POLICY INVESTMENT

Factsheet

as at 30/06/2026

NET ASSET VALUE (NAV)	SHARE PRICE	DIVIDEND PAID
Rs 6.74	**Rs 3.4**	**Rs 0.09**
-0.4% vs prior month	-2.6% vs prior month	Date paid: **29/07/2026** Type: **Interim** 12-month dividend yield: **2.6%**

DISCOUNT TO NAV

50%

PERFORMANCE	1 MONTH	3 MONTHS	12 MONTHS
Actual NAV perf.	**-0.4%**	**+8.7%**	**+10.5%**
Share price perf.	**-2.6%**	**+7.9%**	**+1.8%**

MAY 2026 - INDEX RECAP

S&P 500	NIKKEI 225	NIFTY 50	EUROSTOXX 50	FTSE 100	SEMDEX	MCB GROUP
-1.1%	**+5.6%**	**-1.9%**	**+4.6%**	**+0.8%**	**-0.2%**	**+3.2%**

CORPORATE PROFILE

P.O.L.I.C.Y. Limited has been incorporated as a Public Limited Company on 15 June 1979 and was listed on the Stock Exchange of Mauritius on 07 December 1992.

INVESTMENT OBJECTIVES

- Provide shareholders with medium to long-term positive returns consisting of capital appreciation and dividends from a diversified investment portfolio of mainly foreign listed securities, not easily accessible to retail investors.
- Grow the Net Asset Value (NAV) of the Company in the long run by outperforming the benchmark (as per the Investment Policy Statement).

COMMENTS BY THE INVESTMENT ADVISOR

FOREIGN MARKETS – TECH CORRECTION AMID POLICY AND GEOPOLITICAL SHIFTS

U.S. equities entered June at record highs following two consecutive months of gains, supported by strong Q1 earnings and sustained demand for AI-related infrastructure, particularly memory chips and data centres. However, the prospect of significant share issuances from big tech companies like Alphabet and the high-profile SpaceX IPO triggered profit-taking and a broad-based correction among large-cap technology stocks during the month.

On the U.S. policy level, newly appointed Federal Reserve Chairman Kevin Warsh chaired his first FOMC meeting, maintaining interest rates while reinforcing the central bank’s credibility. The Fed communication cell adopted a more hawkish tone, prompting markets to reassess expectations and price in the possibility of a rate hike later in the year.

Geopolitically, sentiment was supported by growing optimism surrounding a U.S.–Iran memorandum of understanding agreement, which was ultimately signed mid-month. Toward month-end, U.S. equities staged a partial recovery, driven by renewed momentum in AI-related semiconductor stocks. Nevertheless, major indices closed broadly flat, with the S&P 500 and Nasdaq posting monthly returns of -1.1% and -0.2%, respectively.

International markets delivered mixed performance. The Euro Stoxx (+4.6%) and Nikkei (+5.6%) outperformed, benefiting from lower exposure to the technology sector and yen weakness, respectively. In contrast, the FTSE 100 (+0.8%) and Nifty 50 (+1.4%) lagged, weighed down by domestic political uncertainties and foreign capital outflows.

LOCAL MARKETS – POST-BUDGET RELIEF

The SEMDEX traded in a risk-off tone ahead of the National Budget 2026/2027, with lingering concerns

POLICY INVESTMENT

Factsheet

as at 30/06/2026

from the previous budget continuing to weigh on sentiment. Markets, however, rebounded post-budget as measures were broadly viewed as neutral for corporates. MCB Group closed the month at Rs 430, up 3.2%. The rupee continued its depreciation trend, while the Bank of Mauritius maintained active intervention to moderate volatility.

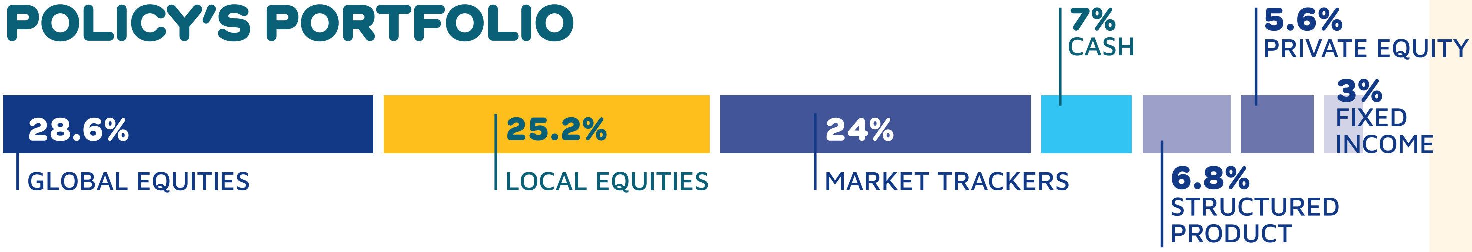
PERFORMANCE SUMMARY & OUTLOOK

POLICY's Net Asset Value (NAV) fell to Rs 6.74 per share, a modest decline of 0.4% over the month while still up 8.7% over the past 3 months and 14.0% in the last 12 months when adjusted for dividend payments during the period. While the underlying NAV has continued to compound, the share price has closed at Rs 3.40, representing a discount to NAV of nearly 50%.

Given the impressive rally of certain tech stocks in POLICY's portfolio in the previous months, several equity exposures were trimmed in June, realising solid profits: Qualcomm +44%, CrowdStrike +71%, and ASML +132%. The portfolio remained broadly flat over the month despite the correction observed across several foreign stocks and indices, highlighting the effectiveness of POLICY's diversification strategy in mitigating downside risk and preserving overall stability.

The recent price correction and impressive earnings growth have brought tech stocks back to an attractive zone ahead of earning season. As such, we remain bullish on the overall tech and AI thematic over the short to medium term. In the meantime, the sensitivity of the market with respect to the U.S.-Iran conflict continue to fall despite unresolved issues. The Board, together with its service providers, remains committed to fostering transparency and maintaining close relationships with investors.

POLICY'S PORTFOLIO



GLOBAL **67.8%**

LOCAL **25.2%**

CASH **7%**

Disclaimer: This factsheet and the above performance figures have been computed using statements provided by the company which are deemed to be accurate. Past performance is not a guide to future performance.

NAV VS SHARE PRICE

LAST 12 MONTHS - MUR PER SHARE