUR	USD	GBP	EUR	ZAR	2026 Total
FINANCIAL ASSETS						Rs
Investments in Financial Assets	858,617,245	624,236,444	-	798,764,459	-	2,281,618,148
Financial assets at amortised cost	-	-	-	-	-	-
Trade Receivables	590,260,016	89,310	-	-	-	590,349,326
Other Receivables	1,321,444	-	-	-	-	1,321,444
Cash and Cash Equivalents	22,719,193	59,287,874	5,300,013	19,053,050	28,767	106,388,897
	<u>1,472,917,898</u>	<u>683,613,628</u>	<u>5,300,013</u>	<u>817,817,509</u>	<u>28,767</u>	<u>2,979,677,815</u>
FINANCIAL LIABILITIES						
Borrowings	1,194,522,939	729,834,920	-	-	-	1,924,357,859
Trade and Other Payables	582,747,775	635,416	-	56,453	-	583,439,644
	<u>1,777,270,714</u>	<u>730,470,336</u>	<u>-</u>	<u>56,453</u>	<u>-</u>	<u>2,507,797,503</u>

	MUR	USD	GBP	EUR	ZAR	2025 Total
FINANCIAL ASSETS						Rs
Investment in Financial Assets	207,816,946	8,691,852	-	-	-	216,508,798
Trade Receivables	189,153,041	18,738,617	-	781,849	-	208,673,507
Other Receivables	1,284,435	-	-	-	-	1,284,435
Cash and Cash Equivalents	124,523,938	34,754,582	4,570,995	12,803,694	20,010	176,673,219
	<u>522,778,360</u>	<u>62,185,051</u>	<u>4,570,995</u>	<u>13,585,543</u>	<u>20,010</u>	<u>603,139,959</u>
FINANCIAL LIABILITIES						
Trade and Other Payables	177,672,985	434,445	-	156	-	178,107,586
	<u>177,672,985</u>	<u>434,445</u>	<u>-</u>	<u>156</u>	<u>-</u>	<u>178,107,586</u>

The Company's foreign operations exposes it to foreign exchange risk arising from US dollars, Euros, Great Britain Pounds and South African Rands. At June 30, 2026, if the rupee weakens/strengthens by 5% against foreign currencies, with other variables held constant, total comprehensive income would have been Rs.32,989,908 (2025: Rs. 3,396,897) higher/lower mainly as a result of translation of foreign bank balances.

(ii) Credit Risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL) and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

Credit risk is managed on a Company basis. For banks and financial institutions, only independently rated parties are accepted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
3 FINANCIAL RISK MANAGEMENT (CONT'D)
(a) Financial Risk Factors (cont'd)
(ii) Credit Risk (cont'd)

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

Included in the table below are the Company's financial instruments by category.

	Amortised Cost		Fair value through other comprehensive income		Fair value through profit or loss	
	2026	2025	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
ASSETS						
Investment in Financial Assets	798,521,984	-	40,133,548	36,859,817	1,442,962,616	179,648,981
Trade Receivables	590,349,326	208,673,507	-	-	-	-
Other Receivables	1,321,444	1,284,435	-	-	-	-
Cash and Cash Equivalents	106,388,897	176,673,219	-	-	-	-
	1,496,581,651	386,631,161	40,133,548	36,859,817	1,442,962,616	179,648,981
LIABILITIES						
Borrowings	1,924,357,859	-	-	-	-	-
Trade and Other Payables	583,439,644	178,107,586	-	-	-	-
	2,507,797,503	178,107,586	-	-	-	-

(iii) Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position at fair value through other comprehensive income and fair value through profit or loss.

(iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company aims at maintaining flexibility in funding by keeping committed credit lines available. Management monitors the liquidity situation to ensure that the Company meets its obligations when required.

The tables below show the maturity analysis of the financial assets and financial liabilities of the Company.

Maturities of financial assets and financial liabilities						2026
	1-6 months	6-12 months	1-3 years	More than 3 years	Non-maturity items	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
FINANCIAL ASSETS						
Investment in Financial Assets	808,622,038	1,116,167,135	7,335,160	125,395,959	224,097,856	2,281,618,148
Trade Receivables	590,349,326	-	-	-	-	590,349,326
Other Receivables	1,321,444	-	-	-	-	1,321,444
Cash and Cash Equivalents	-	-	-	-	106,388,897	106,388,897
	1,400,292,808	1,116,167,135	7,335,160	125,395,959	330,486,753	2,979,677,815
FINANCIAL LIABILITIES						
Borrowings	-	1,924,357,859	-	-	-	1,924,357,859
Trade and Other Payables	583,439,644	-	-	-	-	583,439,644
	583,439,644	1,924,357,859	-	-	-	2,507,797,503

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
3 FINANCIAL RISK MANAGEMENT (CONT'D)
(a) Financial risk factors (cont'd)
(iv) Liquidity risk (cont'd)

Maturities of financial assets and financial liabilities						2025
	1-6 months	6-12 months	1-3 years	More than 3 years	Non-maturity items	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
FINANCIAL ASSETS						
Investment in Financial Assets	39,393,257	-	22,493,000	7,972,155	146,650,386	216,508,798
Trade Receivables	208,673,507	-	-	-	-	208,673,507
Other Receivables	1,284,435	-	-	-	-	1,284,435
Cash and Cash Equivalents	30,464,468	-	-	-	146,208,751	176,673,219
	<u>279,815,667</u>	<u>-</u>	<u>22,493,000</u>	<u>7,972,155</u>	<u>292,859,137</u>	<u>603,139,959</u>
FINANCIAL LIABILITY						
Trade and Other Payables	178,107,586	-	-	-	-	178,107,586
	<u>178,107,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,107,586</u>

(b) Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1 which comprise of listed investments and are classified as financial assets at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(c) Capital risk management

The Company's objective is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to this carrying amounts of assets and liabilities within the next financial year are discussed in appropriate notes.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

There were no other major estimates and assumptions made during the year that have a significant risk of causing material adjustments to the carrying amounts of the Company's assets and liabilities within the next financial year.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and the other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
5 EQUIPMENT

	Note	Office Equipment Rs.	Computer Equipment Rs.	Total Rs.
COST				
At July 01 2024		375,967	3,350,066	3,726,033
Additions		214,348	158,013	372,361
At June 30, 2025		590,315	3,508,079	4,098,394
Additions		16,089	358,952	375,041
At June 30, 2026		606,404	3,867,031	4,473,435
DEPRECIATION				
At July 01 2024		325,514	1,966,493	2,292,007
Charge for the Year	19	58,699	832,829	891,528
At June 30, 2025		384,213	2,799,322	3,183,535
Charge for the Year	19	56,792	755,935	812,727
At June 30, 2026		441,005	3,555,257	3,996,262
NET BOOK VALUES				
At June 30, 2026		165,399	311,774	477,173
At June 30, 2025		206,102	708,757	914,859

Depreciation charge of Rs. 812,727 (2025: Rs. 891,528) has been included in Administrative Expenses.

6 INTANGIBLE ASSETS

	Note	Computer Software Rs.	Customer Relationships Rs.	Total Rs.
COST				
At July 01 2024		9,381,321	7,980,031	17,361,352
Additions		5,789,710	-	5,789,710
At June 30, 2025		15,171,031	7,980,031	23,151,062
Additions		560,089	-	560,089
At June 30, 2026		15,731,120	7,980,031	23,711,151
AMORTISATION				
At July 01 2024		4,300,826	1,596,006	5,896,832
Charge for the Year	18	2,849,320	1,596,006	4,445,326
At June 30, 2025		7,150,146	3,192,012	10,342,158
Charge for the Year	18	2,910,197	1,596,006	4,506,203
At June 30, 2026		10,060,343	4,788,018	14,848,361
NET BOOK VALUES				
At June 30, 2026		5,670,777	3,192,013	8,862,790
At June 30, 2025		8,020,885	4,788,019	12,808,904

Customer relationships relate to the purchase of a stockbroking business in previous years.

Amortisation charge of Rs. 4,506,203 (2025: Rs. 4,445,326) has been included in Operating Expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
7 INVESTMENTS IN FINANCIAL ASSETS

(a) The investments in financial assets may be summarised as follows:

		2026	2025
		Rs.	Rs.
Financial assets at fair value through profit or loss	(b)	1,442,962,616	179,648,981
Financial assets at fair value through OCI	(c)	40,133,548	36,859,817
Financial asset at amortised cost	(d)	798,521,984	-
		<u>2,281,618,148</u>	<u>216,508,798</u>
Analysed as:			
Current		1,924,789,172	-
Non-current		356,828,976	216,508,798
		<u>2,281,618,148</u>	<u>216,508,798</u>

(b) Financial assets at fair value through profit or loss

		2026	2025
		Rs.	Rs.
At July 01,		179,648,981	210,644,900
Additions		3,654,090,685	445,174,191
Disposals		(2,376,909,671)	(460,775,134)
Fair Value released on disposals		312,277	(100,229)
Change in fair value recognised in profit or loss		(21,350,040)	(15,294,747)
Accrued interest		7,170,384	-
At June 30,		<u>1,442,962,616</u>	<u>179,648,981</u>
Fair value hierarchy			
Level 1 - Quoted market prices		1,196,314,212	171,348,981
Level 1 - Quoted adjusted price		114,965,445	-
Level 2 - Model with observable market prices and rates		131,682,959	8,300,000
		<u>1,442,962,616</u>	<u>179,648,981</u>

Financial assets at fair value through profit or loss include investment in securities which are mostly quoted on the Stock Exchange of Mauritius.

Financial assets at fair value through profit or loss assets are denominated in the following currencies:

		2026	2025
		Rs.	Rs.
Rupee		811,555,788	170,957,129
US Dollar		631,406,828	8,691,852
		<u>1,442,962,616</u>	<u>179,648,981</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
7 INVESTMENT IN FINANCIAL ASSETS (CONT'D)
(c) Financial assets at fair value through other comprehensive income (OCI)

	2026	2025
	Rs.	Rs.
At July 01,	36,859,817	32,757,038
Additions	29,160	-
Disposals	(30,176)	-
Fair Value released on disposals	(30)	-
Changes in fair value recognised in OCI	3,274,777	4,102,779
At June 30,	40,133,548	36,859,817

Financial Assets at fair value through OCI include the following:

	2026	2025
	Rs.	Rs.
Mauritian equity securities at fair value:		
Quoted		
Official list	18,125	137,508
DEM	15,830	5,112
Unquoted	40,099,593	36,717,197
	40,133,548	36,859,817

Financial assets measured at fair value through other comprehensive income include the Company's strategic equity investments not held for trading and debt securities held to collect and sell. The Company has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments. The current portion relates to those assets the Company expects to sell within the next 12 months.

The fair value of quoted securities is based on published market prices. The fair value of the unquoted securities are based on a price to earnings multiple specific to the unlisted securities. Fair value through other comprehensive income financial assets are denominated in Mauritian rupees.

At June 30, financial assets at fair value through OCI were measured at fair value, using the following inputs:

	2026	2025
	Rs.	Rs.
Quoted market prices (Level 1)	33,955	142,620
Model based on management estimates (Level 3)	40,099,593	36,717,197
Total	40,133,548	36,859,817

Changes in Level 3 instruments for the year ended June 30

	2026	2025
	Rs.	Rs.
At July 01,	36,717,197	32,619,102
Total gains for the year, recognised in		
Other comprehensive income	3,382,396	4,098,095
At June 30,	40,099,593	36,717,197

The unquoted investments consist of shares held in the Stock Exchange of Mauritius Ltd. The valuation was based on an earning multiple, which is the main unobservable input. This was derived based on an adjustment comparable with peers.

None of the financial assets are impaired.

A 5% change in fair value would lead to a Rs. 2,006,677 (2025: Rs 1,842,991) change in the carrying amount of financial assets at fair value through OCI.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
7 INVESTMENT IN FINANCIAL ASSETS (CONT'D)

(d) Financial asset at amortised cost	2026	2025
	Rs.	Rs.
At July 01,	-	-
Additions	770,564,885	-
Interest income	22,683,455	-
Foreign exchange difference	5,273,644	-
At June 30,	798,521,984	-

The financial asset represents an intercompany loan to CM Equity Linked Products Ltd, a wholly owned subsidiary of MCB Capital Markets Ltd, bearing interest at 7% per annum and repayable in November 2026.

8 INVESTMENT IN SUBSIDIARY

	2026	2025
	Rs.	Rs.
The movement in investment in subsidiary is as follows:		
At July 01,	10,000	-
Additions	-	10,000
At June 30,	10,000	10,000

The details of the Company's subsidiary are as follows:

Name of subsidiary	Class of Shares	Year end	Proportion of ownership interest		Share capital	Country of incorporation & operation	Main business
			Direct	Indirect			
CM Securities Holdings Ltd	Ordinary	June 30	100%	-	Rs. 10,000	Mauritius	Investment holding

MCB Securities Ltd is a wholly owned subsidiary of MCB Capital Markets Ltd and the ultimate holding company is MCB Group Limited (MCBG). MCBG is incorporated in Mauritius and presents consolidated financial statements which are available for public use. Hence, MCB Securities Ltd is exempt from presenting consolidated financial statements in accordance with IFRS 10 section 4.

9 TRADE RECEIVABLES

	Notes	2026	2025
		Rs.	Rs.
Trade receivables		515,961,076	169,756,214
Receivables from group companies:			
Subsidiary	25(g)	66,437,818	28,027,881
Fellow subsidiaries	25(g)	7,950,432	10,889,412
		590,349,326	208,673,507
Less: Provisions for impairment	(a)	-	-
		590,349,326	208,673,507

Trade receivables are measured initially at fair value and are subsequently stated at amortised cost using the effective interest method less loss allowance.

(a) Impairment of Trade receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on the payment profiles of sales over a period since incorporation before June 30, 2026 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of Mauritius, the country in which it renders its services, to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
9 TRADE RECEIVABLES (CONT'D)
(a) Impairment of trade receivables (cont'd)

On that basis, the loss allowance as at June 30, 2026 was determined as follows for trade receivables and impairment on expected credit losses is expected to be insignificant.

			0 to 7 days after settlement date	9 days after settlement date	More than 90 days past due	Total
At June 30, 2026		Current				
Expected loss rate		0.00%	0.00%	0.00%	0.00%	0.00%
Gross carrying amount - trade receivables	Rs.	590,250,121	-	-	99,205	590,349,326
Less balances from related parties 25 (f)	Rs.	(74,388,250)	-	-	-	(74,388,250)
Gross carrying amount - trade receivables	Rs.	515,861,871	-	-	99,205	515,961,076
Loss Allowance	Rs.	-	-	-	-	-
At June 30, 2025		Current				
Expected loss rate		0.00%	0.00%	0.00%	0.00%	0.00%
Gross carrying amount - trade receivables	Rs.	196,372,638	8,561,937	3,738,932	-	208,673,507
Less balances from related parties 25 (f)	Rs.	(38,917,293)	-	-	-	(38,917,293)
Gross carrying amount - trade receivables	Rs.	157,455,345	8,561,937	3,738,932	-	169,756,214
Loss Allowance	Rs.	-	-	-	-	-

(b) The carrying amounts of the Company's trade receivables are denominated in the following currencies:

	2026	2025
	Rs.	Rs.
US Dollar	89,310	18,738,617
Euro	242,475	781,849
Rupee	590,017,541	189,153,041
Total	590,349,326	208,673,507

(c) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.
(d) There were trade receivables of Rs. 99,205 (2025: Rs. 12,300,869) which were past due but not impaired. The ageing analysis of these receivables is as follows:

	2026	2025
	Rs.	Rs.
0 to 7 days after settlement date	-	8,561,937
9 days after settlement date	-	3,738,932
More than 90 days past due	99,205	-
	99,205	12,300,869

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
10 OTHER RECEIVABLES AND PREPAYMENTS

	2026	2025
	Rs.	Rs.
Other receivables	1,321,444	1,284,435
Prepayments	571,122	721,688
Total	1,892,566	2,006,123

The amounts are denominated in Rupees. Collateral is not obtained on other receivables. Other receivables and prepayments are due and payable within 1 year from the end of the reporting period.

Due to the short-term nature of other receivables and prepayments, their carrying amount is considered to be the same as their fair values.

11 SHARE CAPITAL
(i) Issued and fully paid share capital

	Ordinary Shares	Total
	Rs.	Rs.
At June 30, 2026 & June 30, 2025	1,000,000	1,000,000

(ii) Number of shares

At June 30, 2026 & June 30, 2025	100,000	100,000
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(iii) Class rights

Ordinary shares shall:

- (i) have the right to vote at meetings of shareholders and on poll to cast one vote for each share held;
- (ii) subject to the rights of any other class of shares, have the right to an equal share in dividends and other distribution made by the Company; and
- (iii) subject to the rights of any other class of shares, have the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

12 DEFERRED INCOME TAX

Deferred income tax is calculated on all temporary differences under the liability method at 19% (2025: 19%).

The movement in the net deferred tax position is as follows:

	Note	2026	2025
		Rs.	Rs.
At July 1,		434,913	356,556
(Credited)/charged to profit or loss	14(b)	(411,375)	78,357
At June 30,		23,538	434,913
Deferred tax liabilities :-			
Accelerated tax depreciation		23,538	434,913

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

13	TRADE & OTHER PAYABLES	Notes	2026	2025
			Rs.	Rs.
	Trade payables		443,068,802	145,297,323
	Amount due to group companies:			
	Entities under common control	25(g)	4,261,417	4,478,334
	Fellow subsidiaries	25(g)	65,148,695	9,228,838
	Other payables		70,960,730	19,103,091
			583,439,644	178,107,586

The carrying amounts of trade and other payables approximate their fair values.

14	INCOME TAX	Note	2026	2025
			Rs.	Rs.
	(a) In the statement of financial position			
	Current tax liability at July 1,		796,696	381,014
	Income tax: Higher of adjusted profit at 15% (2025: 15%) and			
	Alternative minimum tax on adjusted book profit at 10%		6,155,750	2,292,790
	Corporate social responsibility levy		274,074	305,705
	Corporate climate responsibility Levy for 2024		-	207,691
	Corporate climate responsibility Levy for 2025		-	305,705
	Corporate climate responsibility Levy for 2026		274,074	-
	Withholding tax suffered		558,275	-
	Income tax paid		(3,667,829)	(2,696,209)
	Current tax liability at June 30,		4,391,040	796,696
	(b) In the statement of profit or loss			
	Income tax: Higher of adjusted profit at 15% (2025: 15%) and			
	Alternative minimum tax on adjusted book profit at 10%		6,155,750	2,292,790
	Adjustment in respect of current income tax of			
	previous years		-	(4)
	Corporate social responsibility levy		274,074	305,705
	Corporate climate responsibility Levy for 2024		-	207,691
	Corporate climate responsibility Levy for 2025		-	305,705
	Corporate climate responsibility Levy for 2026		274,074	-
	Withholding tax suffered		558,275	-
	Deferred tax (credit)/charge	12	(411,375)	78,357
	Charge for the year		6,850,798	3,190,244

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
14 INCOME TAX (CONT'D)
(b) In the statement of profit or loss (cont'd)

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	Note	2026	2025
		Rs.	Rs.
Profit before Taxation		82,706,625	81,651,428
Tax calculated at a rate of 15% (2025: 15%)		12,405,994	12,247,714
Corporate social responsibility Levy		274,074	305,705
Corporate climate responsibility Levy for 2024		-	207,691
Corporate climate responsibility Levy for 2025		-	305,705
Corporate climate responsibility Levy for 2026		274,074	-
Alternative minimum tax adjustment		4,100,193	-
Withholding tax suffered		558,275	-
Tax effect on:			
Income not subject to tax		(30,610,828)	(22,316,118)
Expenses not deductible for tax purposes		20,260,391	12,361,190
Deferred tax (credit)/charge	12	(411,375)	78,357
		6,850,798	3,190,244

15 REVENUE

The following is an analysis of the Company's revenue for the year:

	2026	2025
	Rs.	Rs.
Brokerage fees	61,953,754	64,723,485
Underwriting fees	48,365,691	53,290,779
Distribution fees	40,665,933	49,054,324
Market making fees	-	1,500,000
Revenue from Investment Dealer (Unrestricted) Activities	150,985,378	168,568,588

Year ended June 30, 2026	Brokerage Fees	Underwriting Fees	Distribution Fees	Market making fees	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue from investment dealer (unrestricted) activities	61,953,754	48,365,691	40,665,933	-	150,985,378

Timing of revenue recognition

At a point in time	61,953,754	-	-	-	61,953,754
Over time	-	48,365,691	40,665,933	-	89,031,624
	61,953,754	48,365,691	40,665,933	-	150,985,378

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
15 REVENUE (CONT'D)

Year ended June 30, 2025	Brokerage Fees Rs.	Underwriting Fees Rs.	Distribution Fees Rs.	Market making fees Rs.	Total Rs.
Revenue from investment dealer (unrestricted) activities	64,723,485	53,290,779	49,054,324	1,500,000	168,568,588
Timing of revenue recognition					
At a point in time	64,723,485	-	-	1,500,000	66,223,485
Over time	-	53,290,779	49,054,324	-	102,345,103
	64,723,485	53,290,779	49,054,324	1,500,000	168,568,588

16 OTHER INCOME

	2026 Rs.	2025 Rs.
Interest income	48,157,318	4,249,767
Dividend income:		
Listed	1,645,660	1,941,191
Unquoted	2,103,304	2,004,714
Sundry income	327,414	373,669
	52,233,696	8,569,341

17 FINANCE COST

	2026 Rs.	2025 Rs.
Interest on bank overdraft	(9,622,313)	(3,192,416)
Interest expense on loans	(29,792,463)	-
Foreign exchange losses	(5,989,897)	(1,397,550)
	(45,404,673)	(4,589,966)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

18 OPERATING EXPENSES	2026	2025
	Rs.	Rs.
Commission expense	14,058,348	12,822,958
Amortisation - Computer software	2,910,197	2,849,320
- Customer relationships	1,596,006	1,596,006
Transaction costs on investments in financial assets	1,579,266	267,155
Other operating expenses	2,680,598	2,419,681
	22,824,415	19,955,120

19 ADMINISTRATIVE & OTHER EXPENSES	2026	2025
	Rs.	Rs.
Depreciation	812,727	891,528
Employee benefit expenses (Note 20)	41,830,664	36,431,858
Marketing expenses	942,170	1,178,046
Office rental & management charge	10,974,038	11,207,195
Other expenses	8,419,349	6,860,553
	62,978,948	56,569,180

20 EMPLOYEE BENEFIT EXPENSE	2026	2025
	Rs.	Rs.
Wages & salaries	36,423,808	31,431,991
Social security costs	1,348,289	1,183,228
Pension costs	4,058,567	3,816,639
	41,830,664	36,431,858

Note: The Company participates in MCB Group's multi-employer plan and contributions made have been accounted as a Defined Contribution Plan. Payments to defined contribution retirement plans are charged as an expense as they fall due.

21 EARNINGS PER SHARE	2026	2025
Earnings per share is based on:		
Profit after taxation	Rs. 75,855,827	78,461,184
Number of shares	100,000	100,000
Earnings per share	Rs. 758.56	784.61

22 DIVIDENDS PER SHARE	2026	2025
Amounts recognised as distributions to equity holders in the year:		
Dividends declared and paid during the year	Rs. 40,000,000	-
Number of ordinary shares in issue	100,000	100,000
Dividends per share	Rs. 400	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

23 BORROWINGS		2026	2025
		Rs.	Rs.
At Amortised Cost			
Within one year			
Bank loans	(a)	1,505,438,351	-
Bank overdraft	(b)	418,919,508	-
		<u>1,924,357,859</u>	<u>-</u>
During the financial year ended 30 June 2026, the Company entered into an agreement with the MCB for the following facilities:			
(a) Money market lines repayable within 1 year			
Denominated in MUR		775,603,431	-
Denominated in USD		729,834,920	-
		<u>1,505,438,351</u>	<u>-</u>
(b) Bank overdraft facility repayable on demand			
Denominated in MUR		<u>418,919,508</u>	<u>-</u>
All borrowings are from related parties as shown in Note 25.			
24 NOTES TO THE CASH FLOW STATEMENT		2026	2025
		Rs.	Rs.
(a) Cash used in operations			
Reconciliation of profit before taxation to cash used in operations:			
Profit before taxation		82,706,625	81,651,428
Adjustments for:			
Depreciation on equipment		812,727	891,528
Amortisation of computer software		2,910,197	2,849,320
Amortisation of customer relationships		1,596,006	1,596,006
Interest income		(48,157,318)	(4,249,767)
Interest expense		39,414,776	-
Dividend income		(3,748,964)	(3,945,905)
Unrealised foreign exchange losses		5,989,897	1,397,550
Movement in fair value of financial assets at FVTPL		21,350,040	15,294,747
Profit on disposal of financial assets at FVTPL		<u>(32,045,627)</u>	<u>(922,512)</u>
		70,828,359	94,562,395
Changes in working capital:			
- trade receivables		(381,675,819)	(77,345,772)
- other receivables and prepayments		113,557	(116,299)
- trade and other payables		405,332,058	(252,625,758)
Cash used in operations		<u>94,598,155</u>	<u>(235,525,434)</u>
(b) Cash and cash equivalents		2026	2025
		Rs.	Rs.
Cash at bank and in hand		106,388,897	176,673,219
Bank overdraft	23(b)	<u>(418,919,508)</u>	<u>-</u>
		<u>(312,530,611)</u>	<u>176,673,219</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
24 NOTES TO THE CASH FLOW STATEMENT (CONT'D)
(c) Reconciliation of liabilities arising from financing activities:

Money market lines repayable within 1 year:

	2025	Net cash flows	Interest expense	Foreign Exchange Difference	2026
	Rs.		Non-cash movements		Rs.
Bank loans	-	<u>1,447,162,515</u>	<u>39,414,776</u>	<u>18,861,060</u>	<u>1,505,438,351</u>

25 RELATED PARTY TRANSACTIONS

	2026	2025
	Rs.	Rs.
(a) Revenue		
Ultimate holding company	4,337	292,900
Subsidiary	245,760	215,768
Entities under common control	7,792,429	5,836,650
Fellow subsidiaries	<u>89,031,624</u>	<u>83,684,074</u>
(b) Interest income		
Ultimate holding company	1,593,003	425,515
Entities under common control	18,199,239	1,077,704
Fellow subsidiaries	<u>23,274,010</u>	<u>2,654,549</u>
	<u>43,066,253</u>	<u>4,157,768</u>
(c) Interest expense		
Entities under common control	38,787,337	3,192,416
Fellow subsidiaries	<u>497,528</u>	-
	<u>39,284,865</u>	<u>3,192,416</u>
(d) Commission expense		
Entities under common control	<u>11,488,327</u>	<u>12,822,958</u>
(e) Other expenses		
Entities under common control	2,499,143	6,166,524
Fellow subsidiaries	11,504,179	7,273,785
Subsidiary	<u>526,919</u>	<u>850,964</u>
	<u>14,530,241</u>	<u>14,291,274</u>
(f) Key management personnel (Including directors)	<u>19,271,243</u>	<u>17,571,271</u>

Key management personnel remuneration include pension contributions made by the company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**
25 RELATED PARTY TRANSACTIONS (CONT'D)

	2026	2025
	Rs.	Rs.
(g) Outstanding balances as at June 30,		
<i>Receivable from related parties</i>		
Entities under common control	7,500,000	-
Fellow subsidiaries	7,950,432	10,889,412
Subsidiary	66,437,818	28,027,881
	81,888,250	38,917,293
<i>Payables to related parties</i>		
Entities under common control	4,261,417	4,478,334
Fellow subsidiaries	65,148,695	9,228,838
	69,410,112	13,707,172
<i>Borrowings</i>		
Entities under common control	1,924,357,859	-
<i>Cash at bank and in hand</i>		
Entities under common control	106,388,897	176,673,219
<i>Financial assets at fair value through profit or loss</i>		
Ultimate holding company	563,549,965	21,302,155
Fellow subsidiaries	564,032,000	8,300,000
	1,127,581,965	29,602,155
<i>Financial asset at amortised cost</i>		
Fellow subsidiary	798,521,984	-

All the above transactions have been carried out at least under market terms and conditions. There have been no guarantees provided or received for any related party receivables or payables. At June 30, 2026 the amounts owed by related parties were not impaired.

Outstanding balances at year end are unsecured. Settlement occurs in cash. The Company has made an impairment assessment by considering the previous repayment behaviours and the future cash flow forecasts covering the contractual period of receivables from related parties. The Company does not expect any default from them and is certain of their ability to pay their debts as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is therefore negligible and the Company has not accounted for any impairment loss.

26 ULTIMATE HOLDING COMPANY

The holding company of MCB Securities Ltd is MCB Capital Markets Ltd and the ultimate holding company is MCB Group Limited. Both companies are incorporated in Mauritius.

27 CONTINGENT LIABILITIES

The Company has been served with complaints with summons before the Supreme Court of Mauritius from certain noteholders of CM Structured Finance (1) Ltd (fellow subsidiary). These complaints are strongly resisted by the Company and have no financial impact as at the signing date of these financial statements.