



POLICY
INVESTMENT

BECAUSE WEALTH
IS A JOURNEY,



NOT A SPRINT.

ANNUAL
REPORT
2025



ONE STOCK **ONE** CURRENCY **GLOBAL** EXPOSURE

Investing internationally often feels reserved for professionals. It shouldn't be.

With POLICY, Mauritian investors access international stocks without:

- opening foreign accounts
- managing currencies
- navigating complex structures

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NOTE TO SHAREHOLDERS



Dear Shareholders,

The Board of Directors is pleased to present the Annual Report of P.O.L.I.C.Y. Limited for the year ended 31 December 2025. This report has been approved by the Board on 30 March 2026.

On behalf of the Board of Directors, we invite you to attend the Annual Meeting of Shareholders which will be held as follows:

Date: Friday 19 June 2026

Time: 10h00

Place: ABC Car Gallery, Phoenix

Sincerely

Mr. Pierre de Chasteigner du Mée
VICE CHAIRMAN

Mr. Sydney Ah Yoong
DIRECTOR

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of P.O.L.I.C.Y. Limited will be held at ABC Car Gallery, Phoenix on **Friday 19 June 2026 at 10h00** to transact the following business in the manner required for the passing of the following ORDINARY RESOLUTIONS:

AGENDA

1. To consider and adopt the financial statements and the Annual Report for the year ended 31 December 2025 and to receive the auditors' report.
2. To re-elect Mr. Vincent Ah Chuen, in accordance with Section 138(6) of the Companies Act 2001.
3. To re-elect Mr. Pierre de Chasteigner du Mée, in accordance with Section 138(6) of the Companies Act 2001.
4. To re-elect Professor Donald Ah Chuen, G.O.S.K, in accordance with Section 138(6) of the Companies Act 2001.
5. To re-elect Mr. Sydney Ah Yoong, in accordance with Section 138(6) of the Companies Act 2001.
6. To re-elect Mr Karl Braunecker, in accordance with Section 138(6) of the Companies Act 2001.
7. To re-elect Mr. Ah-Lan Lam Yan Foon, in accordance with Section 138(6) of the Companies Act 2001.
8. To re-elect Mrs. Véronique Magny-Antoine, director retiring and eligible for re-election.
9. To re-elect Mrs. Valérie Ah-Chuen Juban, director retiring and eligible for re-election.
10. To elect Mr Nicolas Hardy as additional director of the Company, appointed by the Board on 13 November 2025, upon the recommendation of the Nomination Committee
11. To take note of the retirement of Mr Pierre Yves Pougnet as Director of the Company on 29 December 2025
12. To elect Mrs Camille Desvaux de Marigny as director of the Company in replacement of Mr Pierre Yves Pougnet, appointed by the Board on 17 April 2026, upon the recommendation of the Nomination Committee
13. To fix the Directors' remuneration as recommended by the Remuneration Committee.
14. To note that Ernst & Young having indicated their willingness to continue in office, will be automatically re-appointed as auditors and to authorise the Directors to fix their remuneration.

By order of the Board



Nisha Proag-Dookun, ACIS
Authorised Representative for
SILEO Corporate Services Ltd

Sileo Corporate Services Ltd
COMPANY SECRETARY

17 April 2026



**What we don't do
matters as much as
what we do.**

No hidden fees.

No retrocessions.

**No unnecessary
complexity.**

**Just disciplined
access to
international
markets.**



COMPANY PROFILE

P.O.L.I.C.Y. Limited ("POLICY") is a publicly listed investment company with a dynamic and forward-looking strategy. Incorporated on 15 June 1979 and listed on the Stock Exchange of Mauritius since 1992, POLICY has evolved from a primarily domestic investor into a company with a global investment focus aimed at maximizing shareholder value.

Historically, POLICY maintained a strong position in the Mauritian market, with a significant holding in MCB Group Ltd. This strategy enabled POLICY to generate consistent dividends and realise capital gains on strategic disposals and benefitting from steady market growth.

With global financial market shifts, POLICY's board took a decisive step towards diversification. In 2019, the Company restructured its investment approach, reallocating 70% of its local holdings into global financial markets through carefully selected investment funds. This move allowed POLICY to reduce its exposure to local market fluctuations and gain access to high-growth international opportunities. POLICY has a long-term target to have an exposure of around 85% of its portfolio in overseas investments.

In 2024, POLICY further refined its investment approach by appointing Orange Eight Ltd as its Investment Advisor. Through this strategic collaboration, the Company is shifting from investment funds to direct holdings in leading blue-chip companies listed on major global stock exchanges. This strategy is expected to enhance investment efficiency and optimise returns for shareholders, further strengthening POLICY's alignment with global market trends, and has already demonstrated its effectiveness in reducing trading fees.

POLICY's score holdings now include a strategic holding in MCB Group Ltd while expanding into high-quality global listed companies with a proven track record and diversifying across sectors and geographies of the global economy.

As POLICY continues its global investment journey, shareholders can expect a well-diversified portfolio with exposure to some of the world's most successful companies, ensuring long-term value creation, a balanced risk-reward outlook and resilience in an ever-evolving financial landscape.



Our ultimate goal remains to deliver sustainable value creation while maintaining a dynamic and resilient portfolio.



VINCENT AH CHUEN

The Chairman



Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the Chairman's Statement for P.O.L.I.C.Y. Limited for the financial year ended 31 December 2025.

The year under review was characterised by heightened volatility, evolving geopolitical dynamics, and rapid technological change. Global equity markets were largely influenced by advances in artificial intelligence, shifting trade policies, and changing capital flows. Despite these challenges, 2025 proved to be a constructive year for long-term investors like P.O.L.I.C.Y. Limited who maintained discipline and diversification.

Locally, the Mauritian equity market experienced notable headwinds following the National Budget that affected both investor sentiment and dividend expectations for listed companies. While the market demonstrated resilience in the first half of the year, foreign investor outflows and fiscal measures have weighed on the local market's performance in the second part of the year.

Against this backdrop, P.O.L.I.C.Y. Limited remained focused on preserving capital, enhancing portfolio quality, and delivering sustainable value to shareholders.

We are pleased to report that the Company's Net Asset Value ("NAV") per share increased from Rs 6.25 at 31 December 2024 to Rs 6.41 at 31 December 2025, after the distribution of dividends amounting to Rs 0.26 per share. This represents a growth in NAV of 6.7% for the year.

Net assets rose to approximately Rs 1.455 billion, supported by positive portfolio performance, foreign currency appreciation, and continued efforts to manage operating expenses. The Board remains committed to ensuring that costs are carefully controlled in order to enhance long-term shareholder returns.

During the year, shareholders received an interim dividend of Rs 0.12 per share in July 2025 and a final dividend of Rs 0.14 per share in December 2025, reflecting our commitment to providing consistent income alongside capital growth.

While the Company's share price declined by 14.06% during the year, the dividend yield of 5.80% has helped dampen this negative return. The Board continues to monitor the discount to NAV and remains focused on initiatives that enhance market confidence and liquidity.

Throughout 2025, the Company, in collaboration with its Investment Advisor, Orange Eight, refined its investment approach to better align with our long-term objectives. The revised strategy emphasises direct investment in high-quality, well-established companies with strong competitive positions and sustainable business models.

A key element of this strategy has been the gradual reduction in exposure to high-cost investment funds, enabling shareholders to retain a greater share of underlying investment returns and partially explains the NAV growth.

By the end of the year, foreign assets represented approximately 72% of the portfolio. The Board remains committed to increasing international exposure over time, with a long-term target of approximately 85%, while maintaining appropriate risk controls.

Selective profit-taking during the final quarter of the year helped reduce portfolio volatility and strengthened the Company's cash position which also provided flexibility for future investment opportunities.



Strong corporate governance remains central to the Board's philosophy. During the year, we continued to review our governance frameworks, risk management processes, and internal controls to ensure they remain robust and aligned with best practices.

In an environment shaped by geopolitical uncertainty, evolving trade policies, and changing monetary conditions, prudent risk management is essential. The Board works closely with our Investment Advisor to monitor market developments and adjust strategies where necessary.

The Board recognises the growing importance of environmental, social, and governance considerations in investment decision-making. Our focus remains on investing in businesses that demonstrate sound governance, responsible practices, and the ability to adapt to structural changes in the global economy.

Looking ahead, global markets are expected to remain influenced by developments in artificial intelligence, trade relations, monetary policy, and geopolitical dynamics. While short-term volatility is likely to persist, particularly with the Iran-Israel-U.S. conflict, we remain cautious and continue to closely monitor and evaluate the impacts this conflict will have on markets. We also continue to believe that the long-term fundamentals for well-managed, innovative, and resilient companies remain encouraging.

In Mauritius, fiscal and regulatory developments will continue to shape the investment landscape. The Board remains confident that, through disciplined portfolio management and strategic positioning, P.O.L.I.C.Y. Limited is well placed to navigate these challenges and capture emerging opportunities.

We will continue to prioritise capital preservation, sustainable income generation, and long-term growth in order to enhance shareholder value.

On behalf of the Board, we would like to express my sincere appreciation to our shareholders for their continued trust and support. We also extend my thanks to our Investment Advisor, and service providers for their dedication and professionalism throughout the year.

We remain committed to upholding the highest standards of integrity, transparency, and accountability as we work to deliver sustainable returns for all stakeholders.

In conclusion, despite a challenging operating environment, P.O.L.I.C.Y. Limited delivered a resilient performance in 2025 and strengthened its strategic foundations for the future. The Board is confident that the Company's disciplined approach, diversified portfolio, and long-term perspective will continue to serve shareholders well in the years ahead.

We thank you for your continued confidence and look forward to your ongoing support.

Mr. Pierre de Chasteigner du Mée
VICE CHAIRMAN

Mr. Sydney Ah Yoong
DIRECTOR

Name of PIE: P.O.L.I.C.Y. LIMITED

Reporting Period: 1 January to 31 December 2025

We, the Directors of P.O.L.I.C.Y. Limited, confirm that, to the best of our knowledge, P.O.L.I.C.Y. Limited has complied with all its obligations and requirements under the Code of Corporate Governance.

SIGNED BY:



Mr. Pierre de Chasteigner du Mée
VICE CHAIRMAN



Mr. Sydney Ah Yoong
DIRECTOR

Date: 30 March 2026

What makes an investment 'feel safe'?



BOARD OF DIRECTORS

Chairman

Mr. Vincent Ah Chuen

Vice Chairman

Mr. Pierre de Chasteigner du Mée

Other Directors

Professor Donald Ah Chuen G.O.S.K.

Mr. Sydney Ah Yoong

Mr. Karl Braunecker

Mr. Ah-Lan Lam Yan Foon

Mrs. Véronique Magny-Antoine

Mrs. Valérie Ah-Chuen Juban

Mr. Nicolas Hardy (Appointed on 13 November 2025)

Mr. Pierre Yves Pougnet (Resigned on 29 December 2025)

COMMITTEES OF THE BOARD

Corporate Governance, Nomination and Remuneration Committees

Mr. Vincent Ah Chuen (Chairperson up till 20 June 2025)

Mr. Pierre de Chasteigner du Mée (Chairperson as from 20 June 2025)

Professor Donald Ah Chuen G.O.S.K.

Mr. Ah-Lan Lam Yan Foon

Audit and Risk Committee

Mr. Pierre Yves Pougnet (Chairperson up till 20 June 2025)

Mr. Sydney Ah Yoong (Chairperson as from 20 June 2025)

Professor Donald Ah Chuen G.O.S.K.

Mr Ah-Lan Lam Yan Foon

Investment Committee

Mr. Pierre de Chasteigner du Mée (Chairperson)

Mr. Vincent Ah Chuen

Mr. Sydney Ah Yoong

Mr Karl Braunecker

Mrs. Valérie Ah-Chuen Juban



CORPORATE INFORMATION

Registered Office

c/o SILEO Corporate Services Ltd
Office 005, Ground Floor, Les Fascines B
Vivéa Business Park
Moka

Company Secretary, Transfer Agent & Share Registry

SILEO Corporate Services Ltd
Office 005, Ground Floor, Les Fascines B
Vivéa Business Park
Moka

Administration and Accounting

QURA Accounting Ltd
Ground Floor
Countryside Building
Vivéa Business Park
Moka

Corporate Investment Advisor

Orange Eight Ltd
1st Floor, The Pod
Vivéa Business Park
Moka

Auditors

Ernst & Young
6th Floor, IconEbene
Rue de L'institut
Ebène

Bankers

The Mauritius Commercial Bank Limited
AfrAsia Bank Ltd
Investec Bank (Mauritius) Limited
ABC Banking Corporation Ltd
SBM Bank (Mauritius) Ltd
Absa Bank (Mauritius) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board accepts the responsibility for the preparation of financial statements which give a true and fair view of the financial position, financial performance, and cash flows of the Company and which comply with the Companies Act 2001 and the International Financial Reporting Standards.

In preparing those financial statements, the Directors have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Adhered to the provisions of the Code of Corporate Governance.

The Directors also confirm their responsibility for safeguarding the assets of the Company.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Board acknowledges its responsibility for ensuring the preparation of the financial statements in accordance with the International Financial Reporting Standards and the responsibility of external auditors to report on these financial statements. The Board also acknowledges its responsibility for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management.



Mr. Pierre de Chasteigner du Mée
VICE CHAIRMAN



Mr. Sydney Ah Yoong
DIRECTOR



As geopolitical tensions rise, building smart, cross-border diversification is not optional. It's essential to safeguarding long-term value.



VALÉRIE AH-CHUEN JUBAN

Non-Executive Director





POLICY
INVESTMENT

**CORPORATE
GOVERNANCE
REPORT 2025**



The Board recognises corporate governance as a matter of priority. The Board considers that good corporate governance contributes in terms of growth, financial stability, and performance. It therefore accepts and acknowledges its responsibility for applying and implementing the principles contained in the National Code of Corporate Governance for Mauritius (2016) (The “Code”) and is thus conducting its affairs in line with the principles of the Code.

PRINCIPLE 1: GOVERNANCE STRUCTURE

The Role of the Board

The primary function of the Board is to provide effective leadership and direction to promote the long-term value of the Company, for the benefit of its shareholders and other stakeholders. As an investment holding company, the Board assumes its responsibility in overseeing the conduct of business activities of the Company, reviewing the strategic decisions, performance objectives, annual budget, major funding, investment proposals and corporate governance framework. It also monitors regulatory and legal requirements and obligations of the Company.

Responsibilities and Accountabilities

The Company, being an investment holding entity, does not have any employee or senior management. It has three corporate service providers providing (i) Investment Advisory services, (ii) Accounting and Administration services and (iii) Share Registry and Company Secretarial services. Compliance obligations of these service providers are regularly monitored by the Board and governed by service level agreements.

Board Charter and Ethics

The Company has adopted a Board Charter which provides the terms of reference for the board, clearly defining its responsibilities. The Company having no employees is therefore addressing matters related to ethics in its Board Charter. The Board Charter also caters for the monitoring of internal risks, controls, and compliance.

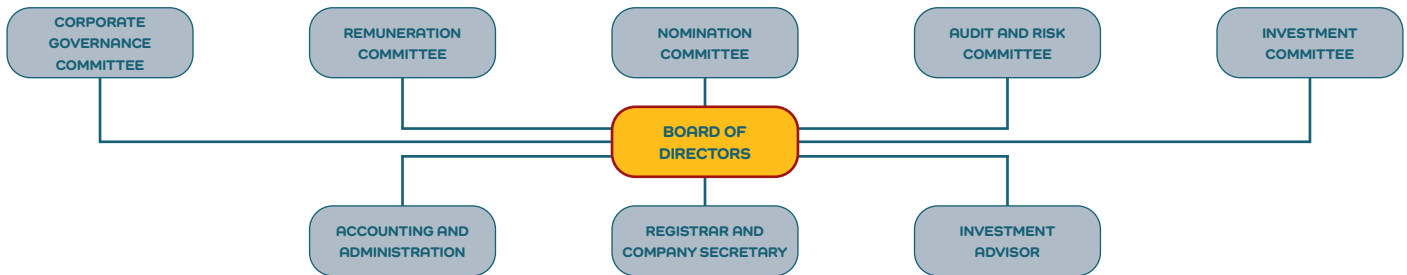
The Board Charter can be viewed on the Company’s website, www.policylimited.mu.

Organisational Structure and Statement of Accountabilities

The Board has created five sub-committees of the Board, each operating within its own terms of reference, approved by the Board, to provide specialist guidance to its directors. A reporting mechanism has been set up to ensure that recommendations from the different committees are effectively escalated to the Board in an orderly manner. The report of the Chairperson of each sub-committee is an agenda item at all board meetings.

The organizational structure is reviewed as and when the directors think fit and the changes are implemented thereafter.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONT'D)



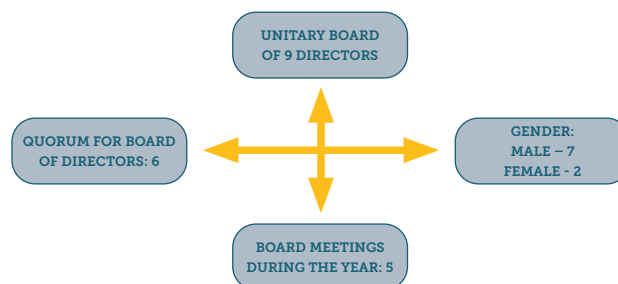
PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Size and Structure

The Board adheres to the principle that knowledge and industry experience should not be sacrificed in favour of independence. The Board is satisfied that its actual composition is balanced and commensurate with the Company's ownership structure and size. The Board is also of the opinion that the current directors have the appropriate range of skills, expertise, and experience to carry out their duties properly.

Mr Nicolas Hardy was appointed on 13 November 2025.

Mr Pierre-Yves Pougnet resigned from the Board with effect from 29 December 2025. The Board records its appreciation for his valuable contribution and service during his tenure.



Independence on the Board

As at 31 December 2025, the Board comprised nine directors, amongst whom one is an Executive Director, three are independent Directors and the remaining five are Independent-minded Non-Executive Directors.

The Chairman, whilst being connected to the Company's substantial shareholders, has demonstrated a strong independence in character and judgment in the discharge of his responsibilities.

The Directors are required to disclose their interests towards any item on the agenda at the start of the board meetings. Directors who may have conflicts of interest in relation to any item on the agenda are requested to withdraw during discussions relating thereto and until such a time that a final decision has been reached. At 31 December 2025, none of the directors of the Company had any conflicts of interest.



PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

Role of the Company Secretary

SILEO Corporate Services Ltd (“SILEO”) is a company limited by shares, incorporated in Mauritius on 04 August 2020, founded to provide company secretarial, advisory, and training services to companies in Mauritius. SILEO also endeavours to promote corporate governance and help companies willing to grow to greater heights to implement good governance practices. The Company was set up by Nisha Proag-Dookun and Véronique Magny-Antoine, both Associates of the Institute of Chartered Secretaries & Administrators, and Associate Governance Practitioners, having more than 25 years’ experience in both the domestic and global business.

The Company Secretarial function is fulfilled through a service agreement between SILEO and the Company.

Board Processes and Attendance at Board Meetings

The dates of the board, committee and annual meetings are planned well in advance with the assistance of the Company Secretary. The Board meets at least four times a year and ad hoc meetings may also be convened for urgent matters. Decisions of the Board are also from time to time taken by way of written resolutions.

In 2025, the Board met five times. During that year, the Board approved, inter alia the Annual Report and Financial Statements for the year ended 31 December 2024, the interim condensed financial statements for the quarters ended 31 March, 30 June and 30 September 2025, and the CSR allocation.

The overall attendance record at Board and Committee meetings is set out in the table below:

DIRECTORS	Board (5)	Audit and Risk Committee (4)	Corporate Governance (2)	Investment Committee (4)	Remuneration Committee (1)	Nomination Committee (2)
Mr. Vincent Ah Chuen	5 out of 5	-	2 out of 2	4 out of 4	1 out of 1	2 out of 2
Mr. Pierre de Chasteigner du Mée	5 out of 5	-	2 out of 2	4 out of 4	1 out of 1	2 out of 2
Mr. Pierre Yves Pougnet (Resigned on 29 December 2025)	5 out of 5	4 out of 4	-	-	-	-
Professor Donald Ah Chuen G.O.S.K.	5 out of 5	2 out of 4	2 out of 2	-	1 out of 1	0 out of 2
Mr. Sydney Ah Yoong	5 out of 5	3 out of 4	-	3 out of 4	-	-
Mr. Karl Braunecker	5 out of 5	-	-	4 out of 4	-	-
Mr. Ah-Lan Lam Yan Foon	4 out of 5	4 out of 4	2 out of 2	-	1 out of 1	2 out of 2
Mrs. Véronique Magny-Antoine	5 out of 5	-	-	-	-	-
Mrs. Valérie Ah-Chuen Juban	5 out of 5	-	-	4 out of 4	-	-
Mr. Nicolas Hardy (Appointed on 13 November 2025)	0 out of 5	-	-	-	-	-

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has delegated specific responsibilities to committees, which operate within clearly defined terms of reference, namely: the Corporate Governance Committee, the Remuneration Committee, the Nomination Committee, the Investment Committee, and the Audit and Risk Committee. The committees report regularly to the Board and recommend specific matters for approval.

CORPORATE GOVERNANCE COMMITTEE

Members

- Vincent Ah Chuen – Chairperson (Chairperson up till 20 June 2025)
- Pierre de Chasteigner du Mée (Chairperson as from 20 June 2025)
- Donald Ah Chuen, G.O.S.K.
- Ah-Lan Lam Yan Foon

Functions

The functions and mandate of the Corporate Governance Committee are to assist the Board in fulfilling its responsibilities to ensure that the Company complies with the prevailing corporate governance principles.

The Corporate Governance Committee is devoted to the continuing review and articulation of the governance structure of the Board. Its main role is to ensure that the reporting requirements on Corporate Governance, whether in the Annual Report, or on an ongoing basis, are in accordance with the principles of the Code of Corporate Governance. The Committee also ensures that the application of the principles is done on a day-to-day basis.

During the year, the Corporate Governance Committee undertook a review of the Company's governance framework, with particular focus on the composition of the Board and its committees. The Committee assessed independence, skills mix, tenure, diversity, and age profile in line with the principles of the National Code of Corporate Governance for Mauritius and applicable legal requirements and identified areas where enhancement could strengthen overall board effectiveness and succession planning.

The Committee also reviewed the Company's directors' appointment and succession practices and noted the absence of a formalised process. As a result, it recommended the development of a structured and transparent director appointment framework, incorporating skills assessment, eligibility criteria, and fit and proper considerations, which has now been implemented.



PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

NOMINATION COMMITTEE

Members

- Vincent Ah Chuen – (Chairperson up till 20 June 2025)
- Pierre de Chasteigner du Mée (Chairperson as from 20 June 2025)
- Donald Ah Chuen, G.O.S.K.
- Ah-Lan Lam Yan Foon

Functions

The Nomination Committee is responsible for the appointment of new board members, ascertaining whether potential new directors are fit and proper and are not disqualified from being directors. The Nomination Committee also ensures that the Board has the right balance of skills, expertise, and independence.

During the year, the Nomination Committee met in November 2025 to consider the appointment of Mr Nicolas Hardy to the Board. The Committee assessed his competencies, experience, and overall suitability and concluded that he was an appropriate candidate for the post of director.

The Nomination Committee is also responsible for the appointment of its service providers.

REMUNERATION COMMITTEE

Members

- Vincent Ah Chuen – (Chairperson up till 20 June 2025)
- Pierre de Chasteigner du Mée (Chairperson as from 20 June 2025)
- Donald Ah Chuen, G.O.S.K.
- Ah-Lan Lam Yan Foon

Functions

The Remuneration Committee determines and reviews the level of directors' fees for executive, non-executive and independent non-executive directors and makes recommendations to the Board and to shareholders at the Meeting of the Shareholders.

INVESTMENT COMMITTEE

Members:

- Pierre Arthur de Chasteigner du Mée - Chairperson
- Vincent Ah Chuen
- Sydney Ah Yoong
- Karl Braunecker
- Valérie Ah-Chuen Juban

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONT'D)

INVESTMENT COMMITTEE (CONT'D)

The role of the Investment Committee is to ensure that the Company's investment plan delivers decent performance against benchmarks. The Committee participates in the diligent implementation of the Company's Investment Plan and has a major role in overseeing investment selection decisions.

The Committee met four times during the year 2025, where it mainly reviewed the Company's portfolio, investment strategy, investment plan and the methods of evaluation for its investments. It also recommended, for Board ratification, the purchases, and disposals of various securities. The Investment Committee also reviewed the methodology and process used for the valuation of investments and considered the adequacy of the controls and procedures in place.

Functions

The Investment Committee reviews and approves the investment policies and overall strategies of the Company. It is also responsible to determine an appropriate investment strategy, including asset mix, as well as setting performance targets for the investment advisor. The Committee also reviews, decides, and approves investment choices based on advice provided by the investment advisor as and when necessary.

The Investment Committee monitors the performance of the asset portfolio and the investment advisor against the agreed benchmarks and targets regularly, seeking all necessary explanations to perform appropriate analysis.

AUDIT AND RISK COMMITTEE

Members:

- Pierre Yves Pougnet (Chairperson up till 20 June 2025)
- Sydney Ah Yoong (Chairperson as from 20 June 2025)
- Donald Ah Chuen, G.O.S.K.
- Mr Ah-Lan Lam Yan Foon

The Audit and Risk Committee supports the Board in fulfilling its responsibilities in ensuring the integrity of the Company's financial management and reporting.

The Audit and Risk Committee met four times in 2025, where it mainly reviewed the Annual Report and Financial Statements for the year ended 31 December 2024, the Interim condensed financial statements for the quarters ended 31 March, 30 June and 30 September 2025, and the remuneration package of the auditors.

Functions

The Audit and Risk Committee monitors the reliability and accuracy of the financial information provided by Management to the Board and other users of financial information. It is also responsible to address the accounting or auditing concerns identified as a result of the external audits. The financial information to be published is reviewed by the Audit and Risk Committee.



PRINCIPLE 3: DIRECTORS' APPOINTMENT PROCEDURES

Appointment and re-election of Directors

The Nomination Committee reviews all new proposed appointments to the Board and Committees prior to making recommendations to the Board; the Board may decide to fill a casual vacancy, the appointment is then submitted to the shareholders for approval at the annual meeting.

During the year, the Board formalised a structured process for the appointment of directors. The process includes an assessment of the Board's existing composition to identify skills, experience, diversity and governance gaps, in line with the relevant provisions of the Constitution and the Companies Act 2001 governing eligibility and appointment procedures, the evaluation of candidates recommended to the Board, and the application of fit and proper and competence assessments. The formalised framework is intended to ensure transparency, consistency and alignment with the principles of the National Code of Corporate Governance for Mauritius.

In accordance with the provisions of the Code, all directors wishing to be re-elected stand for re-election at each Annual Meeting of Shareholders.

Induction and training of Directors

The Board assumes its responsibility for the induction of newly appointed Directors, through a process facilitated by the Company Secretary. The Directors are invited to participate in a training Programme intended to enable them to acquire an in-depth understanding of the Company's business model, activities and operations, and governance framework. They are provided with the minutes of recent board and committee meetings, the Board Charter, constitutional documents, and the latest audited financial statements. In addition, they are informed of their directors' duties.

Directors are annually appraised and regularly updated on matters relating to the activities of the Company, including those related to Anti-Money Laundering/ Countering the Financing of Terrorism (AML/ CFT), Corporate Governance and investment issues.

Succession planning

The Nomination Committee is responsible for the identification and consideration of new directors. While the Company does not have employees, the Board recognises the importance of Board renewal and continuity. Accordingly, the Nomination Committee considers succession planning at Board level as part of its oversight of Board composition, to ensure the Board remains appropriately balanced and effective over time.

PRINCIPLE 3: DIRECTORS' APPOINTMENT PROCEDURES (CONT'D)

Directors' Profile

Vincent Ah Chuen

Non-Executive Director

Vincent Ah Chuen is the Managing Director of ABC Group of Companies. He is Chairman of ABC Motors Company Ltd. He is Director of New Goodwill Investment Ltd, International Distillers (Mauritius) Ltd, New Goodwill Co Ltd and ABCB Holdings Ltd. He is a member of the MloD and the Chinese Chamber of Commerce. He is actively involved in various social and cultural activities.

In December 2016, he obtained the World Business Leadership Excellence Award. In 2025, he was the winner of the National Innovator Hall of Fame Award (Individual).

Mr Ah Chuen is a competent, skilled, and knowledgeable person, capable of independent and impartial thinking.

Pierre Arthur de Chasteigner du Mée

Non-Executive Director

Pierre de Chasteigner du Mée, A.C.E.A., Director and Secretary of MUA Stockbroking Ltd., is a Sworn Broker, a Stockbroker on the Stock Exchange of Mauritius (now retired), a licensed Company Secretary and a fellow member of the Chartered Management Institute (England). He is a former member of the National Pensions Board and National Pension / National Savings Fund Investment Committee. He is a past Director and Chairperson of the Risk Committee and member of the Audit Committee of Investec Bank (Mauritius) Ltd. and a Director of Investec Wealth and Investment (Mauritius Ltd. Since completing his Chartered Accountancy Studies in the U.K., he has occupied various functions as Group Financial Controller and Sugar Estate General Manager within the Constance Group and as Executive Director of Constance Hotels Services Ltd.

Pierre Yves Pougnet

Non-Executive Director

(Resigned on 29 December 2025)

Pierre Yves Pougnet, an accountant by profession, is presently the Chairman of the Audit and Risk Committee. He started his career with an audit firm. In 1975 he joined the Eclasia Group where he occupied executive functions, amongst which he was the managing director of Panagora Marketing and also managing director of Food and Allied Industries Ltd (now Avipro Co Ltd). He was the vice chairman of the ECLOSIA group when he retired in 2015.



PRINCIPLE 3: DIRECTORS' APPOINTMENT PROCEDURES (CONT'D)

Professor Donald Ah-Chuen G.O.S.K.

Non-Executive Director

Professor Donald Ah-Chuen holds an M.B.A (University of Strathclyde, UK). He is also a Fellow of the Institute of Chartered Accountants (England & Wales) and Fellow of the Institute of Chartered Accountants (Australia) and holds an M.C.I.P.D (Chartered Institute of Personnel & Development, UK). In March 2009, he was conferred the distinction of G.O.S.K (Grand Officer of the Order of the Star and Key of the Indian Ocean) in recognition of his valuable contribution in the sectors of Banking & Financial Services and Tertiary Education. Professor Ah-Chuen is a former Board Director of the Development Bank of Mauritius and the Bank of Mauritius, former Chairman of the Standard Bank (Mauritius) Ltd and of the Mauritius Chamber of Commerce & Industry (2000 and 2006). He was Pro-Vice Chancellor of the University of Mauritius, Chairman of the Mauritius Broadcasting Corporation and also of the Tertiary Education Commission of Mauritius. He was C.E.O of the Graham Group of Companies, Sydney, and Chairman of the Association of Steel Galvanizing Companies of Australia & New Zealand.

Professor Ah-Chuen is currently a Board Director of the Stock Exchange of Mauritius Ltd (SEM) and was its chairman in 2018. He is also a Director of ABC Motors Co. Ltd and the Managing Director of ABCB Holdings Limited, which is listed on the Main Counter of SEM.

Sydney Ah Yoong

Non-Executive Director

Sydney Ah Yoong is a fellow member of the Association of Chartered Certified Accountants (ACCA) since 1987. He has worked at Deloitte for more than 38 years and is a retired partner since December 2012.

Karl Braunecker

Independent Director

Karl Braunecker began his career in the Mauritian tourism industry in 1980, holding senior management roles with a leading inbound operator and a major hotel group. In 1988, he served as Project Manager for the construction of the Maritim Hotel and was its Hotel Manager until 1996.

He then started his own Destination Management Company, Connections Tourism Management Ltd, which evolved fast into a major player in the Mauritian tourism industry. He became the founder and co-owner of Connections Réunion, now a major tour operator on the island. With over 50 years of experience locally and internationally, Mr Braunecker is a pioneer of the MICE industry in Mauritius and the founder of the Incentive Travel & Meeting Association (ITMA). He recently retired from his active business life.

PRINCIPLE 3: DIRECTORS' APPOINTMENT PROCEDURES (CONT'D)

Ah-Lan Lam Yan Foon

Independent Director

Ah-Lan LAM YAN FOON is a fellow member of the Association of Chartered Certified Accountants. He has worked for about 10 years in an international firm of Chartered Accountants where he has acquired experience in various sectors of the economy. Over 24 years he worked for a leading Freight Forwarding and Shipping company, Rogers Group, where he held the position of Finance & Administration Director and subsequently acted as Managing Director for 6 years up to his retirement.

During the period 2000-2016, he provided consultancy services in various fields of Finance & Management. He is a founder member of the ACCA (Mauritius Branch) and was its President in 1988. He was awarded the Certificate of Recognition for Dedication and Commitment to the service of ACCA in 2004. He was the first elected President of the Mauritius Red Cross Society (2007-2010) at national level. He is a member of the Chinese Chamber of Commerce (founded in 1908) and of the Mauritius Economic Society (founded in 1962). He is also the Chairman of ABC Group Pension Fund.

Véronique Magny-Antoine

Executive Director

Founder and Director of SILEO Corporate Services Ltd and SILEO Training Services Ltd, Véronique is an Associate of Institute of Corporate Governance (previously the Institute of Chartered Secretaries and Administrators). She has 25+ years' experience in corporate secretarial, administrative and governance services. She acted as director for a large number of companies operating in the Global Business and domestic market, involved in diverse industries and activities, and was also a member of various committees. She is also a Member of the MloD and the Company Secretaries Circle.

Valérie Ah-Chuen Juban

Non-Executive Director

Mrs. Valérie Ah-Chuen Juban is currently the Strategic Business Development Manager at the ABC Foods cluster. She holds a Bachelor of Business Administration from the European University of Toulouse, France. Her previous roles include Strategic Manager at SPEEDFREIGHT LTD, Marketing Executive in the Life Assurance Department at GOOD HARVEST LIMITED (an accredited agent of Mauritius Union Assurance), and Business Development Manager at Orange Eight Ltd (formerly ABC Capital Ltd). Additionally, she serves as a non-executive Director for ABC Motors Company Limited and is a board member for other companies within the ABC Group.



PRINCIPLE 3: DIRECTORS' APPOINTMENT PROCEDURES (CONT'D)

Nicolas Hardy

Independent Director

(Appointed on 13 November 2025)

Nicolas Hardy is currently a Senior Management Consultant for the financial services industry. He holds a BSc (Maths) and an MBA(Finance) from the University of Cape Town Business School and has gained over 20 years of international banking experience having worked for JP Morgan Fleming in the UK before returning to Mauritius in 2002 to work for Investec Bank Mauritius, and subsequently for AfrAsia Bank Limited as Chief Operating Officer. Treasurer by trade, he has cumulated many management responsibilities including treasury, credit, risk, operations, private banking, technology, Financial Institution relationships, accounts and management. Nicolas has a strong focus on building the strategic vision and roadmaps for business development (including digital transformation) for various businesses.

Other Directorships

The directorship of the Directors of P.O.L.I.C.Y. Limited in other listed companies as at 31 December 2025 is as follows:

Directors	Directorship in Listed Companies
Mr. Vincent Ah Chuen	ABC MOTORS COMPANY LIMITED, ABCB Holdings Limited
Mr. Pierre de Chasteigner du Mée	None
Mr. Pierre Yves Pougnet	Les Moulins de la Concorde Ltée & Livestock Feed Ltd
Prof. Donald Ah Chuen, G.O.S.K.	ABC MOTORS COMPANY LIMITED, ABCB Holdings Limited
Mrs. Valérie Ah-Chuen Juban	ABC MOTORS COMPANY LIMITED
Mr. Sydney Ah Yoong	None
Mr. Karl Braunecker	None
Mr. Ah-Lan Lam Yan Foon	None
Mrs. Véronique Magny-Antoine	None
Mr. Nicolas Hardy	None

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Legal Responsibilities

Directors are kept abreast and regularly updated of their legal responsibilities upon their appointment.

Directors' and Officers' Liability Insurance

A Directors' and Officers' Liability Insurance has been subscribed by the Company for its directors.

Conflict of interests / Related Party Transactions Policy

Transactions with related parties are disclosed in the financial statements. Directors are also required to notify the Company of any direct and indirect interest in any transaction or proposed transaction with the Company.

Data Protection

In compliance with the Data Protection Act 2017 and the EU General Data Protection Regulations ("GDPR"), Véronique Magny-Antoine of SILEO is acting as the Company's Data Protection Officer. The main duties of the DPO are to monitor compliance and provide advice on the Act.

Share Dealings

With regard to Directors dealing in the shares of the Company, the Directors confirm that they have followed the absolute prohibition principles as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

Directors' interests in the shareholding of the Company as at 31 December 2025

The Company maintains a Directors' interests register, which is available to the Shareholders upon request. The directors' direct and indirect interests in the shares of the Company in 2025 are as follows:

Name of Director	No. of shares - 31 December 2025	
	Direct	Indirect
Mr. Vincent Ah Chuen	1,849,227	54,998,365
Mr. Pierre Arthur de Chasteigner du Mée	280,014	1,230,533
Mr. Pierre Yves Pougnet	674,833	279,990
Prof. Donald Ah Chuen, G.O.S.K.	397,715	52,827,462
Mr. Sydney Ah Yoong	992,400	-
Mrs. Véronique Magny-Antoine	20,000	-
Mrs. Valérie Ah-Chuen Juban	84,803	55,204,297
Mr. Karl Braunecker	2,248,796	-
Mr. Ah-Lan Lam Yan Foon	-	-
Mr. Nicolas Hardy	-	-

(Beneficial interest only; no non-beneficial interest)



PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE (CONT'D)

Board Evaluation

Once a year, the Directors are assessed both individually and collectively as a Board. The evaluation is undertaken through a board evaluation sheet whereby the Directors evaluate the skills, knowledge, and leadership of the Chairman, of individual Directors and of the board as a whole. The findings of the board evaluation are tabled and discussed at board meetings.

Statement of Remuneration Philosophy

Any remuneration policy must be reviewed and proposed by the Remuneration Committee, taking into account prevailing market conditions and members' contributions in their respective functions. The directors' fees are paid on an annual basis.

Directors' emoluments

Total emoluments and other benefits paid by the Company to the Directors in 2025 amounted to Rs 2,525,000. The 2025 payments were made as follows:

	Rs
Mr. Vincent Ah Chuen	340,000
Prof. Donald Ah Chuen G.O.S.K.	305,000
Mr. Sydney Ah Yoong	342,500
Mr. Pierre Arthur de Chasteigner du Mée	352,500
Mrs. Valérie Ah-Chuen Juban	250,000
Mr. Pierre Yves Pougnet	252,500
Mr. Karl Braunecker	250,000
Mr. Ah-Lan Lam Yan Foon	272,500
Mrs. Véronique Magny-Antoine	160,000
Total	<u>2,525,000</u>

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Risk Management

The Board has the ultimate responsibility for risk governance and internal control system, as well as determining the nature and extent of the principal risks it is willing to take in the pursuit of its objectives.

The Company, being an investment company and having no employees, is not exposed to any physical or human resources. Compliance is taken care of under the risk management of the service providers by ensuring compliance of different laws & regulations under their responsibility.

As an investment company, the Company faces several risks that must be effectively managed to protect its long-term sustainability and its strength, and to safeguard its assets and the interests of the stakeholders.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONT'D)

Risk Management (Cont'd)

(a) Market Risk

The financial markets are influenced by numerous unpredictable factors including economic conditions, monetary and fiscal policies, natural disaster, and investor sentiment. The Company may incur losses because of increased market volatility as these fluctuations may adversely impact the valuation of its trading and investment positions. The management of market risk is part of the fund management process and is typical of equity investment. The portfolio is managed with an awareness of the effects of adverse price movements through detailed and continued analysis with the objective of maximising overall return to shareholders.

(b) Interest Rate Risk

Changes in the level of interest rates impact on the return of cash flow and equities which may fail to fulfil their financial obligations to be disclosed under Note 3(a), the Company does not have any significant concentration to credit risk.

(c) Credit Risk

The Company takes exposure on credit risk when dealing with third parties.

(d) Liquidity Risk

The Company is exposed to liquidity risk, in so far as it holds investments that cannot be bought or sold quickly, without significant price concessions.

(e) Country Risk

The political, economic stability and state of a country's economy is becoming an important issue in the risk management process for global investors. The Board and Investment Committee regularly keeps abreast of the Company's country exposure via a monitoring exercise. As far as possible, the Company attempts to diversify country specific risk, including exposure to Mauritius.

(f) Currency Risk

The Company is exposed to the risk that the carrying amounts of a large portion of its investment portfolio is denominated in foreign currencies, such as USD, EUR and GBP, may change due to fluctuations in foreign exchange rates. Foreign currency trends are closely monitored by the Board and/or Investment Committee on a regular basis. The Company does not hedge any foreign currency exposure.



PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONT'D)

Risk Management (Cont'd)

(g) Physical Risk

The Company, being an investment company and having no employee, is not exposed directly to any physical, human resources or technology risk exposures.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Directors accept the responsibility for the accuracy in preparing the annual report and the financial statements of the Company in accordance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Mauritius Companies Act 2001. The Board also considers that they are fair, balanced, and understandable and provide the necessary information for shareholders and stakeholders to assess the Company's financial position and performance.

Donations

During the year, the Company made the following charitable donations totaling Rs 250,000 towards Corporate Social Responsibility (2024: Rs 250,000):

NGOs	Amount (Rs)
Foyer Vivre Debout	75,000
PILS	40,000
Link to Life	40,000
Centre de Solidarité	50,000
SOS Villages	45,000
TOTAL	250,000

No political donations were made during the year.

PRINCIPLE 7: AUDIT

External audit

The Audit and Risk Committee performs the following functions:

- Review and assess the external audit plans;
- Review and monitor management's responsiveness to the findings and recommendations of the external auditors;
- Review and monitor the effectiveness of the external audit function;
- Consider the risk areas of the Company's operations to be covered in the scope of the external audits;
- Consider and make recommendations to the Board, on the appointment and reappointment of the Company's external auditors;
- Recommend the level of remuneration of the auditors and the terms of their engagement;
- Assess annually the independence and objectivity of the auditors.

PRINCIPLE 7: AUDIT (CONT'D)

Internal Audit

The Company does not have any employees. There is no internal audit due to the size of the Company, and processes are outsourced to reputable service providers (SILEO Corporate Services Ltd, Orange Eight Ltd and QURA Accounting Ltd).

Auditors' fees

Audit fees for the year

Ernst & Young

Total

	2025	2024
	Rs'000	Rs'000
	773	725
Total	773	725

Length of tenure of the current audit firm: 5.5 years (Appointed in August 2020).

The last tender conducted: 2020.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

Shares in other companies

The Company has no subsidiaries or associate companies.

Shares in public hands

In accordance with the listing rules of the SEM, more than 25% of the shareholding of the Company is in the hands of the public.

Shareholders' agreements

The Company has no Shareholders' Agreement.

Third party management contracts

Orange Eight Ltd, the Company's new Investment Advisor since 20 June 2024, QURA Accounting Ltd, the Accountant and Administrator, and SILEO Corporate Services Ltd, the Transfer Agent and Share Registry and Company Secretary, respectively, have third party service agreements with the Company.

Material clauses of the constitution

There are no material clauses that require attention.



PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS (CONT'D)

Related Party Transactions

For details of related party transactions, please refer to Note 17 on Related Party Disclosures of the Financial Statements.

DATA ANALYSIS ON SHAREHOLDINGS AS AT 31 DECEMBER 2025

Size of Shareholding	Number of Shareholders	Number of shares owned	Percentage Shareholding
1 - 5,000	1,406	1,902,190	0.84%
5,001 - 10,000	268	2,040,054	0.90%
10,001 - 50,000	543	13,173,617	5.80%
50,001 - 100,000	164	11,817,147	5.21%
100,001 - 250,000	162	27,077,624	11.93%
250,001 - 500,000	88	30,479,114	13.43%
500,001- 15,000,000	61	107,744,342	47.47%
15,000,001- 50,000,000	2	32,752,584	14.43%
	2,694	226,986,672	100%

Shareholder Category	Number of Shareholders	Number of shares owned	Percentage Shareholding
FOREIGN COMPANIES	2	35,000	0.02%
FOREIGN INDIVIDUALS	45	1,654,391	0.73%
LOCAL COMPANIES	177	116,244,988	51.21%
LOCAL INDIVIDUALS	2,365	107,977,846	47.57%
MINOR	105	1,074,447	0.47%
	2,694	226,986,672	100.00%

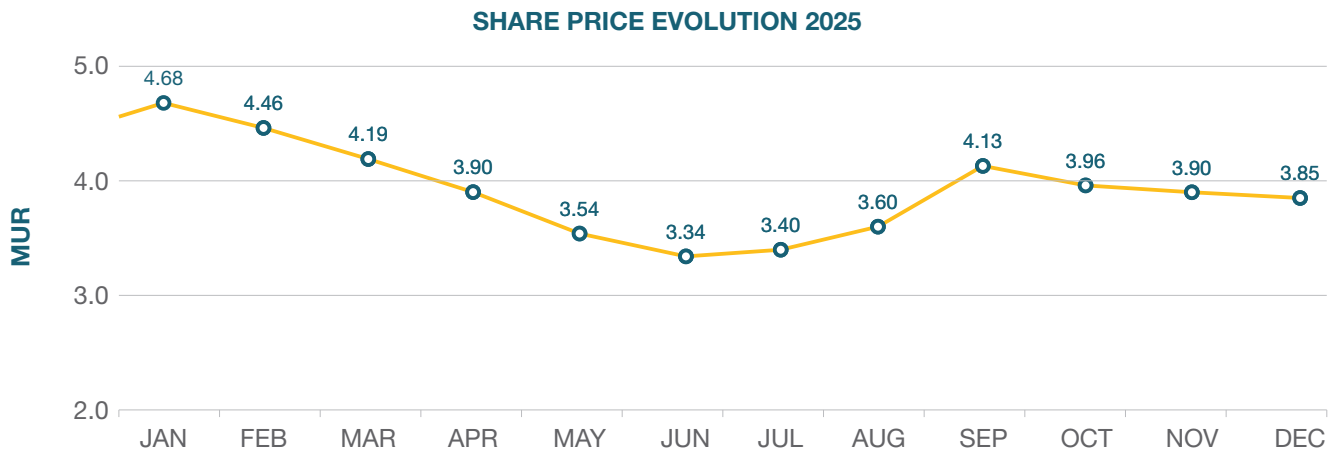
Substantial shareholders

Shareholders holding directly at least 5% of the Company's shares as at 31 December 2025 were as follows:

- Succession Pierre Joseph Emile Latour-Adrien - 9.19%
- ABC MOTORS COMPANY LIMITED - 7.28 %
- JEMPLAC Investment Ltd - 7.15 %
- Devlin Investments Ltd - 6.40 %

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS (CONT'D)

Share Price Information



Dividend Policy

The Company has adopted a well-defined dividend policy, which reads as follows:

“The Company’s Dividend Policy is to distribute 90% of its realised profits after tax, plus a minimum of 20% of the 5-year average of the net asset value performance, that is, the change in net asset value after adding back dividend declared for the year. The Board ensures that the Company satisfies the solvency test required under section 61(2) of the Companies Act 2001. Consideration is also given to the Company’s funding requirements in determining the level of dividends.”

The Board declared an interim dividend of Rs 0.12 per share in May and a final dividend of Rs 0.14 per share in November for the financial year ended 31 December 2025. Total dividends declared with respect to the financial year under review therefore, amounted to Rs 0.26 per share.

Stakeholders

Dialogue with the shareholders is enhanced through constructive use of the Annual Meeting. In addition, the shareholders are invited to contact the Company Secretary or any Director to discuss their views and concerns. The Company also deals with the authorities such as the Registrar of Companies and the Financial Services Commission, the Central Depository Services, as well as the service providers.



PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS (CONT'D)

Share option or Bonus Scheme

The Company does not have any share option or bonus scheme.

Environmental Issues

As far as the Board is aware, the Company's activities have had no direct adverse impact on the environment. The Company has also started engaging in investing in Economic, Social and Governance factors (ESG) products during late 2021. ESG cover many issues that have been traditionally excluded in the financial analysis and reports. ESG includes climate change, water management, health and safety, gender equality, treatment of the employees and the governance structure. The Company is also committed to invest responsibly and the Board remains enthusiastic in exploring investment products which have a focus on ESG (environmental, social and governance) principles.

Social Ethics

The Company contributes to charitable and educational actions.

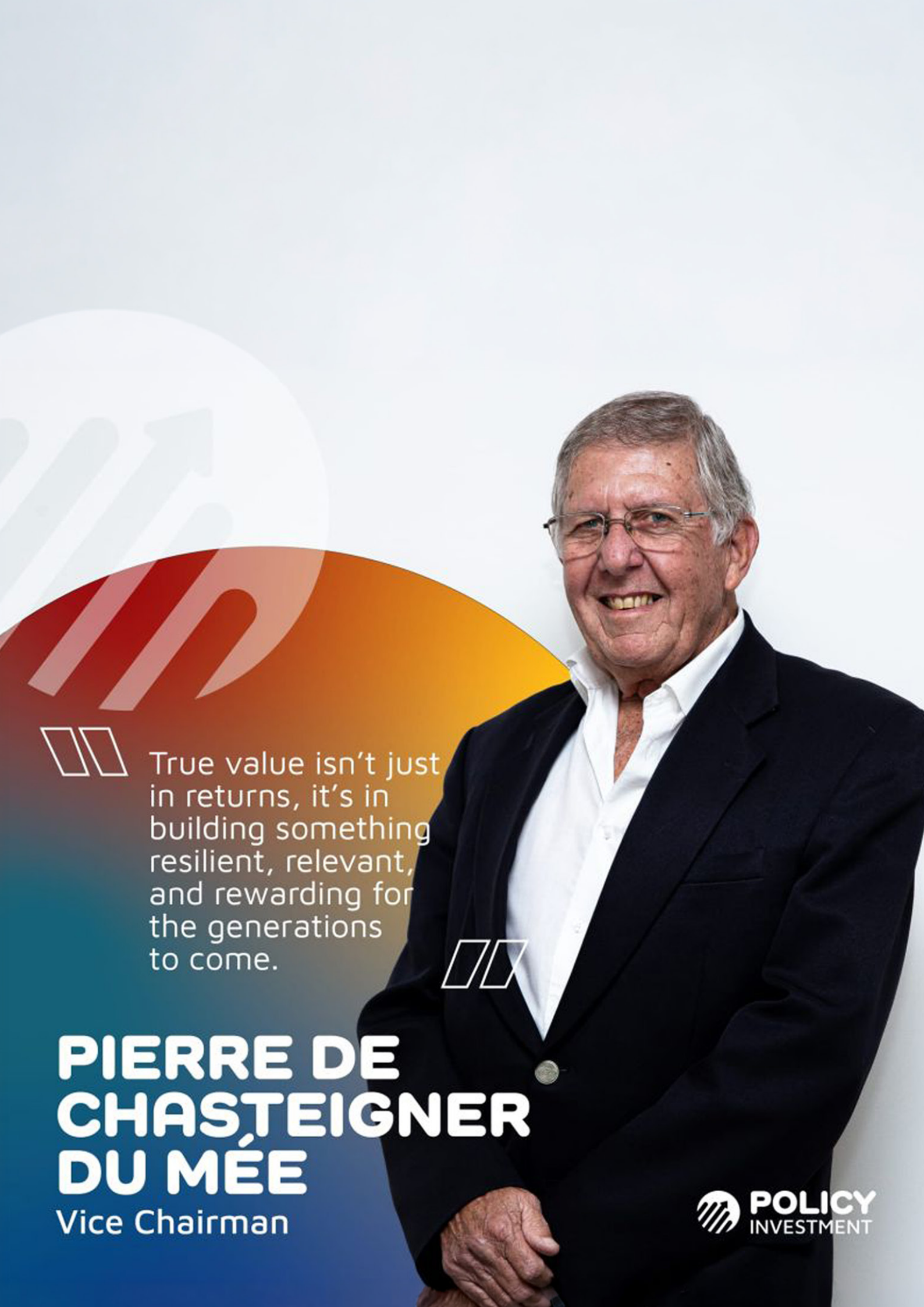
Important Events

The Calendar for the year ending 31 December 2026 is as follows:

	EVENTS	DATES
1	Quarterly Board meetings to approve Annual and Quarterly accounts	March, May, August, and November
2	Declaration of dividend	May and November
3	Annual Meeting of Shareholders	June

Mr. Pierre de Chasteigner du Mée
DIRECTOR

Mr. Sydney Ah Yoong
DIRECTOR



True value isn't just in returns, it's in building something resilient, relevant, and rewarding for the generations to come.

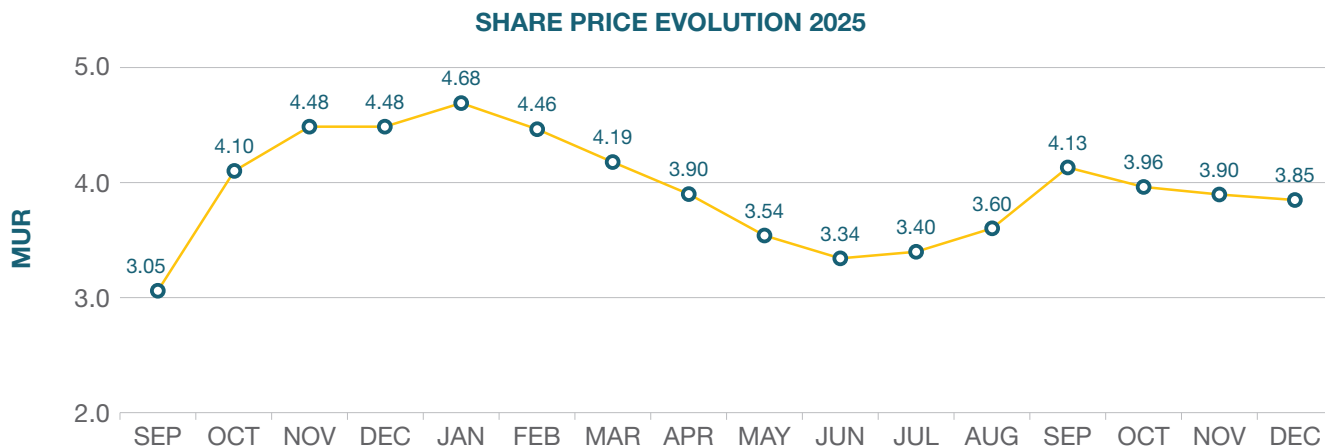


PIERRE DE CHASTEIGNER DU MÉE

Vice Chairman



Share Price Information



2025: Year in Review

In 2025, the US equity market (S&P 500) experienced a notable rise to reach an all-time high of 6,998 before edging slightly lower to close the year at 6,845 and effectively delivering a total return of 17.9%. What makes this move even more remarkable is that it started from 6,092 which was already an all-time high in 2024 and means that between these two years alone, the S&P 500 has observed 95 all-time closing highs. Looking at other international indices for reference, the MSCI World Index which tracks 23 developed markets returned 21.6% and the MSCI Emerging Markets index returned 34.4% both in USD terms.

Global equity markets in 2025 were shaped by a combination of continued advances in artificial intelligence and shifting geopolitical and trade dynamics. In the United States, strong earnings growth among leading technology companies supported market momentum, particularly in the first half of the year, although investor sentiment fluctuated as concerns emerged over market concentration. Early in the year, investors began to look beyond U.S. markets and large technology stocks such as Nvidia and Google, prompting increased capital flows into overseas equities and reflecting expectations of a more balanced global recovery.

European and Japanese companies benefited from ongoing digital transformation and automation initiatives, particularly in industrials, robotics, and advanced manufacturing. Japan remained a standout performer, supported by corporate governance reforms, rising shareholder returns, and improving domestic demand. In contrast, Chinese equities continued to face headwinds amid persistent weakness in the property sector and subdued consumer sentiment, although targeted policy support and growing competitiveness in electric vehicles, battery technology, and energy-efficient AI infrastructure provided some offsetting support later in the year. A major turning point occurred in April with the announcement of a sharp escalation in U.S. trade tariffs, widely referred to as “Liberation Day.” Average U.S. tariffs rose to approximately 17%, effectively reversing decades of trade liberalisation. This development triggered a broad market sell-off, with U.S. technology and small-cap stocks particularly affected, as investors reassessed global supply chains and corporate profit outlooks.

2025: Year in Review (Cont'd)

Unexpectedly, the market environment in the second half of the year was characterised by a reversal in capital flows. Rather than prompting sustained capital outflows from the United States, the new tariff regime encouraged companies and investors to front-run anticipated trade restrictions. This led to accelerated investment into U.S.-based production, infrastructure, and technology capacity. Combined with renewed optimism around artificial intelligence and data-centre expansion, this dynamic fuelled a strong market recovery and reinforced perceptions of U.S. market exceptionalism during the third quarter.

Across global equity markets, performance remained concentrated in growth-oriented sectors, particularly Information Technology and Communication Services. Large-cap technology stocks delivered strong returns, supported by AI-driven demand for semiconductors, cloud services, and digital platforms. However, small-cap and value stocks continued to underperform amid relatively high interest rates and tighter financial conditions, which placed pressure on companies with higher leverage and more cyclical earnings profiles. In emerging markets, the semiconductor industry remained a key beneficiary of AI investment, supporting strong performance in parts of Asia, while India and select Southeast Asian markets benefited from resilient domestic demand and infrastructure spending.

From a sector perspective, Information Technology and Communication Services were again the strongest performers within the MSCI All Country World Index. Industrials and Financials also recorded solid gains, reflecting increased capital expenditure, reshoring initiatives, and stable credit conditions. Conversely, the Materials and Energy sectors lagged the broader market, influenced by softer commodity prices, moderating global demand, and ongoing structural shifts toward sustainability.

Toward the end of the year, investor sentiment became more cautious. Questions emerged around the sustainability of AI-related capital expenditure, the pace of monetisation, and long-term returns on investment. Increased attention was also paid to China's more diversified technological strategy, particularly in electric vehicles, battery innovation, and energy-efficient computing. The U.S. Federal Reserve's December rate cut, accompanied by cautious forward guidance and visible policy committee divisions, further contributed to market uncertainty.

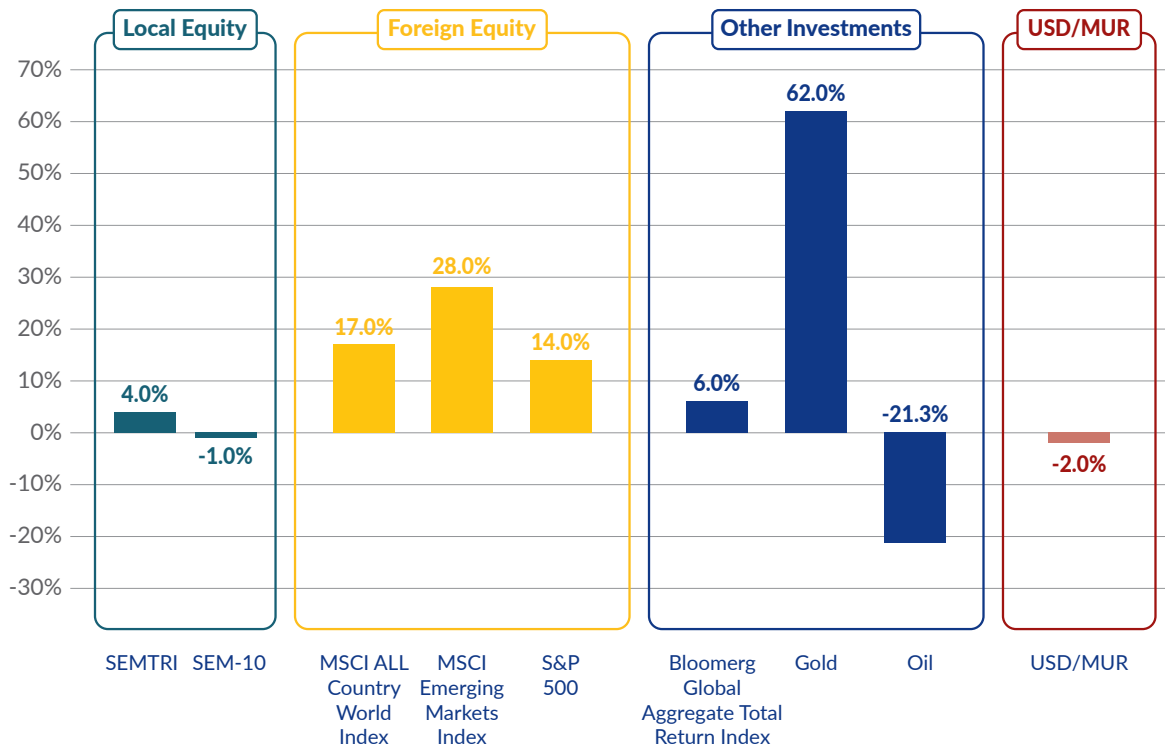
Overall, despite periods of heightened volatility driven by trade policy shocks, shifting capital flows, and evolving monetary conditions, 2025 proved to be a constructive year for global equity investors. The year reinforced the importance of diversification across regions, sectors, and investment styles, as well as the need for disciplined risk management in an environment shaped by rapid technological change, geopolitical realignment, and persistent macroeconomic uncertainty.

Price tells you where a stock trades. Not what it represents. The value of an investment is not only in its price. It's in the assets behind it.

**The exposure
it provides.**

**The discipline
it enforces.**

Performance in 2025 (MUR)

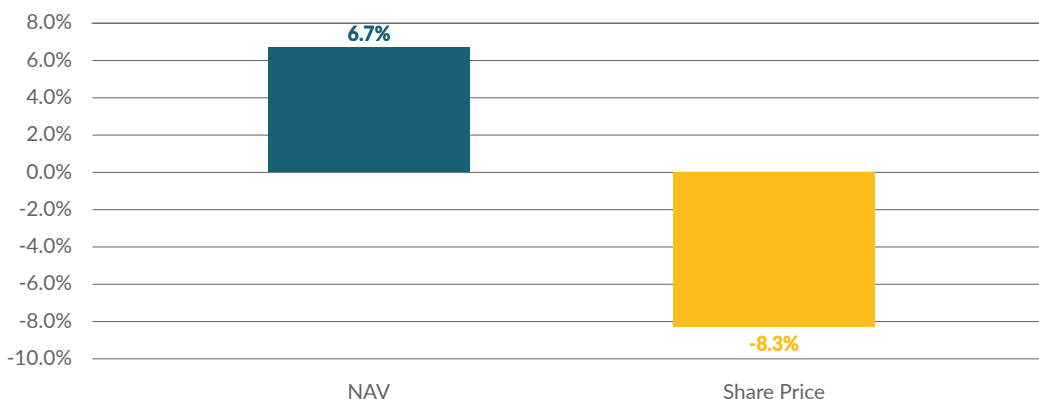


On the local front, the local market faced a significant headwind from the Mauritian budget. Indeed, the positive performance observed in the first half of the year was unwound due to the tax measures announced and which are expected to have an impact on the dividend pay-out ratios of Mauritian companies. Investors saw the initial post budget sell-off as a buying opportunity which led the SEMDEX to jump back to 2,483 (slightly below the high of the year at 2,529). However, this move was short lived as foreign investors seem to have been using the higher market levels to reduce their exposure to the Mauritian stock market.

The Bank of Mauritius maintained the Key Rate at 4.5% during the year due to above target inflation and to build a buffer between US interest rates and Mauritian interest rates. The Mauritian Key Rate was 0.25% higher than US Fed Funds Rate at the beginning of the year and this gap grew to 1.00% by December 2025.

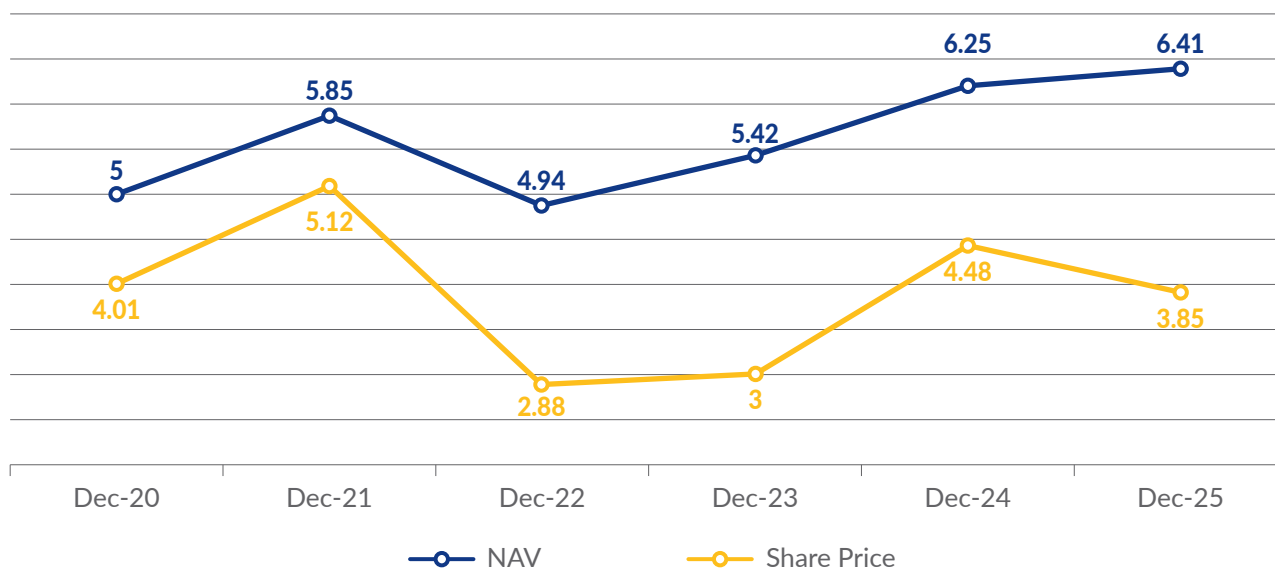
Investment Portfolio Overview For 2025

Performance (including dividends) - Year ended December 2025





Evolution of Share Price & NAV Evolution of NAV and Share Price

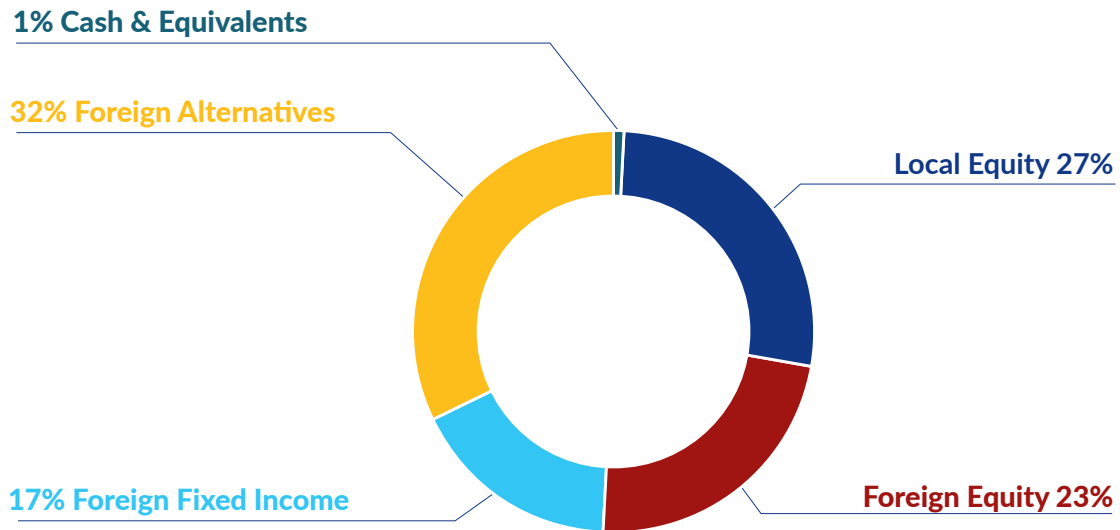


Using audited as at end-December figures

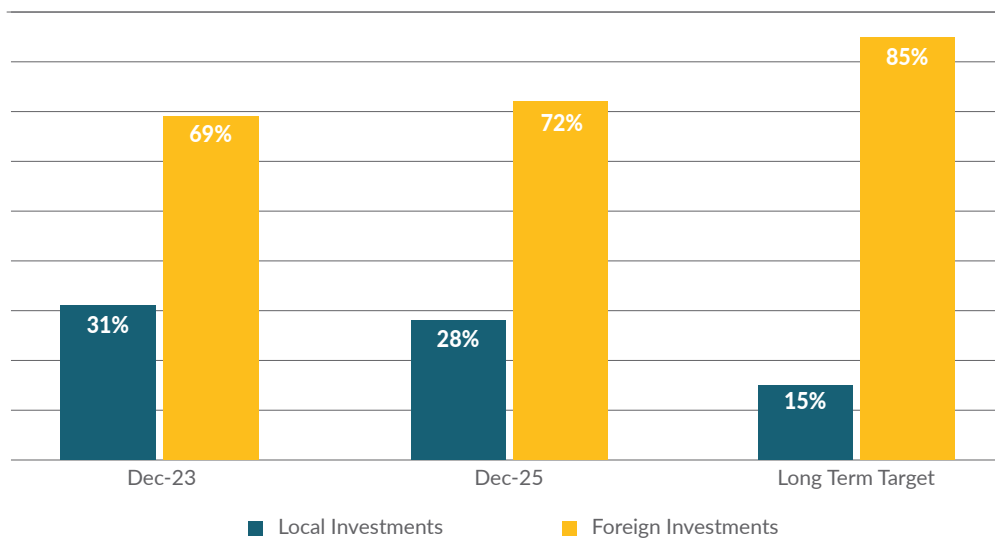
The Company's Net Asset Value (NAV) per share grew during the year, rising from Rs 6.25 on 31 December 2024 to Rs 6.41 on 31 December 2025 following dividend distributions totalling 0.26 per share during the year. This total return of 6.72% over the year highlights the success of the Company's strategic initiatives and the impact of favourable market conditions. By the end of 2025, net assets reached approximately Rs 1.455 billion, driven largely by a combination of gains in the investment portfolio and a continued focus to reduce the headwinds from expenses on NAV growth. MCB Group Ltd remained the portfolio's largest holding and was a headwind to NAV growth as its share price fell by 2.47% during the year. Foreign asset exposure accounted for 71.97% of the portfolio and made a healthy contribution to the portfolio growth because of foreign currency appreciation and indeed capital appreciation of some of the large international holdings. Some profit taking in the last quarter of 2025 helped reduce NAV volatility and increased cash and cash equivalents. Shareholders were rewarded with an interim dividend of Rs 0.12 per share in July 2025 and a final dividend of Rs 0.14 per share in December 2025, both relating to the financial year under review. Inclusive of these dividends, the Company's NAV recorded an impressive total growth of 6.7% during 2025.

The share price of P.O.L.I.C.Y. Limited fell during the year by 14.06% though shareholders did benefit from a Rs 0.26 dividend per share. Based on the share price at the beginning of the year, this equates to a dividend yield of 5.80%.

Current Asset Split



Asset Allocation Evolution



Throughout the year, the Company, with the help of its Investment Advisor Orange Eight, adjusted its investment strategy to better support the goal of increasing shareholder value. The updated strategy that focused on directly investing in high-quality, well-established companies with strong market positions across various global industries has delivered a positive growth in NAV. The new strategy also involved moving away from high-cost investment funds which resulted in shareholder earning a greater percentage of the gains from underlying investments. P.O.L.I.C.Y. Limited will continue to maintain a diversified portfolio and continue creating value for shareholders, with a long-term goal of having about 85% of its investments in international markets.



Investing isn't just for a chosen few. It's as easy as opening a savings account but far more rewarding in the long term.



KARL BRAUNECKER

Independent Director



Holdings as at 31 December 2025

Global, (71.97%)			Local (27.50%)
Equities, 22.77%	Fixed Income, 17.07%	Structured Product, 9.69%	Listed Stocks, 27.27%
	Market Trackers, 16.61%		

Based on audited net assets figures (including cash) as at end-December 2025

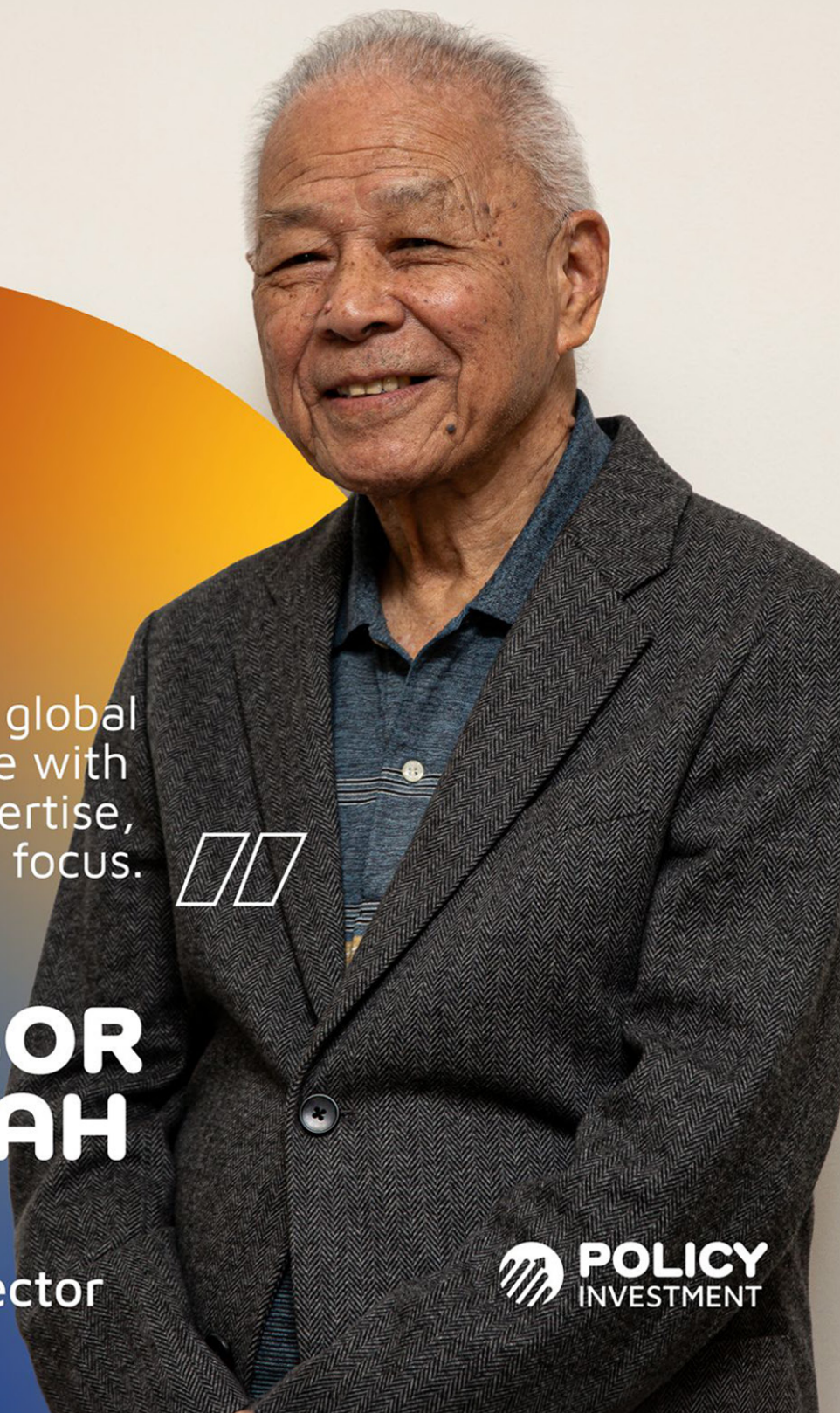


POLICY brings global investing home with simplicity, expertise, and long-term focus.



PROFESSOR DONALD AH CHUEN

Non-Executive Director



Investment Objective, Strategy & Outlook



OBJECTIVES

- Provide shareholders with medium to long-term returns consisting of capital appreciation and dividends through a diversified investment portfolio of local and foreign securities.
- Grow the Net Asset Value (NAV) of the Company in the long run by outperforming the benchmark (as per the Investment Policy Statement).



STRATEGY

- Invest up to 85% of total assets overseas.
- Investments are selected across different asset classes, through a diversified portfolio of local and foreign listed securities, not easily accessible to retail investors.
- Regular portfolio and risk monitoring by the Investment Committee.



OUTLOOK

- Though we expect 2026 to be another positive year for international equity markets, we also believe the upward trajectory of price will be accompanied by periods of volatility, given that equity valuations remain elevated. In the US, major events we are focusing on include the appointment of a new Fed Chairman, the pace and scale of AI deployment across sectors, ongoing geopolitical tensions, and mid-term elections in the last quarter of 2026. Our strategy for 2026 looks to increase the allocation to non-US markets (Japan, India, Europe, and UK) where we expect to see better returns in equity markets whilst also benefiting from currency gains in Europe and the UK.
- These conditions are expected to benefit P.O.L.I.C.Y. Ltd, which has been building a portfolio of high-quality equities. Additionally, the Company's investment strategy includes allocations to sectors attracting significant capital investment, particularly in artificial intelligence (AI), healthcare innovation, automation, and security. We plan to use any pullback in equity markets to further enhance investments in non-tech related sectors.
- Global markets are expected to remain influenced by developments in artificial intelligence, trade relations, monetary policy, and geopolitical tensions in the short-term. The latest developments around the U.S.-Israel-Iran war has created high levels of uncertainty, one being the probability of a global energy crisis. This has resulted in P.O.L.I.C.Y. Ltd adopting a more cautious investment approach. Nevertheless, the portfolio is currently well-positioned to remain resilient and to take advantage of moments of volatility as they arise as we believe that the long-term fundamentals for well-managed, innovative, and resilient companies remain encouraging. The Board will continue to closely monitor markets developments, prioritise diversification, and mitigate risks in its investment strategy.



Trust is a long-term asset and transparency is how we earn it.



VÉRONIQUE MAGNY-ANTOINE

Executive Director



P.O.L.I.C.Y. LIMITED

AS PER SECTION 166 (d) OF THE COMPANIES ACT 2001

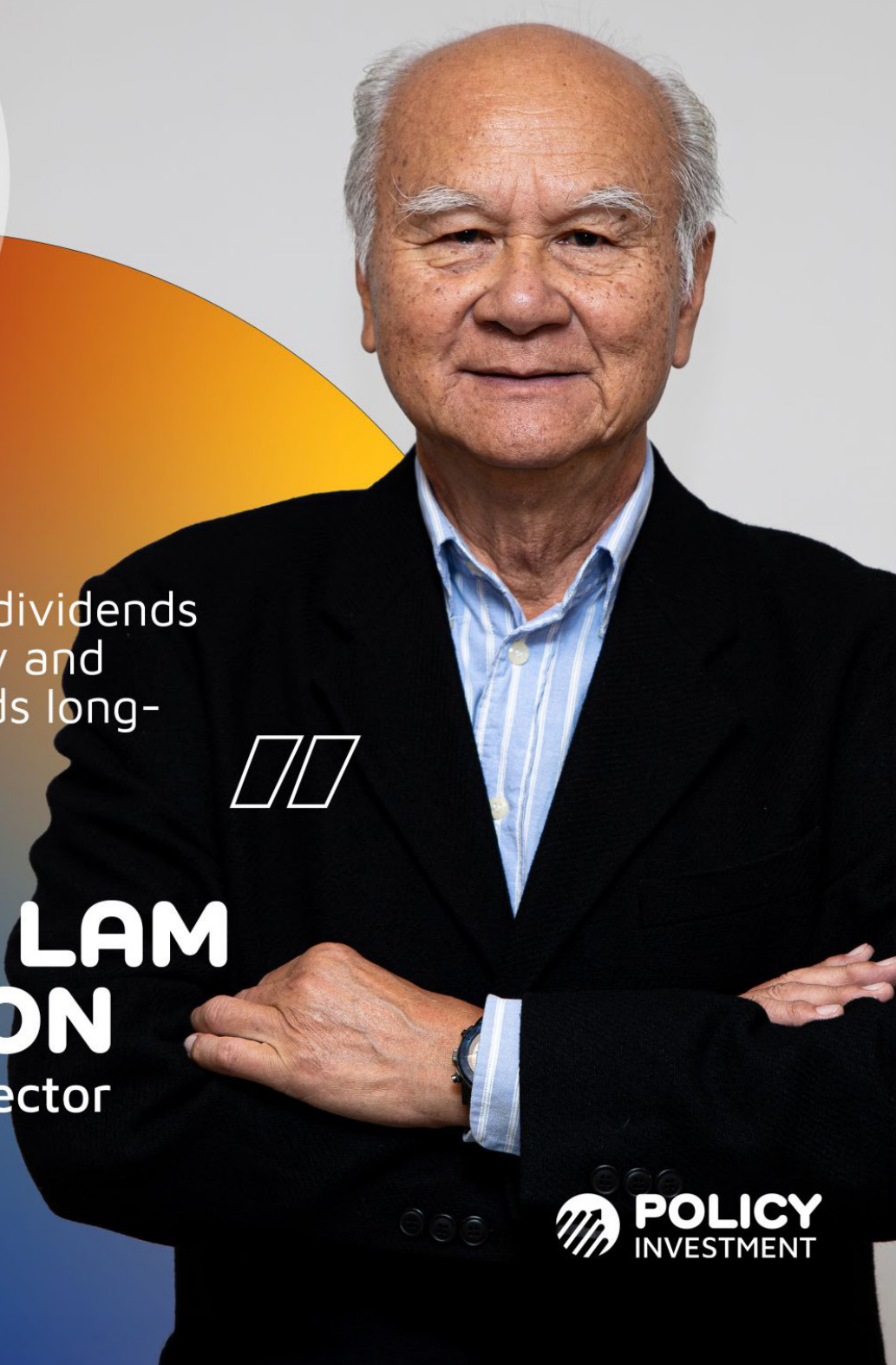
We certify that, based on the records and information made available to us by the directors of the Company, the Company has filed with the Registrar of Companies, for the financial year ended 31 December 2025, all such returns as are required of the Company under the Companies Act 2001.



Nisha Proag-Dookun, ACIS
Authorised Representative for
SILEO Corporate Services Ltd

COMPANY SECRETARY

30 March 2026



Consistent dividends
build loyalty and
loyalty builds long-
term value.



AH-LAN LAM YAN FOON

Independent Director



POLICY
INVESTMENT



POLICY
INVESTMENT

**FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2025



REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of P.O.L.I.C.Y. Limited (the "Company") set out on pages 56 to 94, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

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") as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 96-page document titled "P.O.L.I.C.Y. Limited Annual Report 2025", which includes the Chairperson's statement, the Board of Directors & Committees of the Board, the Corporate Information, the Advisor's Report, the Statement of Compliance, the Statement of Directors' Responsibilities, the Corporate Governance Report, and the Secretary's Certificate as required by the Companies Act 2001. The other information 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 an audit opinion or 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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Other Information (Cont'd)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of 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.

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 judgement and maintain professional scepticism 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 the directors.



REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

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 the 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONT'D)

Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance ("the 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 Financial Reporting Act, complied with the requirements of the Code.



ERNST & YOUNG

Ebène, Mauritius



ANJAALA RAMKHELAWON, F.C.A.

LICENSED BY FRC

Date: 30 March 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025



	Notes	2025 Rs'000	2024 Rs'000
Income	4	34,995	23,941
Fair value gain on financial assets at fair value through profit or loss	5	81,232	20,222
Administrative expenses	6	(15,740)	(15,041)
Net foreign exchange (losses)/gains		(1,295)	4,158
Profit before income tax		99,192	33,280
Income tax expense	7	(1,088)	(392)
Profit for the year		98,104	32,888
Other comprehensive income:			
<u>Items that will not be subsequently reclassified to profit or loss</u>			
Fair value (loss)/ gain on financial assets at fair value through other comprehensive income	8	(3,555)	213,670
Other comprehensive (loss)/ income for the year		(3,555)	213,670
Total comprehensive income for the year		94,549	246,558
Earnings per share (Rs.)	9	0.43	0.14

The notes on pages 60 to 94 form an integral part of these financial statements.
Independent auditor's report is on pages 52 to 55

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 Rs'000	2024 Rs'000
ASSETS			
Non-current assets			
Financial assets at fair value through other comprehensive income	10 (a)	622,072	648,389
Financial assets at fair value through profit or loss	11	572,802	682,155
		1,194,874	1,330,544
Current assets			
Financial assets at fair value through profit or loss	11	254,058	-
Other receivables	12	3,097	3,755
Cash and cash equivalents	13	36,111	89,897
		293,266	93,652
Total assets		1,488,140	1,424,196
EQUITY AND LIABILITIES			
Equity			
Stated capital	14	226,987	226,987
Share premium		5,217	5,217
Fair value reserve		374,901	387,805
Retained earnings		848,036	799,600
Total equity		1,455,141	1,419,609
Current liabilities			
Other payables	15	31,736	3,293
Dividend payable	16(b)	1,258	1,251
Current tax payable	7	5	43
Total liabilities		32,999	4,587
Total equity and liabilities		1,488,140	1,424,196

These financial statements have been approved for issue by the Board of Directors on : 30 March 2026



Mr. Pierre de Chasteigner du Mée
VICE CHAIRMAN



Mr. Sydney Ah Yoong
DIRECTOR

The notes on pages 60 to 94 form an integral part of these financial statements.
Independent auditor's report is on pages 52 to 55

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025



	Notes	Stated capital	Share premium	Fair value reserve*	Retained earnings	Total equity
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2024		226,987	5,217	283,862	713,732	1,229,798
Profit for the year		-	-	-	32,888	32,888
Other comprehensive income for the year	8	-	-	213,670	-	213,670
Total comprehensive income for the year		-	-	213,670	32,888	246,559
Transfer of fair value reserve of equity instruments designated at FVOCI on disposal **	8	-	-	(108,243)	108,243	-
Dividends	16	-	-	-	(56,747)	(56,747)
Other transfers***		-	-	(1,484)	1,484	-
At 31 December 2024		226,987	5,217	387,805	799,600	1,419,609
At 01 January 2025		226,987	5,217	387,805	799,600	1,419,609
Profit for the year		-	-	-	98,104	98,104
Other comprehensive loss for the year	8	-	-	(3,555)	-	(3,555)
Total comprehensive income for the year		-	-	(3,555)	98,104	94,549
Transfer of fair value reserve of equity instruments designated at FVOCI on disposal**	8	-	-	(9,349)	9,349	-
Dividends	16	-	-	-	(59,017)	(59,017)
At 31 December 2025		226,987	5,217	374,901	848,036	1,455,141

*The fair value reserve is used to record the movements in the unrealised fair valuation of the financial assets measured at fair value through OCI.

** The line "Transfer of fair value reserve of equity instruments designated at FVOCI on disposal" relates to the gain or loss on disposal of investment .

*** Cumulative fair value movements arising on the valuation of investment in structured products at 1 Jan 2024 amounting to Rs. 1,484,000 was incorrectly included under the fair value reserve in the previous years. This has been appropriately transferred to retained earnings during the financial year 2024.

Refer to note 11(c) for more details.

The notes on pages 60 to 94 form an integral part of these financial statements.

Independent auditor's report is on pages 52 to 55

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 Rs'000	2024 Rs'000
Operating activities			
Profit before income tax		99,192	33,280
Adjustments for:			
Interest income	4(c)	(1,350)	(74)
Dividend income	4(a)	(33,645)	(22,728)
Net foreign exchange losses/(gains)		1,295	(4,091)
Fair value changes on financial instruments at fair value through profit or loss		(81,232)	(20,222)
Withholding tax on foreign dividend		-	(341)
Operating loss before working capital changes		(15,740)	(14,176)
Changes in working capital:			
Decrease in other receivables		658	724
Increase in other payables		983	730
Cash generated from/ (used in) operations		(14,099)	(12,722)
Dividend received		33,645	26,905
Tax (paid)/ received	7	(1,128)	56
Net cash generated from operating activities		18,418	14,239
Investing activities			
Purchase of financial assets at FVOCI	10(a)	(4,050)	(5,112)
Disposal of financial assets at FVOCI	10(a)	26,812	612,830
Purchase of financial assets at FVTPL	11	(1,009,449)	(624,455)
Disposal of financial assets at FVTPL	11	973,438	108,118
Interest received		1,350	74
Net cash (used in)/ generated from investing activities		(11,899)	91,455
Financing activities			
Dividends paid	16	(59,010)	(78,430)
Net cash used in financing activities		(59,010)	(78,430)
(Decrease)/increase in cash and cash equivalents		(52,491)	27,264
Cash and cash equivalents at 01 January		89,897	58,542
(Decrease)/increase in cash and cash equivalents		(52,491)	27,264
Foreign exchange movement		(1,295)	4,091
Cash and cash equivalents at 31 December	13	36,111	89,897

The notes on pages 60 to 94 form an integral part of these financial statements.
Independent auditor's report is on pages 52 to 55



1. GENERAL INFORMATION

The financial statements of the Company for the year ended 31 December 2025 were authorised for issue in accordance with a board meeting of the directors on 30 March 2026. The Company is a limited company incorporated as a public company on 15 June 1979 and is listed on the Stock Exchange of Mauritius since 1992. The registered office is located at c/o SILEO Corporate Services Ltd Office Office 005, Ground Floor, Les Fascines B, Vivea Business Park, Moka, Mauritius.

The principal activity of the Company is to act as an investment company investing in high-quality, well established companies with strong market positions across various global industries.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

Basis of preparation

The financial statements of P.O.L.I.C.Y. Limited have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ('IASB') and under the historical cost basis, except for the fair valuation of financial assets at fair value through other comprehensive income ("FVOCI") and financial assets at fair value through profit or loss ("FVTPL"). The financial statements are presented in Mauritian Rupees (Rs) and all values are rounded to the nearest thousand, except when otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are described below:

Critical accounting estimates and assumptions

Fair valuation of structured products

The Company may, from time to time, hold financial instruments that are not quoted in active markets, such as structured products. Fair values of such instruments are determined by using valuation techniques. Where valuation techniques (for example, internally developed valuation models) are used to determine fair values, they are validated and periodically reviewed by the products' administrators, independent of the party that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Fair valuation of unquoted investments

The existence of published price quotations in an active market is the best evidence of fair value and when they are available, they are used to measure the fair value. The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants,

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Critical accounting estimates and assumptions (Cont'd)

Fair valuation of unquoted investments (Cont'd)

Net assets Value ("NAV") and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs. Foreign unquoted investments are valued by their Investment Advisor ("IA"); the IA's evaluation takes into consideration a business review of the underlying investments (performance development compared with plans) and the actual and planned transactions in the investments. The IA has determined that the NAV is the most appropriate basis to value the unquoted investments mainly funds, which issue NAV statements to the Company on a quarterly basis.

The Company's unquoted investments are valued based on the latest available price of such units for each investment, as determined by each valuation report obtained. The Company reviews the details of the reported information obtained and consider the value date of the net asset value (NAV) provided.

Going concern

The Company's management has made an assessment to continue as a going concern and is satisfied the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cause significant doubt upon the Company's ability to continue as a going concern.

New standards and interpretations

(i) Standards and amendments to existing standards effective 01 January 2025

The accounting policies adopted are consistent with those of the previous financial year except for the new and amended IFRS Accounting Standards and IFRIC interpretations adopted in the year commencing on or after 01 January 2025. The Company has adopted where applicable, the following new interpretations or amendments during the year and none of them had an impact on the financial statements of the Company.

- IAS 21 - Lack of Exchangeability

The adoption of the above standard did not have any impact on the financial statements of the Company.

Changes in accounting policies and disclosures

(ii) New standards, amendments and interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Changes in accounting policies and disclosures (Cont'd)

Amendments	Effective for accounting period beginning on or after
IFRS 9 and IFRS 7 - Disclosures: regarding the classification and measurement of financial instruments	01 January 2026
Annual Improvements to IFRS Accounting Standards - Amendments to:	
- IFRS 1 First-time Adoption of International Financial Reporting Standards;	
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;	01 January 2026
- IFRS 9 Financial Instruments;	
- IFRS 10 Consolidated Financial Statements; and	
- IAS 7 Statement of Cash flows	
IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	01 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	01 January 2027
IFRS 19 - Subsidiaries without Public Accountability	01 January 2027
IAS 21 - Translation to a Hyper-inflationary Presentation Currency	01 January 2027
IFRS 10 and IAS 28 - Sale or contribution of Assets between an Investor and its Associate or Joint Venture	Postponed indefinitely
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Note 1

The Directors are of the opinion that the above standards are not expected to have an impact on the Company's financial statement, except for IFRS 18, for which the Company is currently assessing the impacts that new standards will have on the financial statements.

Note 1: The examples do not have an effective date or transition requirements.

(a) Financial instruments – initial recognition and subsequent measurement

(i) Classification

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

The Company classifies its financial assets as subsequently measured at amortised cost or at fair value through other comprehensive income or FVTPL on the basis of both:

1. The entity's business model for managing the financial assets
2. The contractual cash flow characteristics of the financial asset

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) *Financial instruments – initial recognition and subsequent measurement (Cont'd)*

(i) *Classification (Cont'd)*

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category cash and cash equivalents, other receivables, excluding prepayments.

Financial assets at fair value through other comprehensive income ("FVOCI")

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

Financial assets at fair value through OCI comprise of equity securities which are not held for trading and for which the Company has made an irrevocable election at initial recognition to recognize the changes in fair value through OCI rather than profit or loss as these investments are held for long-term capital appreciation, in line with their investment strategy and the Company considered this to be more relevant.

Financial assets at fair value through Profit or loss ("FVTPL")

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes:

1. Listed equity investments which the Company has not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established. The equity instruments are not held for trading.
2. Structured products which the Company classifies as FVTPL.

These products include a debt instrument and also an embedded derivative as the payout is linked to the performance of specific indices. Such instruments include contractual terms that introduce a more than de minimus exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement and therefore do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. Consequently, the investment in structured products is required to be measured at FVTPL.

3. Investment in treasury bills

Treasury bills have been designated by management upon initial recognition at fair value through profit or loss.



2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) *Financial instruments – initial recognition and subsequent measurement (Cont'd)*

(i) **Classification (Cont'd)**

3. Investment in treasury bills (Cont'd)

Management only designates an instrument at FVTPL upon initial recognition if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis.

Investments designated at FVTPL are recorded in the statement of financial position at fair value and changes in fair value are recorded in profit and loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of the instrument.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities. The Company includes in this category other short-term payables.

(ii) **Recognition and initial measurement**

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the agreements. Regular purchases and sales of investments are recognised on the trade date; the date on which the Company commits to purchase or sell the investment. They are measured, at initial recognition, at fair value plus transaction costs, if any, except for financial assets at FVTPL where the transaction costs are recognised directly in profit or loss.

(iii) **Subsequent measurement**

For the purpose of subsequent measurement, the financial assets and liabilities are categorised in the following categories:

- Financial assets at fair value through profit or loss
- Financial assets at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets and liabilities at amortised cost

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the statement of profit or loss and comprehensive income within other net changes in fair value of financial assets at fair value through profit or loss in the period in which they arise.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) *Financial instruments – initial recognition and subsequent measurement (Cont'd)*

Financial liabilities (Cont'd)

Financial liabilities measured at amortised cost (Cont'd)

(iii) **Subsequent measurement (Cont'd)**

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon recognition (equity instruments)

Gains and losses on these financial assets are never recycled to profit or loss. However, on disposal of the instruments, the cumulative gains or loss are transferred from fair value reserves to retained earnings. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its listed and non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss and financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial assets and liabilities at amortised cost

Other receivables are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, as well as through the amortisation process.

Financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.



2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) *Financial instruments – initial recognition and subsequent measurement (Cont'd)*

Financial liabilities (Cont'd)

(iv) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement
- Either (a) the Company has transferred substantially all of the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(v) Impairment of financial assets

The Company holds only receivables with no financing component, and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply the simplified approach for expected credit losses (ECL) under IFRS 9 to all its receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The other receivables are settled within 3 months, and there is no history default. The Company considers amounts which have remained unsettled for more than 365 days as default.

(vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) *Determination of fair value*

The Company measures its investments in financial instruments, such as equity instruments, debentures and other interest bearing investments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., option pricing models making as much use of available and supportable market data as possible). The Company also invests in private equity funds which hold investments in other entities. The directors have valued those funds at their respective Net Asset Value ("NAV") as they believe their NAV represent their fair value. These funds measure their underlying investments at fair value.

For assets and liabilities that are measured at fair value on a recurring basis, the Company identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the beginning of each reporting period.

(c) *Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at banks.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.



2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) *Income tax expense*

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Income tax includes Corporate Social Responsibility equivalent to 2% of the Company's chargeable income of the preceding year.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Corporate Social Responsibility ("CSR")

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in the profit or loss and the income tax liability on the statement of financial position.

(e) *Stated capital*

The Ordinary Shares of the Company are classified as equity. Incremental costs directly attributable to the issue of these shares are recognised as a deduction from equity, net of any tax effects.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(f) *Expense Recognition*

All expenses are accounted for in profit or loss on an accrual basis.

(g) *Dividend*

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Mauritius, a distribution is authorised when it is approved by the shareholders, after satisfying the solvency test under the Companies Act 2001. A corresponding amount is recognised directly in equity.

(h) *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Mauritian Rupees ("Rs") which is the Company's functional and presentation currency. The Mauritian Rupee is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company.

(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.

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.

Translation differences on non-monetary items, such as equities at FVOCI are reported as part of the fair value gain or loss.

All other foreign gains and losses are presented in profit or loss within "Net foreign exchange (losses)/gains".



2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(i) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below :

- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognised using the effective interest method. Interest income includes interest on cash and cash equivalents and treasury bills.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and equity price risk), credit risk and liquidity risk. This note presents information about the Company's exposure to each of the said risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Company is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Company to transfer securities might be temporarily impaired.

The Company's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Company's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

The board of directors and the Investment Advisor have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate measures and controls and to monitor risks and adherence to limits.

All securities investments present a risk of loss of capital. The maximum loss of capital on equity and debt securities is limited to the fair value of those positions.

The management of these risks is carried out by the Investment Advisor under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Financial risk factors (Cont'd)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of managing market risk is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollars ("USD"), Great Britain Pound ("GBP") and Euro ("EUR"). Foreign exchange risk arising from future commercial transactions are recognised as assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

In accordance with the Company's policy, the Investment Advisor monitors the Company's monetary and non-monetary foreign exchange exposure on a daily basis, and the Board of Directors review it on a quarterly basis.

In retranslation of foreign balances at year end, management has used published buying rates from a local financial institution to retranslate financial assets and published selling rates to retranslate financial liabilities.

The following table indicates the approximate change in the Company's post-tax profits and equity had foreign exchange rates weakened/strengthened by 5% against the Mauritian Rupee with all other variables held constant.

	Effect on post-tax profits		Effect on equity	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
	+/-	+/-	+/-	+/-
USD	31,656	3,348	42,556	37,930
EUR	4,032	35	4,021	3,550
GBP	3,835	11	3,835	855

Post-tax profit for the year would increase/decrease as a result of gains/losses on cash and cash equivalents, financial assets classified as FVTPL and other receivables. Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as FVOCI.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Financial risk factors (Cont'd)

Market risk (Cont'd)

(i) Foreign exchange risk (Cont'd)

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised below:

	GBP	AUD	MUR	EUR	USD	TOTAL
As at 31 December 2025	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Financial assets:						
Financial assets at FVOCI	-	-	404,072	-	218,000	622,072
Financial assets at FVTPL	73,465	-	44,401	80,329	628,664	826,859
Other receivables	-	-	234	216	2,354	2,804
Cash and cash equivalents	3,226	-	3,218	95	29,572	36,111
Total assets	76,691	-	451,925	80,640	878,590	1,487,846
Financial liabilities:						
Other payables	-	-	4,274	-	27,462	31,736
Dividend payable	-	-	1,258	-	-	1,258
	-	-	5,532	-	27,462	32,994
As at 31 December 2024						
Financial assets:						
Financial assets at FVOCI	-	-	442,033	-	206,356	648,389
Financial assets at FVTPL	17,108	-	41,810	71,000	552,237	682,155
Other receivables	-	-	1,228	-	2,348	3,576
Cash and cash equivalents	220	3	24,353	705	64,616	89,897
Total assets	17,328	3	509,424	71,705	825,557	1,424,017
Financial liabilities:						
Other payables	-	-	3,293	-	-	3,293
Dividend payable	-	-	1,251	-	-	1,251
	-	-	4,544	-	-	4,544

(ii) Cash flow interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's income and operating cash flows are not materially dependent of changes in interest rates. The significant interest bearing financial assets held by the Company are cash and cash equivalents. Interest on cash at bank may fluctuate in amount, in particular due to changes in market interest rates.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Financial risk factors (Cont'd)

Market risk (Cont'd)

(ii) Cash flow interest rate risk (Cont'd)

Sensitivity analysis

The Company's interest rate risk arises from interest received on cash at bank. Based on the assumption that the interest rate had been 0.5% higher or lower on the applicable interest rate, the effects on the Company's post-tax profits and equity would have been insignificant since the interest received was immaterial for the year under review (2024: same).

(iii) Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified in the statement of financial position at FVOCI and FVTPL. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Investment Committee or Board.

A significant portion of the Company's investments in equity of other entities are publicly traded on the DEM (Development & Enterprise Market) and the SEM (Stock Exchange of Mauritius) and other foreign published markets. The Company's policy requires that the overall market position is monitored on a daily basis by the Company's Investment Advisor and is reviewed on a quarterly basis by the Investment Committee and the Board of Directors. Compliance with the Company's investment policies are reported to the Board on a monthly basis.

The Company invests in other funds and is susceptible to market price risks arising from uncertainties about future values of those investee funds. The investment manager makes investment decisions after an extensive assessment of the underlying funds, its strategy and the overall quality of the underlying funds' managers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Financial risk factors (Cont'd)

Market risk (Cont'd)

(iii) Price risk (cont'd)

Sensitivity analysis

The table below summarises the impact of increases/decreases of 5% in the fair value of the investments on the Company's equity for the year.

	Effect on equity		Effect on profit or loss	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
	+/-	+/-	+/-	+/-
Impact - FVOCI	31,104	32,419	-	-
Impact - FVTPL	41,343	34,108	41,343	34,108

Equity would increase/decrease as a result of gains/losses on equity securities classified as FVOCI and FVTPL.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has no significant concentrations of credit risk. Credit risk arises from investment in treasury bills, cash and cash equivalents held at banks, cash held with custodian and other receivables, including dividend, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. The bank accounts and the cash held with custodian are with banking institutions having strong credit rating thus credit risk is minimal at reporting date and no expected credit loss provision has been recorded on these balances at year end.

Liquidity risk

Liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed overdraft facilities and the ability to close out market positions.

The Company holds quoted and unquoted investments, the latter being not regularly traded. Before any investment decision is made, the liquidity risk factor is taken into account. The Company also ensures that the percentage of investments which are not liquid (i.e. those which are not actively traded on the market) does not exceed reasonable limits. The IA reviews the exposure in illiquid investments at each investment committee meeting held quarterly.

The amounts disclosed in the tables below are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not significant.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Financial risk factors (Cont'd)

Liquidity risk (Cont'd)

	1 month and not later than 3 months	3 months and not later than 1 year	1 - 5 Years	Total
	Rs'000	Rs'000	Rs'000	Rs'000
As at 31 December 2025				
<i>Assets</i>				
Financial assets at FVOCI	-	-	622,072	622,072
Financial assets at FVTPL	163,334	90,724	572,802	826,860
Other receivables	2,804	-	-	2,804
Cash and cash equivalents	36,111	-	-	36,111
Total	202,249	90,724	1,194,874	1,487,847
<i>Liabilities</i>				
Other payables	31,736	-	-	31,736
Dividend payable	1,258	-	-	1,258
	32,994	-	-	32,994
	1 month and not later than 3-months	3-months and not later than 1 year	1-5 years	Total
	Rs'000		Rs'000	Rs'000
As at 31 December 2024				
<i>Assets</i>				
Financial assets at FVOCI	-	-	648,389	648,389
Financial assets at FVTPL	-	-	682,155	682,155
Other receivables	3,576	-	-	3,576
Cash and cash equivalents	89,897	-	-	89,897
Total	93,473	-	1,330,544	1,424,017
<i>Liabilities</i>				
Other payables	-	3,293	-	3,293
Dividend payable	-	1,251	-	1,251
	-	4,544	-	4,544

(b) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Fair value estimation (Cont'd)

The following table presents the Company's assets that are measured at fair value as at 31 December 2025 on a recurring basis:

	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Assets				
Financial assets at FVTPL	685,028	-	141,832	826,860
Financial assets at FVOCI				
- Equity securities	531,832	-	90,240	622,072
Total assets measured at fair value	1,216,860	-	232,072	1,448,932

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2024.

	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Assets				
Financial assets at FVOCI	573,067	-	109,088	682,155
Financial assets at FVOCI				
- Equity securities	561,173	-	87,216	648,389
Total assets measured at fair value	1,134,240	-	196,304	1,330,544

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. 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, comprise of listed investments and are classified at FVOCI and FVTPL.

In the absence of observable market prices, the Company values its investments using valuation methodologies applied on a consistent basis. For some investments, few observable inputs may exist. Management's estimation of fair value is then based on the best information available in the circumstances and may incorporate management's own assumptions and involves a significant degree of judgment, taking into consideration a combination of internal and external factors, including the appropriate risk adjustments for non-performance and liquidity risks. Investments for which market prices are not observable include the structured products and funds of funds. The valuation techniques for these investments are described below.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Fair value estimation (Cont'd)

The fair value of the funds of funds that are not traded in an active market is determined by using their Net Asset Value ("NAV"). The structured products are valued using price modelling tools and these investments are classified under Level 3 of the fair value hierarchy as there are no observable market data. There has been no change in valuation methodologies during the year.

The investment committee of the Company considers the appropriateness of the valuation methods and inputs and may request that alternative valuation methods are applied to support the valuation arising from the method chosen. The committee meets periodically to review the valuation of the investment portfolio and recommends the values to the board.

The significant unobservable input in the valuation of the level 3 instruments relates to the NAV of the investee companies. Should NAV change by +/-5%, the impact on post-tax profits and equity would be Rs. Nil and Rs. 4,512,000 respectively (2024:Rs Nil and Rs 4,360,822 respectively). The structured products are valued by third party administrators which issue these instruments. Should the fair value change by +/-5%, the impact on post-tax profits and equity would be Rs. 7,091,612 (2024: Rs. 7,279,807).

The following table shows a reconciliation of the level 3 fair value measurements:

	Financial assets at FVOCI	Financial assets at FVTPL	Total
	Rs'000	Rs'000	Rs'000
31 December 2025			
Opening balance	87,216	109,088	196,304
Addition	4,000	27,462	31,462
Total gains:			
- in other comprehensive income	(976)	-	(976)
- in profit or loss	-	5,282	5,282
	<u>90,240</u>	<u>141,832</u>	<u>232,072</u>
Total unrealised gains for the year included in OCI for assets held at the end of the reporting year:			
Other comprehensive income	<u>(976)</u>	<u>-</u>	<u>(976)</u>
Profit or loss	<u>-</u>	<u>5,282</u>	<u>5,282</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Fair value estimation (Cont'd)

	Financial assets at FVOCI	Financial assets at FVTPL	Total
	Rs'000	Rs'000	Rs'000
31 December 2024			
Opening balance	222,188	-	222,188
Addition	3,728	-	3,728
Disposal	-	(48,000)	(48,000)
Transfer to FVTPL*	(145,596)		(145,596)
Transfer from FVOCI*		145,596	145,596
Total gains:			
- in profit or loss	-	11,492	11,492
- in other comprehensive income	6,896	-	6,896
	<u>87,216</u>	<u>109,088</u>	<u>196,304</u>

*During the financial year 2024, the investments in structured products amounting to MUR 145,596,000 were transferred from Financial Assets at FVOCI category to FVTPL.

Total unrealised gains for the year included in profit or loss for assets held at the end of the reporting year:

Other comprehensive income	<u>6,896</u>	<u>-</u>	<u>6,896</u>
Profit or loss	<u>-</u>	<u>11,492</u>	<u>11,492</u>

The gains/losses on investment classified as FVOCI and FVTPL are recorded as changes in fair value of equity instruments as FVOCI in other comprehensive income and in profit or loss.

Assets and liabilities not carried at fair value but for which fair value is disclosed

Other receivables, other payables and cash and cash equivalents are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company's strategy has remained unchanged from previous years.

The Company manages as capital, stated capital and other reserves disclosed under "Equity" on the face of the statement of financial position.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(d) Financial instruments by category

31 December 2025

	Assets at fair value	At amortised cost	Total
	Rs'000	Rs'000	Rs'000
Financial assets			
Financial assets at FVOCI	622,072	-	622,072
Financial assets at FVTPL	826,859	-	826,859
Other receivables	-	2,804	2,804
Cash and cash equivalents	-	36,111	36,111
	1,448,931	38,915	1,487,846
Financial liabilities			
			At amortised cost
			Rs'000
Other payables			31,736
Dividend payable			1,258
			32,995

Prepayments amounting to Rs 292,000 at 31 December 2025 (2024: Rs 179,000) are excluded from financial assets at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Financial instruments by category (Cont'd)

31 December 2024

Financial assets

Financial assets at FVOCI
Financial assets at FVTPL
Other receivables
Cash and cash equivalents

Assets at FVOCI	Financial assets at amortised cost	Total
Rs'000	Rs'000	Rs'000
648,389	-	648,389
682,155	-	682,155
-	3,576	3,576
-	89,897	89,897
<u>1,330,544</u>	<u>93,473</u>	<u>1,424,017</u>

Other financial liabilities at amortised cost
Rs'000

Financial liabilities

Other payables
Dividend payable

3,293
1,251
4,544

4. INCOME

(a) Dividend income from Investments at FVOCI

Listed - SEM
Listed - DEM
Unquoted - Local
Foreign

(b) Dividend income from Investments at FVTPL

Quoted

(c) Interest income

TOTAL

	2025	2024
	Rs'000	Rs'000
	23,088	21,731
	218	248
	177	212
	1,567	537
	<u>25,050</u>	<u>22,728</u>
	8,595	1,139
	1,350	74
	<u>34,995</u>	<u>23,941</u>

5. FAIR VALUE GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	Rs'000	Rs'000
Fair value changes on financial assets at FVTPL:		
- Mandatorily classified at FVTPL	78,169	12,090
- Designated at FVTPL	3,063	8,132
	81,232	20,222
Mandatorily classified at FVTPL:		
- Realised fair value gain	33,968	3,696
- Unrealised fair value gain	44,202	8,394
	78,170	12,090
Designated at FVTPL		
- Realised fair value loss	(2,258)	-
- Unrealised fair value gain	5,320	8,132
	3,062	8,132

Relates to fair value movement on financial assets measured at fair value through profit or loss.
Refer to Note 11 for additional details.

6. ADMINISTRATIVE EXPENSES

	2025	2024
	Rs'000	Rs'000
Management fees (Note (a)(i))	5,430	5,712
Administrator and Company Secretary fees (Note (a)(ii))	3,491	3,469
Directors' fees	2,525	2,519
Other administrative expenses (Note (a)(iii))	2,685	1,663
Other professional fees	586	571
Auditors' remuneration	773	857
Corporate social responsibility	250	250
	15,740	15,041



6. ADMINISTRATIVE EXPENSES (CONT'D)

(a) The Company has signed agreements with the following providers of service:

(i) *Investment Advisor*

On 01 September 2020, The Company entered a Management Agreement with AON Hewitt Ltd (“AON” or the “Investment Advisor”). As Investment Advisor, AON had review, evaluate and assess opportunities for investments, arrange and complete the sale and purchase of investments and develop investment strategies. The IA was remunerated as per the clause set out in the Management Agreement. The fees were separated into fixed and variable. The fixed fee was paid on a monthly basis and the variable fees were paid quarterly based on 2% on the quarterly change in NAV (excluding frozen shares). The variable performance fee was capped to a maximum of Rs 2m (excluding VAT) in each financial year. For a quarter in which NAV decreased, no performance fee was charged. Total management and performance fees was paid to AON during the year amounted to Rs NIL (2024: Rs 4,339,031).

On 1st July 2024, Orange Eight was appointed as new Investment Advisor. As Investment Advisor, Orange Eight shall review, evaluate and assess opportunities for investments, arrange and complete the sale and purchase of investments and develop investment strategies. The management fees were calculated as 0.2% of NAV for July to December 2024 and as from 2025 it is 0.4% of NAV, payable quarterly in arrears. The management fees paid to Orange Eight during the year amounted to Rs 3,499,258 (2024: Rs 1,071,965). The management fees unpaid at end of reporting year amounted to Rs 1,930,867 (2024: Rs 1,054,470).

(ii) *Administrator and Company Secretary*

On 01 October 2021, the Company entered into services agreements with SILEO Corporate Services Ltd to act as the Company Secretary and Qura Accounting Ltd (previously NL Business Solutions Ltd) to act as the administrator. The Company Secretary carry out all the secretarial services and act as the registry. The Administrator carry out the general administration, set up internal control, keep accounting records and ledgers. The Administrator and the Company Secretary shall be remunerated as per the clause set out in their respective Services Agreement. Refer to Note 17 for transactions and outstanding balances with the Company Secretary.

(iii) *Custodians*

Custody fees are charged by our custodians, and are assessed to cover the cost of holding and safeguarding assets on behalf of the account. The custody fees are included under line item ‘Other administrative expenses’ above.

(b) There are no employees in the Company.

7. INCOME TAX

The Company is subject to income tax in Mauritius on its net income at 15%. Capital gains of the Company are exempt from tax in Mauritius. The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws.

The tax charge is made up as follows:

	2025	2024
	Rs'000	Rs'000
Current tax on profit for the year:		
Mauritian income tax	1	41
Foreign withholding tax	1,083	341
Provision for CSR	4	10
Income tax expense	1,088	392

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. In accordance with IFRIC 23, the Company will also disclose uncertain tax treatments when applicable. An uncertain tax treatment is any treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority, in which cases the Company will assess whether to treat different tax treatments separately or together, the assumptions made in examining these tax treatments, and how the taxable profit (or loss) is determined as well as changes in facts or circumstances. Management has assessed that there is no uncertain tax position for the Company for the year ended 31 December 2025 (2024: same).

The Income Tax Act of Mauritius has been amended to include the Corporate Climate Responsibility ("CCR") levy. Every company shall in every year be liable to pay an equivalent of 2% of its chargeable income, as CCR levy to support rational initiatives to protect, manage, invest and restore the country's natural ecosystem and combat the effect of climate change. The CCR levy shall be paid in respect of the year of assessment commencing on 01 July 2024 and in respect of every subsequent year of assessment. The CCR levy is payable by a company with respect to a year of assessment where the turnover exceeds Mauritius Rupees 50 million. For the year under review, CCR was not applicable.

As from the year of assessment 2026/2027, Alternative Minimum Tax (AMT) at the rate of 10% of the adjusted book profit will be payable by certain companies where their tax payable adjusted under the normal basis after availing of all eligible deductions is less than 10% of the adjusted book profit.

The directors conducted that the AMT does not have any impact on the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



7. INCOME TAX (CONT'D)

A reconciliation between the opening and closing tax (receivable)/liability can be found below:

	2025	2024
	Rs'000	Rs'000
At 01 January	43	(64)
Charge for the year	1,084	382
Provision for CSR	4	10
Withholding tax on foreign dividend	(1,083)	(341)
Refund received during the year	-	64
Paid during the year	(43)	(8)
At 31 December	5	43
Analysed as:		
Current tax payable	5	43

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

	2025	2024
	Rs'000	Rs'000
Profit before income tax	99,192	33,280
Tax calculated at the rate of 15% (2024: 15%)	14,879	4,992
Expenses not deductible for tax purposes (Note (a))	111	11
Income not subject to tax (Note (b))	(16,152)	(5,278)
Loss/(gain) on exchange on custody accounts	382	(1,864)
Expenses relating to exempt income	1,705	2,180
Foreign tax credit	(924)	-
Withholding tax on foreign dividend	1,083	341
Current tax on profit for the year	1,084	382
Provision for CSR	4	10
Income tax expense	1,088	392

(a) Expenses not deductible for tax purposes relate mainly to other non-deductible expenses such as professional fees, entertainment, gifts and donations.

(b) Income not subject to tax relates mainly to dividend and interest income.

8. OTHER COMPREHENSIVE INCOME

(a) Movement that will not be subsequently reclassified to profit or loss:

	2025	2024
	Rs'000	Rs'000
Changes affecting fair value reserve:		
Fair value gain/(loss) on financial assets at FVOCI	(3,555)	213,670
Transfer within equity on disposal of investments	(9,349)	(108,243)
	(12,904)	105,427
Changes affecting retained earnings:		
Transfer from fair value reserves	9,349	108,243
	(3,555)	213,670

The components of other comprehensive income are not subject to tax.

(b) Realised gain on investment

	2025	2024
	Rs'000	Rs'000
Quoted - Foreign	-	108,243
Listed - SEM	9,349	-
	9,349	108,243

9. EARNINGS PER SHARE

Basic earnings per share ("EPS") are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
	Rs'000	Rs'000
Profit for the year (Rs'000)	98,104	32,888
Number of ordinary shares:		
Weighted average number of shares	226,986,672	226,986,672
Basic earnings per share (Rs. per share)	0.43	0.14

There are no instrument issued by the Company which may have a dilutive effect on the basic EPS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

(a) The following table provides details of the investments and movement during the year:

	2025					
	Quoted			Unquoted		
	SEM	DEM	Overseas	Local	Overseas	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January	431,161	6,827	123,185	4,046	83,170	648,389
Additions						
Disposals at fair value	-	-	50	-	4,000	4,050
Fair value changes	(26,812)	-	-	-	-	(26,812)
At 31 December	(10,153)	(351)	7,925	(646)	(330)	(3,555)
	394,196	6,476	131,160	3,400	86,840	622,072

	2024					
	Quoted			Unquoted		
	SEM	DEM	Overseas	Local	Overseas	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January	325,566	6,704	633,574	4,046	218,142	1,188,032
Additions	-	-	1,384	-	3,728	5,112
Disposals at fair value	-	-	(612,830)	-	-	(612,830)
Fair value changes	105,595	123	101,057	-	6,896	213,671
Transfer to FVTPL (Note 11(a))*	-	-	-	-	(145,596)	(145,596)
At 31 December	431,161	6,827	123,185	4,046	83,170	648,389

*In 2024, investment in structured products amounting to Rs 109,088,000 were incorrectly classified and measured as financial assets at fair value through other comprehensive income. Such instruments fail the SPPI test under IFRS 9 and are therefore required to be mandatorily classified at fair value through profit or loss. Consequently, they were reclassified to fair value through profit or loss on 1 January 2024. Refer to Note 11(a).

(b) The fair value of investment at fair value through other comprehensive income is based on the quoted prices at the close of business on the date of the statement of financial position. For unquoted investments, the fair value is estimated by reference to the net assets value of the underlying assets. Capital gains are not taxable in Mauritius and therefore, there is no tax impact on the fair value movement of the investments.

(c) The investments disposed during the financial years ended 31 December 2025 and 2024 are mainly in relation to the shares listed on SEM and overseas market respectively. These investments were disposed because the Company is diverting from its FVOCI portfolio to acquire new investments with a short-term strategy which are classified as FVTPL. The cumulative gain arising on disposal of the financial assets at fair value through other comprehensive income amount to Rs 9,349,000 (2024: Rs 108,243,000).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D)

(d) Portfolio of investments of P.O.L.I.C.Y. Limited

	2025	2024
	Rs'000	Rs'000
Quoted investments - SEM		
Banks & Insurance	383,957	393,096
Industry	8,831	35,555
Commerce	1,408	2,510
	394,196	431,161
Quoted investments - DEM		
Banks & Insurance	4,502	4,853
Commerce	1,974	1,974
	6,476	6,827
Overseas investments:		
Quoted	131,160	123,185
Unquoted	86,840	83,170
	218,000	206,355
Unquoted local investments	3,400	4,046
Total	622,072	648,389

Quoted investment - SEM included 336,000 shares held in The Mauritius Commercial Bank Limited which had been pledged as security for a bank overdraft facility to finance the Company's working capital needs and investment opportunities. The bank overdraft facility has been terminated in March 2024.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

(a) Equity instruments mandatorily classified at fair value through profit or loss:

	2025	2024
	Rs'000	Rs'000
At 01 January	249,236	-
Additions	308,809	308,756
Disposals	(193,087)	(60,118)
Fair value changes	72,887	598
At 31 December	437,845	249,236

(b) Debt instruments designated at fair value through profit or loss:

	2025	2024
	Rs'000	Rs'000
At 01 January	323,831	-
Additions	700,640	315,699
Disposals	(780,351)	-
Fair value changes	3,063	8,132
At 31 December	247,183	323,831

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONT'D)

(c) Debt instruments mandatorily classified at fair value through profit or loss:

	2025	2024
	Rs'000	Rs'000
At 01 January	109,088	-
Additions	27,462	-
Transfer from FVOCI (Note 10(a))	-	145,596
Disposals	-	(48,000)
Fair value changes	5,282	11,492
	141,832	109,088
Total Instruments at fair value through profit or loss	826,860	682,155
Disclosed in the financial statements as follows:		
Current assets	254,058	-
Non-current assets	572,802	682,155
	826,860	682,155

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONT'D)

The following table provides details of the investments and movement during the year:

Equity instruments mandatorily classified at fair value through profit or loss:

Name of Company	Country of incorporation	Type of shares	No. of shares	2025	
				Cost	Fair value
				Rs'000	Rs'000
ASML Holding NV	Netherlands	Listed common stock	1,300	40,152	64,035
Microsoft Corporation	United States	Listed common stock	2,150	39,450	47,591
MC Donald's Corporation	United States	Listed common stock	2,200	29,579	-
Wisdom Tree Japan Hedged	United States	Listed Exchange Traded Fund (ETF)	6,400	32,630	42,228
SPDR SP 500 EFT	United States	Listed Exchange Traded Fund (ETF)	800	21,530	-
Wisdom Tree India Earnings Fund	United States	Listed Exchange Traded Fund (ETF)	14,000	30,584	29,662
Ninety One Plc	United Kingdom	Listed common stock	200,000	19,056	26,481
Chevron Corporation	United States	Listed common stock	5,000	17,206	34,879
Novo- Nordisk A/S Spoons ADR	Denmark	Listed American Depository Receipts (ADR) in the United States	8,500	21,656	19,794
SPDR DJ Industrial Average ETF	United States	Listed Exchange Traded Fund (ETF)	1,600	31,618	35,192
Qualcomm Inc	United States	Listed common stock	5,600	41,665	43,842
Apple Inc	United States	Listed Exchange Traded Fund (ETF)	3,900	42,817	48,528
Nike Inc	United States	Listed common stock	5,850	21,178	17,059
Home Depot Inc	United States	Listed common stock	1,200	21,033	18,899
CrowdStrike Holdings Inc	United States	Listed common stock	450	9,087	9,655
				<u>419,241</u>	<u>437,845</u>
Debt instruments mandatorily classified at fair value through profit or loss:					
Macquarie Cross Asset Risk Premia Volatility Target 10% Index			Maturity date		43,655
Blackrock ESG Multi - Asset Fund Class A2 EUR VT 8%			22 April 2026		19,606
5 Years 98% SBM Capital Protected S&P USA Euro Japan 100 Net Zero 2050 Paris			27 July 2026		24,798
Asia Pacific Basket Limited			4 March 2027		26,311
Morgan Stanley 14.004% Rev Conv on AVGO/CRWD			30 December 2027		13,731
Vontobel 11.5% Rev Conv on NVDA/TSM			30 December 2026		13,731
					<u>141,832</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONT'D)

Debt Instruments designated at fair value through profit or loss:

2025

Name of Company	Maturity date	Country of incorporation	Type of securities	No. of securities	Cost	Fair value
					Rs'000	Rs'000
German Treasury Bill	14 January 2026	Germany	Government Treasury Bill	3,050	15,977	16,294
United States Treasury Note Bill	28 February 2027	United States	Government Treasury Bill	8,000	36,496	36,865
United Kingdom GILT	22 October 2031	United Kingdom	Government Treasury Bill	7,700	45,295	46,984
US T Bill US912797SF55	13 January 2026	United States	Government Treasury Bill	25,500	113,782	116,562
US T Bill US912797ST59	3 March 2026	United States	Government Treasury Bill	6,700	30,322	30,479
					<u>241,872</u>	<u>247,183</u>
Non Current Assets						572,802
Current Assets						254,058
						<u>826,860</u>

2024

Name of Company	Country of incorporation	Type of shares	No. of shares	Cost	Fair value
				Rs'000	Rs'000
ASML Holding NV	Netherlands	Listed common stock	1,300	40,152	42,854
Microsoft Corporation	United States	Listed common stock	2,100	39,450	41,275
MC Donald's Corporation	United States	Listed common stock	2,200	29,579	29,739
Wisdom Tree Japan Hedged	United States	Listed Exchange Traded Fund (ETF)	6,400	32,630	32,914
SPDR SP 500 EFT	United States	Listed Exchange Traded Fund (ETF)	800	21,530	21,863
Wisdom Tree India Earnings Fund	United States	Listed Exchange Traded Fund (ETF)	14,000	30,584	29,553
Ninety One Plc	United Kingdom	Listed common stock	200,000	19,056	17,108
Chevron Corporation	United States	Listed common stock	2,500	17,206	16,885
Novo- Nordisk A/S Spons ADR	Denmark	Listed American Depository Receipts (ADR) in the United States	4,250	21,656	17,045
				<u>251,843</u>	<u>249,236</u>

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONT'D)

	2024
	Rs'000
Debt instruments mandatorily classified at fair value through profit or loss:	
Macquarie Cross Asset Risk Premia Volatility Target 10% Index	43,254
Blackrock ESG Multi - Asset Fund Class A2 EUR VT 8%	19,263
5 Years 98% SBM Capital Protected S&P USA Euro Japan 100 Net Zero 2050 Paris	22,547
Asia Pacific Basket Limited	24,024
	109,088

Debt Instruments designated at fair value through profit or loss:

2024					
Name of Company	Country of incorporation	Type of shares	No. of shares	Cost	Fair value
				Rs'000	Rs'000
German Treasury Bill	Germany	Government Treasury Bill	5,800	28,849	28,145
United States Treasury Bill	United States	Government Treasury Bill	63,500	286,850	295,686
				315,699	323,831

12. OTHER RECEIVABLES

	2025	2024
	Rs'000	Rs'000
Prepayments	293	179
Cash held with custodian (Note (a))	2,804	2,348
Dividend receivable	-	566
Retrocession receivables	-	662
	3,097	3,755

(a) Cash held with custodian represents restricted bank balances held by the custodian to carry out the investing activities of the Company.

13. CASH AND CASH EQUIVALENTS

	2025	2024
	Rs'000	Rs'000
Cash at bank	36,111	89,897

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



14. STATED CAPITAL

Stated, issued and fully paid

Ordinary shares at Rs.1 each
At 01 January and 31 December

2025 and 2024	
No. of shares	Rs'000
226,986,672	226,987

15. OTHER PAYABLES

Amount due to related parties (Note 17)
Accruals and other payables

2025	2024
Rs'000	Rs'000
2,310	1,432
29,426	1,861
31,736	3,293

Other payables include an amount payable of Rs. 27,462,000 for the acquisition of 2 new structured products during the financial year 2025. Other payables are unsecured, interest free and payable within a period of 3 months.

For terms and conditions please refer to Note 17 "Related Party Disclosures".

16. DIVIDENDS

(a)

Interim Ordinary Dividend - 12% (2024 - 10%)

Final Ordinary Dividend - 14% (2024 - 15%)

Dividend per share

Amount per share		Total	
2025	2024	2025	2024
Rs.	Rs.	Rs'000	Rs'000
0.12	0.10	27,238	22,699
0.14	0.15	31,779	34,048
		59,017	56,747
0.26	0.25		

(b) At 01 January

Dividend declared during the year

Paid during the year

At 31 December

1,251	22,934
59,017	56,747
(59,010)	(78,430)
1,258	1,251

17. RELATED PARTY DISCLOSURES

During the year ended 31 December 2025, the Company had transaction with related entities. The nature, volume of transaction and the balances outstanding at 31 December 2025 and 2024 are as follows:

<u>Volume of transaction</u>	2025	2024
	Rs'000	Rs'000
Management fees to the Investment Advisor	5,430	5,712
Service fees to Company Secretary in which a director has a significant influence	1,720	1,805
Fees to directors	2,525	2,519
	2,525	2,519

<u>Balances with related parties</u>	2025	2024
	Rs'000	Rs'000
Management fees payable to the Investment Advisor	1,931	1,054
Fees payable to directors	379	378
	379	378

The outstanding balances are unsecured, interest free, repayable on demand and recorded as part of "other payables".

The Company does not employ any key management personnel.

18. GOING CONCERN

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

19. COMMITMENTS

The Company has made an irrevocable commitment to invest USD 1 million in Carlyle Direct Alternative Opportunities Fund LP. At 31 December 2025, the balance of uncalled commitment amounted to USD 72,424 or Rs. 3,314,846 (2024: USD 79,535 or Rs. 3,574,666). The Company also made an irrevocable commitment to invest USD 400,000 or Rs. 18,307,927 (2024: USD 400,000 or Rs. 18,652,000) in Sands Capital Global Ventures III. At 31 December 2025 the balance of uncalled commitment amount to USD 65,557 or Rs 3,000,544 (2024: USD 141,377 or Rs 7,082,189).

20. PRESENTATION CURRENCY

The functional and presentation currency is the Mauritian Rupee and figures are rounded to the nearest thousands in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025



21. SEGMENTAL REPORTING

The directors view the whole business as a single segment. Thus no additional information is provided in these financial statements in terms of IFRS 8 Operating Segments.

22. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, geopolitical tensions in the Middle East escalated following the outbreak of armed conflict. The situation remains uncertain and continues to evolve. The Company has assessed the implications of these developments in accordance with IAS 10 Events After the Reporting Period. As the conflict arose after the reporting date, it has been classified as a non-adjusting event and, accordingly, no adjustments have been made to the amounts recognised in these financial statements.

While the Company does not have material direct investments or exposures in Middle East, the conflict has the potential to result in heightened global economic uncertainty, including increased volatility in financial markets, foreign exchange rates and interest rates.

Management continues to monitor the situation closely and has considered the potential impacts on the Company's credit risk, liquidity position and market risk exposures. Based on information available at the date of approval of these financial statements, management is unable to reliably estimate the financial impact, if any arising from these events. However, no material adverse effects on the Company's financial position or going concern has been identified to date."

FOUR YEAR SUMMARY OF PUBLISHED RESULTS AND ASSETS AND LIABILITIES

Statement of comprehensive income	2025	2024	2023	2022
	Rs'000	Rs'000	Rs'000	Rs'000
Total income	34,995	23,941	24,957	22,466
Profit before income tax	99,192	33,280	12,797	9,928
Income tax expense	(1,088)	(392)	(52)	(235)
Profit for the year	98,104	32,888	12,745	9,693
Dividend per share (Rs.):				
- Interim: Fully paid shares	0.12	0.10	0.10	-
- Final: Fully paid shares	0.14	0.15	0.10	-
Total dividend	0.26	0.25	0.20	-
Dividend per share (Rs.)	0.26	0.25	0.20	-
Earnings per share (Rs.)	0.43	0.14	0.06	0.04
Statement of financial position				
Non-current assets	1,194,874	1,330,544	1,188,032	1,098,665
Current assets	293,266	93,652	67,263	24,532
Total assets	1,488,140	1,424,196	1,255,295	1,123,197
Shareholders' interest	1,455,141	1,419,609	1,229,798	1,120,529
Current liabilities	32,999	4,587	25,497	2,668
Total equity and liabilities	1,488,140	1,424,196	1,255,295	1,123,197
Net assets per share (Rs.)	6.41	6.25	5.42	4.94
Number of shares in issue	226,986,672	226,986,672	226,986,672	226,986,672



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him, and that proxy need not also be a member.
2. Shareholders, present in person or by proxy, shall have one vote on a show of hands. Where a poll is taken, each Shareholder shall have the number of votes that corresponds to the number of shares held by him/her in the Company.
3. Proxy forms are available with the Company Secretary at the Registered Office of the Company, at c/o SILEO Corporate Services Ltd, Office 005, Ground Floor, Les Fascines B, Vivéa Business Park, Moka.
4. Completed proxy forms should be delivered at the Company Secretary's office by Thursday 18 June 2026 by 10h00 at latest.
5. For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of The Companies Act 2001, that the Shareholders who are entitled to receive notice of the meeting shall be those shareholders whose names are registered in the share register of the Company as at 22 May 2026.
6. The Annual Report 2025 shall be available to the members on the Company's website and a copy shall be provided to the members upon request to the Company Secretary.
7. The minutes of the past Annual Meetings held are available for consultation by the shareholders during office hours at the registered office of the Company.
8. The minutes of the Annual Meeting to be held on 19 June 2026 will be available for consultation and comments during office hours at the registered office of the Company, as from 31 July 2026.
9. Any shareholder can make a request to obtain the minutes of proceedings of the last Annual Meeting prior to the Meeting.

I/We _____ of _____
being a member of P.O.L.I.C.Y. Limited hereby appoint _____ of
or failing him, _____ of _____ as my/our proxy to vote for me/us on
my/our behalf at the Annual Meeting of Shareholders of the Company to be held on Friday 19 June 2026 at 10h00 at ABC
Car Gallery, Phoenix and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Resolutions as follows: -

	FOR	AGAINST	ABSTAIN
1. To consider and adopt the financial statements and the annual report for the year ended 31 December 2025, and to receive the auditor's report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr. Vincent Ah Chuen as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr. Pierre de Chasteigner du Mée as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Professor Donald Ah Chuen, G.O.S.K., as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-elect Mr. Sydney Ah Yoong as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. To re-elect Mr. Karl Braunecker as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To re-elect Mr. Ah-Lan Lam Yan Foon as director, in accordance with Section 138(6) of the Companies Act 2001.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. To re-elect Mrs. Veronique Magny-Antoine as director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. To re-elect Mrs. Valérie Ah-Chuen Juban as director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. To elect Mr Nicolas Hardy as additional director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. To elect Mrs Camille Desvaux de Marigny as director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. To fix the directors' remuneration as recommended by the Remuneration Committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. To authorise the Directors to fix the Auditors' remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed this _____ 2026

Signature/s

* Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will exercise his/her discretion as to how he/she votes.





POLICY
INVESTMENT

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