harel mallac
for the better

Making a difference **for the better.**

Annual Report 2025

CORPORATE INFORMATION

REGISTERED OFFICE
18, Edith Cavell Street,
Port Louis

WEBSITE
harelmallac.com

BUSINESS REGISTRATION NUMBER
C07000952

SECRETARY
HM Secretaries Ltd
18, Edith Cavell Street,
Port Louis

AUDITORS
Nexia Baker & Arenson

MAIN BANKERS
ABC Banking Corporation Ltd
ABSA Bank (Mauritius) Limited
The Mauritius Commercial Bank Limited
SBM Bank (Mauritius) Ltd

REGISTRY
DTOS Registry Services Ltd
3rd Floor, Eagle House,
15A Wall Street,
Ebène

Dear Shareholder,

The Board of Directors of Harel Mallac & Co. Ltd ('Harel Mallac' or 'the Company') is pleased to present the Company's annual report for the year ended 31 December 2025.

This report was approved by the Board of Directors on 4 June 2026.

Antoine L. Harel
Chairman

Charles Harel
Chief Executive Officer

Harel Mallac supports the industries that keep the country moving forward.

While our operations are diverse, our purpose is singular: to make a difference for the better.

This year's report sheds light on the people behind that contribution, whose day-to-day work turns purpose into action.

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Harel Mallac at a Glance

MUR 3,390M
REVENUE (AS AT 31 DEC 2025)

+100
BRANDS

20
COMPANIES

4
DIVISIONS

820
EMPLOYEES

7
COUNTRIES

Great Place to Work® awarded to EO Solutions

Group Presence

Group Structure

harel mallac for the better

Chemicals

- The Mauritius Chemical and Fertilizer Industry Limited
- MCFI International (Zambia) Ltd
- MCFI International (Tanzania) Limited
- MCFI International & Co. Ltd
- Chemco Limited
- Bychemex Limited
- Suchem Limited
- Archemics Ltd

Equipment & Systems

- EO Solutions Ltd
- Novengi Ltd
- Aerolik Ltd
- Aerolik. OI

Technology

- Harel Mallac Technologies Ltd
- Harel Mallac Technologies Burundi
- Harel Mallac Technologies Madagascar
- Harel Mallac Technologies Rwanda Ltd
- Activeline Ltd

Investment

- Emineo Holding Limited
- Maritim (Mauritius) Ltd
- TotalEnergies Marketing Mauritius Ltd
- Touristic United Enterprise Ltd
- Rehm Grinaker Construction Co Ltd
- Biofert Co. Ltd
- Solar Field Ltd
- Sealife Organics Co. Ltd

Corporate

- Harel Mallac Aviation Ltd
- Itineris Ltd
- NeXenergy

Our Guiding Principles

These principles form the cornerstone of our daily actions and behaviours, shaping how we interact with and serve our stakeholders. They serve as a vital compass, ensuring that we move forward as a cohesive, united team.

Purpose

"Committed to making a difference for the better of our people, our performance, our consumers and our planet."

Values

Agility

AGILITY AND DETERMINATION IN ACHIEVING

Our agility enables us to seize and create opportunities. We believe in the power of ambition and it is only by taking determined initiatives and by moving quickly that we can serve our clients with excellence and generate sustainable value for everyone.

Care

CARE AND ENGAGEMENT IN WHAT WE DO

We believe that one has to care for what they do to do it well, fuelled by the passion and enthusiasm we put in every action. We operate in a spirit of cooperation and respect, embracing each individual's talents and creating a forward-thinking environment.

Trust

TRUST AND RESPONSIBILITY IN OUR RELATIONSHIPS

We lead by example and take ownership of our individual responsibility. This means doing the right thing at all times, and conducting our business with the highest standards of professional behaviour and ethics.

Our Activities

(as at 31 December 2025)

CHEMICALS

Improving Efficiency, Responsibly

ARCHEMICS

ingenia BY MCFI

This division manufactures and distributes a wide range of chemicals for the agricultural sector, performance chemicals for industries and Fast-Moving Consumer Goods (FMCGs). Its mission is to offer solutions that increase the competitiveness of companies, and bolster local and foreign export-geared companies, all while preserving the environment and the future of communities they serve.

EQUIPMENT & SYSTEMS

Enabling Smarter Workplaces

AEROLIK

NOVENGI

eo PERFORMING WORKPLACES

This division supplies, installs and services equipment and industrial systems for the modern business and home. Whether it's providing local businesses with state-of-the-art digital printing solutions to Intelligent Cash Management Solutions, supporting companies in their transition towards Industry 4.0, or improving their energy efficiency, our portfolio of services and products was designed to future-proof Mauritius.

TECHNOLOGY

Empowering Digital Transformation

harel mallac technologies

This division empowers Mauritian and African businesses to harness the countless possibilities in the realm of Information Technology, and embark on a digital transformation journey that will help them remain relevant, build a competitive edge and thrive like never before in today's ever-evolving landscape.

INVESTMENT & CORPORATE

Shaping a Secure Future

harel mallac aviation

ITINERIS

neXEnergy

This division holds the Group's travel companies and holdings in businesses operating in the tourism, hospitality, engineering, construction and energy sectors. Its mission is to add value to these promising ventures by lending its decades-long experience and network in the business community.

CHEMICALS

ARCHEMICS

Main Activities

Produces, markets, sells and distributes a diverse range of products in hygiene and industrial cleaning, laundry and home care, beauty care, adhesive and cementitious technologies, and textile auxiliaries. Serving both B2B and B2C customers, it supports industries such as hospitality, automotive, textile and construction, with products available online and in retail stores.

Brands

- Le Chat
- Schwarzkopf
- Pattex
- Xtra
- Le Petit Olivier
- Supercroix
- Gliss
- Fa
- Mir
- Eclat Douceur (Made in Moris, own brand)
- Tylon
- Clearshield
- K2R
- Palette
- Impec (Made in Moris, own brand)
- Lirene
- Spaanjard

At a Glance

221 team members

200+ customers

60 brands

Holds Made in Moris label for 4 brands

Exclusive franchisee of Henkel and Les Laboratoires Rochex

Certified ISO 9001, ISO 45001, ISO 14001

Verified ISO 22716 United Nations Global Compact Participant Member

Signatory to the United Nations CEO Water Mandate

48,000 kWh renewable energy generation (2025)

ingenia

Main Activities

Group of companies harnessing engineering expertise, technology and circularity to provide chemical products and solutions for businesses in Mauritius, sub-Saharan Africa, and the Indian Ocean. Operating across three key sectors and complemented with its laboratory services, Ingenia focuses on sustainable solutions that tackle both present and future industry challenges.

Brands

- Fertifort
- SQM soluble fertilisers
- Azorphoska
- Biophoska (own brand)
- Evergreen (own brand)
- Klorman
- Purepro
- Jacto
- Buckman
- Kemira
- Kurita
- Flygt and Ebitt Pumps
- Rovensa
- Forward Chemicals
- Red Roo
- Silvan
- Fineotex
- Jintex
- Eternal
- NCS
- EMEX
- Flygt
- Kool Air (own brand)
- AUX

At a Glance

201 team members

8 companies

14 countries served

21 brands

Certified ISO 9001, ISO 45001, ISO IEC 17025

Holds Made in Moris label

Ecocert Certification, United Nations Global Compact Participant Member, Signatory to the United Nations CEO Water Mandate

EQUIPMENT & SYSTEMS

AEROLIK

Main Activities

Supplies architects, contractors and building professionals with state-of-the art and leading brands of air control, ductwork and fire safety solutions for their projects and properties. Backed by the latest technology, Aerolik's products are tailor-made, energy efficient, cost effective and compliant with the highest industry standards to create smarter, safer buildings in Mauritius, Reunion and across the Indian Ocean.

Brands

- Aldes
- Hunter
- Sikla
- Dynair
- York
- Gree

At a Glance

34 team members

200+ customers

4 brands

Partnership with leading international brands

Best-in-class HVAC systems, complete with technical support

NOVENGI

Main Activities

A pioneer in the supply of engineering solutions in Mauritius, including compressed air, refrigeration and material handling solutions, among others. Driven by the philosophy that all companies need to consciously operate in a more sustainable manner, Novengi not only integrates social and environmental objectives into its own operational processes, but it also offers Industry 4.0, smart building solutions designed to improve the sustainable and economic performance of companies it serves, as well as the communities they form part of.

Brands

- Kaeser
- Abac
- BT Toyota Godrej
- Bobcat
- Terberg
- Victa
- Active
- Cub Cadet
- Wayne Gree
- Sri
- Tegra

At a Glance

86 team members

38 brands

1,500+ customers

21 brands

Exclusive partner of Kaeser in the region since 2004

Exclusive partner of Toyota Material Handling since 2000

Partner of Victa since 1949

Sole distributor of Terberg trucks in the region

EQUIPMENT & SYSTEMS

Main Activities

One-stop solutions provider committed to delivering efficient, agile and high-performing workplaces that reverberate with positivity. As architects of transformation, EO Solutions combines expert knowledge, and systems and solutions from the world's leading brands to uncover efficiencies and accompany businesses on the path to more productivity and growth. From printing and mailing, to cash-handling solutions, it provides reliable implementation and support services to customers in Mauritius, the Indian Ocean and Africa, always driven by an ethos of environmental responsibility. The regional development approach embodies a commitment to ignite progress, elevate industries and foster growth. We stand as a pioneer of innovation and excellence, poised to become the premier partner for cash-handling solutions, printing advancements and unparalleled after-sales services across the vast canvas of the Indian Ocean and Eastern Africa.

Brands

- Xerox
- Roland
- Quadient
- Fujifilm
- Glory
- G+D
- CPS
- Dors
- KIP
- EBA
- HSM
- Printronix
- Scan Coin
- Sysform
- CT Coin
- Tally Genicom
- Bartech
- Colorjet
- Chihua
- TSC
- Accucon
- Fellowes
- Epaper

At a Glance

96
team members

2,000
customers

30+
brands

60 years of robust partnership as the sole distributor of Xerox

25 years of distributorship with Printronix

14 years of partnership with Glory and CPS

Innovative introduction of Glory Teller Cash Recycler for Retail Banking Sectors[CC1.1], with the onboarding in 2024-2025 of world-known brands such as GRG Banking and G+D (Giesecke+Devrient)

15 years of strong distributorship of Roland DGA large-format printers

13 years of partnership with Quadient[CC2.1], the leaders in franking technology

Pioneer in inserter folder and franking machine at the Mauritius Post

Ambition to be a regional player for Xerox and cash-handling solutions[CC3.1], with significant milestones achieved by penetrating new regional territories: G+D in Burundi, and GRG Banking and Xerox in Madagascar

Great Place to Work® awarded to EO Solutions

TECHNOLOGY

Main Activities

End-to-end technology partner serving key sectors including Government, Financial Services, Healthcare, Education, Retail and Enterprise. Built around four pillars – Infrastructure and Cloud, Security, Digital Solutions and Building Technologies – Harel Mallac Technologies (HMT) delivers integrated solutions through a single accountable partner.

HMT aligns technology investments with customer business needs, ensuring practical, scalable and outcome-driven results. Through a structured delivery model and a broad ecosystem of global technology partners, HMT simplifies complexity and remains flexible, vendor-neutral and aligned with evolving requirements across Mauritius and the region.

Brands

HMT works with a portfolio of leading global technology partners across its four core pillars:

Infrastructure & Cloud:

Dell, IBM, Nutanix, ServiceNow, Scale Computing, Kaseya, VMware, Red Hat, Veeam, Veritas, Huawei

Security:

Fortinet, Trend Micro, Proofpoint, Thales, Check Point, Kaspersky, Trellix, Qualys, Palo Alto Networks, Cisco

Digital Solutions:

Microsoft (Dynamics 365, Power Platform), Odoo, Laserfiche, Sage, and associated data and AI platforms

Building Technologies:

Bosch, Schneider Electric, Axis Communications, UNV, Milesight, FingerTec, Dalet, NTI, Matrix Telecom

At a Glance

126
team members

38
years of experience

900+
active customers

1,500+
projects delivered

50+
partnerships

Presence across Mauritius and selected regional markets

INVESTMENT & CORPORATE

harel mallac aviation

Main Activities

Official representative of Condor Airlines in Mauritius. The company manages both commercial activities and airport operational supervision. Harel Mallac Aviation (HMA) represents Condor across Mauritius and Reunion, supporting sales growth, customer engagement and partnerships with the travel trade. At the same time, the airport operations team oversees the coordination and handling of Condor flights, ensuring safe, efficient and high-quality passenger services. Through close collaboration with airport authorities and industry partners, the unit strengthens Condor's regional presence and customer experience.

At a Glance

4 team members

Covers the territories of Mauritius and Reunion

Represents Condor Airlines since 1992

ITINERIS

Main Activities

Travel designer serving as a getaway to a world of exploration. With expertise in travel planning and deep destination knowledge, it serves as a trusted advisor and reliable travel partner, offering tailored solutions that exceed expectations and create memorable experiences for every type of traveler.

At a Glance

4 team members

Member of the International Air Travel Association (IATA) and the Mauritius Association of IATA Travel Agents (MAITA)

Partner of CWT/Amex GBT a global travel management company, leader in corporate business travels

Exclusive partner of Intrepid Travel, a small group adventure travel company

Representative of Rail Europe in Mauritius

Representative of Norwegian Cruise Line, MSC, Royal Caribbean and Costa Croisières

neXEnergy

Main Activities

Empowers Mauritian businesses to decarbonise and integrate ESG through tailor-made energy solutions. NeXEnergy's services, ranging from renewable energy systems to energy audits and management, are delivered by a skilled team, including a Certified Energy Auditor (AEE). NeXEnergy proves that sustainability drives both operational efficiency and long-term profitability.

At a Glance

3 team members

Proud installers of Huawei, Deye et Victron brands in Mauritius.

CASE STORY

Bluette Drioux

Sales Operations Executive, Ingenia

Ingenia has been my second family for over two decades – for 21 years to be exact. Over the years, I have climbed the professional ladder and I currently lead the Sales Back Office. With a full view of commercial operations, I seamlessly coordinate between teams for the smooth running of all administrative processes linked to sales.

Each day, I support the sales teams and rigorously implement processes, by coordinating information and managing workflows, among other tasks. My motto: everything should be in place to deliver a consistent and reliable service to our clients!

Our products have an impact on the whole population as they are used in fields and greenhouses to improve crop performance, in water management systems to support responsible use of resources, and in manufacturing environments such as food, textiles, and beyond. It is our duty to ascertain that these solutions are consistently potent and high-performing, thus helping businesses produce more efficiently while using resources more responsibly.

"My motto: everything should be in place to deliver a consistent and reliable service to our clients! "

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CHEMICALS

Our Chemicals division supports the industries that Mauritians rely on every day, from food production to manufacturing and consumer goods. By supplying essential products used upstream in these sectors, it helps ensure that crops can be grown, goods can be produced, and supply chains can function safely and consistently across the island.

Chairman's Message

Dear Shareholders,

2025 has been a year of consolidation for the Harel Mallac group: we reached important milestones that mark the long-term perspective we take on our investments (EO Solutions marked the 60th anniversary of its market-leading partnership with Xerox while The Mauritius Chemical and Fertilizer Industry celebrated the 50th year from its incorporation) while pushing forward on the turnaround drive in our activities and making hard decisions to focus on the areas of highest potential in which we will concentrate the Group's resources.

This was unfortunately not made any easier by external challenges which ranged from the ongoing war in Ukraine, the growing geopolitical tensions in the Middle East and the trade dislocations involving China. For our Group, these external factors have cascaded into potential negative consequences including oil and commodity price shocks that directly impact our cost base, a reshaping of global supply chain which leads to disruptions, delays and further inflationary impact as well as tighter financing conditions, including higher interest rates and constrained access to finance.

Financial and Operational Performance

On the positive side, we believe that 2025 show the first visible green shoots of recovery with Harel Mallac group returning to growth as revenue rose to Rs3,390 million from Rs3,376 million on a like-for-like basis and operating profit turning positive to Rs29 million (2024: loss of Rs71 million). Similarly, we continue to see our associate holdings delivering value and continuing their improvement, contributing Rs103 million as our share of profit, up from Rs54 million in the prior year, which helps balance our core operations.

Though significant, this recovery was not sufficient to cover finance costs of Rs128 million which showed an increase of Rs11 million from 2024 reflecting the need to finance our ongoing turnaround plans and the higher interest rate environment. After a careful assessment of the Group portfolio, a difficult decision was taken to dispose of Linxia, the Group's subsidiary engaged in the wholesale distribution of IT equipment and consumer electronics. Linxia operated in an environment with relatively low barriers to entry, mature markets as well as limited synergies that could be used to drive and create a differentiating competitive edge across our other Group holdings by adding value to our People and our Consumers. This sale netted a profit of Rs33 million and comforts our view of the underlying value embedded in the Group's assets, even for those currently underperforming.

The bottom-line result shows an improvement of Rs168 million from 2024, yielding an overall loss after tax of Rs38 million in the current year after accounting for Rs22 million that we contributed in taxes to the states in which the Group operates. We remain confident that the right measures have been taken to steer the Group back to long-term profitability.

Strategy Update

Two things are absolutely foundational to our medium to long-term success:

Our People are the foundation of our success and represent who we are and what we do, both individually and as teams. Despite the financial challenges, we continue to invest in our people, with employee costs rising to 23% of the Group's turnover in 2025 (2024: 21%) as we focused our operational efficiency efforts on absorbing the permanent increase in cost of employment while preserving our enduring commitment to unlocking the potential of the individuals within our Group.

Our Consumers are the essential barometer of our ability to offer genuine value above our competitors' propositions. We believe in being there for our clients, both in good times and bad (as we have always endeavoured to be). In 2025, we absorbed supply chain disruptions through higher stock levels and managed a gradual incremental approach to passing on cost inflation to minimise impact on the end consumer.

There are ongoing initiatives to further reinforce our Harel Mallac group and make it both more agile and more competitive, positioning us to navigate market challenges effectively and seize emerging opportunities.

Outlook

Shareholder value can be built only with a healthy and vibrant company which means delivering on our commitments made to our Consumers, People and Planet. This is best achieved by building enduring businesses which rely on and benefit from one another: we intend to play on our strengths and address our vulnerabilities by consolidating the Group's positions in our historic local markets with revamped and innovative solution-led offerings as well as selecting judicious investments to expand in higher-growth opportunities.

We cannot confidently predict outcome of current external events and as trade is the core of the Harel Mallac group business, we are not immune to their ultimate effects. We believe that our Group has a great team of people with integrity, significant capabilities and high standards of professional excellence to successfully adapt to such uncertainty and deliver prosperity.

Acknowledgement

I would like to express my heartfelt appreciation and respect for the capabilities of the Board of Directors that guided us through this transitional year and I recognise that we are enormously indebted to the achievement of the c. 820 other employees in Mauritius and abroad who contribute daily to build Harel Mallac group. A word of appreciation to our Chief Executive Officer and his leadership team as well for the dedication and professionalism demonstrated in implementing the essential changes across the organisation during this transformative year.

Finally, to our shareholders and partners, thank you for your confidence and collaboration as we progress on our transformation journey. Your continued trust remains essential to our long-term success.

Antoine L. Harel
Chairman

CEO's Message

A year of clarity, action and progress.

Dear shareholders, partners and colleagues,

One year on from 2024's results that tested the resilience of our business model, the Group's efforts were focused on absorbing significant cost pressures — the full-year impact of statutory remuneration increases, persistent currency headwinds and a global environment marked by geopolitical uncertainty involving our key trading partners. We did not choose these conditions. We chose how to react to them.

What I can say with conviction is that our response reflected our principles, respectful of the well-being of our People and Consumers with a focus on embedding agility in our processes and always operating with strong professional ethics across all our stakeholder relationships. Throughout the Group, our businesses improved their commercial discipline and invested — deliberately and selectively — in capabilities that will matter in the years ahead. The results, taken together, reflect genuine progress: not uniformly, not without setbacks, but directionally and meaningfully better.

After several decades under the Harel Mallac umbrella, Linxia, which specialised in wholesale distribution of IT equipment including our long-standing Dell distributorship and consumer electronics like our internally developed Myros, was disposed of. As a conglomerate with a hand in multiple trading activities, we strive to build enduring businesses which rely on and benefit from one another; and Linxia was identified as having the least synergies. We are proud of the distribution business we built but the increasing vertical integration of the sector as well as the limited synergies which the rest of the Group can bring into downstream retail limited options for further growth. A sale at a premium of MUR 33 million to book value while also transferring debt of MUR 108 million to an established major player in Mauritian retail allows the Group to reinvest into core businesses with better prospects while also delivering Linxia's stakeholders in safe hands.

Performance

The Equipment and Systems segment delivered particularly strong performances. On a like-for-like basis (excluding discontinued operations), the division reported a 6.0% growth in turnover but managed to improve operating results by MUR 65 million from a loss of MUR 85 million in 2024. EO Solutions was the star performer, growing revenue by 23%, powered by double-digit expansion in its cash handling and printing business lines — outstanding results in a market where several public sector institutions were hampered by vacant board positions and prolonged procurement cycles. Novengi's turnaround showed positive signs growing turnover by 5% and completing a number of projects, including a landmark project exceeding MUR 100 million at SSR Airport. Aerolik Mauritius expanded revenue by 3% through a strategic repositioning in air-conditioning while Aerolik. OI managed a 1% marginal revenue progression despite the economic slowdown in Reunion Island. Margin improvements and strong cost control drove the operational profitability gains year-on-year and we fully intend to double-down on such actions to restore profitability to an acceptable level.

In the Chemicals segment, overall revenue contracted by 4.2% year-on-year while operating profit actually improved from MUR 34 million in the prior year to MUR 44 million in 2025. This was mainly driven by the exposure of Ingenia to the harsh constraints of a contracting agricultural sector and continuing deterioration of the Mauritius manufacturing sector, where sugar and textile manufacturing both recorded a second consecutive year of negative growth. The value of our diversified business model was highlighted in Archemics which continued to demonstrate the value of patient, margin-focused management but was impacted by weaker export activities which limited turnover to only 2% growth despite strong local sales. More importantly, the business improved its operating profitability in a meaningful way, through disciplined pricing and enhanced cost control. This is exactly the kind of quiet, durable progress that builds a business for the long term and the template on which we will build for the future.

> **"Resilience is not a posture. It is the accumulation of decisions made well, under pressure, over time."**

Our Technology segment faced a more difficult year – although it managed to grow revenues by 2.1%, operating losses actually deteriorated to MUR 35 million (2024: loss of MUR 19 million). Harel Mallac Technologies undertook a broad operational reset as part of the management refresh implemented in March 2025 — strengthening governance, realigning its portfolio around areas of genuine market demand and rebuilding commercial discipline. This was the right decision, and it was not an easy one. The business enters FY 2026 leaner, clearer in its focus and better placed to convert its pipeline into sustainable revenue.

Our investments provided further diversification benefits, giving the Group direct exposure to engineering activities (Emineo and Rehm Grinaker), energy (TotalEnergies and Solar Field) as well as tourism (Maritim and Touristic United Enterprise). They continued their improvement, contributing Rs103 million as our share of profit in 2025 (an increase of Rs49 million), with particularly notable performance from Emineo (up Rs22 million) and Maritim (which improved by Rs33 million).

Planet

Our sustainability commitments moved further from aspiration to execution. The ESG and Sustainability Committee, established the prior year, continued to embed accountability into our decision-making. At entity level, Archemics reduced its wastewater chemical oxygen demand by 25% and improved solid waste diversion from 76.9% to 82.2%. Aerolik's product portfolio actively supports customers in reducing their own energy consumption. Novengi promoted energy-efficient compressor systems to local industries and conducted a comprehensive fleet efficiency review. These are not isolated actions — they reflect a Group-wide shift in how we think about value creation.

People

The labour market in Mauritius remains under structural strain, and attracting and retaining talent requires genuine commitment — not only in remuneration, but in culture, development and the quality of the working environment. We continue to invest in our People who are the front line, both individually and as a team, serving our customers and communities, building the processes and managing the risks. EO Solutions was certified as a 'Great Place To Work' and awarded 'Best Workplace 2025' for the category 50-249 employees, a distinction we intend to extend across more entities. Leadership capability was reinforced in several business units, and investment in training, development and employee welfare continued throughout the year.

Looking Ahead

As we proceed into 2026, the environment remains demanding. Geopolitical tensions, trade disruption and domestic structural dynamics are likely to continue creating uncertainty. But the Group is better equipped to navigate this than it was a year ago — with stronger commercial discipline, leaner structures in the right places and a clearer sense of where we are building for the future.

Acknowledgements

I am grateful to our Board for their guidance, to our Executive Team for their courage, and to every person across the Harel Mallac family for their contribution to a year that asked a great deal of all of us.

Charles Harel
Chief Executive Officer

CASE STORY

Shanone Ng

Head of Sales – Cash Handling Solutions, EO Solutions

I have been working at EO Solutions for 17 years. My responsibilities include defining and driving the commercial strategy, developing new business opportunities and leading my team to achieve sustainable results.

For me, work also means creating an authentically caring community. It is with immense pride that I am an ambassador of the Great Place to Work initiative, with EO Solutions ranked No. 1 among medium-sized companies in Mauritius for the second consecutive year.

On a daily basis, I focus on executing our strategy, supporting customers, coaching the sales team and bringing about high levels of customer satisfaction through close collaboration with internal teams, while also managing a portfolio of key accounts, with whom I maintain strong, trust-based relationships.

My work contributes to the reliability and efficiency of cash handling across banks, cash-in-transit companies and businesses, both locally in Mauritius and regionally in Africa. By making sure that cash is processed securely, accurately, and efficiently, I participate in improving operational flow, strengthening financial security and supporting the country's economic ecosystem.

"Coordination across teams and maintaining strong client relationships are essential to ensure our systems perform as expected "

Operational Review

A closer look at performance and priorities across the Group's business segments.

CHEMICALS

Archemics

Archemics delivered a solid performance in FY 2025, growing overall turnover by 2.1% (with local sales up 6% across both retail and industrial channels but brought down by weaker export sales) and operating profit by 20.9%. This standout achievement in driving a meaningful improvement in operating profitability was achieved not solely through volume, but through pricing discipline, effective cost control and tighter production planning.

On sustainability, the business advanced its circular economy agenda with measurable outcomes. Chemical oxygen demand from wastewater fell by 25% through the reuse of wash water in production processes. Solid waste diversion from landfill improved from 76.9% to 82.2%. A new agreement with NexEnergy is expected to increase solar energy output by 25%, complemented by an energy audit conducted in partnership with the Energy Efficiency Management Office. Archemics also sustained its community commitments through the WASH pledge and employee engagement programmes with La Colombe and Future Hope.

Ingenia

The group under the umbrella of The Mauritius Chemical and Fertilizer Industry faced multiple headwinds in 2025 given its operations unfortunately fell within sectors facing declining activity. The sugar cane agricultural sector contracted 5.5% in 2025 (2024: -9.7%), sugar manufacturing faced negative growth of 1.9% (2024: -7.8%), textile manufacturing hit -5.5% (2024: 6.0%) and even the aqua division faced a water supply sector where Statistics Mauritius reported a marked slowdown to only 1.2% growth (2024: 3.8%).

Accordingly, revenue weakened by 7.8% in 2025 but efficiency initiatives and a judicious use of the diversified activities within Ingenia allowed the group to actually reduce operating losses marginally to Rs13m compared to 2024. The business is focused on stabilising its management structure following staff turnover and build further on its programmes on working capital optimisation as well as commercial and operational excellence to restore long-term profitability.

EQUIPMENT & SYSTEMS

EO Solutions

EO Solutions delivered commendable results, with revenue up 23.2% - operating profit was down Rs 12 million year-on-year only as a result of one-off restructuring costs. The double-digit growth of the Cash Handling and Printing divisions is note-worthy, especially given the constraints on public sector procurement during the year.

The business secured a major contract for a local bank, formed a strategic partnership with GRG Banking to expand its portfolio into ATM and Branch Transformation Solutions, and deployed Self-Service Bulk Deposit solutions in Madagascar — marking a meaningful step in regional expansion. EO Solutions is a leading player in the local cash handling and printing sectors. The company was also recognised 'Best Workplace 2025' under the 'Great Place To Work' scheme in the 50–249 employees' category, a reflection of the culture that underpins its commercial performance.

Novengi

Novengi grew turnover by 5.1% and operating profit, although still at a loss of Rs 64 million, improved Rs 81 million year-on-year, underpinned by positive momentum across its air-conditioning and equipment business lines. The business reorganised its teams to sharpen focus on project execution and business development — a structural decision that is already improving pipeline conversion.

Landmark project completions included cold room facilities for a retailer, full MEP works across 22 townhouses and premium HVAC installation at major local property projects, and a high-value project exceeding MUR 100 million at SSR Airport. On sustainability, Novengi conducted a fleet efficiency review, launched an internal energy awareness campaign and actively promoted Kaeser energy-efficient compressors to local industries through targeted energy surveys.

Aerolik Mauritius

Aerolik Mauritius recorded a 2.7% increase in turnover and managed to restore operating profitability to Rs 15 million from a loss of Rs 5 million in 2024, driven by robust air-conditioning sales and

a strategic repositioning as a reseller of Gree AC units — establishing a new and meaningful revenue stream alongside the core business.

The company's product range, particularly its inverter air-conditioning units — which consume up to 60% less electricity than conventional units — directly supports customers in reducing their environmental footprint, and is well aligned with applicable energy efficiency standards.

Aerolik Reunion

Operating in a more challenging island economy, Aerolik Reunion improved turnover and operating profit marginally from the prior year while delivering a c.70% increase in profit after tax — a result driven by stronger margins, team restructuring and disciplined cost management.

TECHNOLOGY

Harel Mallac Technologies

FY 2025 was a year of transition and deliberate reset for the Harel Mallac Technologies group which managed to grow revenues by 2.0% but due to an unfavourable sales mix with fewer high margin service contracts delivered in 2025, suffered lower margins and accordingly deteriorated its operating profit by Rs 17 million to a loss of Rs 35 million in 2025. Following the appointment of new management in March 2025, the business undertook a broad operational overhaul — strengthening governance, rebuilding commercial discipline and realigning its portfolio around areas of genuine market demand.

The business is now structured around infrastructure modernisation, network and cybersecurity, digital transformation, automation, AI-enabled solutions, and business technology services. A more disciplined approach to pipeline management, account development and partner engagement has been established. The actions taken in FY 2025 provide the foundation for an execution-led recovery in FY 2026, with priorities centred on accelerating revenue conversion, improving margin quality and deepening relationships with strategic customers and technology partners.

EQUIPMENT & SYSTEMS

Our Equipment & Systems division contributes to spaces that work as they should. Homes, offices, hotels and industrial sites rely on properly installed and maintained systems to operate efficiently. Through its work, the division helps create environments that are functional, comfortable and designed to perform over time.

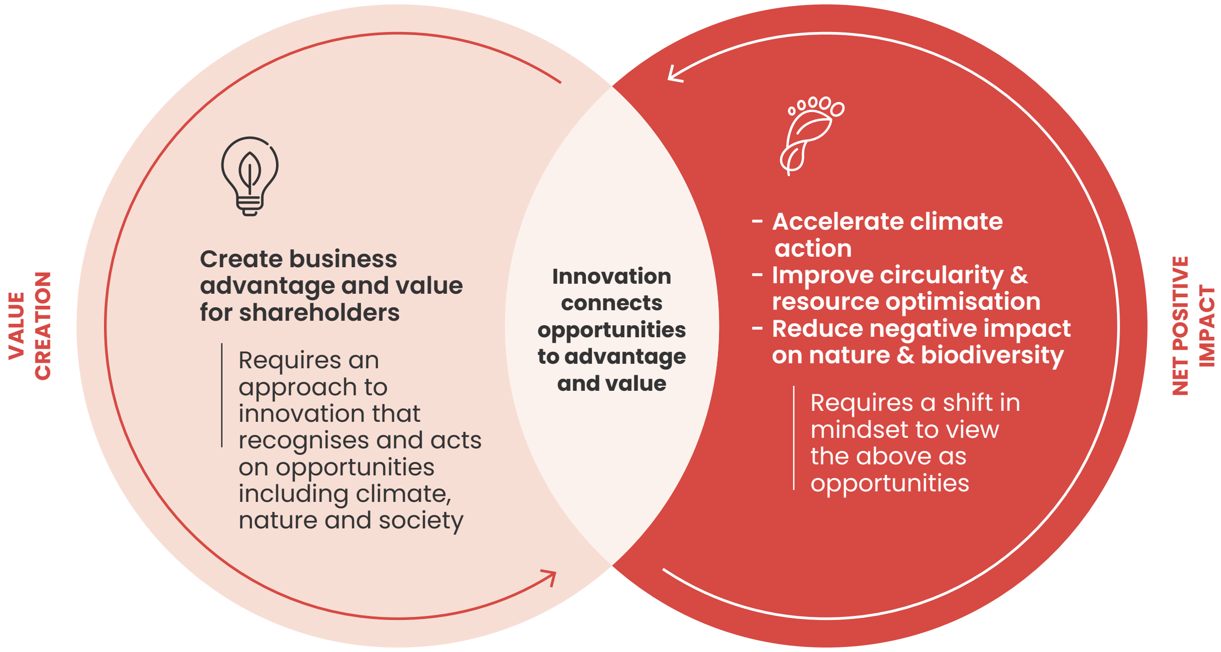
ESG & Sustainability Report

Committing to an Integrated ESG & Sustainability Model

This year marked a significant step forward in Harel Mallac's sustainability journey. Building on the progress of prior years, we adopted a more integrated, evidence-based approach, fully recognising and focusing on the inseparable connection between business performance, environmental stewardship and societal wellbeing.

Central to this transition are two foundational assessments: a carbon footprint assessment and a double materiality assessment. Together, they provided rigorous insight into our environmental and social impacts, while also identifying the risks and opportunities most material to our long-term business. The findings are directly informing the development of a targeted sustainability strategy designed to generate measurable value for shareholders alongside a net positive contribution to society and the environment.

This integrated approach highlights a fundamental conviction: that profit, people and planet are not competing priorities, but interdependent pillars of lasting resilience. By embedding sustainability within our core business strategy, we are building the foundations for sustainable growth driven by innovation and purpose.



We remain guided by both local and global frameworks, recognising that collaboration, ongoing learning and sharing best practices are fundamental to creating shared value.

Signe Natir | We Support UN Global Compact | Sustainable Development Goals

Our ESG & Sustainability Strategy Roadmap

2023
LAYING THE FOUNDATION

Step 1
Alignment & Commitment – Secured leadership commitment on ESG.

Step 2
Stakeholder Mapping & Engagement – Identified, mapped and prioritised key stakeholders, as well as their primary concerns.

Step 3
Sustainability Assessments – Conducted ESG materiality and risk assessments (using SASB, GRI, EU CSRD, TCFD, TNFD, amongst others).

2024–2026
IMPLEMENTING THE STRATEGY

Step 4
Sustainability & Engagement Strategy – In the process of developing ESG strategies for business units, including a climate transition plan and internal engagement plan.

Step 5
Sustainability Communication – Working on a clear reporting strategy, with well-defined KPIs, to better track our progress, drive improvement and communicate our efforts transparently with stakeholders.

Our ESG & Sustainability Governance

Strong governance underpins everything we do in sustainability. It provides the structures, accountability mechanisms and cultural foundations that embed ESG considerations across every level of the organisation, from the Board and executive leadership through to management and frontline employees. Rather than treating sustainability as a peripheral concern, this approach positions it as integral to our core mission, supported by the collective commitment of our people to drive meaningful change from within.

In 2024, we took a decisive step in formalising this commitment with the establishment of an ESG and Sustainability Committee. The Committee serves as an advisory body to the Board on all material ESG matters, embedding sustainability in high-level decision-making, aligned with the Group's strategic objectives, and underpinned by measurable targets that allow us to monitor progress and adapt our approach as needed.

To provide clear structure and accountability, the Board approved a Terms of Reference for the Committee, defining its roles, responsibilities and the governance framework through which our sustainability agenda will be advanced. This formalisation reflects our broader commitment to transparency — equipping our stakeholders with the clarity and information required to make well-informed decisions, and reaffirming our responsibility as a conscientious corporate citizen.

Building on these foundations, 2025 marked the transition from strategy to action. We are now implementing concrete initiatives directly driven by our material topics, translating the insights gained through our assessments into targeted programmes that address our most significant ESG priorities and deliver measurable impact across the Group.

Strategic Focus Area

Our sustainability roadmap is grounded in the findings of two fundamental assessments conducted in 2024: the double materiality assessment and the carbon footprint assessment, which together continue to guide our priorities and direct our efforts where they matter most.

The double materiality assessment provided deep insight into the areas where Harel Mallac can drive the most meaningful change. The material topics identified span our businesses and include Talent, Decarbonisation and Energy, Climate Change Adaptation, Circular Economy, Biodiversity and Regenerative Agriculture, and Digital Technologies.

Complementing this, the carbon footprint assessment, which forms a core component of our Decarbonisation and Energy priority, revealed that Scope 3 emissions represent the largest share of our carbon footprint. This finding has been instrumental in shaping our approach to emissions reduction, ensuring our actions are targeted at areas with the greatest potential to generate financial, environmental and societal value.

Together, these assessments form the backbone of our sustainability strategy. Our initiatives and investments are deliberately aligned with these material priorities, ensuring that resources are directed where they will have the most significant and lasting impact — for our business, our stakeholders and the world around us.

PEOPLE	PLANET	PROFIT
Health and Safety Keeping all our employees, contractors and neighbouring communities safe and minimally exposed to risks.	**Climate Change Adaptation** Adapting to climate change by increasing our businesses' resilience across our value chains.	**Profitability** Sustaining profitability in our business and delivering acceptable shareholder returns based on efficient operations and capital optimisation.
Talent Developing and retaining the skills and talent, and instilling a corporate culture that will sustain the Group's strategy and realise our vision.	**Decarbonisation and Energy** Improving energy efficiency and product energy efficiency while working on the transition to renewable energy to reduce Greenhouse Gas (GHG) emissions.	**Sustainable Supply Chains** Understanding, managing and improving positive environmental, social and economic impacts along the value chain.
Diversity, Equity and Inclusion Developing a diverse and inclusive working environment promoting fairness and equity for all employees.	**Circular Economy (Including Materials, Waste and Water)** Working towards zero harm to the environment by protecting fresh air and clean water, adopting the waste hierarchy and moving towards a circular economy.	**Innovation** Creating new innovative offerings, products and services that meet customer needs while generating social and/or environmental benefits.
Product and Process Safety Taking proper care of our products' compliance, quality, safety and environmental footprint throughout the entire value chain.	**Biodiversity and Regenerative Agriculture** Promoting and aiding in the adoption of sustainable agricultural techniques, our focus is on enhancing crop quality, reducing greenhouse gas emissions, and improving biodiversity, soil health and water efficiency.	**Sustainable Finance and Investment** Promoting renewable energy, waste reduction, water conservation and other environmental benefits; helping to mitigate the impact of climate change and environmental degradation while enhancing the bottom line.
	Digital Technologies Implementing digital technologies and solutions to help shape a sustainable future within and outside the organisation.	

GOVERNANCE		
Business Integrity Honoring ethical and responsible business conduct, and promoting accountability by maintaining proper policies and practices, upholding a culture of respect, honesty and fairness, and contributing to transparency.	**Regulatory Changes and Compliance** Conforming to all applicable laws, regulations, standards and voluntary commitments while keeping abreast of and prepared for new regulatory changes.	

Carbon Footprint Assessment

To address the three sectors, namely expenditures, waste and energy, that collectively account for 96% of the Group's emissions, we are pursuing the following actions:

01
Sourcing
(Scope 3)

Prioritise local and regional sourcing where possible

02
Circular Economy
(Scope 3)

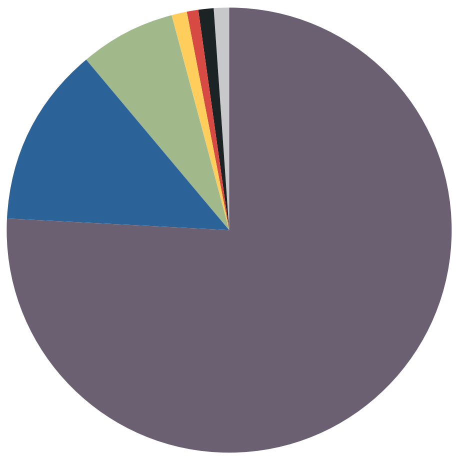
Implement a waste management programme

03
Energy Transition
(Scope 1 & 2)

Through NeXEnergy:

- Conduct energy audits
- Implement renewable energy facilities
- Promote energy management
- Catalyse shift to electric mobility

% Carbon emission per sector

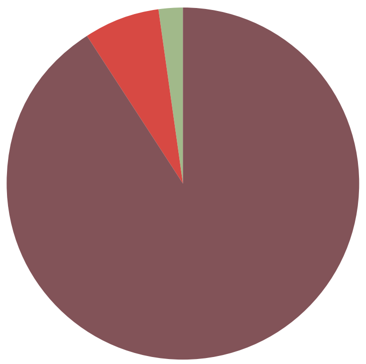


- Expenditures (76%)
- Waste (13%)
- Energy (7%)
- Transport (1%)
- Fugitive emissions (1%)
- Commuting to work (1%)
- Procurement (1%)

Group Total Emissions (in tonnes of carbon dioxide equivalent)

102,400 tCO2e

% Carbon emission per scope



- Scope 1 (91%)
- Scope 2 (7%)
- Scope 3 (2%)

Progress on Strategic Focus Areas

Below is an overview of the key initiatives and projects launched across our entities. A more detailed list of initiatives across all areas will be available on each BU's website and/or sustainability report.

Material matter and focus area	Projects and initiatives	Progress and outcomes
Decarbonisation and Energy	**NeXEnergy** - Incorporated NeXEnergy Partners Ltd to help the Group make progress in energy management and energy transition, along with the implementation of renewable power production facilities and an Operation and Maintenance (O&M) programme.	- NeXEnergy completed its second year of O&M for the 2 MW photovoltaic farm in Mont Choisy and other existing micro solar facilities within the Group. We are currently piloting a Proof of Concept for solar lighting in Pailles to reduce electricity costs, and we have begun energy management initiatives to further enhance efficiency. Additionally, NeXEnergy is working on expanding PV installations in Pailles. - NeXEnergy strongly demonstrated its ability to enter the commercial, residential and industrial PV landscapes, accomplishing successful PV installations (grid-tied and hybrid).
	Ingenia - Launched a project under the CEB Carbon Neutral Industrial Scheme (CNIS), allowing Ingenia to engage in clean, renewable electricity production.	- NeXEnergy is ongoingly reviewing this project to align with the current and future energy requirements of Ingenia. - Actively participated in the "Accelerating the Transition to a Net-Zero Nature-Positive Economy in Mauritius" (NZNPA) project, focusing on training, building capacity and engaging stakeholders to drive the shift towards a sustainable, net-zero economy.
	Archemics - Launched the energy audit of Archemics.	- NeXEnergy has initiated an energy audit with a local partner to improve energy efficiency, identify initiatives/opportunities to reduce energy costs and determine future renewable-energy needs. - Provided employee training in energy conservation to further reduce energy bills. - Replaced external lighting with fog lights powered by renewable energy. - NeXEnergy repaired the PV at Archemics.

Material matter and focus area	Projects and initiatives	Progress and outcomes
Circular Economy	**Group-level** - Conducted a waste quantification across all BUs to drive circularity, with the goal of transforming waste into a valuable resource.	- Identified reliable suppliers and conducted audit to ensure traceability of waste.
	EO Solutions - Established the waste management programme.	- Developed innovative products through vertical integration, partnering with renowned recyclers and environmentally recognised companies like HSM Germany for the implementation of recycling baling systems. - Continued working closely with BEM Recycling to manage IT waste responsibly, in line with zero-landfill policy.
	Archemics - Implemented action plans for water and wastewater, along with materials and waste, aimed at reducing both CO2 emissions per MT produced and diverting waste from landfills. - Established the waste management programme. - Launched employee engagement initiatives in collaboration with NGOs to give a second life to books, clothes and shoes. - Conducted annual environmental safety checks for industrial detergents in line with AISE's (International Association for Soaps, Detergents and Maintenance Products) requirements. - Continuous R&D and innovation to substitute ingredients of concern with more sustainable alternatives. - Ongoing efforts to raise awareness of water stewardship through the WASH (Water, Sanitation & Hand Washing) pledge campaign.	- Diverted waste from landfills, including cartons, pallets, plastic, electronic waste and batteries, amongst others. - Conducted wastewater survey in collaboration with Chemco. - Stakeholder engagement with AMM and Mautopia on Circular Economy, Industrial Symbiosis, REP and upcoming laws on solid waste. - Conducted ESG-related training, including sustainability for local brands, and Industry 4.0 and Circular Economy training with AMM. - New brand developed for the commercialisation of products.

Material matter and focus area	Projects and initiatives	Progress and outcomes
	Ingenia **Agro:** - Launched distribution of Sealife Organics products. - Established the waste management programme. **Aqua:** - Implemented new technology for the manufacturing of sodium hypochlorite to improve product quality and reduce waste generation.	- Continued to divert solid waste, such as pallets, electronic waste, plastics, cartons and paper from landfill. - Management of hazardous waste on site. - Launched a collection programme for empty pesticide containers, promoting responsible disposal by customers. - Stakeholder engagement with AMM & Mautopia on circular economy, industrial symbiosis, REP and upcoming laws on solid waste. - Conducted ESG-related training, including sustainability for local brands, and Industry 4.0 and Circular Economy training with AMM.
Biodiversity and Regenerative Agriculture	**Ingenia** - Initiated a workstream on products that are detrimental to biodiversity and human health within its portfolio of existing products. - Participated in a study on the impact of its industry on the Mauritian economy and the readiness of the stakeholders to align with the EU Green Deal requirements. This study was led by Business Mauritius and financed by AFD and the EU delegation in Mauritius.	- Continued efforts by the sales team to transition to safer products. - Deployed a training programme on the implication of the EU Green Deal for the local manufacturing sector and set up an action plan based on recommendations.

Material matter and focus area	Projects and initiatives	Progress and outcomes
Digital Technologies	**NeXEnergy** - Launched a Proof of Concept for a digital SaaS-based ESG solution to help organisations manage their ESG journey, data and reporting effectively.	- Digitalised sustainability and ESG management to drive data-backed actions and initiatives. - Fostered synergies with HMT to promote energy transition in Mauritius and beyond.
Talent	**EO Solutions** - Obtained the Great Place to Work Certification™.	- Great Place to Work Certification™ was secured for the second year in a row.
Diversity, Equity and Inclusion	**Group-level** - Implemented a DEI & Corporate volunteering programme across various BUs.	- Led the DEI & Corporate volunteering programme through designated BU Sustainability Champions, focused on collaborating with NGOs to drive impact in line with the Group's material topics.

CASE STORY

Mona Jugun

Lab and Quality Control Manager, Archemics

I have been part of the company for 16 years, working as Lab and Quality Control Manager. Precision, attention to detail and a strong commitment to quality are an integral part of my role. During my professional journey, I have acquired vast knowledge while sharpening my skills and expanding my expertise in laboratory management, product analysis and process optimisation.

On a daily basis, I supervise laboratory operations, validate results and check that all products meet required standards. I also support product development and work closely with teams to maintain consistency, performance and compliance.

A crucial aspect of my work is verifying that the products used by Mauritians are safe, reliable and effective. This includes developing and validating solutions that respond to real public health challenges, such as disinfectants used in areas exposed to leptospirosis. By ensuring their effectiveness and compliance, I contribute directly to protecting communities and improving everyday safety.

"Through my work, I help ensure that the products used by Mauritians are safe, reliable and effective "

People and Culture

A Future-Ready Organisation Led by Our People

At Harel Mallac, our people are our most powerful engine for growth, successfully propelling our transformation. In 2025, we deepened our Unlocking Potentials journey, further investing in leadership, accelerating skills development and enhancing the employee experience. All of this happened against a backdrop of intensifying talent competition, digital disruption and evolving workforce expectations.

Our response: a proactive, three-pillar people strategy built on **talent transformation and adaptability, reinforcing the talent ecosystem** and a **compelling employer brand and Employee Value Proposition (EVP).**

"The ability to attract and retain the right competences is no longer a strategic priority – it is a business imperative."

As we look ahead, Harel Mallac remains committed to empowering its people to grow, lead and contribute meaningfully – to the Group and to the country.

Talent transformation and adaptability

Reinforcing the talent ecosystem

Employer brand and Employee Value Proposition (EVP)

Continuously Unlocking Potentials – a Progress Overview

We keep sailing forward on our Unlocking Potentials journey, with notable improvements:

- Performance management was incrementally strengthened across the Group by implementing a new system with clear operational excellence metrics aligned to strategic goals, giving employees measurable benchmarks to strive towards.
- Integration of key human capital tools – performance management, succession planning and talent management – was progressed into a more cohesive strategy. The focus was maintained on identifying critical roles, mapping employee skills against defined objectives, and developing tailored succession plans to sustain stability and mitigate talent risk.
- Sustained investment in training was made across all business units, spanning topics such as marketing, IT, technical skills, soft skills, leadership, health & safety, and sales.
- The Employee Welfare Programme has been well-established and was consistently enhanced, delivering wellbeing initiatives to teams throughout the Group.
- Three Group induction programmes were successfully implemented, welcoming new talents and reinforcing Harel Mallac's 'Act the ACT' principles of Agility, Care and Trust, while fostering a stronger sense of belonging across business units.

Talent transformation and adaptability

Navigating Transitions with Agility

All employees of the Group have access to the intranet. This internal platform has been especially created to optimise the employees' daily workflow and their professional journey, harnessing the Employee Handbook, Employee Benefits, our internal Copilot Chat, IT trainings and more in one convenient interface.

harel mallac technologies

Harel Mallac Technologies balanced the depth of its long-tenured workforce with targeted hiring in IT services, digitalisation and AI – ensuring both stability and innovation capacity.

eo PERFORMING WORKPLACES

EO Solutions navigated a significant organisational shift following the sale of Linxia Ltd, redeploying Linxia staff thoughtfully across departments to protect institutional knowledge and retain critical capabilities.

Reinforcing the talent ecosystem

Leading by Example

Good leaders continuously inspire our people to pursue their goals relentlessly. With this in mind, we made strategic leadership appointments across the Group, each bringing depth, expertise and fresh momentum:

NOVENGI

Novengi Ltd – Head of Operations: Kulvashi Balluck brings international experience from global leaders, combining technical mastery with commercial acumen. Her track record in high-impact digital solutions and large-scale fleet optimisation directly supports Novengi's operational excellence agenda.

AEROLIK

Aerolik Ltd – Head of Sales: Jean François Assarapin brings over 30 years of sales leadership, with deep local market knowledge spanning market penetration, supply chain dynamics and customer service.

ingenia BY MCFI

Ingenia underwent a full leadership restructuration, with four key appointments:

- Group Head of Sales – Dheer Narrain Roy, driving commercial expansion after years of pivotal business development contributions.
- Group Finance Business Partner – Vijayanand Pathareddy-Appanah, overseeing financial strategy, shared services and performance optimisation across entities.
- Head of Production – Sanjeeve Persand, championing industrial process excellence and operational quality.
- Head of Human Capital & Talent – Gopendre Deegumber, aligning people strategy with business performance across four companies.

Upskilled and Upwards

At Harel Mallac, we believe in inclusivity and in growth for all. Our training and upskilling programmes are catered to all employees throughout the range of positions within the Group.

Throughout the year, the Group invested in targeted training programmes, with a clear focus on future-readiness, operational compliance and employee safety. Beyond upskilling, it is also about equipping our people with the skills and knowledge to seamlessly navigate evolving challenges with agility and resilience.

Reinforcing the talent ecosystem

Archemics Ltd dedicated over 512 training hours in employee upskilling, with standout programmes including the Genius 5 course delivered by The Creative Brainstorming Company.

EO Solutions rolled out an ambitious learning agenda spanning emerging and core competencies – from the Stanford Generative AI Programme and Marketing Automation & AI, to Mastering Strategy for Organisational Growth & Sustainability and Vendre en Bénéfices – collectively strengthening capabilities across sales, customer experience, communication and digital innovation.

Ingenia certified 19 employees in the safe operation of self-propelled handling equipment, delivered onsite in partnership with Industrie et Services de l'Océan Indien Ltée (ISOI).

Novengi Ltd and Aerolik Ltd combined technical rigour with a strong safety culture. 14 employees completed the Aligning Customer Care with Business Goals programme, while seven Novengi Solutions staff undertook Advanced HVAC Design & Green Technology training. Forklift driving licences were obtained onsite, and in-house sessions covered fire warden responsibilities, injury reporting, cyclone preparedness and permit-to-work protocols.

Health & Safety milestones at Novengi and Aerolik included a road safety awareness session with vehicle rollover simulation, a blood donation drive, employee eye screening, a fire safety awareness programme, and First Aid certification, with a comprehensive operational risk assessment currently underway.

Health & Safety Milestones at Novengi and Aerolik:

- Road safety awareness including vehicle rollover simulation (March)
- Blood donation drive and employee eye screening (March–April)
- Fire safety awareness programme (April)
- First Aid certification (July)
- Forklift driving licences obtained at the Novengi facility (November)
- Comprehensive operational risk assessment underway

Employer brand and Employee Value Proposition (EVP)

Building an Employer Brand Worth Belonging To

EO Solutions: Winner of Great Place to Work & Best Workplaces Certifications

This year, EO Solutions earned two of the most recognised workplace certifications globally: the prestigious Best Workplaces Certification, ranking No.1 in its category; and in the process of being awarded for the second year in a row, the Great Place to Work Certification.

These achievements are proof that our culture is not a one-time achievement but a continuous commitment to and from our employees. These recognitions strengthen our employer brand and position EO Solutions as a company where people feel proud to work, contribute and grow, as was indeed highlighted this year with a 3% increase in the overall trust index (90%).

Year-round initiatives reinforced this achievement, including Monthly Morning Breakfasts, Employee Appreciation Days, Fire Safety Awareness, Breast Cancer Awareness and a Mental Health Programme.

Employer brand and Employee Value Proposition (EVP)

A Culture of Celebration and Wellbeing

Across the Group, 2025 was rich with moments that brought people together:

Archemics Ltd – Fun Day in September, featuring outdoor games and team bonding. Indoor games in June and September to further promote interaction and team spirit among employees.

Ingenia Ltd – Celebrated its 50th anniversary, a milestone that renewed the company's ambition and shared sense of purpose. Health initiatives included an onsite Diabetes Screening Day and a Pink October awareness session on breast cancer in partnership with Centre Des Dames Mourides. Music Day featured karaoke and live entertainment.

Novengi Ltd and Aerolik Ltd – End-of-year dinner in December; cultural and religious celebrations (Easter, Eid, Diwali, Chinese Festival); and heartfelt retirement recognitions for four long-serving team members.

CASE STORY

Stelio Laguette

Production Executive, Aerolik

For over 30 years, I have been working in industrial mechanical drafting and ventilation. In 2009, I joined the Harel Mallac Group, starting with what is now Novengi, before moving to Aerolik. Although my role has evolved over the years, I still keep the same passion as on day one. Today, you can find me in the workshop, where I oversee the assembly of components used in ventilation systems.

My day-to-day responsibilities entail making sure everything runs as planned. That means coordinating with the team, following production schedules closely and maintaining quality at every step. Even when timelines are tight or requests become urgent, we rely on discipline and teamwork to stay on track.

Through my work, I contribute to delivering air-control, ductwork and fire safety solutions used in buildings across Mauritius, such as offices, hotels and industrial sites. These systems have a crucial impact as they make sure those high-traffic spaces are properly ventilated, comfortable and, most importantly, safe in case of emergency.

"Although my role has evolved over the years, I still keep the same passion as on day one "

← Contents

TECHNOLOGY

Our Technology division helps keep businesses and organisations connected and operational. By supporting the IT systems behind everyday activities, it plays a role in ensuring continuity, data security, and access to digital tools that Mauritians increasingly depend on at work and in daily life.

Corporate Governance Report

Harel Mallac & Co. Ltd ('Harel Mallac' or 'the Company') is a public company incorporated in 1952 and is listed on the Official Market of the Stock Exchange of Mauritius ('SEM'). Harel Mallac is a Public Interest Entity (PIE) as defined by the Financial Reporting Act 2004.

CORPORATE GOVERNANCE

Harel Mallac and its subsidiaries ('the Group') are committed to maintaining high standards of corporate governance and acknowledge their responsibility in following the principles contained in the National Code of Corporate Governance for Mauritius ('the Code').

This Corporate Governance Report endeavours to demonstrate the application, within the Group, of the eight principles comprising the Code.

PRINCIPLE 1: OUR GOVERNANCE STRUCTURE

Harel Mallac is led by its Board of Directors ('the Board').

THE CONSTITUTION

The Board derives its authority to act from the Company's constitution ('the Constitution'). There are no clauses of the Constitution deemed material enough for special disclosures. The Constitution is available on the Company's website.

BOARD CHARTER

A Board Charter was approved by the Board. It details, amongst others, the objectives of the Board, as well as the roles of the Chairman, Non-Executive Directors and the Company Secretary. A copy of the Board Charter is available on the Company's website.

BOARD COMMITTEES

The Board is assisted in its functions by three Board Committees, namely: the Audit and Risk Committee, the Corporate Governance Committee (which also covers the key areas within the remit of a Nomination and Remuneration Committee) and the Strategic Committee. Each of our committees is governed by and operates within the Terms of Reference approved by the Board.

These Terms of Reference are reviewed periodically.

DELEGATION OF AUTHORITY ACROSS THE GROUP

The Board has approved a comprehensive Delegation of Authority Matrix that clearly defines the decision process across the Group. The Delegation of Authority Matrix is reviewed by the Board whenever required.

THE ROLE OF THE BOARD

The Board is led by the Board Chairman. The roles of the Board Chairman and that of the Chief Executive Officer are separate. The Board exercises leadership, entrepreneurship, integrity and sound judgement in directing the Company so as to achieve continuing prosperity for the organisation, while embracing both performance and compliance. The Board also ensures that the activities of the Company comply with all legal and regulatory requirements, as well as with its Constitution.

The Board, inter alia:

- oversees the development and implementation of the Company's corporate strategy
- reviews performance objectives
- oversees financial management and capital management
- oversees compliance and risk management
- ensures that sound corporate governance practices are in place
- ensures effective communication with the Company's stakeholders
- provides for succession plans for key individuals
- promotes the Company's Code of Ethics

CODE OF ETHICS

The Board approved the Code of Ethics ('COE') which is applicable across the Group. Its application is periodically monitored. Our COE sets out the framework for and advocates for:

- honest communication
- confidentiality
- financial integrity
- business ethics including commercial ethics
- corporate citizenship

Our COE, which is available on our website, also addresses insider dealing, conflicts of interest and political involvement, as well as the exercise of public duties.

All the employees of the Group have had the opportunity to fully familiarise themselves with our COE through our e-learning platform and employee induction programme.

RESPONSIBILITIES AND ACCOUNTABILITY

The Group operates within a clear governance framework that enables the Board to exercise effective control and supervision.

The day-to-day management is delegated to the Chief Executive Officer and his senior executives, who have clear job descriptions that form the basis for a clear understanding of their roles and responsibilities. The job descriptions of key senior executives are reviewed by the Corporate Governance Committee and submitted thereafter to the Board for approval.

ORGANISATIONAL STRUCTURE
(AS AT 31 DECEMBER 2025)

Charles Harel
Chief Executive Officer

OPERATIONS

Kevin Kisto
General Manager - Novengi and Aerolik

Salim Sulliman
General Manager - Archemics

Dany Blackburn
General Manager – EO Solutions

Belinda Vacher
General Manager – MCFI Group

Dharmayashdev Basgeet
General Manager – Harel Mallac Technologies

HEAD OFFICE

Candice Couacaud
Group Head of Communications

Patricia Grenouille
Manager - HM Secretaries Ltd

Christian Nanon
Group Head of Sustainability and Innovation

Bhavish Sharma Sewraz
Group Head of Legal Affairs & Compliance

Belinda Vacher
Chief Finance Officer

Christian Yong Kiang Young
General Manager Projects & Investments

CASE STORY

Clotilde Baya

Travel Designer, Itineris

I am a Travel Designer at Itineris, with nearly 19 years of experience. My role is defined by accessibility, responsiveness and attention to detail. This translates into my inherent dedication to helping clients smoothly plan and manage their travel from start to finish.

For every project, I begin by understanding each client's needs, constraints and objectives. Once these are defined, I then design tailored travel solutions, manage bookings and coordinate with partners. I also handle essential aspects such as visas, travel documentation and regulatory requirements, so that everything is in place before departure. Agility is key: when plans change and disruptions occur, I manage adjustments to maintain continuity.

Through my work, I am proud to support the mobility of businesses and individuals, providing them with 24/7 assistance. By securing each step of the journey, I allow clients to travel with confidence and focus on their priorities.

Whether for business or for personal reasons, the real value of travel is creating meaningful moments that become lifelong memories.

"Agility is key: when plans change and disruptions occur, I manage adjustments to maintain continuity"

LEADERSHIP TEAM AS AT 31 DECEMBER 2025

Charles Harel
Chief Executive Officer

Charles Harel holds an MBA from the University of Birmingham, UK. He joined the Harel Mallac Group in 1993 as the General Manager of the Tourism and Retail Cluster. He was then nominated as CEO of the Harel Mallac Group as of 1 January 2014, and appointed to the Board of Directors in June 2006.

Belinda Vacher
Chief Finance Officer – In office up to 31 March 2026
General Manager – MCFI Group

Belinda Vacher holds various finance degrees/certifications: a Master in Business Administration (University of Mauritius), a certificate in Business Strategy for leaders (INSEAD), as well as a Master of Laws (Université Panthéon Assas). Belinda spent most of her career working for the Rogers Group in various departments, including investment, property asset management, corporate advisory, sustainability and fund management. Until recently, she served as the Chief Fund Management Executive with directorship roles for Ascencia and Velogic. She joined the Harel Mallac Group in April 2023.

Kevin Kisto
General Manager – Novengi & Aerolik

Kevin Kisto holds a Bachelor in Chemical Engineering, a diploma in health and safety, a Master in Business Administration, a certification in professional energy auditing as well as a license in lean six sigma. Kevin is an Operations and Management professional with over 14 years' experience in fast-paced, sugar and cement complex facilities.

Dharmayashdev Basgeet
General Manager – Harel Mallac Technologies Ltd

Dharmayashdev Basgeet holds a PhD in Mobile Communications from the University of Bristol and is a Chartered Engineer and registered professional engineer in Mauritius. Dharma has 25 years of international experience guiding governments, financial institutions and enterprise organisations through digital modernisation, cybersecurity resilience and large-scale operational transformation. Prior to joining the company, he held senior leadership roles across consulting, telecommunications, and technology sectors, delivering complex transformation programmes and driving measurable improvements in operational performance across regulated and multi-site environments. His expertise is in digital transformation, cloud adoption, AI-enabled operations and cybersecurity governance and he regularly advises executive leadership on technology investment, resilience and sustainable growth. Dharma joined Harel Mallac Technologies in March 2024 as Lead Partner and was appointed General Manager in March 2025.

Dany Blackburn
General Manager – EO Solutions Ltd

Dany Blackburn holds a Postgraduate Diploma in Professional Marketing from the Chartered Institute of Marketing (UK), and is an alumnus of the Stanford Centre for Professional Development, with a focus on Fostering Innovation in the Mauritius Ecosystem. He joined Harel Mallac in 2008, holding various positions within EO Solutions (previously Harel Mallac Bureautique Ltd), and was appointed General Manager in October 2024.

Salim Sulliman
General Manager – Archemics Ltd

Salim Sulliman has over 36 years of leadership experience, he has driven growth and efficiency in key industries, including LPG business and FMCG (food and beverages). He brings extensive expertise in strategic management, business development and commercial operations, and holds an Advanced General Management certificate from the National University of Singapore. Salim joined Archemics in September 2023.

Laurent Gordon-Gentil
Group Head of Human Capital – In office up to July 2025

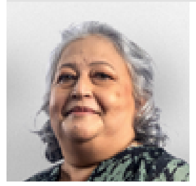
Laurent Gordon-Gentil holds a BSc in Management and Human Resource (HR) Management from Curtin University (Australia), as well as an MSc in Professional Human Resources from BPP University (London). After working in various sectors, namely BPO, engineering and manufacturing, Laurent worked for the Terra group as HR Manager - Projects and Services (2011-2015) before moving to the Medine Group in 2015 as Group HR Manager. He joined Harel Mallac in January 2021.

Bhavish Sharma Sewraz
Group Head of Legal Affairs and Compliance

Bhavish Sewraz is a qualified Barrister-at-Law and brings rich experience from his roles at Absa Bank and Juristconsult Chambers – DLA Piper Africa. He holds a 'Licence en Droit' from the University of Capitole, Toulouse, and postgraduate degrees from the University of the West of England, Bristol, and the University of Greenwich, London.

Christian Yong Kiang Young
General Manager – Projects and Investment

Christian Yong Kiang Young is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and holds a Bachelor of Science from the London School of Economics (LSE), UK. He was Director – International Accounting & Reporting at MoneyGram from September 2009 to September 2015 and Audit Manager at KPMG from September 2002 to July 2009. In October 2015, he joined Harel Mallac as Group Financial Controller, before accepting the challenge of managing the Group's projects and investments portfolio in August 2016.



Patricia Grenouille
Manager – HM Secretaries Ltd

Patricia Grenouille is an Associate of the Institute of Chartered Secretaries UK (now The Chartered Governance Institute, UK) and holds a 'Licence en Lettres Modernes' from Université de la Réunion. She joined Harel Mallac & Co. Ltd in 1988 and holds, since 2008, the position of Manager - HM Secretaries Ltd which acts as the Company Secretary for Harel Mallac & Co. Ltd, its domestic subsidiaries and some other legal entities.

Candice Couacaud
Group Head of Communications

Candice Couacaud is a seasoned professional with extensive experience in marketing communications and holds a Master in Information and Communications from Université Sorbonne Paris Nord. She was a Project Manager in the tourism industry for more than 10 years in Paris before heading into branding and marketing for property development projects in Mauritius. She served as Group Communication and Media Relations Manager for Rogers Hospitality (2016-2021) and teamed up with NGO Reef Conservation to spearhead the organisation's communication on funded projects. She joined Harel Mallac in July 2023.

Christian Nanon
Group Head of Sustainability and Innovation

Christian Nanon holds a Master in Chemical Engineering from ENS Paris - Chimie ParisTech (France) and a Master of Science in Strategy and Organisation Consulting from ESCP Europe (France). He has also completed a Certificate in Sustainability Leadership and Corporate Responsibility from London Business School (UK) and a Certificate in Sustainable Investing from Harvard University (USA). In addition, he is a Certified Sustainability (ESG) Practitioner and a Certified Energy Auditor (CEA), accredited by the Association of Energy Engineers (USA). With over 14 years of experience, Christian has been actively involved in major energy projects and strategic business initiatives both locally and internationally. He previously held the roles of Product Development Engineer at Omnicane Group, Corporate Manager – Sustainability at Rogers Group, and Director of Rogers Foundation. Christian joined the Harel Mallac Group in June 2023.

PRINCIPLE 2: THE STRUCTURE OF OUR BOARD AND ITS COMMITTEES

BOARD SIZE AND STRUCTURE

Harel Mallac is headed by a committed unitary Board ('the Board') comprising nine Directors. The Board is confident that it possesses the right mix of independence, professional experience, skills, expertise and background to lead the Company and the Group efficiently. The Board is of the view that the presence of the Executive Director and Chief Finance Officer at Board meetings is in line with the recommendations of the Code for executive presence on the Board.

DIRECTORS' INDEPENDENCE REVIEW

The Board is of the view that a Director's independence is not reliant on his term of office. The Board believes that a Director's independence is measured by the latter's ability to think, analyse and decide independently, and by the person's capacity to stand up to contrary views and opposing arguments.

BOARD COMPOSITION DURING 2025

Directors	Gender	Age	Country of Residence	Category
HAREL Antoine L. (Chairman)	M	68	Mauritius	Non-Executive Director
AH-CHUEN Dean	M	61	Mauritius	Non-Executive Director
BORIS Pascal C.B.E.	M	75	France	Independent Director
DE CHASTEAUNEUF Jérôme	M	59	Mauritius	Non-Executive Director
DE JUNIAC Christian	M	72	Switzerland	Non-Executive Director
GIRAUD Daniel G.O.S.K.	M	73	Mauritius	Independent Director
HAREL Charles	M	58	Mauritius	Executive Director
LEVIGNE-FLETCHER Anne Christine C.S.K.	F	71	Mauritius	Non-Executive Director
MOOLLAN Anwar S.C.	M	58	Mauritius	Non-Executive Director

M: Male F: Female

MEETINGS' PROCESS

Calendar of meetings →	Agenda setting →	Circularisation of Board/ Committee papers →	Attendance at meetings →	Minutes of meetings
A calendar of meetings for the year is set at the beginning of the year.	The agenda of the meeting is finalised by the Chairman and the Company Secretary after consultation with the CEO.	Detailed and comprehensive Board papers are circularised to the Directors with a view of enabling the Directors to take learned decisions.	With a view to enhancing attendance, Directors can assist by audio or video conferencing.	Minutes of meetings are approved by the Board/ Committee and signed by the Chairman and the Company Secretary.

BOARD MEETINGS

During the year under review, the Board met five times.

ATTENDANCE AT BOARD MEETINGS

Director	Attendance
HAREL Antoine L. (Chairman)	5/5
AH-CHUEN Dean	5/5
BORIS Pascal C.B.E.	5/5
DE CHASTEAUNEUF Jérôme	5/5
DE JUNIAC Christian	5/5
GIRAUD Daniel G.O.S.K.	5/5
HAREL Charles	5/5
LEVIGNE-FLETCHER Anne Christine C.S.K.	5/5
MOOLLAN Anwar S.C.	2/5

BOARD'S FOCUS AREAS DURING THE YEAR

- Risk identification and mitigation strategy
- Group restructuring
- Strategic plan for the Company and the Group
- Annual and quarterly financial statements
- Investment and divestment decisions
- Annual budget for Company and Group
- Board Committees' focus areas
- Remuneration and talent management

BOARD EVALUATION

A Board evaluation exercise is carried out yearly by the Company Secretary. The Directors are invited to rate various areas of the Board's governance, such as the preparation and effectiveness of meetings, performance of the Chair and of the Board Committees. It also provides for each Director's self-evaluation. Directors are invited to comment on each area being evaluated. The Company Secretary may interview the Directors to collect more information on comments made. A detailed report is presented to the Corporate Governance Committee, which in turn makes its recommendations to the Board on ways and means to improve on the lowest-rated areas.

BOARD COMMITTEES

Audit & Risk Committee ('ARC') Meetings

During the year under review, the ARC met four times. The Board is satisfied that the members of the ARC have the right mix of skills, knowledge, financial literacy and expertise to fulfil their duties, and that they have effectively discharged their responsibilities during the year under review according to the Committee's terms of reference.

Attendance at ARC Meetings

Director	Attendance
DE CHASTEAUNEUF Jérôme (Chairman)	4/4
LEVIGNE-FLETCHER Anne Christine C.S.K.	3/4
MOOLLAN Anwar S.C.	1/4
GIRAUD Daniel G.O.S.K.	4/4

ARC's Focus Areas During the Year

- Annual and quarterly financial statements
- Internal audit reports
- External audit reports
- Risk Management Framework
- Ethics
- Accounting procedures and processes
- Delegation of authority matrix

Corporate Governance Committee ('CGC')

During the year under review, the CGC met twice.

Attendance at CGC Meetings

Director	Attendance
HAREL Antoine L. (Chairman)	2/2
MOOLLAN Anwar S.C.	1/2
AH-CHUEN Dean	2/2

CGC's Focus Areas During the Year

- Remuneration
- Remuneration, pay and benefits framework
- Board appraisal
- Board composition
- Employee engagement
- Talent Management framework
- Succession planning
- Recruitment of senior executives
- Directors' remuneration

Strategic Committee Meetings

During the year under review, the Strategic Committee held two meetings.

Attendance at Strategic Committee Meetings

Director	Attendance
HAREL Antoine L.	2/2
HAREL Charles	2/2

Strategic Committee's Focus Areas During the Year

- Investment projects
- Divestments
- Group's strategic plan

THE ROLE OF THE COMPANY SECRETARY

The Company Secretary's function is performed by HM Secretaries Ltd. HM Secretaries Ltd is a wholly-owned subsidiary of Harel Mallac & Co. Ltd offering secretarial services to Harel Mallac & Co. Ltd and to its local subsidiaries. HM Secretaries Ltd is headed by an ACG (Associate of the Chartered Governance Institute) Chartered Secretary. All Directors have access to the advice and services of the Company Secretary for the purposes of the Board's affairs.

PRINCIPLE 3: DIRECTORS' APPOINTMENT AND PROCEDURES

APPOINTMENT, ELECTION AND RE-ELECTION OF DIRECTORS

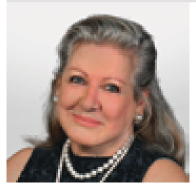
The Corporate Governance Committee reviews new appointments to the Board, Board Committees, the boards of 100% owned subsidiaries, and makes its recommendations thereon to the Board. Skills, expertise, knowledge, experience, diversity and independence are factors that are considered. Directors shall be "a natural person, not under the age of 18, not be an undischarged bankrupt and shall not be prohibited from being a director under sections 337 and 338 of the Companies Act 2001".

The Directors are re-elected upon the recommendation of the Corporate Governance Committee that considers, amongst others, the Board's evaluation, which is carried out by the Company Secretary. The Constitution provides that the Directors of the Company shall hold office for one year but shall be eligible for reappointment.

INDUCTION OF DIRECTORS

Upon their appointment, Directors follow an induction course, which is facilitated by the Chairman and the Company Secretary. The induction pack, remitted prior to the induction course, consists of recent minutes of Board and Committee meetings, recent unaudited and audited financial statements, the Company's Constitution, Listing Rules, and the Company's annual report. The newly appointed Directors have one-to-one meetings with the CEO and members of the Leadership Team as part of the induction process. The newly appointed Directors also proceed with the visit of local-based operational sites.

DIRECTORS' PROFILES



Anne Christine Levigne-Fletcher C.S.K. (71)
Chevalier de l'Ordre National du Mérite
Non-Executive Director

Anne Christine Levigne-Fletcher C.S.K. holds a 'Diplôme' from l'Institut d'Etudes Politiques de Paris/Sciences Po, a 'Licence en Droit' from Assas University and a 'Licence en Littérature Anglaise' from Université de Nanterre. She was from 1976 to 1981 the Managing Director/Designer of Mistra, an international company based in Paris operating in the design industry. She has been the Managing Director of Caleage Ltd – Hémisphère Sud – since 1981. Anne Christine Levigne-Fletcher C.S.K. was appointed to the Board of Directors of Harel Mallac & Co. Ltd in May 2011.

Skills/Expertise: Manufacturing, Marketing, Commercial Strategy, Design.
Other Directorships (listed Companies): None.

Antoine L. Harel (68)
Chairman - Non-Executive Director

Antoine L. Harel is a Fellow Member of the Institute of Chartered Accountants in England and Wales. He holds a BA (Hons) degree in Accounting and Computing. He joined Harel Mallac & Co. Ltd in 1987 and launched the Company's Information Technology Division. On joining the Board in 1990, he was appointed Executive Director with responsibility for the Information and Communication Technology division and the Distribution and Retail division. In 1997, he was appointed Group CEO and has been the Chairman of the Board since April 2005. He was President of the Mauritius Chamber of Commerce & Industry from 1992 to 1993.

Skills/Expertise: Finance, Accounting, Corporate Governance, Management, IT, Strategy.
Other Directorships (listed Companies): The Mauritius Chemical and Fertilizer Industry Limited (Chairman).

Anwar Moollan S.C. (58)
Non-Executive Director

After his first degree in Mechanical Engineering in France, Anwar Moollan S.C. read Law at Downing College, Cambridge. He joined the Chambers of Sir Hamid Moollan QC KC in 1995, and practices as a barrister. Mr Moollan joined the Board of Directors of Harel Mallac & Co. Ltd in June 2003.

Skills/Expertise: Law, Arbitration, Audit Committee, Corporate.
Other Directorships (listed Companies): None.

Charles Harel (58)
Chief Executive Officer

Charles Harel holds a National Diploma in Management and Finance from the Cape Technikon, South Africa, and an MBA from the University of Birmingham, United Kingdom.

Charles Harel has more than 30 years of leadership experience working in retail, tourism, property, and business services.

Charles Harel was appointed to the Board in June 2006 and was nominated Chief Executive Officer of Harel Mallac Group effective 1 January 2014, providing leadership and driving the Group's transformation and overall development.

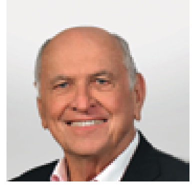
Charles Harel has been serving as Honorary Consul of the Federative Republic of Brazil in Mauritius since February 2004 and is the President of The Mauritius Chamber of Commerce and Industry since 2024.

Skills/Expertise: General Management and Strategic Planning.
Other Directorships (listed Companies): The Mauritius Chemical and Fertilizer Industry Limited.

Christian de Juniac (72)
Non-Executive Director

Christian de Juniac is a graduate of Cambridge University and holds an MBA from Harvard University. He trained as a barrister-at-law and was with Boston Consulting Group for 28 years, based mostly in the United States, UK, Holland and Switzerland. During his career at Boston Consulting Group, Christian de Juniac specialised in financial services and mass distribution. He was appointed to the Board of Harel Mallac & Co. Ltd on 16 May 2018.

Skills/Expertise: Economics, Law, Strategy, Consulting.
Other Directorships (listed Companies): None.



Daniel Giraud G.O.S.K. (73)
Independent Director

Daniel Giraud G.O.S.K. holds a Master in Management Sciences (Paris Dauphine). He spent 23 years in the textile Industry as CEO of the Floreal Group (CIEL Textiles), the largest textile manufacturer, before joining Medine Limited as Chief Executive Officer in 2002. He sat on the Board of Medine Limited and EUDCOS and their subsidiaries from 2003 until his retirement from Medine Limited in 2017. He was appointed to the Board of Harel Mallac & Co. Ltd on 27 June 2018.

Skills/Expertise: Finance, General Management, Manufacturing, Marketing, Strategy & International Business, Economics.
Other Directorships (listed Companies): None.

Dean Ah-Chuen (61)
Non-Executive Director

Dean Ah-Chuen holds a BA in Computer Science, Economics and Mathematics from the University of Sydney (Australia) and an MBA in International Business from the University of Western Sydney. He worked for Westpac Banking Corporation (Australia) and for Clinton's Toyota before returning to Mauritius in 1994, where he joined ABC Motors Company Limited as Business Development Manager. Today he is the Chief Executive Officer of the Automobile, Freight & Logistics and Insurance & Properties Clusters of ABC Group. He is a Non-Executive Director of ABC Banking Corporation Ltd, and a Benefactor of the Court of the University of Mauritius since May 2019. He is currently a Board member of Lovebridge Ltd. He was appointed to the Board of Directors in June 2012.

Skills/Expertise: Management, Sales & Marketing, Trade.
Other Directorships (listed Companies): ABC Motors Co Ltd, ABC Banking Corporation Ltd.

Jérôme de Chasteauneuf (59)
Non-Executive Director

Jérôme de Chasteauneuf holds a BSc in Economics (Accounting & Finance) from the London School of Economics and Political Science (LSE). He began his career at PricewaterhouseCoopers (PwC) in the United Kingdom, where he qualified as a Chartered Accountant, building a strong foundation in financial and audit practices. Jérôme de Chasteauneuf has been instrumental in major corporate milestones for the CIEL Group where he acts as Group Finance Director, including Initial Public Offerings (IPOs), mergers and acquisitions, international ventures, and comprehensive corporate restructuring programs. A strong advocate for risk management, compliance, transparency and accountability, he continues to drive sound governance practices within the Group. He sits on the boards of several companies and serves as an Independent Non-Executive Director on the Board of the Stock Exchange of Mauritius Ltd.

Skills/Expertise: Economics, Accounting and Finance, Investment & Securities.
Other Directorships (listed Companies): Alteo Limited (Board Chair), CIEL Limited, Miwa Sugar Limited, Riveo Limited and Sun Limited.

Pascal Boris C.B.E. (75)
Independent Director

Pascal Boris C.B.E. graduated from Ecole des Hautes Etudes Commerciales (HEC), Paris, from the New York University Stem Institute and from the London Business School. He had a rich 40-year career in international banking with The Chase Manhattan Bank and Paribas (later BNP Paribas) in Paris, New York, London and Geneva. He is now an active business angel with a portfolio of early-stage companies in France, the USA, the UK and Israel. Pascal Boris C.B.E. is the joint founding President of Le Cercle d'Outre-Manche and honorary President of the French Chamber of Great Britain. He was first appointed to the Board of Directors of Harel Mallac & Co. Ltd on 4 October 2017.

Skills/Expertise: Strategy and Execution, Change Management, Talent Management, Corporate Governance, Financial Structuring.
Other Directorships (listed Companies): None.

PROFESSIONAL DEVELOPMENT

The Directors are encouraged to participate in workshops and training sessions organised by the MIoD and other training bodies. The Board facilitates such participation.

SUCCESSION PLANNING

The Board ensures that a comprehensive succession planning mechanism is in place within the Company. The objective of succession planning is to ensure that the Company continues to operate efficiently when individuals occupying key positions leave the Company.

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

DIRECTORS' DUTIES AND RESPONSIBILITIES

The Directors are aware of their legal duties and responsibilities. Policies are in place to assist the Directors in fulfilling their duties, such as the Code of Ethics, the Conflict of Interest/related party transactions policy and the Board Charter.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE POLICY

A Directors' and officers' liability insurance policy has been subscribed covering the Company, its subsidiaries and the Company's Directors. It offers coverage when they sit on the Boards of outside companies at the behest of the Company.

CONFLICT OF INTEREST / RELATED PARTY TRANSACTIONS

Transactions with related parties are disclosed in the financial statements and declarations of interest are registered by the Company Secretary.

INFORMATION ALLOWING DIRECTORS TO MAKE LEARNED DECISIONS

Detailed information is provided in writing to the Directors prior to Board and Committee meetings, as well as in the case of resolutions to allow them to make informed decisions. Directors are also encouraged to contact the CEO, the Chairman or the Company Secretary in case they need any further information or clarification.

SUPPORT OF EXTERNAL EXPERTS

The Board is encouraged to seek external expert advice whenever required.

DIRECTORS' REMUNERATION

Non-Executive Directors and Independent Directors are paid Directors' fees commensurate with their responsibilities on the Board. Directors are paid fixed fees. A benchmarking exercise is carried out regularly by the Corporate Governance Committee to ensure that the Directors' fees are market and industry-related. The Company's Non-Executive Directors and Independent Directors sitting on the Boards of subsidiary companies may also receive Directors' fees from such subsidiaries. None of the Non-Executive Directors or the Independent Directors are entitled to remuneration in the form of share options or bonuses associated with the Company's or the Group's performance.

Details of Directors' remuneration are given on pages 76 and 77.

REMUNERATION POLICY

The Company's remuneration policy recommends that the Company provides competitive rewards for its senior executives and other senior management staff, taking into account the Company's performance and external market data from independent sources and in particular, regarding the latter, salary levels for similar positions in comparable companies. The remuneration package consists of a base salary, fringe benefits, and individual and collective performance bonuses. The remuneration package is determined by the Board of Directors upon recommendations from the Corporate Governance Committee. Executive Directors and senior management may also be entitled to performance bonus schemes linked to personal objectives as well as to the Company's and/or the Group's performance. Such schemes are reviewed by the Corporate Governance Committee and thereafter submitted to the Board for decision.

INFORMATION TECHNOLOGY POLICY

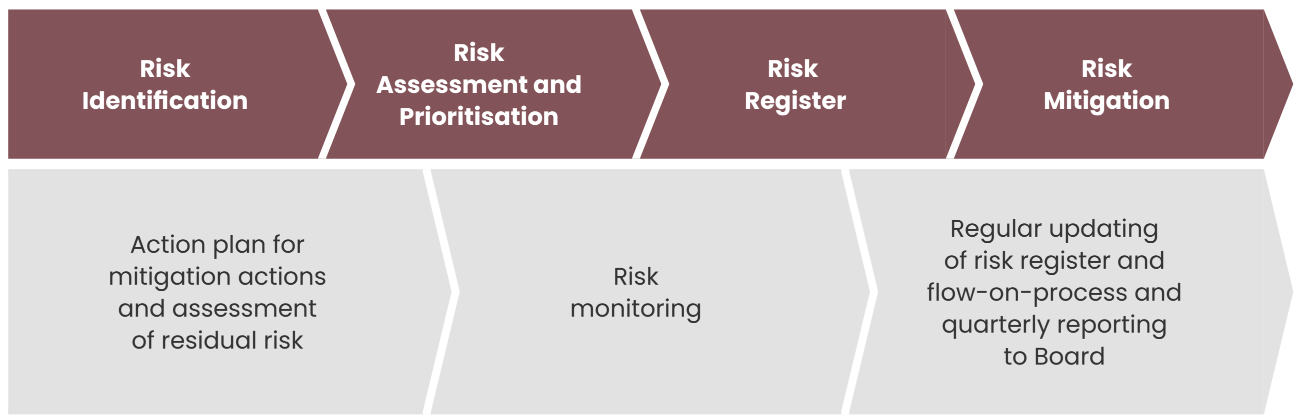
An Information Technology ('IT') Policy was approved by the Board and is applicable to all subsidiaries in the Manufacturing and Trading, Business Services and Asset Management clusters of the Group. A budget for IT is allocated annually, based on respective needs for the financial year. The IT policy covers, amongst others:

- security standards, including control and access rights (including physical access)
- process for acquisition of information systems, their development and maintenance
- back-up of information
- malicious software protection
- Internet and Intranet security
- Bring Your Own Device

EU GENERAL DATA PROTECTION REGULATION

The Group and its Board of Directors are committed to ensuring the safe and lawful processing of all personal data that the Group collects, in a fair and transparent manner, in accordance with applicable data protection laws in force, namely the Data Protection Act 2017 (Act No. 20 of 2017) (DPA) and the European General Data Protection Regulation (GDPR). The Policy sets out how personal data must be collected, processed and safeguarded in accordance with these laws. All the employees within the Group have been trained with regard to the Group's Data Protection Policy.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL



RISK MANAGEMENT

The Board is ultimately responsible for the process of risk management. The Company's Management is accountable to the Board for the design, implementation and detailed monitoring of the Risk Management Framework. The Risk Management Framework ('RMF') refers to the process used by the Company to monitor and mitigate its exposure to risk. The RMF is not intended to eliminate all risks but to provide a mitigating mechanism to limit risk exposure and potential loss. The Board has delegated to the ARC the responsibility to supervise the monitoring and mitigation of risk exposure. The ARC has overseen a risk review in collaboration with Management and the Group Risk Officer. Internal and external risks facing the organisation (including but not limited to strategic, financial, operational and compliance risks) have thus been identified and the Management has been implementing mitigating actions, as well as control systems, including compliance checks. The Board regularly receives reports from the Management and from the ARC on risk management. The risk register is reviewed and updated quarterly at both Company and Group levels. Amongst the risks areas identified and control procedure put in place are the following:

Physical Risks

Among the physical risks identified are unavoidable events such as riots, cyclones and other natural calamities such as pandemics. Mitigating actions such as the adoption of cyclone and fire procedures, subscription to a relevant insurance cover, and the identification of a business continuity plan and disaster recovery plan, have been taken. To limit the occurrence of on-site accidents, health and safety, as well as security procedures have been implemented. The Company's control procedures ensure mitigation of risks relating to fraud and theft.

People Risk

People risk is increasingly recognised globally as a key area that needs to be carefully monitored. The scarcity of skilled human resources in some specific industries such as the IT industry is a major challenge facing our local economy. The loss of key personnel has also been identified as a major risk factor. In view of mitigating these risks, retention policies have been adopted, and a formal performance assessment and reward system have been implemented within the Company.

A Code of Ethics has been adopted so as to limit reputational risks.

Health surveillance is performed at regular intervals on employees in high-risk jobs, in line with the Company's health and safety policy.

Technology Risks

The Group's IT governance is regularly assessed. Cyber-attacks are rampant and pose a real threat to digital business processes and data. To mitigate those risks, end-user cybersecurity awareness is raised through regular communication about handling of suspicious emails and attachments as well as about password management. Vulnerability assessments are run on publicly exposed interfaces such as firewalls and those are reviewed to address any identified issues. The Group IT policies have been reviewed and are being enforced through action plans and end-user training to ensure proper IT governance.

Financial Risks

The financial risks are detailed in the notes to the audited financial statements.

CASE STORY

Desire Renne

Technical Officer - Maintenance, Novengi

I have been with Novengi for over 22 years, working in refrigeration, air conditioning and ventilation. Today, as a Technical Supervisor, I combine hands-on technical work with team coordination, making sure systems are properly maintained and that work on site meets the required standards.

My daily work is a mix of planning, coordination and problem-solving. I work closely with technicians and subcontractors, follow up on ongoing projects and step in when technical issues arise. Whether it's routine maintenance or urgent repairs, the objective is to keep systems running and avoid disruptions.

What I do has a direct impact on how people experience buildings every day. Offices, hospitals, hotels and commercial spaces all depend on reliable air conditioning and ventilation. When systems fail, it affects comfort, productivity, and sometimes even service delivery. By maintaining and optimising these installations, I help ensure that these spaces remain functional, comfortable and efficient for the people who use them.

"Whether it's routine maintenance or urgent repairs, the objective is to keep systems running and avoid disruptions "

INTERNAL CONTROL

Internal control is a process designed to provide reasonable assurance regarding the achievement of the Group's objectives in respect of effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. It is carried out by the Board of Directors, the management and other personnel. It is applicable to and is built into the various business processes so as to cover all significant enterprise areas. Systems and processes have been implemented within the Group and are regularly controlled by the Internal Audit function to ensure that they are being adhered to and that they are effective. Internal control is a dynamic process which, in turn, leads to the regular improvement of internal controls in place. Our internal control system covers the Company, as well as its local and foreign subsidiaries. It does not cover our associate companies.

OUR GROUP POLICIES

The following policies are applicable across the Group:

- Equal Opportunity Policy
- Data Protection Policy and Data Privacy Rights Management Policy
- Policy on conflicts of interest and related party transactions
- Information Technology Policy
- Ancillary Policy on post contractual obligations
- Gift Policy
- Ethics
- Whistle-Blowing Policy

The policy on conflicts of interest and related party transactions, as well as the details of the Group's IT governance, are available on the Company's website.

PRINCIPLE 6: REPORTING WITH INTEGRITY

SUSTAINABILITY REPORTING AND INTEGRATED REPORTING

The Company firmly believes in transitioning towards sustainability. In line with this, the Company has conducted its double materiality assessment and its first carbon footprint calculation based on which an action plan has been implemented; we have taken concrete measures to reduce our carbon emissions throughout our operations.

REPORTING WITH INTEGRITY

The Board recognises its responsibility in ensuring that the Company reports with integrity. It thus ensures that the financial reports, annual reports and other regulatory communiqués that may from time to time be issued, are compliant with prevailing standards, rules, legislation and regulations.

PRINCIPLE 7: AUDIT

EXTERNAL AUDITORS

The ARC has the primary responsibility for making recommendations with regard to the appointment/reappointment and removal of the external auditors. The ARC ensures that the external auditors observe the highest standards of business and professional ethics and that their independence is in no way impaired. The ARC makes recommendations to the Board on external auditors' appointment and fees.

The ARC encourages consultation between the internal and the external auditors to discuss matters of mutual interest, the management letters, as well as the Internal Auditors' report. The ARC regularly meets with the external auditors during ARC meetings and reports from the external auditors are extensively discussed. Whenever the need arises, the ARC meets the external auditors, without Management being present. The fees paid to the auditors for audit and non-audit services for the financial year are disclosed in the Statutory Disclosures section of the annual report.

The ARC received from the external auditors their report following the 2025 audit exercise. The issues reported were discussed and recommendations made.

INTERNAL AUDITOR

Internal Audit is a function responsible for providing assurance to the Board regarding the implementation, operation and effectiveness of internal control and risk management systems within the Group. KPMG has been serving as the Group's Internal Auditor since January 2019, with a scope covering the Group's subsidiaries except for some of our foreign entities. The Internal Audit function reports to the ARC and to the Board of Directors. It assists in the maintenance and improvement of processes by which risks are identified and managed, and in the strengthening of the internal control framework. The Internal Audit function has examined the current control systems to check their suitability and ensure that they are being adhered to.

The Internal Audit function conducts its assignments based on a yearly plan that is validated by the ARC. The Group Internal Audit has unrestricted access to the Company's records, management and employees. Systems reviewed in 2025 at the Company and subsidiary levels (along with follow-up audits) include pay-to-bank cycle, legal & compliance, sales cycle, as well as the internal audit plan implementation. The review also covers all significant areas of the Company's and its subsidiaries' internal control. The reports produced by the Internal Audit function were regularly submitted to the ARC for discussion and for follow-up on the implementation of recommended actions. The ARC periodically assesses the independence and objectivity of the Internal Audit function and is satisfied with its independence.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

OUR KEY STAKEHOLDERS

Harel Mallac endeavours to maintain clear communication channels with all its key stakeholders and believes it is the founding stone of good governance.

Who?				
Shareholders	**Employees**	**Customers**	**Government & Regulatory Bodies**	**The Community**
How?				
Annual Meetings ↓ Quarterly financial reporting ↓ Comprehensive annual report	Intranet & emails ↓ Regular meetings with CEO and Head Office Team ↓ Semi-annual management meetings ↓ Social events & volunteering	Website & social platform ↓ Public relations ↓ Customer satisfaction surveys	Regular exchanges with regulatory bodies' representatives ↓ Quarterly financial reporting ↓ Comprehensive annual report	Public & media relations ↓ Social media ↓ Sponsorships & CSR

SHAREHOLDERS

Shareholders Holding More Than 5%

Société de Lerca, holder of 78.54% of the Company's shares, is the only shareholder holding more than 5% interest in the Company.

Shareholding Structure at 31 December 2025

The Directors recognise that, at 31 December 2025, the parent entity is Société de Lerca, which holds 78.54% of the voting rights of Harel Mallac & Co. Ltd, and that the ultimate parent entity is Société Pronema. The Director common to the above entities is Mr Antoine L. Harel, who is Gérant of Société de Lerca and of Société Pronema.

Profile of Company's Shareholders as at 31 December 2025

Size of Shareholding	Number of Shareholders	Number of Shares Owned	% Holding
1-500	463	39,410	0.35
501-1,000	49	38,664	0.34
1,001-5000	41	86,648	0.77
5,001-10,000	18	130,902	1.16
10,001-50,000	18	448,601	3.99
50,001-100,000	4	246,619	2.19
100,001-250,000	4	553,576	4.92
250,001-500,000	2	871,637	7.74
500,001-11,259,388	1	8,843,331	78.54
Total	600	11,259,388	100

Profile of Company's Shareholders as at 31 December 2025

Category of shareholders	Number of Shareholders	Number of Shares Owned	% Holding
Individual	535	490,197	4.35
Insurance & assurance companies	2	17,000	0.15
Other corporate bodies	48	10,465,098	92.95
Pension & provident funds	15	287,093	2.55
Total	600	11,259,388	100

DIVIDEND POLICY

The Company's dividend policy provides that the dividend payable to the Company's shareholders would represent some 50 percent of the after-tax profit for the relevant period before exceptional items. However, due consideration is given by the Board to the need to avoid major fluctuations from one year to the next.

SHARE PRICE INFORMATION

Daily Share Price From January 2024 to February 2026

EMPLOYEE SHARE OPTION PLAN

No employee share option plan is available.

FORTHCOMING ANNUAL MEETING

Shareholders attending the annual meeting are requested to bring their National Identity Card or passport to the meeting for registration purposes.

SCHEDULE OF EVENTS

Publication of condensed results for first quarter	July 2026
*Annual meeting	June 2026
Publication of condensed results for second quarter	August 2026
Publication of condensed results for third quarter	November 2026
*Dividend declaration and payment if applicable	Quarter 4 of 2026 / Quarter 1 of 2027
Publication of condensed audited results for 2026	March 2027

*Dates are indicative and if applicable.

SHAREHOLDER'S PRACTICAL GUIDE

Change of address/name	Contact the Company Secretary and ask for relevant form
Acquisition or disposal of shares	Contact broker
Lost share certificates	Contact the Company Secretary
Direct dividend credit	Contact the Company Secretary and ask for relevant form
Shareholders' loan to company	Terms and conditions as well as application forms are available from the Company Secretary

DIRECTORS

Directors' and Officers' Interests in Shares

The direct and indirect interests of Directors and officers in the ordinary shares of the Company and its subsidiaries are to be found on page 77.

Directors' Dealings in the Shares of the Company

The Directors follow the Model Code for Securities Transactions, as detailed in Appendix 6 of the Stock Exchange of Mauritius Listing Rules, whenever they deal in the shares of the Company.

SOCIAL, HEALTH AND SAFETY

Employees are connected and informed in real time via our digital platforms and our e-learning platform. These tools keep employees up to date with the developments and news in the Group, while regularly instilling our guiding principles of Agility, Care and Trust.

Health and Safety has been integrated into the Group's Risk Management Framework since 2019.

CORPORATE, SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Group's business units entrust their CSR fund to Fondation Harel Mallac (FHM). Focusing on support to vulnerable communities, funds have been channelled for the year under review to remain consistent and engaged through time and support youth and education; Flamboyant Education Centre, an early childhood education shelter, benefits 60 young children (2-5 years) in 4 classes, instilling positive education and care, enabling young children to grow in a safe and respectful environment, and preparing them to integrate primary schooling with the necessary life skills (curiosity, respect, autonomy).

DIRECTORS OF SUBSIDIARY COMPANIES

	ACTIVELINE LTD	AEROLIK LTD	AEROLIK.OI	ARCHEMICS LTD	BIOGEN LTD	BYCHEMEX LIMITED	CHEMCO LIMITED	COOLKOTE LTD	ECAVEL LTD	EO SOLUTIONS LTD	FONDATION HAREL MALLAC LTD	HAREL MALLAC AVIATION LTD	HAREL MALLAC DISTRIBUTION SARL	HAREL MALLAC HEALTHCARE LTD	HAREL MALLAC INTERNATIONAL LTD	HAREL MALLAC TECHNOLOGIES BURUNDI
BOULLÉ François Louis																
CRAMBADE Olivier Philippe																
CYAGA Eric																
ECHEVIN Hélène																
ESPOSITO ERDOZAIN Phillipe Michel																
FAYD'HERBE Yanis				○	○	○	○	○								
FOK SEUNG Roland																
FRANCIS Alfred L.																
HAREL Antoine L.		●		●	●	●	●		●		●					
HAREL Charles	●	●	■	●	●	●	●	●	●	●	●	●		●	●	●
HAREL Guy				●												
HAREL MALLAC & CO. LTD																
JODHUN Hurrydeosingh													■			
LABAT Vincent																
NG KWING KING Harold																
RIVALLAND Patrick																
VACHER Belinda	●	●		●				●		●		●		●	●	
VERIEN Philippe																
YONG KIANG YOUNG Christian Pierre		●							●	●	●					●

	HAREL MALLAC TECHNOLOGIES LTD	HAREL MALLAC TECHNOLOGIES MADAGASCAR	HAREL MALLAC TECHNOLOGIES RWANDA LTD	HAREL MALLAC TREASURY LTD	HAREL MALLAC TRADING LTD	HM SECRETARIES LTD	INFORMATICS BUSINESS SOLUTIONS LTD	ITINERIS LTD	LINXIA LTD **	LOGIMA LTEE ***	MCFI EXPORT LTD	MCFI INTERNATIONAL & CO. LTD	MCFI INTERNATIONAL MADAGASCAR SA *	MCFI INTERNATIONAL (TANZANIA) LIMITED	MCFI INTERNATIONAL (ZAMBIA) LTD	NOVENGI LTD	NEXENERGY PARTNERS LTD	PORTUS LTD	REUNIFERT SAS	SOCIETE GARE DU NORD	SOCIETE SICAREX	SOLAR FIELD LTD	SUCHEM LTD	THE MAURITIUS CHEMICAL AND FERTILIZER INDUSTRY LIMITED
BOULLÉ François Louis																								●
CRAMBADE Olivier Philippe																						●		
CYAGA Eric			●																					
ECHEVIN Hélène																								●
ESPOSITO ERDOZAIN Phillipe Michel																						●		
FAYD'HERBE Yanis											○	○	●	●									○	○
FOK SEUNG Roland													●											
FRANCIS Alfred L.															●									
HAREL Antoine L.	●				●							●				●	●						●	●
HAREL Charles	●		●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	■			●	●	●
HAREL Guy																								○
HAREL MALLAC & CO. LTD																				■	■			
JODHUN Hurrydeosingh		■																						
LABAT Vincent																								●
NG KWING KING Harold																								●
RIVALLAND Patrick																								●
VACHER Belinda	●			●	●	●	●	●	●	●	●					●	●	●					●	
VERIEN Philippe	●				●											●								
YONG KIANG YOUNG Christian Pierre	●		●	●	●				●							●	●					●		

○ Resigned during the year ended 31 December 2025
● Director during the year ended 31 December 2025
■ Gérant Statutaire

* Entity removed during the year ended 31 December 2025
** Entity disposed of during the year ended 31 December 2025
*** Entity amalgamated during the year ended 31 December 2025

Statutory Disclosures

PRINCIPAL ACTIVITIES

Following Harel Mallac's strategic repositioning exercise, the Group's activities have been organised into four divisions: Technology, Chemicals, Equipment & Systems and Investment & Corporate.

DIRECTORS OF THE COMPANY AND DIRECTORS OF SUBSIDIARY COMPANIES

The Directors of the Company are listed on pages 61 to 63. In addition, a list of the Directors of subsidiary companies is found on pages 74 and 75.

DIRECTORS' SERVICE CONTRACTS

None of the Directors of the Company and its subsidiaries have service contracts that need to be disclosed under Section 221 (2) of the Companies Act 2001.

DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received, or due and receivable from Harel Mallac & Co. Ltd and its subsidiaries were as follows:

	THE COMPANY		THE SUBSIDIARIES	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Executive Directors				
Full-time	**9,058**	10,446	**-**	-
Part-time	**-**	-	**-**	-
Non-Executive Directors	**6,338**	6,392	**1,767**	1,761
	15,396	17,340	**1,767**	1,761

One Director has waived emoluments received by him from the Company since his nomination in 2003.

	Directors of subsidiary companies	
	2025	2024
	Rs'000	Rs'000
Executive Directors		
Full-time	**29,579**	35,622
Part-time	**-**	-
Non-Executive Directors	**2,059**	2,203

Remuneration and benefits paid by the Company and its subsidiaries to the Directors during the year under review were as follows:

Remuneration and Benefits Received (Rs '000)	Corporate Governance Committee	Audit & Risk Committee	Strategic Committee	From the Company
Non-Executive/Independent				
HAREL Antoine L.	Chairman		Chairman	1,682
AH-CHUEN Dean	Member			496
BORIS Pascal C.B.E.				1,324
DE CHASTEAUNEUF Jérôme		Chairman		574
DE JUNIAC Christian				1,324
GIRAUD Daniel G.O.S.K.		Member		496
LEVIGNE-FLETCHER Anne Christine C.S.K.		Member		496
MOOLLAN Anwar S.C. *	Member	Member		-
SUB TOTAL				**6,392**
Executive				
Executive Director			Member	10,446
SUB TOTAL				**10,446**
GRAND TOTAL				**16,838**

* One Director has waived emoluments received by him from the Company since his nomination in 2003.

None of the Directors received remuneration from the subsidiaries, except for the Board Chairman who received Rs 1.8m.

DIRECTORS' AND SENIOR OFFICERS' INTERESTS IN SHARES

The interests of the Directors and senior officers in the securities of the Company and of the Group as at 31 December 2025 are as follows:

	THE COMPANY		THE SUBSIDIARIES	
Directors	**Direct**	**Indirect**	**Direct**	**Indirect**
HAREL Antoine L.	-	557,347	-	1,496,284
HAREL Charles	10	544,390	-	1,238,695
Senior Officers	**Direct**	**Indirect**	**Direct**	**Indirect**
GRENOUILLE Patricia	40	-	-	-

None of the other Directors hold direct or indirect interest in the shares of the Company or its subsidiaries.

None of the other senior officers of the Company has direct or indirect holding in the shares of the Company or its subsidiaries.

CONTRACTS OF SIGNIFICANCE

There was no contract of significance to which the Company or any of its subsidiaries have been a party and in which a Director of the Company was materially interested, be it directly or indirectly.

SHAREHOLDERS

MAJOR SHAREHOLDERS

At 31 December 2025, the only shareholder directly or indirectly interested in more than 5% of the ordinary share capital of the Company was Société de Lerca, with a 78.54% interest.

Except for the above, no person has reported any material interest of 5 percent or more of the equity share capital of the Company.

CORPORATE SOCIAL RESPONSIBILITY

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Donations made during the year:				
Political	**-**	3,052	**-**	500
Others	**702**	38	**680**	30

AUDITORS' FEES

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

	THE GROUP		THE COMPANY	
	2025	**2024**	**2025**	**2024**
Audit fees payable to:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Nexia Baker & Arenson Mauritius	**5,634**	5,232	**925**	850
BDO & Co	**-**	79	**-**	-
Other firms	**1,092**	2,482	**-**	-
Fees paid for other services provided by:				
Nexia Baker	**505**	141	**160**	141
Other firms	**129**	296	**-**	-

Other services provided by Nexia Baker & Arenson in 2025 and 2024 relate to review of quarterly consolidated abridged financial statements.

CASE STORY

Bharati Soopal

Team Lead Digital, Harel Mallac Technologies

I am a Senior Software Developer with 27 years of experience. My work focuses on constructing well-engineered and effective software, supporting teams and adapting to evolving technologies. Over the years, I have developed strong expertise in system design, development and team collaboration.

My day-to-day work includes designing and developing applications, ensuring code quality and supporting junior developers. I also work closely with different teams to understand needs and deliver solutions that meet operational requirements.

Through my work, I contribute to systems that play a pivotal role in how Mauritius operates today and in the future. For example, we are involved in the Mauritius Identity Card 3.0 application, a national system that will be used by every citizen. I help ascertain that these platforms are reliable and scalable and, as such, I help build digital infrastructure that the country can depend on and trust.

"I help build digital infrastructure that the country can depend on and trust "

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for:

1. adequate accounting records and the maintenance of effective internal control systems;
2. the preparation of financial statements which fairly present the state of affairs of the Group and the Company as at the end of the financial year, and the results of its operations and cash flow for that year which comply with International Financial Reporting Standards (IFRS); and
3. the selection of appropriate accounting policies supported by reasonable and prudent judgement. The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

1. adequate accounting records and an effective system of internal controls and risk management have been maintained;
2. appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
3. applicable accounting standards have been adhered to. Any departure in the interest of fair presentation has been disclosed, explained and quantified; and
4. the Code of Corporate Governance has been adhered to. Reasons have been provided where there has been non-compliance.

Signed on behalf of the Board of Directors on 27 May 2026.

Antoine L. Harel
Chairman

Charles Harel
Chief Executive Officer

Secretary's Certificate

For the year ended 31 December 2025

CERTIFICATE BY SECRETARY REQUIRED BY SECTION 166(D) OF THE COMPANIES ACT 2001

We certify that, to the best of our knowledge and belief, Harel Mallac & Co. Ltd (the Company) has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001.

For HM Secretaries Ltd
Secretary

27 May 2026

Statement of Compliance

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

Name of Public Interest Entity (PIE): Harel Mallac & Co. Ltd
Reporting period: 31 December 2025

We, the Directors of Harel Mallac & Co. Ltd, confirm that to the best of our knowledge, the PIE has not fully complied with the principles of the Code of Corporate Governance for the reasons stated below:

Principle	Area of non-application of the Code	Explanation for non-application
Principle 2	Board composition – having a strong executive management presence with at least two executives as members.	The CEO being a Board Member, is present at Board meetings. In addition, the Chief Finance Officer attends Board meetings. The Board is of the view that the above is in line with the Code's spirit for executive presence on the Board.

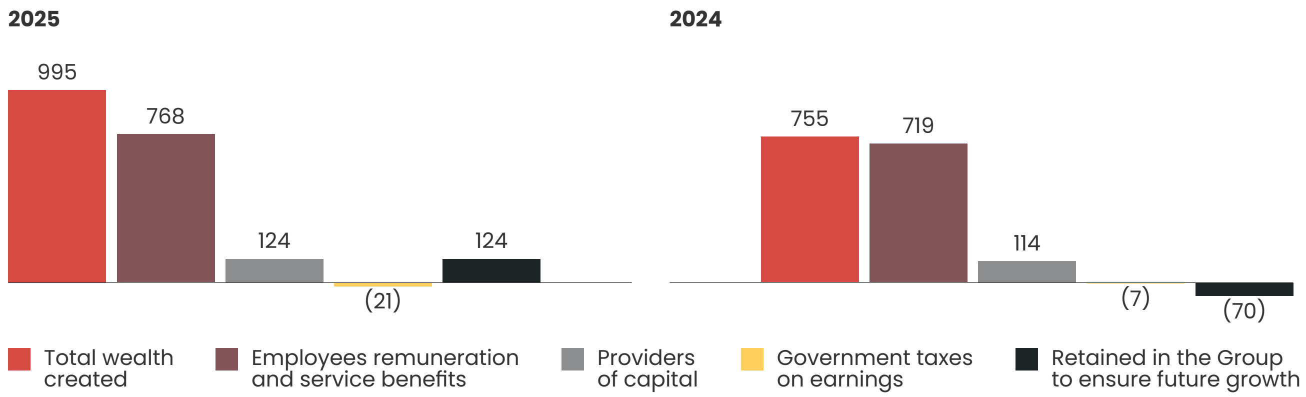
Antoine L. Harel
Chairman

Charles Harel
Chief Executive Officer

27 May 2026

Value Added Statement

	2025 Rs'000		2024 Rs'000 Restated	
Revenue	**3,390,076**		3,375,778	
Paid to suppliers for materials and services	**2,489,603**		2,630,116	
Value added	**900,473**		745,662	
Net share of results of associates and joint ventures	**102,960**		54,151	
Profit on disposal of investments	**33,157**		-	
Net impairment of investment, receivables & goodwill	**(41,504)**		(44,289)	
Total wealth created	**995,086**	100%	755,524	100%
Distributed as follows:				
Employees remuneration and service benefits	**768,067**	77%	719,425	95%
Providers of capital				
Dividends to shareholders				
Interest paid on borrowings	**139,156**		124,197	
Minority interests	**(14,871)**		(10,080)	
	124,285	13%	114,117	15%
Government taxes on earnings				
Taxation	**(21,546)**	-2%	(7,593)	-1%
Retained in the Group to ensure future growth				
Depreciation and amortisation	**147,678**		126,332	
Retained (loss)/profit	**(23,398)**		(196,757)	
	124,280	12%	(70,425)	-9%
Total wealth distributed and retained	**995,086**	100%	755,524	100%



INVESTMENT & CORPORATE

Through its travel companies and investment portfolio, this division helps residents and visitors move and experience the world. The division's wider investments in hospitality, construction, engineering and energy ensure essential services and infrastructure continue to function reliably.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Harel Mallac & Co. Ltd ('the Company') and its subsidiaries ('the Group'), and the Company's separate financial statements set out on pages 96 to 218 which comprise the statements of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flow for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our rep ort, the consolidated and separate financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flow for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Qualified Opinion

Investments in Associates

As disclosed in Note 9, one of the Group's material associates, which is accounted for using the equity method and included under investments in associates in the consolidated statement of financial position as at 31 December 2025, is carried at Rs. 989.1 million. The Group's share of profit from this associate, recognised in the consolidated statement of profit or loss within the net share of results of associates and joint ventures, amounts to Rs. 18.9 million. In addition, the Group's share of other comprehensive income relating to this associate is Rs. 17.8 million.

The equity accounting of the associate was based on unaudited financial information for the year ended 31 December 2025, as the audit of the associate had not been finalised. Consequently, the component auditor was unable to report on the financial information of the associate for the year then ended.

As a result, we were unable to obtain sufficient appropriate audit evidence in respect of the carrying amount of the Group's investment in the associate as at 31 December 2025, as well as the Group's share of the associate's results and other comprehensive income for the year then ended. Accordingly, we were unable to determine whether any adjustments to these amounts might have been necessary.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidate and separate financial statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainty relating to going concern

Without qualifying our opinion, we draw attention to note 2(a) of the consolidated and separate financial statements, which describes matters relating to the Group's and the Company's ability to continue as a going concern. The Group incurred a loss of Rs 38.3million (2024 (restated): Rs 206.8 million) and the Company achieved a profit of Rs 41.4 million (2024: Rs 66.7 million) respectively, for the financial year ended 31 December 2025. As at that date, the Group's and the Company's current liabilities exceeded their current assets by Rs 214.9 million (2024 (restated): Rs 79.2 million) and Rs 98.0 million (2024: a net current asset of Rs 1.6 million) respectively.

The consolidated and separate financial statements have been prepared on the going concern basis, which assumes that the Group and the Company will continue their operations for the foreseeable future. The validity of this assumption is supported by the fact that the Group and the Company have as at 31 December 2025 net assets of Rs 2.19 billion (2024 (restated): Rs 2.06 billion) and Rs 1.74billion (2024: Rs 1.57billion) respectively, and that continued support has been secured for the Group's and the Company's long-term financing facilities, as well as the renewal of its working capital facilities, to implement its restructuring plan and meet forthcoming obligations.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year. We have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the consolidated and separate financial statements, and in forming our qualified opinion thereon, and we do not provide a separate opinion on these matters. We describe below how our audit addressed each of the Key Audit Matters.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Key Audit Matters (cont'd)

The Key Audit Matter is as follows:

Key Audit Matters	How the matter was addressed in the audit
1. Valuation of investments in subsidiaries, associates, joint ventures and others At 31 December 2025, the Company's investments in subsidiaries, associates, joint ventures and other financial assets were measured at fair value, with a total carrying amount of Rs 1.49 billion. This balance is significant to the financial statements. The determination of fair value involves significant management judgement, including the use of appropriate valuation techniques and the incorporation of unobservable inputs. These inputs increase the level of estimation uncertainty and subjectivity involved in the valuation process. Due to the magnitude of the balance and the significant degree of judgement and estimation involved, we considered the valuation of investments to be a key audit matter. Refer to notes 2(f), (g) and (n) (ii) (material accounting policy note) and notes 10, 11 and 12 (financial statement disclosures).	Our audit procedures in relation to the valuation of investments in subsidiaries and associates included, among others: - We evaluated the appropriateness of the valuation methodologies applied by management to determine whether they were consistent with the requirements of IFRS 13 for fair value measurement. - We evaluated the reasonableness of key assumptions used in the valuations, including discount rates, growth rates and financial forecasts, by comparing them with historical performance, approved budgets and external market data where available, and any differences inquired with management. - We independently assessed the discount rates applied by management by reviewing reliability of the data at source and validity of the figures. - We tested the mathematical accuracy and integrity of the valuation models and agreed key input data to supporting documentation, including financial forecasts and underlying records. - We critically assessed management's forecasts by evaluating the basis for projected financial performance of the subsidiaries and associates and considering the historical accuracy of prior forecasts. - We performed sensitivity analyses on key assumptions to evaluate the impact of reasonably possible changes in those assumptions on the fair values determined. - We assessed whether the disclosures in the financial statements adequately describe the valuation techniques, key assumptions and the degree of estimation uncertainty in accordance with IFRS requirements.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Key Audit Matters (cont'd)

The Key Audit Matter is as follows:

Key Audit Matters	How the matter was addressed in the audit
2. Valuation of investment properties The Group and the Company measure their investment properties at fair value, with revaluations performed annually by independent professional valuers. The valuation of investment properties involves significant judgement and estimation uncertainty, including the selection of appropriate valuation techniques and the use of key assumptions such as market rental values, discount rates and capitalisation rates. These assumptions are influenced by market conditions and the specific characteristics of each property. Given the magnitude of the investment property portfolio and the degree of subjectivity involved in determining fair values, we considered the valuation of investment properties to be a key audit matter. Refer to note 2(d) (material accounting policy note) and note 8 (financial statement disclosures).	Our audit procedures for valuation of investment properties include the following: - We assessed the competence, capabilities and objectivity of the independent professional valuer engaged by management. We also reviewed the valuation reports issued. - We assessed the the valuation methodologies applied and whether these were appropriate and consistent with recognised valuation techniques and IFRS 13 requirements. - We evaluated the key assumptions and inputs used in the valuation process, including discount rates, capitalisation rates, market rental values and occupancy rates, by benchmarking them against externally available market data and comparable property transactions. - We tested the integrity and mathematical accuracy of the valuation models and agreed key data inputs to supporting documentation. - We assessed whether the disclosures in the financial statements appropriately reflect the valuation techniques, key assumptions and degree of estimation uncertainty in accordance with IFRS requirements.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Key Audit Matters (cont'd)

The Key Audit Matter is as follows:

Key Audit Matters	How the matter was addressed in the audit
3. Revenue recognition Revenue is a key performance indicator for both the Group and the Company. Accordingly, there is an inherent risk of revenue being overstated due to error or fraud, including through the recognition of revenue that has not yet been earned. The Group and the Company recognise revenue at a point in time when control of goods or services is transferred to customers. However, for certain subsidiaries, revenue is recognised over time based on the measurement of progress towards completion, using methods such as the direct measurement of work performed. The application of different revenue recognition methods, together with the judgement involved in determining the timing of transfer of control or the measurement of progress over time, increases the risk of inappropriate revenue recognition. Given the significance of revenue to the financial statements and the level of judgement involved in its recognition, we considered revenue recognition to be a key audit matter. Refer to note 2(s) (accounting policy note) and note 25 (financial statement disclosures).	Our audit procedures with respect to revenue recognition included, among others, the following: - We evaluated the identification of revenue streams and assessed whether revenue had been recognised in accordance with the requirements of IFRS 15. - We assessed whether management had appropriately applied the five-step model under IFRS 15, including the identification of performance obligations, determination of transaction prices, and allocation of revenue to those obligations. - We evaluated the design of the key internal controls over revenue and tested its operational effectiveness. We also performed substantive testing on a sample of revenue transactions to determine whether they were correctly recorded in the appropriated period. - We performed detailed testing of revenue transactions, including verifying supporting documentation such as contracts, invoices, and delivery notes, to assess the occurrence, accuracy and cut-off of revenue recognised. - We performed analytical procedures by comparing recorded revenue to expectation based on past year's trends and other data. - We evaluated whether the disclosures in the financial statements appropriately reflect the requirements of IFRS 15, including the disclosure of significant judgements and accounting policies.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Key Audit Matters (cont'd)

The Key Audit Matter is as follows:

Key Audit Matters	How the matter was addressed in the audit
4. Assessment of net realisable value of inventories Inventories are measured at the lower of cost and net realisable value. As at 31 December 2025, the net carrying amount of inventories totalled Rs 703.63million, which is significant to the financial statements. The determination of net realisable value requires the application of management judgement and the use of assumptions, including estimated selling prices, expected demand, future usage and the identification of slow-moving or obsolete items. These estimates are subject to uncertainty, particularly in evolving market conditions. Given the magnitude of the inventory balance and the degree of judgement involved in determining net realisable value, we considered the valuation of inventories to be a key audit matter. Refer to note 2(j) (accounting policy note) and note 15 (financial statement disclosures).	Our audit procedures were designed to assess the basis used by management in determining the net realisable value of inventories and included, among others, the following: - We analysed historical trading patterns of inventories, including items sold at full price and those sold below cost, and evaluated the margins achieved for each product line to assess whether inventories were appropriately valued. - We assessed the methodology applied by management in determining net realisable value (NRV), including evaluating the appropriateness and consistency of the percentages and provisions applied. - We compared estimated selling prices to recent post year-end sales and current market data, where available, to assess the reasonableness of NRV assumptions. - We evaluated inventory ageing reports to identify slow-moving and obsolete items and assessed whether adequate provisions had been recorded. - We performed testing of inventory costs on a sample basis to ensure that costs were appropriately determined in accordance with the Group's accounting policy. - We assessed whether the related disclosures in the financial statements appropriately reflect the estimation uncertainty and judgements applied in determining inventory valuation.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Key Audit Matters (cont'd)

The Key Audit Matter is as follows:

Key Audit Matters	How the matter was addressed in the audit
5. Recoverability of trade receivable balances	
The recoverability of trade receivables and the adequacy of the associated Expected Credit Loss (ECL) provision represent a significant area of audit focus, given the pervasive nature of these balances to the financial statements and the importance of cash collection to the Group's working capital management. As at 31 December 2025, trade receivables, net of ECL provisions, amounted to Rs 767.18million, which is significant to the financial position of the Group. The determination of ECL involves significant judgement and estimation uncertainty, including the assessment of customers' creditworthiness, historical loss experience, ageing profiles of receivables, and forward-looking information. Changes in these assumptions could have a material impact on the level of provisions recognised. Given the magnitude of trade receivables and the level of judgement involved in estimating the ECL provision, we considered this to be a key audit matter. Refer to note 2(n)(i) (accounting policy note) and note 16 (financial statement disclosures).	Among our audit procedures, we have tested management's simplified impairment Expected Credit Loss (ECL) model by: - We obtained an understanding of management's ECL methodology and assessed whether it was consistent with the requirements of IFRS 9, including the use of the simplified approach. - We assessed the appropriateness of the segmentation of receivables and evaluated whether the characteristics used (such as customer type, payment terms and credit risk profiles) appropriately reflected differing risk patterns. - We evaluated the relevance and appropriateness of factors used in the ECL model, including historical payment behaviour, ageing profiles, credit insurance coverage, credit rating and forward-looking information. - We assessed the reasonableness of key assumptions underpinning the model, including probability of default and loss given default rates, by comparing them to historical trends and current economic conditions. - We tested the completeness and accuracy of the underlying data used in the ECL calculations, including ageing reports and customer balances. - We compared current year ECL provisions to prior period outcomes to evaluate consistency and identify any unusual movements requiring further investigation. - We examined post year-end cash receipts and other subsequent events to assess the recoverability of receivables and to validate the assumptions applied by management. - We considered the adequacy of the disclosures in the financial statements in respect of credit risk, key judgements, assumptions and estimation uncertainty in accordance with IFRS requirements.

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Other Information

The other information comprises the information included in the annual report, other than the consolidated and separate financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the consolidated and separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Directors' Responsibilities for the Consolidated and separate financial statements

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

In preparing the Consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and separate financial statements

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

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Consolidated and separate financial statements (cont'd)

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Use of this report

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

Independent Auditor's Report

to the Shareholders of Harel Mallac & Co. Ltd

Report on the Audit of the Consolidated and Separate Financial Statements (cont'd)

Report on other legal and other regulatory requirements

Mauritius Companies Act 2001

We have no relationship with, or interests in, the Company or any of its subsidiaries other than in our capacity as auditor.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004 - Corporate Governance Report

The directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act 2004 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 Finance Reporting Act 2004, complied with the requirements of the Code.

Nexia Baker & Arenson

Nexia Baker & Arenson
Chartered Accountants

Govinden Monien FCCA
Licensed by FRC

27 May 2026

Statements of Financial Position

for the year ended 31 December 2025

	Notes	THE GROUP 2025 Rs'000	THE GROUP 2024 Rs'000 Restated	THE COMPANY 2025 Rs'000	THE COMPANY 2024 Rs'000
ASSETS					
Non current assets					
Property, plant and equipment	5	**922,619**	956,776	**106,795**	127,288
Right-of-use assets	6	**283,684**	310,201	**4,143**	6,726
Investment properties	8	**662,006**	498,941	**734,837**	648,582
Intangible assets	9	**48,880**	61,283	**670**	130
Investments in subsidiaries	10	**-**	-	**640,518**	586,048
Investments in associates	11	**1,458,144**	1,387,571	**809,216**	736,468
Financial assets at fair value through other comprehensive income	12	**34,072**	38,206	**27,820**	27,767
Financial assets at amortised cost	13	**92**	186	**-**	53,721
Investments in joint ventures	14	**2,561**	2,549	**7,673**	12,217
Deferred tax assets	20	**50,433**	41,533	**-**	-
		3,462,491	3,297,246	**2,331,672**	2,198,947
Current assets					
Inventories	15	**703,631**	737,860	**-**	-
Contract assets	25(c)	**-**	10,466	**-**	-
Trade receivables	16	**767,177**	857,039	**46,293**	41,066
Financial assets at amortised cost	13	**258,375**	276,367	**58,519**	44,833
Current tax assets		**5,061**	6,876	**-**	-
Cash and cash equivalents	33(b)	**142,281**	195,438	**11,401**	41,253
		1,876,525	2,084,046	**116,213**	127,152
Assets classified as held for sale	24	**43,000**	-	**-**	-
TOTAL ASSETS		**5,382,016**	5,381,292	**2,447,885**	2,326,099

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Statements of Financial Position

for the year ended 31 December 2025

	Notes	THE GROUP 2025 Rs'000	THE GROUP 2024 Rs'000 Restated	THE COMPANY 2025 Rs'000	THE COMPANY 2024 Rs'000
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	17	**112,594**	112,594	**112,594**	112,594
Revaluation and other reserves	18	**1,473,532**	1,350,797	**494,671**	487,980
Fair value reserves		**(6,709)**	(2,575)	**647,122**	544,791
Actuarial reserves		**(87,077)**	(140,983)	**(50,732)**	(55,256)
Retained earnings		**553,886**	598,540	**534,004**	477,792
Owners' interests		**2,046,226**	1,918,373	**1,737,659**	1,567,901
Non controlling interests		**143,509**	144,477	**-**	-
Total equity		**2,189,735**	2,062,850	**1,737,659**	1,567,901
Non current liabilities					
Borrowings	19	**574,206**	605,951	**419,801**	549,818
Deferred tax liabilities	20	**90,136**	62,371	**59,022**	50,476
Retirement benefit obligations	21	**106,819**	176,337	**13,925**	26,749
Lease liabilities	7	**286,731**	310,548	**3,240**	5,605
		1,057,892	1,155,207	**495,988**	632,648
Current liabilities					
Trade and other payables	22	**1,133,167**	1,042,448	**23,577**	27,521
Contract liabilities	25(c)	**7,285**	12,067	**-**	-
Borrowings	19	**939,146**	1,055,235	**189,515**	96,412
Lease liabilities	7	**43,402**	43,666	**1,146**	1,617
Current tax liabilities		**11,389**	9,819	**-**	-
		2,134,389	2,163,235	**214,238**	125,550
TOTAL EQUITY & LIABILITIES		**5,382,016**	5,381,292	**2,447,885**	2,326,099

These financial statements have been approved for issue by the Board of Directors on 27 May 2026.

Antoine L. Harel
Chairman

Charles Harel
Chief Executive Officer

Statements of Profit or Loss

for the year ended 31 December 2025

	Notes	THE GROUP 2025 Rs'000	THE GROUP 2024 Rs'000 Restated	THE COMPANY 2025 Rs'000	THE COMPANY 2024 Rs'000
Revenue	25	**3,390,076**	3,375,778	**216,104**	230,849
Continuing operations					
Profit/(loss) before finance costs	26	**28,857**	(71,204)	**126,876**	107,760
Finance costs	27	**(128,027)**	(117,347)	**(42,501)**	(34,494)
		(99,170)	(188,551)	**84,375**	73,266
Net share of results of associates and joint ventures		**102,960**	54,151	**-**	-
		3,790	(134,400)	**84,375**	73,266
Reversal of goodwill due to disposal of subsidiary	9(e)	**(3,623)**	-	**-**	-
Impairment of goodwill		**-**	(27,490)	**-**	-
Impairment of receivables	16(i)	**(37,881)**	(16,799)	**(34,626)**	(2,430)
Gain on disposal of subsidiary	41	**33,157**	-	**-**	-
		(8,347)	(44,289)	**(34,626)**	(2,430)
(Loss)/profit before taxation		**(4,557)**	(178,689)	**49,749**	70,836
Income tax expense	23(a)	**(21,546)**	(7,593)	**(8,393)**	(4,119)
(Loss)/profit for the year from continuing operations		**(26,103)**	(186,282)	**41,356**	66,717
Discontinued operations					
Loss from discontinued operations	41	**(12,166)**	(20,555)	**-**	-
(Loss)/profit for the year		**(38,269)**	(206,837)	**41,356**	66,717
Attributable to:					
Owners of the parent		**(23,398)**	(196,757)	**41,356**	66,717
Non controlling interests		**(14,871)**	(10,080)	**-**	-
		(38,269)	(206,837)	**41,356**	66,717
(Loss)/earnings per share from continuing operations (Rs/cents)	32(a)	**(1.00)**	(15.65)	**3.67**	5.93
Loss per share from discontinued operations (Rs/cents)	32(b)	**(1.08)**	(1.83)	**-**	-
Total (loss)/earnings per share		**(2.08)**	(17.48)	**3.67**	5.93

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Statements of Profit or Loss and other Comprehensive Income

for the year ended 31 December 2025

	Notes	THE GROUP 2025 Rs'000	THE GROUP 2024 Rs'000 Restated	THE COMPANY 2025 Rs'000	THE COMPANY 2024 Rs'000
(Loss) /profit for the year		**(38,269)**	(206,837)	**41,356**	66,717
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Changes in fair value of equity instruments at fair value through other comprehensive income	30	**(4,134)**	6,467	**102,331**	(33,892)
Movement in actuarial reserve, net of deferred tax	30	**49,717**	(43,320)	**4,524**	(2,861)
Movement in associate reserves	30	**22,480**	17,815	**-**	-
Changes in fair value of land & buildings, net of deferred tax	30	**104,968**	-	**21,547**	-
Items that may be reclassified subsequently to profit or loss					
Currency translation differences	30	**24,376**	352	**-**	-
Other comprehensive income/(loss) for the year, net of tax		**197,407**	(18,686)	**128,402**	(36,753)
Total comprehensive income/(loss) for the year		**159,138**	(225,523)	**169,758**	29,964
Other comprehensive income/(loss)					
Owners of the parent		**183,504**	(17,582)	**128,402**	(36,753)
Non - controlling interest		**13,903**	(1,104)	**-**	-
		197,407	(18,686)	**128,402**	(36,753)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		**160,106**	(214,339)	**169,758**	29,964
Non controlling interests		**(968)**	(11,184)	**-**	-
		159,138	(225,523)	**169,758**	29,964

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Statements of Changes in Equity

for the year ended 31 December 2025

	(Attributable to owners of the parent)							
THE GROUP	**Share Capital**	**Revaluation and Other Reserves**	**Fair Value Reserves**	**Actuarial Reserves**	**Retained Earnings**	**Total**	**Non controlling Interests**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Balance at 1 January 2025								
- As previously reported	**112,594**	**1,415,830**	**(2,575)**	**(140,983)**	**622,813**	**2,007,679**	**144,477**	**2,152,156**
Effect of prior year restatement (Note 40)	**-**	**(65,033)**	**-**	**-**	**(24,273)**	**(89,306)**	**-**	**(89,306)**
- As restated	**112,594**	**1,350,797**	**(2,575)**	**(140,983)**	**598,540**	**1,918,373**	**144,477**	**2,062,850**
Loss for the year	**-**	**-**	**-**	**-**	**(23,398)**	**(23,398)**	**(14,871)**	**(38,269)**
Transfer of revaluation, net of deferred tax on Property, Plant and Equipment to Investment property	**-**	**(14,856)**	**-**	**-**	**14,856**	**-**	**-**	**-**
Other comprehensive income/(loss) for the year	**-**	**137,921**	**(4,134)**	**49,717**	**-**	**183,504**	**13,903**	**197,407**
Total comprehensive income/(loss) for the year	**-**	**123,065**	**(4,134)**	**49,717**	**(8,542)**	**160,106**	**(968)**	**159,138**
Disposal of subsidiary	**-**	**(330)**	**-**	**4,189**	**(36,112)**	**(32,253)**	**-**	**(32,253)**
Balance at 31 December 2025	**112,594**	**1,473,532**	**(6,709)**	**(87,077)**	**553,886**	**2,046,226**	**143,509**	**2,189,735**
Balance at 1 January 2024	112,594	1,396,559	(9,042)	(97,663)	784,918	2,187,366	173,386	2,360,752
Loss for the year - as previously reported	-	-	-	-	(172,484)	(172,484)	(10,080)	(182,564)
Effect of restatement (Note 40)	-	-	-	-	(24,273)	(24,273)	-	(24,273)
Loss for the year - as restated	-	-	-	-	(196,757)	(196,757)	(10,080)	(206,837)
Other comprehensive income/(loss) for the year	-	19,271	6,467	(43,320)	-	(17,582)	(1,104)	(18,686)
Total comprehensive income/(loss) for the year	-	19,271	6,467	(43,320)	(196,757)	(214,339)	(11,184)	(225,523)
Effect of restatement (Note 40)	-	(65,033)	-	-	-	(65,033)	-	(65,033)
Acquisition of subsidiaries with non-controlling interest (Note 38(a))	-	-	-	-	10,379	10,379	(17,725)	(7,346)
Balance at 31 December 2024	112,594	1,350,797	(2,575)	(140,983)	598,540	1,918,373	144,477	2,062,850

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Statements of Changes in Equity

for the year ended 31 December 2025

THE COMPANY	**Share Capital**	**Revaluation and Other Reserves**	**Fair Value Reserves**	**Actuarial Reserves**	**Retained Earnings**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Balance at 1 January 2025	**112,594**	**487,980**	**544,791**	**(55,256)**	**477,792**	**1,567,901**
Profit for the year	**-**	**-**	**-**	**-**	**41,356**	**41,356**
Transfer of fair value on Property, Plant and Equipment to Investment property	**-**	**(14,856)**	**-**	**-**	**14,856**	**-**
Other comprehensive income for the year	**-**	**21,547**	**102,331**	**4,524**	**-**	**128,402**
Total comprehensive income/(loss) for the year	**-**	**6,691**	**102,331**	**4,524**	**56,212**	**169,758**
Balance at 31 December 2025	**112,594**	**494,671**	**647,122**	**(50,732)**	**534,004**	**1,737,659**
Balance at 1 January 2024	112,594	487,980	578,683	(52,395)	411,075	1,537,937
Profit for the year	-	-	-	-	66,717	66,717
Other comprehensive loss for the year	-	-	(33,892)	(2,861)	-	(36,753)
Total comprehensive income/(loss) for the year	-	-	(33,892)	(2,861)	66,717	29,964
Balance at 31 December 2024	112,594	487,980	544,791	(55,256)	477,792	1,567,901

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Statements of Cash Flows

for the year ended 31 December 2025

	Notes	THE GROUP 2025 Rs'000	2024 Rs'000 Restated	THE COMPANY 2025 Rs'000	2024 Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	33(a)	**295,350**	(9,618)	**(33,157)**	(50,502)
Interest paid		**(113,205)**	(88,818)	**(42,192)**	(33,729)
Income tax paid		**(23,590)**	(18,513)	**-**	-
Net cash generated from/(absorbed in) operating activities		**158,555**	(116,949)	**(75,349)**	(84,231)
Cash flows from investing activities					
Acquisition of property, plant and equipment	5	**(95,643)**	(109,617)	**(4,268)**	(2,829)
Proceeds on sale of property, plant and equipment		**3,905**	-	**1,450**	-
Net expenditure on intangible assets	9	**(3,992)**	(1,435)	**(647)**	(138)
Net expenditure on investment properties	8	**-**	(3,169)	**-**	(3,169)
Proceeds on disposal of subsidiary		**27,398**	-	**-**	-
Investment in subsidiaries	10	**-**	(7,846)	**-**	(7,846)
Financial assets at fair value through other comprehensive income		**-**	(4,971)	**-**	-
Interest received	25	**178**	-	**13,090**	5,707
Dividend paid		**-**	(5,861)	**-**	-
Dividends received	11	**54,853**	55,677	**75,994**	72,613
Net cash (absorbed in)/generated from investing activities		**(13,301)**	(77,222)	**85,619**	64,338
Cash flows from financing activities					
Proceeds from borrowings		**124,726**	438,499	**15,975**	350,000
Payments on borrowings		**(346,518)**	(224,257)	**(16,838)**	(295,349)
Principal paid on lease liabilities		**(24,081)**	(26,801)	**(2,134)**	(1,145)
Loan granted to subsidiary company		**-**	-	**(128,611)**	-
Interest paid on lease liabilities		**(25,951)**	(27,154)	**(284)**	(765)
Net cash (absorbed in)/generated from financing activities		**(271,824)**	160,287	**(131,892)**	52,741
Net (decrease)/increase cash and cash equivalents		**(126,570)**	(33,884)	**(121,622)**	32,848
Movement in cash and cash equivalents					
At 1 January		**(169,675)**	(136,351)	**19,841**	(13,338)
(Decrease)/increase in cash and cash equivalents		**(126,570)**	(33,884)	**(121,622)**	32,848
Effect of foreign exchange rate changes		**(545)**	560	**(1,333)**	331
At 31 December	33(b)	**(296,790)**	(169,675)	**(103,114)**	19,841

The notes on pages 103 to 218 form an integral part of these financial statements.
Independent auditor's report on pages 86 to 95.

Notes to the Financial Statements

for the year ended 31 December 2025

1. CORPORATE INFORMATION

Harel Mallac & Co. Ltd (" the Company") is a limited liability company incorporated and domiciled in Mauritius. The address of its registered office is 18, Edith Cavell Street, Port Louis, Mauritius. The parent entity is Société de Lerca and the ultimate parent entity is Société Pronema, both registered in Mauritius.

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

2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Amounts in the financial statements are stated in Mauritian Rupees, which is the Company's functional and presentation currency. All values are rounded to the nearest thousand (Rs 000) except where otherwise indicated.

(a) Basis of preparation

The financial statements of Harel Mallac & Co. Ltd comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements are prepared on a going concern basis and include the consolidated financial statements of the Company and its subsidiaries (The Group) and the separate financial statements of the Company (The Company).

The Group and the Company incurred a loss of Rs **38.2m** (2024: Rs206.8m) and generated profit of Rs **41.3m** (2024: Rs66.7m) respectively, for the financial year ended 31 December 2025. As at date, the Group's and the Company's current liabilities exceeded their current assets by Rs **214.9m** (2024: Rs 79.2m) and Rs **98m** (2024: Rs 1.6m net current assets) respectively. The financial statements have been prepared on the going concern basis, which assumes that the Group and the Company will continue their operations for the foreseeable future. The validity of this assumption is supported by the fact that Group and the Company have as at 31 December 2025 net assets of Rs **2,190m** (2024: Rs 2,063m) and Rs **1,738m** (2024: Rs 1,568m) respectively and that continued support has been secured for the Group's and the Company's long term financing facilities, as well as the renewal of its working capital facilities, to implement its restructuring plan and meet forthcoming obligations. The Directors are of the opinion that such financing will remain available over the next twelve months and, accordingly, believe that it is appropriate for the financial statements to be prepared on a going concern basis.

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

The Group's critical accounting estimates and judgements in the preparation of financial statements in confirmity with IFRS as determined by management, are detailed in note 4. These involve a higher degree of judgement or complexity and are areas where assumptions and estimates are significant to the financial statements. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Where necessary, comparative figures have been amended to conform to change in presentation in the current year. The financial statements are prepared under the historical cost convention, except that:

(i) land and buildings are carried at revalued amounts;
(ii) investment properties are stated at fair value;
(iii) investments in financial assets are stated at fair value; and
(iv) relevant financial assets and financial liabilities are carried at amortised cost.

(b) Adoption of new and revised international financial reporting standards ("IFRS")

In the current year, the Company has applied all the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on January 1, 2025.

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

IAS 21 The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

Amendments to the SASB standards issued to enhance their international applicability; the SASB standards facilitate the implementation and application of the standard.

Standards, Amendments to published Standards and Interpretations but not yet effective in the reporting period

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

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(b) Adoption of new and revised international financial reporting standards ("IFRS") (cont'd)

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

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures

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

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

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

Presentation and disclosure in financial statements: IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(b) Adoption of new and revised international financial reporting standards ("IFRS") (cont'd)

The directors of the entity anticipate that the application of IFRS 18 and the related amendments to other IFRS Accounting Standards may have an impact on the entity's separate financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

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

IAS 21 Translation to a Hyperinflationary Presentation Currency

Translation to a Hyperinflationary Presentation Currency: When an entity with a functional currency from a non-hyperinflationary economy presents its financial statements in a hyperinflationary currency, it translates all amounts, including comparatives, using the closing exchange rate at the date of the most recent statement of financial position. If the presentation currency subsequently ceases to be hyperinflationary while the functional currency remains non-hyperinflationary, the entity applies the relevant IAS 21 translation requirements prospectively, without restating comparative amounts. The entity is also required to disclose that this translation method has been applied, provide summarised financial information for foreign operations translated using the method, and disclose whether the economy concerned has ceased to be hyperinflationary.

IFRS S2 Amendments to Greenhouse Gas Emissions Disclosures

Amendments to Greenhouse Gas Emissions Disclosures: The amendments permit entities to exclude Scope 3 Category 15 greenhouse gas emissions related to derivatives, facilitated emissions and insurance-associated emissions from measurement and disclosure, provide relief from using the Global Industry Classification Standard (GICS), and clarify that existing jurisdictional relief from applying the GHG Protocol is available where alternative measurement methods are required for all or part of an entity, but only for the affected portion and for the duration of that requirement. In addition, the amendments extend jurisdictional relief for measuring GHG emissions by allowing entities, in whole or in part, to use global warming potential values mandated by a jurisdictional authority or listing exchange even when those values differ from the latest Intergovernmental Panel on Climate Change assessment.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(b) Adoption of new and revised international financial reporting standards ("IFRS") (cont'd)

IFRS 10 Consolidated Financial Statements

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

IAS 28 Investments in Associates and Joint Ventures

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

(c) Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Increase in the carrying amount arising on revaluation are credited to revaluation reserves in the statement of other comprehensive income and shown in revaluation and other reserves in equity. Decreases that offset previous increases of the same asset are charged against revaluation reserve in other comprehensive income; all other decreases are charged to profit or loss.

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

	Years
Freehold Buildings	22 - 50
Buildings on leasehold land	5 - 50
Plant and Machinery	5 - 10
Motor Vehicles	5 - 7
Furniture, Fittings and Office Equipment	3 -15
Rental Equipment	3 -5
Other Tools and Equipment	5

No depreciation is charged on freehold land.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(c) Property, plant and equipment (cont'd)

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

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

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

(d) Investment properties

Investment properties held to earn rentals or for capital appreciation or both and not occupied by the Group, are carried at fair value, representing open-market value determined by external valuers. Changes in fair values are included in profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the valuation for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(e) Intangible assets

Intangible assets include goodwill on consolidation, operating licences and computer software. Intangible assets, other than goodwill on consolidation, are initially recorded at cost and amortised using the straight-line method over their estimated useful lives.

The estimated useful lives of the intangible assets are:

	Years
Operating licences	5
Computer software	3-5

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is tested annually for impairment and carried at cost as established at the date of acquisition less accumulated impairment losses. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(e) Intangible assets (cont'd)

(i) Goodwill (cont'd)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. Client portfolio on acquisition of a subsidiary is amortised over 5 years.

(ii) Operating licences

Operating licences are shown at historical cost, have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over their estimated useful lives (5 years).

(iii) Computer software

Computer software is capitalised on the basis of costs incurred to acquire and bring to use the specific software and is amortised using the straight-line method over its estimated useful life (3 - 5 years).

(f) Investments in subsidiaries

Separate financial statements

In the separate financial statements of the investor, investments in subsidiary companies are carried at fair value and are classified as financial assets at Fair Value Through Other Comprehensive Income (FVTOCI). The gains and losses in fair value are recognised in Other Comprehensive Income and accounted under fair value reserves.

Consolidated financial statements

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree at the non-controlling interests' proportionate share of the acquiree's net assets.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(f) Investments in subsidiaries (cont'd)

Consolidated financial statements (cont'd)

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

The excess of, the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree, over the fair value of the identifiable net assets acquired, is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss as a bargain purchase gain.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the equity is remeasured to its fair value, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(g) Investments in associates and joint ventures

Separate financial statements

Investments in associates and joint ventures are carried at fair value and are classified as financial assets at Fair Value Through Other Comprehensive Income (FVTOCI). The gains and losses in fair value are recognised in Other Comprehensive Income and accounted under fair value reserves.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(g) Investments in associates and joint ventures (cont'd)

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in associates and joint ventures are accounted for using the equity method. Investments in associates and joint ventures are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate and joint venture.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's and joint venture's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's and joint venture's profit or loss.

When the Group's share of losses exceeds its interest in an associate or joint venture, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate or joint venture.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate and joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates and joint ventures to bring the accounting policies used in line with those adopted by the Group.

If the ownership interest in an associate and joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in the other comprehensive income are reclassified to profit or loss where appropriate.

Dilution gains and losses in investments in associates and joint ventures are recognised in profit or loss.

(h) Current and deferred income tax

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

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(h) Current and deferred income tax (cont'd)

Current tax

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

Deferred tax

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

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

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

For the purpose of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

(i) Retirement benefit obligations

(i) Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised on the statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(i) Retirement benefit obligations (cont'd)

(i) Defined benefit plans (cont'd)

Remeasurement of the net benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on the plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group determines the net interest expense/(income) on the net defined benefit liability/(assets) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(assets), taking into account any changes in the net defined liability/(assets) during the period as a result of contributions and benefit payment. Net interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlement are recognised immediately in profit or loss.

(ii) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group operates a defined contribution retirement benefit plan for all qualifying employees (and their dependents). Payments to defined contribution retirement plans are charged as an expense when employees have rendered services that entitle them to the contribution.

(iii) Retirement gratuity

For certain employees where the statutory gratuity is insufficiently covered or who are not covered by the above pension plans, the net present value of retirement gratuity payable under the Workers' Rights Act 2019 is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

(iv) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration profitability of the Group after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(i) Retirement benefit obligations (cont'd)

(v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The cost of finished goods and work in progress comprise purchase cost of raw materials, direct labour, other direct costs and related production overheads, but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(k) Foreign currencies

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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 are included in the fair value reserve in equity.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(k) Foreign currencies (cont'd)

(ii) Transactions and balances (cont'd)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within finance income or costs. Foreign exchange gains and losses that relate to purchases and trade payables are presented in profit or loss within 'cost of sales'. All other foreign exchange gains and losses are presented in profit or loss within other gains/(losses) net.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated in the presentation currency as follows:

(1) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(2) income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(3) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(l) Impairment of non-financial assets

At the end of each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units).

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(m) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Identifying Leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;

(b) The Group obtains substantially all the economic benefits from use of the asset; and

(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRS rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(m) Leases (cont'd)

Identifying Leases (cont'd)

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(m) Leases (cont'd)

Identifying Leases (cont'd)

- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Accounting for leases - where Company is the lessor

Lease income from leases where the Group is a lessor is recognised in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining the lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(n) Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

(i) Amortised cost

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

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(n) Financial assets (cont'd)

(i) Amortised cost (cont'd)

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

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

From time to time, the Group may elect to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of profit or loss (operating profit).

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

Cash and cash equivalents include cash in hand, loans at call receivable, cash at banks and - for the purpose of the statement of cash flows - bank overdrafts and cash at call payable. Bank overdrafts and loans at call payable are shown within borrowings in current liabilities on the statement of financial position.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(n) Financial assets (cont'd)

(ii) Fair value through other comprehensive income

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

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

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

(o) Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

The Group's accounting policy for each category is as follows:

(i) Fair value through profit or loss

This category comprises only out-of-the-money derivatives (see "Financial assets" for in the money derivatives). They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

(ii) Other financial liabilities

Other financial liabilities include the following items:

Bank borrowings are initially recognised at fair value. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried on the statement of financial position.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(o) Financial liabilities (cont'd)

(ii) Other financial liabilities (cont'd)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(p) Hedge accounting

Certain subsidiaries enter into derivative financial instruments to manage their exposure to foreign exchange rate risk, including foreign exchange forward contracts and cross currency swaps.

Hedge accounting is applied to financial assets and financial liabilities only where all of the following criteria are met:

- At the inception of the hedge there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge;
- The hedge relationship meets all of the hedge effectiveness requirements including that an economic relationship exists between the hedged item and the hedging instrument, the credit risk effect does not dominate the value changes, and the hedge ratio is designated based on actual quantities of the hedged item and hedging instrument.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Trading derivatives are classified as a current asset or liability.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within twelve months. Other derivatives are presented as current assets or current liabilities.

Fair value hedges

Where derivatives are used to hedge the Group's exposure to fair value interest rate risk (such as fixed to floating rate swaps), the hedged item is remeasured to take into account the gain or loss attributable to the hedged risk (in the case of a fixed rate loan, the hedged risk is changes in the fair value of interest rates) with the gains or losses arising recognised in profit or loss. This offsets the gain or loss arising on the hedging instrument which is measured at fair value through profit or loss.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(q) Share capital

Ordinary shares

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

(r) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are expensed.

(s) Revenue recognition

(i) Revenue from contracts with customers

Performance obligations and timing of revenue recognition

The majority of revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

A small minority of contracts are negotiated on a bill and hold basis. In such arrangements revenue is recognised even though the subsidiary company still has physical possession only if:

- the arrangement is substantive (i.e. requested by the customer);
- the finished goods have been identified separately as belonging to the customer;
- the product is ready for physical transfer to the customer; and
- the subsidiary does not have the ability to use the product to direct it to another customer.

Some goods sold include warranties which require the subsidiaries involved to either replace or mend a defective product during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with IFRS 15, such warranties are not accounted for as separate performance obligations and hence no revenue is allocated to them. Instead, a provision is made for the costs of satisfying the warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. If a customer is able to take out extended warranties, these are accounted for as separate performance obligations, with the revenue earned recognised on a straight-line basis over the term of the warranty.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(s) Revenue recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

One of the subsidiaries provides design and installation services for clients, with revenue recognised typically on an over time basis. This is because the designs created and installation services have no alternative use for the subsidiary and the contracts would require payment to be received for the time and effort spent by the subsidiary on progressing the contracts in the event of the customer cancelling the contract prior to completion for any reason other than the subsidiary's failure to perform its obligations under the contract. On partially completed design and installation contracts, the subsidiary recognises revenue based on stage of completion of the project as determined by the subsidiary's engineers.

Determining the transaction price

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

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Costs of fulfilling contracts

The costs of fulfilling contracts do not result in the recognition of a separate asset because:

- such costs are included in the carrying amount of inventory for contracts involving the sale of goods; and
- for service contracts, revenue is recognised over time by reference to the stage of completion meaning that control of the asset (the design and installation service) is transferred to the customer on a continuous basis as work is carried out. Consequently, no asset for work in progress is recognised.

(ii) Other revenues earned by the Group are recognised as follows:

- Rental income - on an accrual basis in accordance with the substance of the relevant agreement;
- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance);

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(s) Revenue recognition (cont'd)

(ii) Other revenues earned by the Group are recognised as follows (cont'd)**:**

- Dividend income - when the shareholder's right to receive payment is established;
- Commission - on an accrual basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group'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 disclosed in Note 4.

(t) Deferred income

Gain on sale and leaseback of equipment is not immediately recognised. The gain is deferred and amortised over the lease period. Gain amortised during the year is shown net against depreciation charge.

(u) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events which will probably result in an outflow of economic benefits that can be reasonably estimated.

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

Provision for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring which has been notified to affected parties.

A provision for warranties is recognised upon the sale of a product or the rendering of a service based on historical experience or directors' best estimate of the expenditure required to settle the obligation.

(v) Dividend distribution

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

(w) Segment reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

Notes to the Financial Statements

for the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (cont'd)

(x) Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

3. FINANCIAL RISK MANAGEMENT

3.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks, as follows:

- Market risk (including currency risk, price risk and cash flow and fair value interest risk);
- Credit risk; and
- Liquidity risk

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposure.

A description of the significant risk factors is given below together with the risk management policies applicable.

(a) Market risk

(i) Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro, Ariary, South African Rand, Tanzanian Shilling, Zambian Kwacha and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The foreign exchange risk is managed based on a defined policy whereby fluctuation in exchange rates are monitored and best rates are negotiated with banking institutions. Some of the Group's subsidiaries use forward contracts to hedge their exposure to foreign currency risk when recorded liabilities are denominated in a currency that is not the subsidiaries' functional currency. External foreign exchange contracts are designed as hedges of foreign exchange risk on specific liabilities.

Notes to the Financial Statements

for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.1 FINANCIAL RISK FACTORS (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Group has a number of investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2025, if the Rupee had weakened/strengthened by 5% against the Euro/Malagasy Ariary/Tanzanian Shilling/ Zambian Kwacha and US Dollar with all other variables held constant, group post-tax profit for the year would have been **Rs 9.5m** (2024: Rs 1.2m) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US dollar/Euro denominated trade receivables, trade payables, borrowings and cash balances.

(ii) Price risk

The Group and the Company is exposed to equity securities price risk because of investments held by the Group and the Company and classified on the statements of financial position as financial assets at fair value through other comprehensive income and which are valued at current bid prices.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group and Company's equity. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	Impact on Equity			
	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Categories of investments:				
Financial assets at fair value through other comprehensive income	**553**	606	**553**	606

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

(iii) Cash flow interest risk

The Group and the Company's interest rate risk arises from its borrowings. Borrowings issued at variable rates exposes the Group and the Company to cash flow interest rate risk. The Group's policy is to maintain borrowings, other than finance lease obligations, at floating rate.

Notes to the Financial Statements

for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.1 FINANCIAL RISK FACTORS (cont'd)

(a) Market risk (cont'd)

(iii) Cash flow interest risk (cont'd)

Cash flow interest risk

At 31 December 2025, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant post-tax profit for the year would have been lower/higher as shown in the table below, mainly as a result of higher/lower interest expense on floating rate borrowings as shown below:

Effect higher/lower interest rate on post tax profit

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rupee denominated borrowings	**6,615**	6,113	**2,529**	3,212
USD denominated borrowings	**1,219**	1,264	**-**	-

The risk is managed by maintaining an appropriate mix between fixed and floating interest charges on borrowings.

(b) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of equity investments carried at fair value through other comprehensive income, as well as credit exposures to customers, including outstanding receivables.

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

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and regions except for some subsidiaries where credit risk is concentrated within some clients. The Group has policies in place to ensure that sales of products and services are made to customers within an appropriate credit history.

Notes to the Financial Statements
for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.1 FINANCIAL RISK FACTORS (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Group and Company's liquidity reserve on the basis of expected cash flow.

Management also considers external opportunities for growth and appropriate funding is reviewed.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

THE GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2025						
Lease liabilities	**49,723**	**40,803**	**44,177**	**64,774**	**147,953**	**347,430**
Bank overdraft	**439,071**	**-**	**-**	**-**	**-**	**439,071**
Bank loans	**160,277**	**211,614**	**186,699**	**168,375**	**103,952**	**830,917**
Trade and other payables	**1,133,167**	**-**	**-**	**-**	**-**	**1,133,167**
	1,782,238	**252,417**	**230,876**	**233,149**	**251,905**	**2,750,585**

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2024						
Lease liabilities	50,100	47,869	44,666	65,646	163,302	371,583
Bank overdraft	365,113	-	-	-	-	365,113
Bank loans	292,455	186,699	168,375	103,952	282,657	1,034,138
Unsecured & Other loans	454,081	-	-	-	-	454,081
Trade and other payables	1,042,448	-	-	-	-	1,042,448
	2,204,197	234,568	213,041	169,598	445,959	3,267,363

Notes to the Financial Statements
for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.1 FINANCIAL RISK FACTORS (cont'd)

(c) Liquidity risk (cont'd)

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2025						
Lease liabilities	**1,218**	**1,280**	**2,163**	**-**	**-**	**4,661**
Bank overdraft	**92,669**	**-**	**-**	**-**	**-**	**92,669**
Bank loans	**75,000**	**-**	**-**	**-**	**350,000**	**425,000**
Loan at call	**21,846**	**-**	**-**	**-**	**-**	**21,846**
Unsecured & Other loans	**64,626**	**-**	**-**	**-**	**-**	**64,626**
Trade and other payables	**23,577**	**-**	**-**	**-**	**-**	**23,577**
	278,936	**1,280**	**2,163**	**-**	**350,000**	**632,379**

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2024						
Lease liabilities	1,718	1,718	1,718	2,519	-	7,673
Bank overdraft	-	-	-	-	-	-
Bank loans	102,430	23,275	56,533	113,066	282,657	577,961
Loan at call	21,250	-	-	-	-	21,250
Unsecured & Other loans	213,807	-	-	-	-	213,807
Trade and other payables	27,521	-	-	-	-	27,521
	366,726	24,993	58,251	115,585	282,657	848,212

3.2 FAIR VALUE ESTIMATION

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

Notes to the Financial Statements

for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.2 FAIR VALUE ESTIMATION (cont'd)

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

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

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques such as capitalised earnings method, dividend yield method, discounted cash flow and net asset basis are used to determine fair value for the remaining financial instruments.

The carrying amount of the Group's financial assets at fair value through other comprehensive income would be an estimated **Rs 3.4m** (2024: Rs 3.3m) and **Rs 2.8m** (2024: Rs 2.3m) lower/higher for the Group and the Company respectively if the fair value differed by 10% from management estimates.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

3.3 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are:

- to safeguard the entities' ability to continue as going concerns, so that they can continue to provide returns for shareholders and benefits for the other stakeholders.
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group 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 Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt to adjusted capital. Net debt is calculated as total debt (as shown on the statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, non-controlling interests, retained earnings, revaluation and other reserves, fair value reserves and actuarial reserves).

Notes to the Financial Statements

for the year ended 31 December 2025

3. FINANCIAL RISK MANAGEMENT (cont'd)

3.3 CAPITAL RISK MANAGEMENT (cont'd)

The debt-to-adjusted capital ratios at 31 December 2025 and at 31 December 2024 were as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Total debt	**1,843,485**	2,015,400	**613,702**	653,452
Less: cash and cash equivalents	**(142,281)**	(195,438)	**(11,401)**	(41,253)
Net debt	**1,701,204**	1,819,962	**602,301**	612,199
Total equity	**2,189,735**	2,062,850	**1,737,659**	1,567,901
Debt-to-adjusted capital ratio	**0.78**	0.88	**0.35**	0.39

There were no changes in the Group's approach to capital risk management during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(e)(i). These calculations require the use of estimates (note 7).

(b) Impairment of financial assets

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

Notes to the Financial Statements

for the year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(c) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on past and current market conditions. Additional information is disclosed in note 21.

(d) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engages independent valuation specialists to determine fair value of investment properties as disclosed in the notes to the financial statements.

The fair value estimates have been based on the market data regarding current yield on similar properties. The actual amounts of revaluation could therefore differ significantly from the estimates in the future.

(e) Depreciation policies - Asset lives and residual values

Property, plant and equipment are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation,and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The directors make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

Notes to the Financial Statements

for the year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(f) Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined by the Group using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumption about these factors could affect the reported fair value of financial instruments.

(g) Limitation of sensitivity analysis

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

Sensitivity analysis does not take into consideration that the Group assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near term market changes that cannot be predicted with any certainty.

(h) Deferred tax on investment properties

For the purpose of measuring deferred tax liabilities or deferred tax assets arising from investment properties, the directors believe that investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. As a result, the Group has recognised deferred tax on changes in fair value of investment properties.

(i) Impairment of assets

Goodwill is considered for impairment at least annually. Property, plant and equipment and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using the appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. The impairment loss is first allocated to goodwill and then to the other assets of a cash-generating units.

Cash flows which are utilised in these assessments are extracted from the latest management forecasts. The Group utilises the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

Notes to the Financial Statements
for the year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(j) Measurement of the expected credit loss (ECL) allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of debtor segment and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

When using the simplified approach for measurement of expected credit loss for trade receivables, an ECL Model is adopted which requires significant assumptions and judgements, such as:

- Determining the appropriate groupings of receivables into categories of shared credit risk characteristics;
- Determining the probability of default based on the credit risk characteristics of each receivable;
- Considering macro-economic factors and adjust the probability of default accordingly, to reflect relevant future economic conditions and its impact on ECL; and
- Calculating the expected credit losses.

Notes to the Financial Statements
for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT

	THE GROUP	Freehold Land and Buildings	Buildings on Leasehold Land	Improvement to buildings	Plant and Machinery	Motor Vehicles	Furniture, Fittings and Office Equipment	Rental Equipment	Other Tools and Equipment	Assets in Progress	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a)	**2025**										
	COST AND VALUATION										
	At 1 January 2025	476,644	211,840	41,249	437,019	90,041	309,514	198,649	15,162	35,616	1,815,734
	Additions	558	-	-	39,493	15,320	12,705	25,877	-	1,690	95,643
	Disposals	-	-	-	(124)	(18,659)	(555)	(1,180)	-	-	(20,518)
	Revaluation adjustment	65,727	-	398	-	-	-	-	-	-	66,125
	Transfer to Right-from-use Assets (Note 6)	-	-	-	-	(4,363)	-	-	-	-	(4,363)
	Transfer from Investment Property (Note 8)	10,009	-	-	-	-	-	-	-	-	10,009
	Transfer to Investment Property (Note 8)	(109,459)	-	-	-	-	-	-	-	-	(109,459)
	Transfer to Intangible Assets (Note 9)	-	-	-	-	-	-	-	(1,373)	-	(1,373)
	Transfer to assets held for sale (Note 24)	(43,000)	-	-	-	-	-	-	-	-	(43,000)
	Transfer to inventories	-	-	-	-	-	-	-	-	(4,942)	(4,942)
	Disposal of subsidiary	-	-	-	-	(1,423)	(3,000)	-	-	-	(4,423)
	Translation difference	-	-	-	(9)	725	560	-	-	(99)	1,177
	At 31 December 2025	**400,479**	**211,840**	**41,647**	**476,379**	**81,641**	**319,224**	**223,346**	**13,789**	**32,265**	**1,800,610**
	DEPRECIATION										
	At 1 January 2025	15,815	272	17,685	311,088	74,556	249,377	190,696	(531)	-	858,958
	Charge for the year	24,006	28	3,939	26,490	7,116	24,083	17,838	1,111	-	104,611
	Disposals	-	-	-	-	(5,515)	(2,271)	(459)	-	-	(8,245)
	Transfer from Right-of-use Assets (Note 6)	-	-	-	-	(1,160)	-	-	-	-	(1,160)
	Disposal of subsidiary	-	-	-	-	(12,909)	(2,645)	-	-	-	(15,554)
	Revaluation adjustment	(39,821)	-	(21,624)	-	-	-	-	-	-	(61,445)
	Translation difference	-	-	-	247	475	153	-	(49)	-	826
	At 31 December 2025	**-**	**300**	**-**	**337,825**	**62,563**	**268,697**	**208,075**	**531**	**-**	**877,991**
	NET BOOK VALUES										
	At 31 December 2025	**400,479**	**211,540**	**41,647**	**138,554**	**19,078**	**50,527**	**15,271**	**13,258**	**32,265**	**922,619**

Notes to the Financial Statements
for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	THE GROUP	Freehold Land and Buildings	Buildings on Leasehold Land	Improve-ment to buildings	Plant and Machinery	Motor Vehicles	Furniture, Fittings and Office Equipment	Rental Equip-ment	Other Tools and Equipment	Assets in Progress	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(b)	**2024**										
	COST AND VALUATION										
	At 1 January 2024	478,156	211,375	38,992	415,157	89,050	271,746	200,011	21,893	34,979	1,761,359
	Additions	6,998	-	1,959	56,739	8,055	28,525	-	-	7,341	109,617
	Disposals	-	-	-	(3,270)	(3,735)	(267)	(1,362)	-	-	(8,634)
	Reclassification*	-	465	298	2,092	(3,959)	9,583	-	(6,731)	(1,748)	-
	Transfer from Right-of-use Assets (Note 6)	-	-	-	-	712	-	-	-	-	712
	Transfer to Investment Property (Note 8)	(8,017)	-	-	-	-	-	-	-	-	(8,017)
	Transfer to Intangible Assets (Note 9)	-	-	-	-	-	-	-	-	(2,990)	(2,990)
	Transfer to Inventories	-	-	-	-	-	-	-	-	(627)	(627)
	Assets written off	(493)	-	-	(33,699)	-	-	-	-	(1,339)	(35,531)
	Translation difference	-	-	-	-	(82)	(73)	-	-	-	(155)
	At 31 December 2024	476,644	211,840	41,249	437,019	90,041	309,514	198,649	15,162	35,616	1,815,734
	DEPRECIATION						-				
	At 1 January 2024	614	4,228	13,581	304,712	71,951	223,389	192,058	4,344	-	814,877
	Charge for the year	7,228	4,237	4,104	35,855	8,444	22,823	-	1,163	-	83,854
	Disposals	-	-	-	(401)	(3,735)	(267)	(1,362)	-	-	(5,765)
	Reclassification*	-	272	-	4,091	(2,108)	3,252	-	(5,507)	-	-
	Transfer from Right-of-use Assets (Note 6)	-	-	-	-	475	-	-	-	-	475
	Assets written off	(493)	-	-	(33,699)	-	-	-	-	-	(34,192)
	Translation difference	-	-	-	-	(359)	68	-	-	-	(291)
	At 31 December 2024	7,349	8,737	17,685	310,558	74,668	249,265	190,696	-	-	858,958
	NET BOOK VALUES										
	At 31 December 2024	469,295	203,103	23,564	126,461	15,373	60,249	7,953	15,162	35,616	956,776

* In the finanical year ended 31 December 2024, the Group made some reclassifications between class of assets of Property, Plant and Equipment.

Notes to the Financial Statements
for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	THE COMPANY	Freehold Land and Buildings	Plant and Machinery	Motor Vehicles	Furniture, Fittings and Office Equipment	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(c)	**2025**					
	COST AND VALUATION					
	At 1 January 2025	**125,596**	**13,461**	**4,859**	**41,656**	**185,572**
	Additions	**-**	**483**	**2,992**	**793**	**4,268**
	Disposals	**-**	**-**	**(1,482)**	**-**	**(1,482)**
	Revaluation adjustment	**15,817**	**-**	**-**	**-**	**15,817**
	Transfer to investment property (Note 8)	**(42,450)**	**-**	**-**	**-**	**(42,450)**
	At 31 December 2025	**98,963**	**13,944**	**6,369**	**42,449**	**161,725**
	DEPRECIATION					
	At 1 January 2025	**5,631**	**13,104**	**3,536**	**36,013**	**58,284**
	Charge for the year	**841**	**164**	**230**	**2,130**	**3,365**
	Disposals	**-**	**-**	**(247)**	**-**	**(247)**
	Revaluation adjustment	**(6,472)**	**-**	**-**	**-**	**(6,472)**
	At 31 December 2025	**-**	**13,268**	**3,519**	**38,143**	**54,930**
	NET BOOK VALUES					
	At 31 December 2025	**98,963**	**676**	**2,850**	**4,306**	**106,795**

Notes to the Financial Statements

for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

THE COMPANY	Freehold Land and Buildings Rs'000	Plant and Machinery Rs'000	Motor Vehicles Rs'000	Furniture, Fittings and Office Equipment Rs'000	Total Rs'000
(d) **2024**					
COST AND VALUATION					
At 1 January 2024	125,299	13,389	3,377	40,678	182,743
Additions	297	72	1,482	978	2,829
At 31 December 2024	125,596	13,461	4,859	41,656	185,572
DEPRECIATION					
At 1 January 2024	4,773	12,805	3,377	33,942	54,897
Charge for the year	858	299	159	2,071	3,387
At 31 December 2024	5,631	13,104	3,536	36,013	58,284
NET BOOK VALUES					
At 31 December 2024	119,965	357	1,323	5,643	127,288

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
(e) Depreciation charge is analysed as follows:		
Cost of sales	**27,756**	23,479
Marketing and selling expenses	**11,155**	6,917
Administrative expenses	**65,700**	53,458
	104,611	83,854

Depreciation charge for the Company is recorded in administrative expenses.

(f) Land and buildings were revalued on 31 December 2025 on the basis of revaluation exercise carried out by Aestima Ltd, Chartered Valuation Surveyors. Valuation was made on a depreciated replacement cost approach and a sales comparison approach. The revaluation surplus net of applicable deferred income taxes was credited to revaluation surplus in shareholders' equity. It is the Group policy to revalue land and buildings classified under property, plant and equipment every three years.

Notes to the Financial Statements

for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(g) Details of the Group's and the Company's freehold land and buildings and Buildings on leasehold land and information about the fair value hierarchy as at 31 December 2025 and 2024 are as follows:

	THE GROUP			THE COMPANY	
	Land	Buildings on freehold land	Buildings on leasehold land	Land	Buildings on freehold land
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Carrying amount as at 1 January 2025	**181,456**	**287,839**	**203,103**	**101,450**	**18,515**
Additions	**-**	**558**	**-**	**-**	**-**
Depreciation	**-**	**(24,006)**	**(28)**	**-**	**(841)**
Transfer from Investment Property	**-**	**10,009**	**-**	**-**	**-**
Transfer to held for sale of asset (Note 24)	**-**	**(43,000)**	**-**	**-**	**-**
Transfer to Investment Property (Note 8)	**-**	**(109,459)**	**-**	**(42,450)**	**-**
	181,456	**121,941**	**203,075**	**59,000**	**17,674**
Revaluation adjustments for the year	**(3,229)**	**108,777**	**-**	**(3,229)**	**25,518**
Carrying amount as at 31 December 2025	**178,227**	**230,718**	**203,075**	**55,771**	**43,192**

	THE GROUP			THE COMPANY	
	Land	Buildings on freehold land	Buildings on leasehold land	Land	Buildings on freehold land
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Carrying amount as at 1 January 2024	181,456	296,086	207,147	101,450	19,076
Additions	-	6,998	-	-	297
Depreciation	-	(7,228)	(4,237)	-	(858)
Transfer from other class of assets	-	-	193	-	-
Transfer to Investment Property (Note 8)	-	(8,017)	-	-	-
	181,456	287,839	203,103	101,450	18,515
Revaluation gain for the year	-	-	-	-	-
Carrying amount as at 31 December 2024	181,456	287,839	203,103	101,450	18,515

Notes to the Financial Statements

for the year ended 31 December 2025

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(h) Part of Land & Buildings have been transferred to Investment Property during the year ended 31 December 2025 at Company level, as the property is occupied by companies within the Group and rental income earned by the Company.

(i) Part of Land & Buildings have been transferred to Investment Property during the year ended 31 December 2024 at Group level, as the property is occupied by companies outside the Group and rental income earned by the Group.

(j) Bank borrowings are secured by floating charges on the assets of the Group, including property, plant and equipment.

6 RIGHT-OF-USE-ASSETS

	THE GROUP		
	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000
At 1 January 2025	**276,172**	**34,029**	**310,201**
Additions	**-**	**16,567**	**16,567**
Amortisation	**(27,388)**	**(12,567)**	**(39,955)**
Transfer to property, plant and equipment (Note 5)	**-**	**3,203**	**3,203**
Modification to lease terms	**(2,801)**	**(1,270)**	**(4,071)**
Disposal of subsidiary	**-**	**(2,261)**	**(2,261)**
At 31 December 2025	**245,983**	**37,701**	**283,684**
At 1 January 2024	285,971	33,941	319,912
Additions	13,061	15,528	28,589
Amortisation	(22,770)	(15,203)	(37,973)
Modification to lease terms	-	(237)	(237)
Translation difference	(90)	-	(90)
At 31 December 2024	276,172	34,029	310,201

Notes to the Financial Statements

for the year ended 31 December 2025

6 RIGHT-OF-USE-ASSETS (cont'd)

	THE COMPANY	
	Motor Vehicles	
	2025	2024
	Rs'000	Rs'000
At 1 January	**6,726**	8,386
Additions	**(1,313)**	(1,660)
Amortisation	**(1,270)**	-
At 31 December	**4,143**	6,726

7. LEASE LIABILITIES

	THE GROUP		
	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000
At 1 January 2025	**317,845**	**36,369**	**354,214**
Additions	**-**	**18,799**	**18,799**
Interest expense	**23,611**	**2,340**	**25,951**
Lease payments	**(47,850)**	**(14,395)**	**(62,245)**
Modification to lease terms	**-**	**(1,270)**	**(1,270)**
Adjustments for variable lease payment	**(2,801)**	**(260)**	**(3,061)**
Disposal of subsidiary	**-**	**(2,255)**	**(2,255)**
At 31 December 2025	**290,805**	**39,328**	**330,133**
Current			**43,402**
Non current			**286,731**
			330,133

Notes to the Financial Statements
for the year ended 31 December 2025

7. LEASE LIABILITIES (cont'd)

	THE GROUP		
	Land and buildings	Plant, machinery and motor vehicles	Total
	Rs'000	Rs'000	Rs'000
At 1 January 2024	323,880	31,576	355,456
Additions	13,061	13,454	26,515
Interest expense	24,681	2,473	27,154
Lease payments	(42,836)	(11,119)	(53,955)
Non current	(941)	(15)	(956)
At 31 December 2024	**317,845**	**36,369**	**354,214**
Current			43,666
Non current			310,548
			354,214

	THE COMPANY	
	Motor Vehicles	
	2025	2024
	Rs'000	Rs'000
At 1 January 2025	**7,222**	8,367
Interest expense	**284**	765
Lease payments	**(1,850)**	(1,910)
Disposal	**(1,270)**	-
At 31 December 2025	**4,386**	7,222
Current	**1,146**	1,617
Non current	**3,240**	5,605
	4,386	7,222

Notes to the Financial Statements
for the year ended 31 December 2025

7. LEASE LIABILITIES (cont'd)

(a) Nature of leasing activities (in the capacity as lessee)

One of the subsidiaries leases land from the Mauritius Ports Authority for a period of 51 years with increase in rental occurring every five years as stipulated in the agreement.

Another subsidiary leases several equipment for use in its operations. The lease contracts provide for periodic fixed payments over the lease term.

The Group also leases plant, machinery and motor vehicles where the leases comprise only fixed payments over the lease terms.

(b) Variable lease payments

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

31 December 2025	Lease Contracts	Fixed payments	Variable payments	Sensitivity
	Number	%	%	Rs.
Property leases with payments linked to inflation	**1**	**-**	**3%**	**122,208**
Property leases with periodic uplifts to market rentals	**2**	**6%**	**-**	**-**
Property leases with fixed payments	**3**	**9%**	**-**	**-**
Leases of plant and equipment	**13**	**38%**	**-**	**-**
Vehicle leases	**15**	**44%**	**-**	**-**
	34	**97%**	**3%**	**122,208**

31 December 2024	Lease Contracts	Fixed payments	Variable payments	Sensitivity
	Number	%	%	Rs.
Property leases with payments linked to inflation	1	-	3%	122,208
Property leases with periodic uplifts to market rentals	2	6%	-	-
Property leases with fixed payments	3	9%	-	-
Leases of plant and equipment	13	38%	-	-
Vehicle leases	15	44%	-	-
	34	97%	3%	122,208

Notes to the Financial Statements
for the year ended 31 December 2025

7. LEASE LIABILITIES (cont'd)

(c) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(d) Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(e) The total cash outflow for leases in 2025 is Rs **62m** (2024: Rs.54m) and **Rs1.9m** (2024: Rs1.9m) for the Group and the Company respectively.

8. INVESTMENT PROPERTIES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**498,941**	473,722	**648,582**	631,025
Additions	**-**	3,169	**-**	3,169
Disposals	**-**	(500)	**-**	-
Transfer from property, plant and equipment (Note 5)	**109,459**	8,017	**42,450**	-
Transfer to property, plant and equipment (Note 5)	**(10,009)**	-	**-**	-
Translation difference	**2,332**	(326)	**-**	-
Increase in fair value	**61,283**	14,859	**43,805**	14,388
At 31 December	**662,006**	498,941	**734,837**	648,582

Investment Properties are revalued annually on the basis of revaluation exercise carried out by Aestima Ltd, Chartered Valuation Surveyors and one of the properties of the Group's subsidiary in Zambia was valued by Knight Frank. Valuation was made on a depreciated replacement cost approach and a sales comparison approach. Land and buildings, owned by Societe Sicarex, was revalued on 31 December 2025 on the basis of revaluation exercise carried by directors. The revaluation surplus is credited to the Statement of Profit or Loss.

Notes to the Financial Statements
for the year ended 31 December 2025

8. INVESTMENT PROPERTIES (cont'd)

Details of the investment properties and information about fair value hierachy as at 31 December 2025 are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Buildings - level 3	**323,181**	234,924	**414,012**	384,565
Land - level 2	**338,825**	264,017	**320,825**	264,017
Total	**662,006**	498,941	**734,837**	648,582

The following information is relevant:

	Valuation techniques	Significant observable inputs
Land	Sales Comparison approach	Price per square metre
Buildings	Depreciated replacement cost	Depreciation rate

Bank borrowings are secured by floating charges on the assets of the Group, including investment properties.

The following amounts have been recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rental income	**23,953**	19,993	**54,463**	47,361
Direct operating expenses arising on investment properties that generated investment income	**4,446**	7,075	**10,110**	16,760

Notes to the Financial Statements

for the year ended 31 December 2025

9. INTANGIBLE ASSETS

	Goodwill Rs'000	Computer Software Rs'000	Operating Licence Rs'000	Total Rs'000
(a) THE GROUP				
COST				
At 1 January 2025	**140,216**	**90,952**	**5,244**	**236,412**
Additions	**-**	**3,992**	**-**	**3,992**
Transfer from property, plant and equipment (Note 5)	**-**	**1,373**	**-**	**1,373**
Disposal of subsidiary	**(3,623)**	**(5,593)**	**-**	**(9,216)**
Impairment loss	**-**	**(6,471)**	**-**	**(6,471)**
Assets written off	**-**	**(2,648)**	**-**	**(2,648)**
Exchange differences	**-**	**1,056**	**-**	**1,056**
At 31 December 2025	**136,593**	**82,661**	**5,244**	**224,498**
AMORTISATION				
At 1 January 2025	**101,143**	**69,031**	**4,955**	**175,129**
Charge for the year	**-**	**3,112**	**-**	**3,112**
Disposal of subsidiary	**-**	**(914)**	**-**	**(914)**
Assets written off	**-**	**(2,616)**	**-**	**(2,616)**
Exchange differences	**-**	**907**	**-**	**907**
At 31 December 2025	**101,143**	**69,520**	**4,955**	**175,618**
NET BOOK VALUE				
At 31 December 2025	**35,450**	**13,141**	**289**	**48,880**

Notes to the Financial Statements

for the year ended 31 December 2025

9. INTANGIBLE ASSETS (cont'd)

	Goodwill Rs'000	Computer Software Rs'000	Operating Licence Rs'000	Total Rs'000
(b) THE GROUP				
COST				
At 1 January 2024	167,706	86,527	5,244	259,477
Additions	-	1,435	-	1,435
Transfer to property, plant and equipment (Note 5)	-	2,990	-	2,990
Impairment loss	(27,490)	-	-	(27,490)
At 31 December 2024	140,216	90,952	5,244	236,412
AMORTISATION				
At 1 January 2024	101,143	64,526	4,955	170,624
Charge for the year	-	4,505	-	4,505
At 31 December 2024	101,143	69,031	4,955	175,129
NET BOOK VALUE				
At 31 December 2024	39,073	21,921	289	61,283

Amortisation charge has been accounted for in administrative expenses.

(c) THE COMPANY

	Computer Software Rs'000
COST	
At 1 January 2025	**7,988**
Additions	**647**
At 31 December 2025	**8,635**
AMORTISATION	
At 1 January 2025	**7,858**
Charge for the year	**107**
At 31 December 2025	**7,965**
NET BOOK VALUE	
At 31 December 2025	**670**

Notes to the Financial Statements
for the year ended 31 December 2025

9. INTANGIBLE ASSETS (cont'd)

(d) THE COMPANY

	Computer Software Rs'000
COST	
At 1 January 2024	7,850
Additions	138
At 31 December 2024	7,988
AMORTISATION	
At 1 January 2024	
Charge for the year	7,850
At 31 December 2024	8
	7,858
NET BOOK VALUE	
At 31 December 2024	130

(e) Goodwill acquired through business combinations and arising on acquisition of product brands have indefinite useful lives. For the purposes of goodwill impairment testing, goodwill has been allocated to the group's cash generating units as follows:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Manufacturing & Trading	**32,502**	36,125
Business Services	**2,948**	2,948
	35,450	39,073

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At beginning of the year	**39,073**	66,563
Reversal of goodwill on disposal of subsidiary/Impairment	**(3,623)**	(27,490)
At end of the year	**35,450**	39,073

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for the year ended 31 December 2025

9. INTANGIBLE ASSETS (cont'd)

The recoverable amounts of these cash-generating units have been determined based on their value in use calculation using cash flow projections derived from financial budgets established by managements covering a ten-year period and also on market conditions prevailing. The pre-tax discount rates (WACC) applied to cash flow projections vary between 13.5% to 15.6%. Impairment loss is accounted to adjust the carrying value of the goodwill to reflect the net present value of the future cash flows.

Following this exercise, an impairment amounting to **Rs.3.6M** (2024: Rs.27.5M) was recognised during the year allocated to the Technology cash generating unit. The key assumptions used in the estimation of value in use and recoverable amounts are based on management's past experience of the served markets in which the group operates with a view to maintain market share.

10. INVESTMENTS IN SUBSIDIARIES

	2025	2024
	Rs'000	Rs'000
THE COMPANY		
At 1 January	**586,048**	616,067
Additions	**20,396**	7,846
Fair value gain/(loss)	**34,074**	(37,865)
At 31 December	**640,518**	586,048

Investments in subsidiaries comprises of listed and unquoted securities and are measured at fair value through other comprehensive income.

Notes to the Financial Statements

for the year ended 31 December 2025

10. INVESTMENTS IN SUBSIDIARIES (cont'd)

(a) The financial statements of the following subsidiaries have been included in the consolidated financial statements:

Name of Company	Class of shares held	Year ended	Stated capital	Effective percentage holding and voting power % 2025	% 2024	Country of operation & incorporation	Main business
Activeline Ltd	Ordinary	31 December	Rs23,179,245	**100.00**	100.00	Mauritius	Business process outsourcing
Archemics Ltd	Ordinary	31 December	Rs400,000	**100.00**	100.00	Mauritius	Chemicals
Bychemex Limited *	Ordinary	31 December	Rs5,000,000	**74.48**	74.48	Mauritius	Chemicals
Chemco Limited *	Ordinary	31 December	Rs6,208,722	**74.48**	74.48	Mauritius	Trading of chemicals, fertilizers and general goods
Coolkote Ltd *	Ordinary	31 December	Rs21,605,272	**74.48**	74.48	Mauritius	Waterproofing activities
EO Solutions Ltd	Ordinary	31 December	Rs39,338,997	**100.00**	100.00	Mauritius	Office equipment products
Harel Mallac Aviation Ltd	Ordinary	31 December	Rs4,814,930	**100.00**	100.00	Mauritius	General sale agent
Harel Mallac Distribution SARL	Ordinary	31 December	MGA1,821,940,000	**99.00**	99.00	Madagascar	Distributor of consumer goods and IT products
MCFI Export Ltd *	Ordinary	31 December	Rs25,025,000	**74.48**	74.48	Mauritius	Trading of chemicals
Harel Mallac Healthcare Ltd	Ordinary	31 December	Rs1,000,000	**100.00**	100.00	Mauritius	Retail sale of medical and orthopaedic goods in stores
Harel Mallac International Ltd	Ordinary	31 December	Rs124,870,862	**100.00**	100.00	Mauritius	Investment company
Harel Mallac Technologies Ltd	Ordinary	31 December	Rs40,603,659	**100.00**	100.00	Mauritius	Markets computer hardware and IT solutions
MCFI International (Tanzania) Limited*	Ordinary	31 December	TZS6,525,230,000	**74.48**	74.48	Tanzania	Trading of chemicals and general goods
Ecavel Ltd (formerly HM Corporate Services Ltd)	Ordinary	31 December	Rs500,000	**100.00**	100.00	Mauritius	Share registry
HM Secretaries Ltd	Ordinary	31 December	Rs2,500,000	**100.00**	100.00	Mauritius	Professional consultancy services
Harel Mallac Trading Ltd	Ordinary	31 December	Rs136,348,488	**100.00**	100.00	Mauritius	Investment holding
Aerolik Mauritius Ltd	Ordinary	31 December	Rs4,000,000	**100.00**	100.00	Mauritius	Production and distribution of aeraulic products
Aerolik.IO SAS	Ordinary	31 December	EUR80,000	**100.00**	100.00	Reunion	Production and distribution of aeraulic products
Harel Mallac Treasury Ltd	Ordinary	31 December	Rs500,000	**100.00**	100.00	Mauritius	Treasury Activities

Notes to the Financial Statements

for the year ended 31 December 2025

10. INVESTMENTS IN SUBSIDIARIES (cont'd)

(a) The financial statements of the following subsidiaries have been included in the consolidated financial statements (cont'd):

Name of Company	Class of shares held	Year ended	Stated capital	Effective percentage holding and voting power % 2025	% 2024	Country of operation & incorporation	Main business
Informatics Business Solutions Ltd**		31 December	Rs 19,525,000	**100.00**	100.00	Mauritius	Markets computer hardware and IT solutions
Harel Mallac Technologies Madagascar		31 December	MGA299,740,000	**100.00**	100.00	Madagascar	Markets computer hardware and IT solutions
Itineris Ltd		31 December	Rs10,000,000	**100.00**	100.00	Mauritius	Travel agent
Linxia Ltd***		31 December	Rs62,160,000	**-**	100.00	Mauritius	Markets computer hardware and IT solutions
Logima Ltée**		31 December	Rs55,050,000	**100.00**	100.00	Mauritius	Trading in Fast Moving Consumer Goods (FMCG)
Logima Reunion SAS		31 December	EUR1,000	**74.48**	74.48	Reunion Island	Trading company
MCFI International & Co Ltd *		31 December	USD565,179	**74.48**	74.48	Mauritius	Trading of chemicals
MCFI International (Zambia) Pty Ltd*		31 December	ZMK5,000	**74.48**	74.48	Zambia	Trading of chemicals and general goods
Novengi Ltd		31 December	Rs75,110,494	**100.00**	100.00	Mauritius	Agro industrial, engineering, refrigeration and electrical products
Harel Mallac Technologies Rwanda		31 December	RWF479,400,000	**100.00**	100.00	Rwanda	Audit Software Development, Administration and Maintenance
Harel Mallac Technologies Burundi		31 December	BIF24,190,200	**100.00**	100.00	Burundi	Audit Software Development, Administration and Maintenance
NexEnergy Partners Ltd (FKA Photovoltaic Farm Ltd)		31 December	Rs11,000	**100.00**	100.00	Mauritius	Investment company
Portus Ltd		31 December	Rs2,000,000	**100.00**	100.00	Mauritius	Dormant
Société Gare du Nord		31 December	Rs14,999,900	**100.00**	100.00	Mauritius	Investment company
Société Sicarex		31 December	Rs14,999,900	**100.00**	100.00	Mauritius	Property company
Standard Continuous Stationery Limited		31 December	Rs10,000	**100.00**	100.00	Mauritius	Investment company
Solar PV Farm		31 December	Rs1,000	**100.00**	100.00	Mauritius	Manufacture of electricity, distribution and control apparatus
Suchem Ltd		31 December	Rs17,725,000	**74.48**	74.48	Mauritius	Sales of chemical products
The Mauritius Chemical and Fertilizer Industry Limited (MCFI)*		31 December	Rs220,064,180	**74.48**	74.48	Mauritius	Blending and trading of fertilizers

* In the financial year ended 31 December 2024, the Company acquired additional equity shares in The Mauritius Chemical and Fertilizer Industry Limited (MCFI), for a consideration paid in cash amounting to Rs.7,345,495, thereby increasing its shareholding from 70.14% to 74.48%. Henceforth, the effective percentage holding for Bychemex Limited, Chemco Limited, Coolkote Ltd, MCFI Export Ltd, MCFI International (Tanzania) Limited, Logima Reunion SAS, MCFI Int. & Co Ltd, MCFI International (Zambia) Pty Ltd and Suchem Ltd have increased to 74.48% accordingly.

**During the financial year ended 31 December 2025, Logima Ltee ("Logima") was amalgamated into the surviving company, Informatics Business Solutions Ltd ("IBS"). Please refer to note 42.

***On 25 September 2025, Harel Mallac & Co. Ltd disposed its 100% shares in Linxia Ltd. Please refer to Note 41 for discontinued operation at Group level.

Notes to the Financial Statements

for the year ended 31 December 2025

10. INVESTMENTS IN SUBSIDIARIES (cont'd)

(b) Subsidiaries with material non-controlling interests

Details for subsidiaries that have non-controlling interests that are material to the entity:

Name	Profit allocated to non-controlling interests during the period	Accumulated non-controlling interests at 31 December 2025
	Rs'000	Rs'000
2025		
The Mauritius Chemical and Fertilizer Industry Limited	**14,871**	143,509

Name	Profit allocated to non-controlling interests during the period	Accumulated non-controlling interests at 31 December 2024
	Rs'000	Rs'000
2024		
The Mauritius Chemical and Fertilizer Industry Limited	(10,080)	144,477

(c) Summarised financial information on subsidiaries with material non-controlling interests

(i) Summarised statement of financial position and statement of profit or loss and other comprehensive income:

Name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/ (loss) for the year	Other Comprehensive Income	Dividend payable to non-controlling shareholders
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2025								
The Mauritius Chemical and Fertilizers Industry Limited	**834,080**	**772,875**	**907,167**	**349,077**	**1,160,585**	**(54,407)**	**3,494**	**-**
2024								
The Mauritius Chemical and Fertilizers Industry Limited	795,270	745,374	797,614	348,826	1,253,060	(41,585)	(41,722)	-

Notes to the Financial Statements

for the year ended 31 December 2025

10. INVESTMENTS IN SUBSIDIARIES (cont'd)

(ii) Summarised cash flow information:

Name	Operating activities	Investing activities	Financing activities	Net decrease in cash and cash equivalents
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
The Mauritius Chemical and Fertilizer Industry Limited	**40,728**	**(26,148)**	**(85,318)**	**(70,738)**
2024				
The Mauritius Chemical and Fertilizer Industry Limited	(55,233)	(58,953)	56,646	(57,540)

The summarised financial information disclosed above is before intra-group eliminations.

	THE COMPANY	
	2025	2024
	Rs'000	Rs'000
(d) (i) Investments in subsidiaries include the following:		
Equity securities at fair value:		
- Official market	**132,755**	131,116
- Unquoted	**507,763**	454,932
	640,518	586,048

(ii)

THE COMPANY	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2025				
Investment in subsidiaries	**132,755**	**-**	**507,763**	**640,518**
At 31 December 2024				
Investment in subsidiaries	131,116	-	454,932	586,048

Instruments included in level 1 comprise primarily of quoted equity investments and other investments valued at available market price.

If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Financial Statements

for the year ended 31 December 2025

10. INVESTMENTS IN SUBSIDIARIES (cont'd)

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

Valuation of investments classified in level 3, has been based on the marketable earnings, discounted cash flow and net asset basis.

(iii) The table below shows the changes in level 3 instruments.

	THE COMPANY Level 3 2025 Rs'000	THE COMPANY Level 3 2024 Rs'000
At 1 January	**454,932**	472,274
Additions	**19,500**	500
Fair value gain/(loss)	**33,331**	(17,842)
At 31 December	**507,763**	454,932

11. INVESTMENTS IN ASSOCIATES

	2025 Rs'000	2024 Rs'000 Restated
(a) THE GROUP		
At 1 January		
- as previously reported	**1,452,604**	573,377
- effect of prior year adjustments (Note 40)	**(65,033)**	797,905
As restated	**1,387,571**	1,371,282
Share of profit	**102,946**	54,151
Dividends	**(54,853)**	(55,677)
Movements in other reserves	**22,480**	17,815
At 31 December	**1,458,144**	1,387,571
Made up as follows:		
Share of net assets	**1,349,352**	1,278,779
Goodwill on acquisition	**108,792**	108,792
	1,458,144	1,387,571

Notes to the Financial Statements

for the year ended 31 December 2025

11. INVESTMENTS IN ASSOCIATES (cont'd)

One of the material associates of the Group, accounted using equity method and included in investments in associates on the consolidated statement of financial position as at 31 December 2025 is carried at Rs.989.1million.

The equity accounting of this material associate has been prepared using finanical information covering the period from January 1, 2025 to December 31, 2025. As the statutory audit of this associate for the financial year ended December 31, 2025 have not yet been finalised, our auditors were unable to verify the underlying financial data. Consequently, they could not obtain sufficient and appropriate audit evidence to confirm the carrying value of the Group's investment in this associate of Rs.989.1million as at December 31, 2025, nor its share of results of Rs 18.9million and other comprehensive income of Rs 17.8million for the reporting year.

Impairment

Assessment for impairment of carrying amount of associates was based on the fair value of the underlying investments. The fair value was determined on a mix of capitalisation of earnings, use of recent transaction value and net assets.

(b) THE COMPANY	2025 Rs'000	2024 Rs'000
At 1 January	**736,468**	741,749
Fair value gain/(loss)	**72,748**	(5,281)
At 31 December	**809,216**	736,468

Investments in associated companies comprise unquoted securities. The fair value of unquoted securities are based on capitalisation of maintainable earnings and cost as appropriate.

Investments in associated companies are measured at fair value through other comprehensive income and classified at level 3 in the fair value hierarchy.

Notes to the Financial Statements
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11. INVESTMENTS IN ASSOCIATES (cont'd)

(c) Summarised financial information

Summarised financial information in respect of each associate is set out below.

Name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit/(loss) for the year	Other comprehensive income / (loss) for the year	Total comprehensive income/(loss) for the year	Dividends declared during the year
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2025									
Biofert Co Ltd	**8,502**	**-**	**9,220**	**-**	**215**	**(15)**	**-**	**(15)**	**-**
Emineo Holding Limited	**152,357**	**58,098**	**64,037**	**3,571**	**651,883**	**59,153**	**9,976**	**69,129**	**(60,000)**
Maritim (Mauritius) Ltd	**2,734,556**	**6,277,676**	**552,900**	**1,823,843**	**915,923**	**82,466**	**77,938**	**160,404**	**-**
Rehm Grinaker Construction Co Ltd	**1,074,321**	**244,545**	**944,277**	**157,016**	**1,658,566**	**56,743**	**17,450**	**74,193**	**-**
Total Energies Marketing Mauritius Ltd	**1,950**	**2,201**	**2,464**	**485**	**10,831**	**199,661**	**(1,531)**	**198,130**	**-**
Touristic United Enterprise Ltd	**36,770**	**251,598**	**1,450**	**21,994**	**-**	**49,195**	**-**	**49,195**	**-**
2024									
Biofert Co Ltd	7,883	517	8,042	-	226	(530)	30	(500)	-
Emineo Holding Limited	358,683	159,047	380,304	3,707	332,209	(18,795)	(135)	(18,930)	(6,000)
Maritim (Mauritius) Ltd (Restated)	494,647	6,064,781	299,638	1,970,695	858,084	(53,685)	68,345	14,660	-
Rehm Grinaker Construction Co Ltd	910,882	215,781	846,499	136,785	1,366,641	57,194	6,699	63,893	-
Total Energies Marketing Mauritius Ltd (Restated)	1,966,785	1,998,004	2,396,814	367,447	11,588,492	200,693	(4,489)	196,204	(270,887)
Touristic United Enterprise Ltd	290,288	79,288	81,841	81,841	-	73,988	-	73,988	-

Notes to the Financial Statements
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11. INVESTMENTS IN ASSOCIATES (cont'd)

(d) The Group's interest in its principal associates are:

Name of Company	Country of incorporation and operation	Year ended	Nature of business	Effective % holding 2025	Effective % holding 2024
2025					
Biofert Co. Ltd*	Mauritius	30 June	Trading	**24.82**	24.82
Emineo Holding Limited	Mauritius	30 June	Investment holding company	**25.00**	25.00
Maritim (Mauritius) Ltd	Mauritius	31 December	Hotel operation	**22.86**	22.86
Rehm Grinaker Construction Co Ltd *	Mauritius	31 December	Building and civil engineering contractor	**28.11**	28.11
Total Energies Marketing Mauritius Ltd	Mauritius	31 December	Storage and wholesaling of petroleum products	**20.00**	20.00
Touristic United Enterprise Ltd	Mauritius	30 June	Investment holding company	**22.50**	22.50

* In the financial year ended 31 December 2024, the Company acquired additional equity shares in The Mauritius Chemical and Fertilizer Industry Limited (MCFI), for a consideration paid in cash amounting to Rs.7,345,495, increasing its shareholding in MCFI from 70.14% to 74.48%. Henceforth, the effective percentage holding in Biofert Ltd and Rehm Grinaker Construction Co Ltd has increased accordingly.

Notes to the Financial Statements

for the year ended 31 December 2025

11. INVESTMENTS IN ASSOCIATES (cont'd)

(e) Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

Name	Opening net assets: As previously reported 1 January 2025	Opening net assets: Effects of prior year adjustments 2025	Opening net assets: As restated 1 January 2025	Profit/(loss) for the year	Other comprehensive income/(loss) the year	Other movements	Dividend	Closing net assets	Ownership interest	Interest in associates	Goodwill	Carrying value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	%	Rs'000	Rs'000	Rs'000
2025												
Biofert Co Ltd	(1,928)	-	(1,928)	(15)	-	(951)	-	(2,894)	24.82	(718)	-	(718)
Emineo Holding Limited	133,717	-	133,717	59,153	9,976		(60,000)	142,846	25.00	35,712	-	35,712
Maritim (Mauritius) Ltd	4,277,826	(266,198)	4,011,628	82,466	77,937		-	4,172,031	22.86	953,726	35,413	989,139
Rehm Grinaker Construction Co Ltd	142,534	-	142,534	56,743	17,450		-	216,727	28.11	60,922	-	60,922
Total Energies Marketing Mauritius Ltd	1,200,520		1,200,520	199,661	(1,531)	3,070	(199,264)	1,202,456	20.00	240,491	73,380	313,871
Touristic United Enterprise Ltd	235,308	(21,312)	213,996	49,195	-		-	263,191	22.50	59,218	-	59,218
Total	5,987,977	(287,510)	5,700,467	447,203	103,832	2,119	(259,264)	5,994,357		1,349,351	108,793	1,458,144

For associates with non coterminous year end, management accounts for the year ended 31 December 2025 have been included in the consolidated financial statements.

Notes to the Financial Statements

for the year ended 31 December 2025

11. INVESTMENTS IN ASSOCIATES (cont'd)

(e) Reconciliation of summarised financial information (cont'd)

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

Name	Opening net assets: As previously reported 1 January 2024	Opening net assets: Effects of prior year adjustments 2024	Opening net assets: As restated 1 January 2024	Profit/(loss) for the year	Other comprehensive (loss)/income for the year	Other movements	Dividend	Closing net assets	Ownership interest	Interest in associates	Goodwill	Carrying value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	%	Rs'000	Rs'000	Rs'000
2024												
Biofert Co Ltd	(1,983)	-	(1,983)	(530)	30	555	-	(1,928)	24.82	(643)	-	(643)
Emineo Holding Limited	158,647	-	158,647	(18,795)	(135)	-	(6,000)	133,717	25.00	33,429	-	33,429
Maritim (Mauritius) Ltd	498,459	3,764,808	4,263,267	(53,685)	(216,139)	(101)	-	3,993,342	22.86	912,878	35,413	948,291
Rehm Grinaker Construction Co Ltd	78,691	-	78,691	57,194	6,699	(50)	-	142,534	28.11	40,066	-	40,066
Total Energies Marketing Mauritius Ltd	1,272,388	-	1,272,388	200,693	(4,489)	2,815	(270,887)	1,200,520	20.00	240,104	73,380	313,484
Touristic United Enterprise Ltd	161,316	-	161,316	73,988	-	4	-	235,308	22.50	52,944	-	52,944
Total	2,167,518	3,764,808	5,932,326	258,865	(214,034)	3,223	(276,887)	5,703,493		1,278,778	108,793	1,387,571

(f) For associates with non coterminous year end, management accounts for the year ended 31 December 2025 have been included in the consolidated financial statements.

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Equity investments at fair value through other comprehensive income

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At 1 January	**38,206**	26,768
Additions	**-**	4,971
Change in fair value recognised in other comprehensive income	**(4,134)**	6,467
At 31 December	**34,072**	38,206

	THE COMPANY	
	2025	2024
	Rs'000	Rs'000
At 1 January	**27,767**	21,276
Change in fair value recognised in other comprehensive income	**53**	6,491
At 31 December	**27,820**	27,767

(ii) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Quoted- Mauritius				
Banking	**3,577**	3,856	**3,577**	3,856
Sugar Industry	**7,473**	8,257	**7,473**	8,257
Unquoted- Mauritius				
Investment fund	**10,320**	9,392	**10,320**	9,392
Leisure	**916**	1,023	**916**	1,023
Others	**11,786**	15,678	**5,534**	5,239
	34,072	38,206	**27,820**	27,767

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (cont'd)

(iii) **Fair values**

THE GROUP	Level 1	level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2025				
Financial assets at fair value through other comprehensive income	**11,050**	**-**	**23,022**	**34,072**
At 31 December 2024				
Financial assets at fair value through other comprehensive income	12,113	-	26,093	38,206

THE COMPANY	Level 1	level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2025				
Financial assets at fair value through other comprehensive income	**11,050**	**-**	**16,770**	**27,820**
At 31 December 2024				
Financial assets at fair value through other comprehensive income	12,113	-	15,654	27,767

(iv) Financial assets measured at fair value through other comprehensive income include the Group's strategic equity investments not held for trading. The Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments.

(v) The fair value of quoted securities is based on published market prices. In assessing the fair value of unquoted securities, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at end of each reporting date.

(vi) Financial assets at fair value through other comprehensive income are denominated in Mauritian Rupees.

(vii) Impairment and risk exposure

All of the entity's investments at fair value through other comprehensive income are considered to have low credit risk. None of the assets are impaired.

Notes to the Financial Statements

for the year ended 31 December 2025

13. FINANCIAL ASSETS AT AMORTISED COST

(a)

THE GROUP

	2025		2024	
	Rs'000	Rs'000	Rs'000	Rs'000
	Current	Non-current	Current	Non-current
Amount receivable from related parties	-	-	13,981	-
Other receivables (see Note b)	265,430	92	264,079	186
	265,430	92	278,060	186
Less: Loss allowance for financial assets amortised cost (see Note (c)(i))	(7,055)	-	(1,693)	-
	258,375	92	276,367	186

THE COMPANY

	2025		2024	
	Rs'000	Rs'000	Rs'000	Rs'000
	Current	Non-current	Current	Non-current
Amount receivable from associates (see Note 33(b)(i))	41,576	-	13,981	-
Other receivables (see Note b)	16,943	-	30,852	53,721
	58,519	-	44,833	53,721
Less: Loss allowance for financial assets at amortised cost (see Note (c)(i))	-	-	-	-
	58,519	-	44,833	53,721

(b) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group and the Company. Collateral is not normally obtained. The non-current other receivables have no fixed terms of repayments.

Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

Notes to the Financial Statements

for the year ended 31 December 2025

13. FINANCIAL ASSETS AT AMORTISED COST (cont'd)

(c) Impairment and risk exposure

(i) The loss allowance for financial assets at amortised cost as at 1 January 2024 reconciles to the closing loss allowance on 31 December 2024 and to the closing loss allowance as at 31 December 2025 as follows:

THE GROUP	Loss allowance
Other receivables and amount receivable from related parties	Rs'000
Loss allowance at 1 January 2024	1,693
Allowance recognised in profit or loss during the year	-
Receivables write-off during the year	-
Loss allowance at 31 December 2024	1,693
Allowance recognised in profit or loss during the year	5,362
Receivables write-off during the year	-
Loss allowance at 31 December 2025	**7,055**

THE COMPANY	Loss allowance
	Rs'000
Amount receivable from related parties	
Loss allowance at 1 January and 31 December 2024 and 31 December 2025	-

(ii) The financial assets at amortised cost are denominated in the following currencies:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Mauritian rupee	242,876	261,660
US Dollar	348	6,304
Other	15,243	8,589
	258,467	276,553

Notes to the Financial Statements

for the year ended 31 December 2025

13. FINANCIAL ASSETS AT AMORTISED COST (cont'd)

(c) Impairment and risk exposure (cont'd)

	THE COMPANY	
	2025	2024
	Rs'000	Rs'000
Mauritian rupee	**58,519**	98,554

14. INVESTMENTS IN JOINT VENTURES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**2,549**	4,854	**12,217**	12,217
Share of profit/(loss)	**12**	(2,305)	**-**	-
Fair value loss	**-**	-	**(4,544)**	-
At 31 December	**2,561**	2,549	**7,673**	12,217

(a) Information in respect of the joint ventures is as follows:

Name of company	Country of incorporation and operation	Year end	Proportion of interest and voting rights 2025 & 2024	Principal activity
Solar Field Ltd	Mauritius	December 31,	**51%**	Manufacture of electricity, distribution and control apparatus

Notes to the Financial Statements

for the year ended 31 December 2025

14. INVESTMENTS IN JOINT VENTURES (cont'd)

(b) Summarised financial information in respect of the Group's material joint venture is set out below.

The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS.

Summarised statement of financial position of Solar Field Ltd

	2025	2024
	Rs'000	Rs'000
Current assets	**14,544**	14,414
Non-current assets	**115,044**	126,697
Current liabilities	**55,772**	54,608
Non-current liabilities	**69,233**	81,504
The above amounts of assets include the following:		
Cash and cash equivalents	**3,101**	1,510

(c) Summarised statement of profit or loss and other comprehensive income of Solar Field Ltd

	2025	2024
	Rs'000	Rs'000
Revenue	**23,141**	21,359
Profit before finance cost	**4,790**	660
Finance cost	**(5,229)**	(8,844)
Loss before tax	**(439)**	(4,958)
Income tax	**-**	-
Loss for the year	**(439)**	(4,958)
Other comprehensive income	**-**	-
Total comprehensive loss for the year	**(439)**	(4,958)

Notes to the Financial Statements

for the year ended 31 December 2025

15. INVENTORIES

	THE GROUP 2025 Rs'000	2024 Rs'000
Raw materials	**131,409**	88,889
Finished goods	**447,403**	589,172
Work in progress	**15,538**	-
Goods in transit	**47,040**	59,663
Consumables	**62,241**	136
	703,631	737,860

Bank borrowings are secured by floating charges on the assets of the Group including inventories. The cost of inventories recognised as expense and included in cost of sales amounted to **Rs.2.4 billion** (2024: Rs.2.8 billion).

16. TRADE RECEIVABLES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade receivables	**959,248**	1,072,321	**91,991**	52,138
Less: loss allowances	**(192,071)**	(215,282)	**(45,698)**	(11,072)
	767,177	857,039	**46,293**	41,066

(i) Impairment of trade receivables

The Group applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables. The trade receivables have been divided into uninsured and insured and its impact on impairment. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics which considers the credit rating and scoring based on the days past due of each receivable. The longer the days past due the lower the credit rating and scoring, hence the higher the probability of default. The probability of default is adjusted to reflect current and forward-looking information on macroeconomic factors impacting the ability of the customers to settle the receivables. The Group has identified the gross domestic product ("GDP"), unemployment rate ("unem") and inflation ("inf") as the key macroeconomic factors in the countries where the Group operates.

Notes to the Financial Statements

for the year ended 31 December 2025

16. TRADE RECEIVABLES (cont'd)

(i) Impairment of trade receivables (cont'd)

On that basis, the loss allowance as at 31 December 2025 and 2024 were determined as follows for trade receivables:

THE GROUP	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 120 days past due**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 31 December 2025					
Expected loss rate	**1%**	**0%**	**2%**	**71%**	**20%**
Gross carrying amount - trade receivable	**473,852**	**148,986**	**72,979**	**263,431**	**959,248**
Loss allowance	**2,687**	**174**	**1,327**	**187,883**	**192,071**

THE GROUP	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2024					
Expected loss rate	0%	0%	1%	63%	20%
Gross carrying amount - trade receivable	341,176	246,658	148,219	336,268	1,072,321
Loss allowance	145	779	1,931	212,427	215,282

THE COMPANY	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 120 days past due**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At 31 December 2025					
Expected loss rate	**1%**	**27%**	**58%**	**57%**	**50%**
Gross carrying amount - trade receivable	**9,994**	**4,503**	**14,679**	**62,815**	**91,991**
Loss allowance	**72**	**1,231**	**8,479**	**35,916**	**45,698**

THE COMPANY	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 31 December 2024					
Expected loss rate	7%	9%	22%	86%	24%
Gross carrying amount - trade receivable	21,761	7,436	17,039	5,902	52,138
Loss allowance	1,578	698	3,741	5,055	11,072

Notes to the Financial Statements
for the year ended 31 December 2025

16. TRADE RECEIVABLES (cont'd)

(i) Impairment of trade receivables (cont'd)

The closing loss allowances for trade receivables as at 31 December 2025 reconcile to the opening loss allowances as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**215,282**	201,524	**11,072**	8,642
Loss allowance recognised during the year	**37,881**	16,799	**34,626**	2,430
Receivables amount written off during the year	**(1,107)**	-	**-**	-
Unused amount reversed during the year	**(57,107)**	-	**-**	-
Disposal of subsidiary	**(2,687)**	-	**-**	-
Exchange difference	**(191)**	(3,041)	**-**	-
At 31 December	**192,071**	215,282	**45,698**	11,072

(ii) The Group's and the Company's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rupee	**510,210**	593,209	**46,293**	41,066
US Dollar	**182,773**	127,798	**-**	-
Euro	**5,490**	5,011	**-**	-
Other currencies	**68,704**	131,021	**-**	-
	767,177	857,039	**46,293**	41,066

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

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for the year ended 31 December 2025

17. SHARE CAPITAL

	THE GROUP AND THE COMPANY	
	2025	2024
	Rs'000	Rs'000
Authorised		
12,500,000 ordinary shares of Rs10 each	**125,000**	125,000
Issued and fully paid		
11,259,388 ordinary shares of Rs10 each	**112,594**	112,594

18. REVALUATION AND OTHER RESERVES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Revaluation reserve (Note (a) below)	**781,889**	692,107	**484,974**	478,283
Translation reserve and other reserves (Note (b) below)	**(45,873)**	(56,346)	**-**	-
Associate reserves (Note (c) below)	**727,819**	705,339	**-**	-
Investment reserve	**4,176**	4,176	**4,176**	4,176
General reserve	**5,521**	5,521	**5,521**	5,521
	1,473,532	1,350,797	**494,671**	487,980

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for the year ended 31 December 2025

18. REVALUATION AND OTHER RESERVES (cont'd)

(a) Revaluation reserve

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**692,107**	692,107	**478,283**	478,283
Revaluation gain for the year, net of deferred tax	**104,968**	-	**21,547**	-
Transfer from Property, Plant and Equipment to Investment Property	**(14,856)**	-	**(14,856)**	-
Disposal of subsidiary	**(330)**	-	**-**	-
At 31 December	**781,889**	692,107	**484,974**	478,283

(b) Translation reserve

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At 1 January	**(56,346)**	(56,698)
Currency translation differences and others	**10,473**	352
At 31 December	**(45,873)**	(56,346)

(c) Associate reserves

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
		Restated
At 1 January		
- as previously reported	**705,339**	752,557
- effect of prior year adjustments (Note 40)	**-**	(65,033)
As restated	**705,339**	687,524
Movement in associates reserves (Note 11)	**22,480**	17,815
At 31 December	**727,819**	705,339

Notes to the Financial Statements

for the year ended 31 December 2025

19. BORROWINGS

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current				
Bank overdraft (Note 33(b))	**439,071**	365,113	**92,669**	-
Bank loans	**160,277**	236,041	**75,000**	75,000
Loan at call	**-**	-	**21,846**	21,412
Other loans	**339,798**	454,081	**-**	-
	939,146	1,055,235	**189,515**	96,412

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Non-current				
Bank loans	**552,539**	605,951	**350,000**	350,000
Other loans	**21,667**	-	**-**	-
Unsecured loans	**-**	-	**69,801**	199,818
	574,206	605,951	**419,801**	549,818
Total borrowings	**1,513,352**	1,661,186	**609,316**	646,230

(a) The borrowings include secured liabilities (overdrafts and loans amounting to **Rs 1,514m** (2024: Rs 1,661m) and **Rs 545m** (2024: Rs 446m) for the Group and the Company respectively. The bank borrowings are secured over certain specifically identified land and buildings and investment properties of the Group and also over inventories and current assets.

Notes to the Financial Statements

for the year ended 31 December 2025

19. BORROWINGS (cont'd)

(b) The exposure of the Group's and the Company's borrowings to interest-rate changes and the contractual repricing dates are as follows:

THE GROUP	1 year	1 - 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At December 31, 2025				
Total borrowings	**939,146**	**370,943**	**203,263**	**1,513,352**
At December 31, 2024				
Total borrowings	1,055,235	366,013	239,938	1,661,186

THE COMPANY	1 year	1 - 5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At December 31, 2025				
Total borrowings	**189,515**	**216,539**	**203,262**	**609,316**
At December 31, 2024				
Total borrowings	138,547	267,743	239,940	646,230

(c) The maturity of current and non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Within 1 year	**939,146**	1,055,235	**189,515**	96,412
After 1 year and before 2 years	**247,997**	146,091	**135,626**	62,500
After 2 years and before 5 years	**122,946**	219,922	**80,913**	247,380
After 5 years	**203,263**	239,938	**203,262**	239,938
	1,513,352	1,661,186	**609,316**	646,230

Notes to the Financial Statements

for the year ended 31 December 2025

19. BORROWINGS (cont'd)

(d) The effective interest rates at the end of the reporting date were as follows:

THE GROUP	**2025** USD %	**2025** Rs %	2024 USD %	2024 Rs %
Bank overdrafts	**5.50**	**4.10 - 8.45**	5.50	4.10 - 8.45
Bank loans	**6.50**	**1.50 - 7.15**	6.50	1.50 - 7.15
Other loans	**N/A**	**1.50 - 7.15**	N/A	1.50 - 7.15
Unsecured loans	**N/A**	**5.75**	N/A	5.75

THE COMPANY	**2025** %	2024 %
Bank overdrafts	**6.25 - 6.75**	6.25 - 6.75
Bank loans	**6.25 - 6.75**	6.25 - 6.75
Loans at call	**4.25 - 6.75**	6.25 - 6.75
Other loans	**5.00 - 15.00**	5.00
Unsecured loans	**6.25 - 6.75**	6.25 - 6.75

(e) Borrowings are denominated in the following currencies:

	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian Rupees	**1,360,487**	1,285,553	**609,316**	646,230
US Dollar	**139,608**	348,072	**-**	-
Euro	**13,257**	27,561	**-**	-
	1,513,352	1,661,186	**609,316**	646,230

(f) The carrying amount of borrowings are not materially different from the fair value.

Notes to the Financial Statements

for the year ended 31 December 2025

20. DEFERRED TAXES

Deferred tax is calculated on all temporary differences under the liability method at **19%/17%/15%** (2024: 19%/15%).

Deferred tax assets and liabilities are offset when the deferred taxes relate to the same fiscal authority. The following amounts are shown on the statement of financial position.

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Deferred tax assets	**(50,433)**	(41,533)	**-**	-
Deferred tax liabilities	**90,136**	62,371	**59,022**	50,476
	39,703	20,838	**59,022**	50,476

The movement in deferred tax is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**20,838**	47,017	**50,476**	46,799
(Credited)/charged to profit or loss (Note 23(a))	**(7,810)**	(19,602)	**8,393**	4,119
Charged/(credited) to other comprehensive income	**26,675**	(6,577)	**152**	(442)
At 31 December	**39,703**	20,838	**59,021**	50,476

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable. The Group has tax losses of **Rs 444m** (2024: Rs 505m) to carry forward against future taxable income. The Company has tax losses of **Rs 80m** (2024: Rs 80m) to carry forward against future taxable income. A deferred tax asset has not been recognised in respect of **Rs 65m** (2024: Rs 50m) for the Group and **Rs 15m** (2024: Rs 12m) for the Company in respect of such losses due to uncertainty of their recoverability.

Notes to the Financial Statements

for the year ended 31 December 2025

20. DEFERRED TAXES (cont'd)

Deferred tax liabilities and assets and deferred tax (credit)/charge in profit or loss and equity are attributable to the following items:

THE GROUP	At 1 January 2025	(Credited)/ charged to profit or loss	Charged/ (credited) to other comprehensive income	At 31 December 2025
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax liabilities				
Asset revaluations	40,305	6,127	18,692	65,124
Accelerated tax depreciation	52,570	(3,818)	742	49,494
Retirement benefit asset	(10,225)	(387)	-	(10,612)
Exchange difference	428	-	-	428
Right-of-use asset	118,297	(4,200)	-	114,097
Effect of change in tax rate	-	(1,275)	-	(1,275)
Others	11,712	-	-	11,712
	213,087	(3,553)	19,434	228,968
Deferred tax assets				
Tax losses	(23,303)	(8,987)	-	(32,290)
Retirement benefit obligations	(29,840)	3,040	4,044	(22,756)
Accelerated tax depreciation	(1,585)	(1,583)	-	(3,168)
Expected credit losses	(1,979)	(569)	-	(2,548)
Lease liabilities	(123,720)	3,355	3,197	(117,168)
Others	(11,823)	488	-	(11,335)
	(192,250)	(4,256)	7,241	(189,265)
Net deferred income tax liabilities	20,837	(7,809)	26,675	39,703

Notes to the Financial Statements

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20. DEFERRED TAXES (cont'd)

THE GROUP	At 1 January 2024	(Credited)/ charged to profit or loss	Charged/ (credited) to other comprehensive income	At 31 December 2024
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax liabilities				
Asset revaluations	38,461	1,844	-	40,305
Accelerated tax depreciation	63,258	(10,688)	-	52,570
Retirement benefit asset	(10,225)	-	-	(10,225)
Exchange difference	428	-	-	428
Right-of-use asset	110,542	7,755	-	118,297
Others	12,554	(1,503)	662	11,713
	215,018	(2,592)	662	213,088
Deferred tax assets				
Tax losses	(16,114)	(7,189)	-	(23,303)
Retirement benefit obligations	(30,469)	7,868	(7,239)	(29,840)
Accelerated tax depreciation	(1,483)	(102)	-	(1,585)
Expected credit losses	(1,979)	-	-	(1,979)
Lease liabilities	(112,713)	(11,007)	-	(123,720)
Others	(5,243)	(6,580)	-	(11,823)
	(168,001)	(17,010)	(7,239)	(192,250)
Net deferred income tax liabilities	47,017	(19,602)	(6,577)	20,838

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20. DEFERRED TAXES (cont'd)

THE COMPANY	At 1 January 2025	Charged to profit or loss	Credited to other comprehensive income	At 31 December 2025
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Deferred tax liabilities				
Right-of-use asset	**1,009**	**-**	**-**	**1,009**
Accelerated tax depreciation	**22,145**	**(604)**	**780**	**22,321**
Asset revaluations	**32,417**	**6,445**	**-**	**38,862**
	55,571	**5,841**	**780**	**62,192**
Deferred tax assets				
Lease liabilities	**(1,083)**	**-**	**-**	**(1,083)**
Retirement benefit obligations	**(4,012)**	**2,514**	**(590)**	**(2,088)**
	(5,095)	**2,514**	**(590)**	**(3,171)**
Net deferred income tax liabilities	**50,476**	**8,355**	**190**	**59,021**

THE COMPANY	At 1 January 2024	(Credited)/ charged to profit or loss	Credited to other comprehensive income	At 31 December 2024
	Rs'000	Rs'000	Rs'000	Rs'000
Deferred tax liabilities				
Right-of-use asset	1,258	(249)	-	1,009
Accelerated tax depreciation	22,439	(294)	-	22,145
Asset revaluations	31,411	1,006	-	32,417
	55,108	463	-	55,571
Deferred tax assets				
Lease liabilities	(1,255)	172	-	(1,083)
Retirement benefit obligations	(7,054)	3,484	(442)	(4,012)
	(8,309)	3,656	(442)	(5,095)
Net deferred income tax liabilities	46,799	4,119	(442)	50,476

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21. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Amounts recognised on the statement of financial position:				
Made up as follows:				
Retirement benefit obligation	**106,819**	176,337	**13,925**	26,749
Pension benefits (Note (a)(ii))	**31,963**	68,080	**(723)**	6,128
Other post retirement benefits:				
-Former employees (Note (b)(i))	**13,198**	16,140	**11,846**	14,725
-Retirement gratuity (Note (c)(i))	**61,658**	92,117	**2,802**	5,896
	74,856	108,257	**14,648**	20,621
	106,819	176,337	**13,925**	26,749
Analysed as follows:				
Non-current liabilities	**106,819**	176,337	**13,925**	26,749
Amount charged/ (credited) to profit or loss:				
Pension benefits (Note (a)(vi))	**4,697**	6,157	**474**	1,343
Other post retirement benefits:				
-Former employees (Note (b)(iv))	**692**	775	**631**	652
-Retirement gratuity (Note (c)(ii))	**13,305**	11,496	**1,167**	1,300
	13,997	12,271	**1,798**	1,952
	18,694	18,428	**2,272**	3,295
Amount charged/ (credited) to other comprehensive income				
Pension benefits (Note (a)(vii))	**(19,190)**	13,335	**1,179**	(596)
Other post retirement benefits:				
-Former employees (Note (b)(v))	**(768)**	772	**(852)**	1,907
-Retirement gratuity (Note (c)(v))	**(27,554)**	27,620	**(4,261)**	1,990
	(28,322)	28,392	**(5,113)**	3,897
	(47,512)	41,727	**(3,934)**	3,301

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for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(a) Pension benefits

(i) The assets of the fund are held independently and administered by an insurance company.

(ii) The amounts recognised on the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of funded obligations (Note (a) (iv))	**247,037**	278,293	**69,494**	64,890
Fair value of plan assets (Note (a) (iv))	**(215,074)**	(210,213)	**(70,217)**	(58,762)
Liability on the statement of financial position	**31,963**	68,080	**(723)**	6,128

(iii) The reconciliation of the opening balances to the closing balances for the net benefit defined liability is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**68,080**	93,624	**6,128**	22,060
Charged to profit or loss	**4,697**	6,157	**474**	1,343
(Credited)/charged to other comprehensive income	**(19,190)**	13,335	**1,179**	(596)
Disposal of subsidiary	**(1,675)**	-	**-**	-
Contributions paid	**(19,949)**	(45,036)	**(8,504)**	(16,679)
Balance at 31 December	**31,963**	68,080	**(723)**	6,128

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(a) Pension benefits (cont'd)

(iv) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 January	278,293	298,149	64,890	61,595
Current service cost	2,000	2,318	389	367
Interest cost	12,202	13,020	2,839	2,764
Effect of curtailments/settlements	(9,871)	460	-	-
Actuarial losses/(gains)	(15,075)	15,261	2,122	581
Benefit paid	(20,512)	(50,915)	(746)	(417)
At 31 December	247,037	278,293	69,494	64,890

(v) The movement in the fair value of plan assets over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 1 January	(210,213)	(204,525)	(58,762)	(39,535)
Interest income	(9,505)	(10,455)	(2,754)	(2,134)
Scheme expenses	-	593	-	324
Cost of insuring risk benefits	-	221	-	22
Actuarial gain	(4,115)	(1,926)	(942)	(1,177)
Employers' contributions	(19,937)	(45,036)	(8,504)	(16,679)
Fair value adjustment on planned assets	8,184	-	-	-
Benefits paid	20,512	50,915	745	417
At 31 December	(215,074)	(210,213)	(70,217)	(58,762)

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(a) Pension benefits (cont'd)

(vi) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current service cost	2,000	2,318	389	367
Interest cost	2,697	2,565	85	630
Scheme expenses	-	593	-	324
Cost of insuring risk benefits	-	221	-	22
Effect of curtailments/settlements	-	460	-	-
Total included in employee benefit expense	4,697	6,157	474	1,343

'The total charge of **Rs. 7.1M** for the Group (2024: total charge of Rs.6.2M) and total charge of **Rs.1.3M** for the Company (2024: total credit of Rs.1.3M) are included in employee benefit expense.

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Actual return on plan assets	13,619	12,380	3,697	3,310

(vii) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Remeasurement on the net defined benefit liability:				
Liability experience gains	(3,021)	(1,926)	(943)	(1,177)
(Gains)/ losses on pension scheme asset	(4,115)	(260)	(2,994)	400
Changes in assumptions underlying present value of scheme	(12,054)	15,521	5,116	181
Actuarial losses/(gains)	(19,190)	13,335	1,179	(596)

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(a) Pension benefits (cont'd)

(viii) The assets of the plan are invested in the Deposit Administration Policy underwritten by Actuarix Consulting Limited. The Deposit Administration Policy is a pooled insurance product for Group Pension Schemes. It is a long-term investment policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments such as Equity Funds. Moreover, the Deposit Administration Policy offers a minimum guaranteed return of 4% p.a.

(ix) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP AND THE COMPANY	
	2025	2024
	%	%
Discount rate	**4.50 - 5.20**	4.50 - 5.20
Expected return on plan assets	**4.0**	4.0
Future salary increases	**1.00**	1.00

Note: Defined benefit assets have not been recognised for some subsidiaries on the basis that in future, contributions are not expected to be reduced.

(b) Other post retirement benefits

Other post retirement benefits comprise obligation for former employees and retirement gratuity payable under the Worker's Rights Act.

Former employees

(i) The movement in the retirement benefit obligations for former employees obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**16,140**	18,330	**14,725**	15,548
Total expense charged in profit or loss (Note (b)(iv))	**692**	775	**631**	652
Actuarial losses recognised in other comprehensive income	**(768)**	772	**(852)**	1,907
Benefits paid	**(2,866)**	(3,737)	**(2,658)**	(3,382)
At 31 December	**13,198**	16,140	**11,846**	14,725

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(b) Other post retirement benefits (cont'd)

(ii) The amounts recognised on the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of unfunded obligations	**13,198**	16,140	**11,846**	14,725
Liability on the statement of financial position	**13,198**	16,140	**11,846**	14,725

(iii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**16,140**	18,330	**14,725**	15,548
Past service cost	**-**	-	**-**	-
Interest cost	**692**	775	**631**	652
Actuarial losses	**(768)**	772	**(852)**	1,907
Benefits paid	**(2,866)**	(3,737)	**(2,658)**	(3,382)
At 31 December	**13,198**	16,140	**11,846**	14,725

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Interest cost	**692**	775	**631**	652
Past service cost	**-**	-	**-**	-
Total included in employee benefit expense	**692**	775	**631**	652

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(b) Other post retirement benefits (cont'd)

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Remeasurement on the net defined benefit liability:				
Liability experience losses	**(768)**	772	**(852)**	1,907
Actuarial losses arising from changes in financial assumptions	**-**	-	**-**	-
Actuarial losses	**(768)**	772	**(852)**	1,907

(vi) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	%	%	**%**	%
Discount rate	**5.2**	5.2	**5.2**	4.7
Future pension increases	**4.2**	4.2	**4.2**	4.2

(c) Retirement gratuity

(i) The amounts recognised on the statement of financial position are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Present value of unfunded obligations	**61,658**	92,117	**2,802**	5,896
Liability on the statement of financial position	**61,658**	92,117	**2,802**	5,896

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(c) Retirement gratuity (cont'd)

(ii) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**8,218**	8,678	**898**	1,157
Interest cost	**4,529**	3,099	**306**	143
Effect of curtailement/settlements	**(278)**	(281)	**-**	-
Past service cost recognised	**836**	-	**(37)**	-
Total included in employee benefit expense	**13,305**	11,496	**1,167**	1,300

(iii) The movement in the retirement benefit obligations over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**92,117**	60,443	**5,896**	2,612
Actuarial losses	**(27,554)**	27,620	**(4,261)**	1,990
Total expense (Note (c)(ii))	**13,306**	11,496	**1,167**	1,300
Disposal of subsidiary	**(5,454)**	-	**-**	-
Transfer	**(783)**	-	**-**	-
Benefits paid	**(9,974)**	(7,442)	**-**	(6)
At 31 December	**61,658**	92,117	**2,802**	5,896

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(c) Retirement gratuity (cont'd)

(iv) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**92,117**	60,443	**5,896**	2,612
Current service cost	**8,219**	8,678	**898**	1,157
Interest cost	**4,529**	3,099	**306**	143
Past service cost	**836**	-	**(37)**	-
Actuarial gains (Note (c)(v))	**(27,554)**	27,620	**(4,261)**	1,990
Disposal of subsidiary	**(5,454)**	-	**-**	-
Effect of curtailments/settlements	**(278)**	(281)	**-**	-
Transfer	**(783)**	-	**-**	-
Benefits paid	**(9,974)**	(7,442)	**-**	(6)
At 31 December	**61,658**	92,117	**2,802**	5,896

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Remeasurement on the net defined benefit liability:				
Liability experience gains	**(18,397)**	23,208	**(3,896)**	1,670
Changes in assumptions underlying present value of scheme	**(9,157)**	4,412	**(365)**	320
Actuarial (losses)/gains	**(27,554)**	27,620	**(4,261)**	1,990

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(d) Sensitivity analysis on defined benefit obligations at end of the reporting date:

Pension benefits

December 31, 2025	Increase	Decrease
	Rs'000	Rs'000
Decrease in Defined Benefit Obligation due to 1% increase in discount rate	**-**	**15,130**
Increase in Defined Benefit Obligation due to 1% increase in discount rate	**16,261**	**-**
Increase in Defined Benefit Obligation due to 1% increase in Future long-term Salary assumption	**13,296**	**-**
Decrease in Defined Benefit Obligation due to 1% decrease in Future long-term Salary assumption	**-**	**11,977**

December 31, 2024	Increase	Decrease
	Rs'000	Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	-	14,222
Increase in befined benefit obligation due to 1% increase in future long-term salary assumption	12,465	-

Other post retirement benefits

December 31, 2025	Increase	Decrease
	Rs'000	Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	**-**	**586**
Increase in Defined Benefit Obligation due to 1% decrease in Discount Rate	**634**	**-**

Other post retirement benefits

December 31, 2024	Increase	Decrease
	Rs'000	Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	-	586

Notes to the Financial Statements

for the year ended 31 December 2025

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(d) Sensitivity analysis on defined benefit obligations at end of the reporting date: (cont'd)

Retirement gratuity

December 31, 2025	Increase Rs'000	Decrease Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	**-**	**9,314**
Increase in defined benefit obligation due to 1% decrease in Discount Rate	**11,188**	**-**
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	**10,772**	**-**
Decrease in defined benefit obligation due to 1% decrease in Future long-term Salary assumption	**-**	**9,110**

December 31, 2024	Increase Rs'000	Decrease Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	-	16,744
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	16,433	-

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on net defined obligations as a result of reasonable changes in key assumptions occuring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(e) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

21. RETIREMENT BENEFIT OBLIGATIONS (cont'd)

(f) The weighted average duration of the defined benefit obligation is:

	Years 2025	2024
Pension benefits	**3-12**	2-12
Other post retirement benefits	**5**	5
Retirement gratuity	**12-25**	7-25

(g) The asset of the plan are invested in Actuarix Deposit Administration Fund. The latter is expected to produce a smooth progression of return from one year to the next, the long term expected return on asset assumption has been based on historical performance of the fund. Expected return on equities has been based on equity risk premium above a risk free rate. The risk free rate has been measured in accordance to the yields on government bonds at the measurement date. The fixed interest portfolio includes government bonds, debentures, mortgages and cash. The expected return for this asset class has been based on yields of government bonds at the measurement date. There is no available benchmark for the expected return on properties. This has been based on a subjective judgement of the property market.

(h) Expected contributions to the pension plan for the year ended 31 December 2025 are **Rs 21.9m** (2024: Rs27.6m) for the Group and **Rs 9.1m** (2024: Rs 8.9m) for the Company.

(i) The pension plans expose the Group and the Company to the following risks:

(i) Longevity Risk

Pensions are bought out with an insurance company at retirement. Once bought out, the risk is therefore shifted to the insurance company. However, there is the risk that the cost of annuities increases before buying out.

(ii) Interest rate risk

If the bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

(iii) Investment risk

The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

(iv) Salary risk

If salary increases are higher than assumed in our basis, the liabilities would increase giving rise to actuarial losses.

Notes to the Financial Statements

for the year ended 31 December 2025

22. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade payables	**508,590**	432,341	**5,903**	7,890
Accruals and other payables	**622,826**	607,166	**15,719**	14,269
Amounts due to related parties	**1,751**	2,941	**1,955**	5,362
	1,133,167	1,042,448	**23,577**	27,521

23. CURRENT TAX ASSETS/ LIABILITIES

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
(a) **Charged to profit or loss:**				
Current tax on the adjusted profit for the year at 19%/17%/15% (2024: 17%/15%):				
- Continuing operations	**28,238**	24,506	**-**	-
(Over)/under provision in previous year	**(6)**	-	**-**	-
Deferred tax (Note 20)	**(7,810)**	(19,602)	**8,393**	4,119
Corporate social responsibility	**277**	1,184	**-**	-
Corporate climate responsibility levy	**847**	1,505	**-**	-
Tax charge/(credit)	**21,546**	7,593	**8,393**	4,119

Notes to the Financial Statements

for the year ended 31 December 2025

23. CURRENT TAX ASSETS/ LIABILITIES (cont'd)

(b) The tax on the Group's and Company's profit/(loss) before tax differs from the theoretical amount that would arise using the basic tax rate of the Group and Company as follows:

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit before taxation- attributed to continuing operations	**(4,557)**	(178,689)	**49,749**	70,836
Less net share of results of associates and joint ventures	**(102,960)**	(54,151)	**-**	-
	(107,517)	(232,840)	**49,749**	70,836
Tax calculated at a rate of 15%/17%/19% (2024: 17%/15%)	**(16,128)**	(34,368)	**7,462**	10,625
Effect of different tax rate	**(3,112)**	(904)		-
(Over)/under provision in previous year	**(6)**	(469)	**-**	-
Income not subject to tax	**(14,333)**	(13,190)	**(2,500)**	(11,631)
Expenses not deductible for tax purposes	**41,714**	35,784	**3,431**	3,528
Utilisation of tax losses for which no deferred tax was recognised	**(50)**	(2,053)	**-**	-
Other adjustments	**(22)**	(1,228)	**-**	(132)
Corporate social responsibility	**277**	1,184	**-**	-
Corporate climate responsibility levy	**847**	1,505	**-**	-
Tax losses for which no deferred tax recognised	**12,359**	21,332		1,729
Taxation charge	**21,546**	7,593	**8,393**	4,119

Further information about deferred tax is presented in Note 20.

24. ASSETS HELD FOR SALE

During the year, the board resolved to dispose of the group's bare land at Bois Marchand, Pamplemousses and negotiations with several interested parties have subsequently taken place. The disposal is consistent with the group's long-term policy to focus its activities on the group's other businesses. These operations, which are expected to be sold within 12 months, have been classified as a disposal group held for sale and presented separately in the statement of financial position.

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Bare land at Bois Marchand, Pamplemousses (Note 5)	**43,000**	-

Notes to the Financial Statements

for the year ended 31 December 2025

25. REVENUE

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
		Restated		
Revenue is made up of:				
Sales of goods	**3,021,700**	3,007,429	**-**	-
Sales of services	**326,431**	313,114	**68,624**	99,597
Revenue from contracts with customers	**3,348,131**	3,320,543	**68,624**	99,597
Other operating income	**16,830**	34,022	**3,933**	5,571
Rent	**23,953**	19,993	**54,463**	47,361
	40,783	54,015	**58,396**	52,932
Investment income				
- Listed	**-**	-	**669**	684
- Unquoted	**984**	1,220	**75,325**	71,929
Interest income	**178**	-	**13,090**	5,707
	1,162	1,220	**89,084**	78,320
	3,390,076	3,375,778	**216,104**	230,849

(a) Disaggregation of revenue from contracts with customers betweeen different segment and geography is shown in note 31.

	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
(b) Timing of revenue recognition				
At a point in time	**3,063,645**	3,062,664	**216,104**	230,849
Over time	**326,431**	313,114	**-**	-
	3,390,076	3,375,778	**216,104**	230,849

Notes to the Financial Statements

for the year ended 31 December 2025

25. REVENUE (cont'd)

(c) Assets and liabilities related to contracts with customers

	THE GROUP			
	Contract Assets		Contract Liabilities	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 January	**10,466**	116,673	**12,067**	23,452
Increase in impairment of contract assets	**-**	(37,081)	**(1,196)**	-
Transfers in the period from contract assets to trade receivables	**(2,645)**	(82,410)		-
Amounts included in contract liabilities that was recognised as revenue during the period	**-**	-	**-**	(9,620)
Transfers in the period from contract assets to raw materials, consumables and purchases of finished goods	**-**	(583)	**(10,871)**	-
Provision for cost not recognised as raw materials, consumables and purchases of finished goods	**-**	-	**-**	-
Excess of revenue recognised over rights to cash being recognised during the period	**(7,821)**	24,196	**-**	(12,636)
Cash received in advance of performance and not recognised as revenue during the period	**-**	-	**-**	10,871
Other movement	**-**	-	**7,285**	-
Effect of prior year restatement (Note 40)	**-**	(10,329)	**-**	-
	-	10,466	**7,285**	12,067

Contract assets and contract liabilities arise from some of the subsidiaries' installation services and design division, where contracts' period can run over the next financial year, because cumulative payments received from customers at the end of each reporting date do not necessarily equal the amount of revenue recognised on the contracts.

(i) Impairment of contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all contract assets.

To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Notes to the Financial Statements

for the year ended 31 December 2025

25. REVENUE (cont'd)

(c) Assets and liabilites related to contracts with customers (cont'd)

(i) Impairment of contract assets (cont'd)

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2025 or 1 January 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

No impairment of contract assets on 2025.

At 31 December 2024	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected loss rate	0%	0%	0%	5%	4%
Gross carrying amount - trade receivable	-	-	-	63,256	63,256
Loss allowance	-	-	-	(42,461)	(42,461)
Deferred cost					-
Effect of prior year restatement (Note 40)					(10,329)
					10,466

The closing loss allowances for contract assets as at 31 December reconcile to the opening loss allowances as follows:

	THE GROUP Contract assets 2025	2024
	Rs'000	Rs'000
Loss allowance as at 1 January	42,461	5,380
Recognised in profit or loss during the year	(42,461)	37,081
At 31 December	-	42,461

Notes to the Financial Statements

for the year ended 31 December 2025

25. REVENUE (cont'd)

(d) Remaining performance obligations

Certain installation contracts and contracts for the delivery of goods have been entered into for which both:

- the original contractual period extended over the next financial year; and
- the Group's right to consideration does not correspond directly with the performance.

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

	THE GROUP 2025	2024
	Rs'000	Rs'000 Restated
Installation contracts	-	10,466

26. PROFIT / (LOSS) BEFORE FINANCE COSTS

	THE GROUP 2025	2024	THE COMPANY 2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000 *(represented)*
Revenue	3,390,076	3,375,778	216,104	230,849
Changes in finished goods and work in progress	2,562	7,056	-	-
Raw materials, consumables and purchases of finished goods	(2,690,067)	(2,567,427)	-	-
Employee benefit expense (Note 29)	(768,067)	(719,425)	(96,989)	(97,912)
Depreciation and amortisation expense	(109,036)	(126,332)	(4,785)	(5,055)
Other gains/(losses)	-	6,089	-	2,392
Net increase in fair value of investment properties (Note 8)	61,283	14,859	43,805	14,388
Other operating income/(expenses)	83,892	(37,529)	(31,259)	(36,902)
Reversal of impairment of assets	58,214	-	-	-
Effect of prior year restatement (Note 40)	-	(24,273)	-	-
	28,857	(71,204)	126,876	107,760

Notes to the Financial Statements

for the year ended 31 December 2025

27. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Bank overdrafts	**33,651**	24,841	**4,940**	4,449
Bank loans repayable by instalments	**12,077**	6,963	**10,537**	19,084
Other loans not repayable by instalments	**68,804**	65,239	**26,715**	10,196
Leases	**24,624**	27,154	**284**	765
	139,156	124,197	**42,476**	34,494
Net foreign exchange transaction (gains)/ losses (Note (a))	**(11,129)**	(6,850)	**25**	-
	128,027	117,347	**42,501**	34,494

(a) Net foreign exchange (gains)/ losses

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
The exchange differences (credited)/charged to profit or loss are as follows:				
Other (gains)/losses	**(11,129)**	(6,850)	**25**	-

Notes to the Financial Statements

for the year ended 31 December 2025

28. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
The profit before taxation is arrived at after:				
(i) **Crediting:**				
Fair value gain on investment properties	**61,283**	14,859	**43,805**	14,388
(ii) **and Charging:**				
Depreciation				
- owned assets (Note 5)	**104,611**	83,854	**3,365**	3,387
Amortisation of intangible assets (Note 8)	**3,112**	4,505	**107**	8
Amortisation of right of use assets (Note 6)	**39,955**	37,973	**1,313**	1,660
Impairment of goodwill	**3,623**	27,490	**-**	-
Asset Written-off	**-**	1,339	**-**	-
Impairment of receivables (Note 16)	**37,881**	16,799	**34,626**	2,430
Employee benefit expense (Note 29)	**768,067**	719,425	**96,989**	97,912

29. EMPLOYEE BENEFIT EXPENSE

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Wages and salaries, including termination benefits	**682,538**	647,932	**90,755**	90,450
Social security costs	**50,857**	52,197	**3,962**	4,167
Pension costs - defined contribution plans	**15,978**	868	**-**	-
- defined benefit plans (Note 21)	**18,694**	18,428	**2,272**	3,295
	768,067	719,425	**96,989**	97,912

Notes to the Financial Statements
for the year ended 31 December 2025

30. OTHER COMPREHENSIVE INCOME

THE GROUP	Revaluation and other reserves	Fair value reserves	Actuarial loss	Total
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
Increase in fair value of equity instruments at fair value through other comprehensive income	-	(4,134)	-	(4,134)
Movement in actuarial reserve	-	-	49,717	49,717
Revaluation gain on Land and Buildings, net of deferred tax	104,968	-	-	104,968
Movement in associate reserves	22,480	-	-	22,480
Currency translation differences	24,376	-	-	24,376
Other comprehensive income for the year	**151,824**	**(4,134)**	**49,717**	**197,407**

	Revaluation and other reserves	Fair value reserves	Actuarial loss	Total
	Rs'000	Rs'000	Rs'000	Rs'000
2024				
Increase in fair value of equity instruments at fair value through other comprehensive income	-	6,467	-	6,467
Movement in actuarial reserve	-	-	(43,320)	(43,320)
Revaluation gain on Land and Buildings	-	-	-	-
Movement in associate reserves	17,815	-	-	17,815
Currency translation differences	352	-	-	352
Other comprehensive loss for the year	18,167	6,467	(43,320)	(18,686)

Notes to the Financial Statements
for the year ended 31 December 2025

30. OTHER COMPREHENSIVE INCOME (cont'd)

THE COMPANY	Revaluation and other reserves	Fair value reserves	Actuarial loss	Total
	Rs'000	Rs'000	Rs'000	Rs'000
2025				
Movement in actuarial reserve, net of deferred tax	-	-	4,524	4,524
Increase in fair value of equity instruments				-
through other comprehensive income	-	102,331	-	102,331
Revaluation gain on Land and Buildings, net of deferred tax	21,547	-	-	21,547
Other comprehensive income for the year	**21,547**	**102,331**	**4,524**	**128,402**
2024				
Movement in actuarial reserve	-	-	(2,861)	(2,861)
Increase in fair value of equity instruments at fair value				
through other comprehensive income	-	(33,892)	-	(33,892)
Other comprehensive (loss) for the year	-	(33,892)	(2,861)	(36,753)

31. DIVIDENDS

THE COMPANY

No dividend was declared and paid during the year ended **31 December 2025** (2024: nil).

32. EARNINGS PER SHARE

(a) From continuing operations

	THE GROUP		THE COMPANY	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Basic earnings per share				
Net (loss)/profit attributable to shareholders (Rs'000)	**(11,232)**	(176,202)	**41,356**	66,717
Number of ordinary shares in issue (thousands)	**11,259**	11,259	**11,259**	11,259
Basic (loss)/earnings per share (Rs/cents)	**(1.00)**	(15.65)	**3.67**	5.93

Notes to the Financial Statements
for the year ended 31 December 2025

32. EARNINGS PER SHARE (cont'd)

(b) From discontinued operations

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Basic earnings per share		
Net loss attributable to shareholders (Rs'000)	(12,166)	(20,555)
Number of ordinary shares in issue (thousands)	11,259	11,259
Basic loss per share (Rs/cents)	(1.08)	(1.83)

33. NOTES TO STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
		Restated		
(a) Cash generated from/(absorbed in) operations				
(Loss)/profit before taxation attributable to continuing operations	(4,557)	(178,689)	49,749	70,836
Loss before taxation attributable to discontinued operations	12,166	20,555	-	-
Depreciation and amortisation (Note 5 and Note 6)	107,723	88,359	3,472	3,395
Amortisation on right of use asset	39,955	37,973	1,313	1,660
Net share of results of associates	(102,948)	(51,846)	-	-
Share of results of joint ventures	(12)	(2,305)	-	-
Retirement benefit obligations	(14,095)	(37,787)	(8,890)	(16,772)
Goodwill derecognised on disposal of subsidiary	3,623	2,869	-	-
Asset written-off	-	1,339	-	-
Impairment of receivables	37,881	16,799	34,626	2,430
Gains on foreign exchange	(11,129)	(7,986)	-	-
Investment income	(984)	(1,220)	(75,994)	(72,613)
Interest income	(178)	-	(13,090)	(5,707)
Interest expense	139,156	126,370	42,476	34,494
Increase in fair value of investment property	(61,283)	(14,859)	(43,805)	(14,388)
Loss/(profit) on disposal of property, plant and equipment	8,368	-	(215)	-
Gain on disposal of subsidiary	(33,157)	-	-	-
Changes in working capital:				
- inventories	(34,229)	(160,905)	-	-
- trade receivable and financial asset at amortised cost and contract assets	107,948	134,622	(18,856)	(42,326)
- trade and other payables and contract liabilities	101,102	17,093	(3,943)	(11,511)
Cash generated from/(absorbed in) operations	295,350	(9,618)	(33,157)	(50,502)

Notes to the Financial Statements
for the year ended 31 December 2025

33. NOTES TO STATEMENTS OF CASH FLOWS (cont'd)

(b) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Bank and cash balances	142,281	195,438	1,401	31,253
Loan receivable at call	-	-	10,000	10,000
Bank overdrafts (Note 19)	(439,071)	(365,113)	(92,669)	-
Loan payable at call	-	-	(21,846)	(21,412)
	(296,790)	(169,675)	(103,114)	19,841

(c) Non cash transactions:

The principal non cash transactions for the group and the company are equity injection in subsidiary company and re-assignment of loan.

(d) Reconciliation of liabilities arising from financing activities

THE GROUP

	2024	Cash flows	Non Cash	2025
	Rs'000	Rs'000	Rs'000	Rs'000
Long-term borrowings	605,951	(31,745)	-	574,206
Short-term borrowings	690,122	(190,047)	-	500,075
Total	1,296,073	(221,792)	-	1,074,281

THE COMPANY

	2024	Cash flows	Non Cash	2025
	Rs'000	Rs'000	Rs'000	Rs'000
Long-term borrowings	549,818	(61,406)	(68,611)	419,801
Short-term borrowings	96,412	543	(109)	96,846
Total	646,230	(60,863)	(68,720)	516,647

Notes to the Financial Statements

for the year ended 31 December 2025

34. SEGMENT INFORMATION – THE GROUP

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. The Group's segments are: Investment & Corporate, Technology, Chemicals and Equipment & Systems.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on the basis of profit or loss from operations after tax expense.

The reportable segments are strategic business units that offer different products and services.

	Investment & Corporate	Technology	Chemicals	Equipment & Systems	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Year ended 31 December 2025						
Total segment revenues	**251,396**	**687,919**	**1,906,607**	**910,599**	**(366,445)**	**3,390,076**
Segment profit/(loss) before finance cost	**141,716**	**(35,257)**	**43,868**	**(20,190)**	**(101,280)**	**28,857**
Share of result of associates and joint ventures	**102,960**	**-**	**21,415**	**-**	**(21,415)**	**102,960**
Profit on sales of subsidiaries	**-**	**-**	**-**	**33,157**	**-**	**33,157**
Finance costs	**(42,447)**	**(6,012)**	**(61,458)**	**(27,521)**	**9,411**	**(128,027)**
Impairment of assets	**(3,623)**	**(19,117)**	**-**	**-**	**19,117**	**(3,623)**
Net impairment of receivables	**(35,315)**	**(1,632)**	**(8,704)**	**3,580**	**4,190**	**(37,881)**
Profit/(loss) before tax	**163,291**	**(62,018)**	**(4,879)**	**(10,974)**	**(89,977)**	**(4,557)**
Loss from discontinued operations	**-**	**(12,166)**	**-**	**-**	**-**	**(12,166)**
Income tax	**(10,043)**	**2,551**	**(15,556)**	**(1,665)**	**3,167**	**(21,546)**
Net profit/(loss) after tax	**153,248**	**(71,633)**	**(20,435)**	**(12,639)**	**(86,810)**	**(38,269)**
Total assets						
31 December 2025	**2,705,060**	**485,720**	**2,226,636**	**936,383**	**(971,783)**	**5,382,016**
31 December 2024	2,485,890	436,961	2,060,126	1,062,880	(664,565)	5,381,292

Notes to the Financial Statements

for the year ended 31 December 2025

34. SEGMENT INFORMATION – THE GROUP (cont'd)

The reportable segments are strategic business units that offer different products and services.

	Investment & Corporate	Technology	Chemicals	Equipment & Systems	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Year ended 31 December 2024						
Total segment revenues	253,794	673,910	1,990,611	859,278	(401,815)	3,375,778
Segment profit/(loss) before finance cost	127,819	(18,510)	33,753	(85,260)	(129,006)	(71,204)
Share of result of associates and joint ventures	54,151	-	21,585	-	(21,585)	54,151
Finance costs	(34,629)	(6,158)	(51,905)	(42,335)	17,680	(117,347)
Loss from discontinued operations	-	-	-	-	(20,555)	(20,555)
Net impairment of receivables	(916)	(439)	(1,770)	(31,096)	(10,068)	(44,289)
Profit/(Loss) before tax	146,425	(25,107)	1,663	(158,691)	(163,534)	(199,244)
Income tax	(4,119)	2,354	(7,482)	(6,355)	8,009	(7,593)
Net profit/(loss) after tax	142,306	(22,753)	(5,819)	(165,046)	(155,525)	(206,837)
Total assets						
31 December 2024	2,550,923	436,961	2,060,126	998,360	(665,078)	5,381,292
31 December 2023	2,534,879	451,962	1,911,433	1,048,900	(590,870)	5,356,304

Notes to the Financial Statements

for the year ended 31 December 2025

34. SEGMENT INFORMATION - THE GROUP (cont'd)

Geographical information

Although the Group's three business segments are managed in Mauritius, they operate in the following main geographical areas.

	Revenue from external customers		Non-current assets	
	2025	2024	**2025**	2024
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritius	**2,927,698**	2,896,909	**3,443,141**	3,278,921
Madagascar	**115,048**	160,913	**2,362**	2,905
Reunion	**252,843**	250,081	**15,846**	14,030
Africa	**94,487**	67,875	**1,142**	1,390
Total	**3,390,076**	3,375,778	**3,462,491**	3,297,246

The Group's customer base is highly diversified, with no individually significant customer.

35. CONTINGENT LIABILITIES

(i) During the current financial year, a litigation against the Harel Mallac HealthCare Ltd ("HMH") was referred to Arbitration, whereby the Government of Mauritius is making a claim against Harel Mallac Healthcare Ltd ("HMH") amounting to Rs'000 14,300 for an alleged delivery of defective equipment.

The Attorney and the Counsel of HMH consider that the proceedings of this case are still at a very early stage and are therefore unable to give further details or opinion on the outcome of the Arbitration.

(ii) At 31 December 2025, there is a claim amounting to USD'000 6,000 made by a supplier in 2012 to a subsidiary in respect of goods shipped to a company based in Reunion Island whereby the subsidiary acted as agent for the supplier. Based on a legal opinion, no provision has been made in the accounts of that subsidiary in respect of this claim. The claim is still being disputed by both parties, the outcome of which is uncertain at the date of signature of the accounts.

(iii) At 31 December 2025, the Group and the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of the business from which it is anticipated that no material liabilities would arise.

(iv) At 31 December 2025, no guarantee was given by the Group and the Company other than in the normal course of business.

Notes to the Financial Statements

for the year ended 31 December 2025

36. RELATED PARTY TRANSACTIONS

(a)	THE GROUP	Interest paid	Purchase of goods and services	Sales of goods and services	Management services and fees receivable	Loan from related party	Amount owed by related party	Amount owed to related party
		Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
(i)	**Year 2025**							
	Associated companies	**-**	**26,202**	**7,312**	**-**	**-**	**482**	**3,225**
	Directors and key management personnel	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Enterprises in which directors/ key management personnel (and close families) have significant/ substantial interest	**-**	**4,488**	**-**	**-**	**-**	**-**	**-**
	Shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii)	Year 2024							
	Associated companies	312	30,631	22,372	863	-	14,381	2,941
	Directors and key management personnel	-	-	63	-	-	18	-
	Enterprises in which directors/ key management personnel (and close families) have significant/substantial interest	-	4,363	-	-	-	-	-
	Shareholders	6,879	-	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31 December 2025

36. RELATED PARTY TRANSACTIONS (cont'd)

(b)	THE COMPANY	Interest received	Interest paid	Purchase of goods and services	Management services fees (payable)/ receivable	Loan due to related parties	Amount owed by related party	Amount owed to related party
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i)	**Year 2025**							
	Subsidiaries	**13,000**	**10,537**	**14,414**	**66,687**	**86,472**	**81,402**	**5,880**
	Associated companies	**-**	**-**	**1,468**	**-**	**-**	**41,576**	**-**
	Directors and key management personnel	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Enterprises in which directors/key management personnel (and close families) have significant/ substantial interest	**-**	**-**	**4,488**	**-**	**-**	**-**	**-**
	Shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii)	Year 2024							
	Subsidiaries	5,707	10,196	8,113	95,510	132,509	42,368	5,364
	Associated companies	-	-	-	863	-	13,981	-
	Directors and key management personnel	-	-	-	-	-	-	-
	Enterprises in which directors/key management personnel (and close families) have significant/ substantial interest	-	-	4,363	-	-	-	-
	Shareholders	-	6,879	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31 December 2025

36. RELATED PARTY TRANSACTIONS (cont'd)

	Remuneration and benefits	
	2025	2024
THE GROUP	**Rs'000**	Rs'000
Key management personnel compensation		
Salaries and short-term employee benefits	**134,276**	53,567
Post-employment benefits	**6,761**	10,387
	141,037	63,954

	Remuneration and benefits	
	2025	2024
THE COMPANY	**Rs'000**	Rs'000
Key management personnel compensation		
Salaries and short-term employee benefits	**16,439**	18,392
Post-employment benefits	**1,490**	1,441
	17,929	19,833

The sales to and purchases from related parties are made in the normal course of business. Outstanding trade balances at the year-end are unsecured, interest free (with the exception of loans and advances) and settlement occurs in cash. Rates of interest on loans and advances with related parties are disclosed in notes 10B and 16. There have been no guarantees provided or received for any related party receivables or payables. As at 31 December 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2024: Rs Nil). Assessment for impairment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37. OPERATING LEASE COMMITMENTS

The Group leases premises under non-cancellable operating lease agreements.

The Group's lease with the MPA is for a period of 9 years and 51 years. Lease term for the motor vehicles varies between 5 to 7 years.

Notes to the Financial Statements

for the year ended 31 December 2025

38. BUSINESS COMBINATIONS

THE GROUP

Summary of acquisitions

(a) Acquisition of additional interest in The Mauritius Chemical Fertilizer & Industry Limited (MCFI) by Harel Mallac & Co. Ltd

In the finanical year ended 31 December 2024, the Group acquired an additional of 4.066% interest in The Mauritius Chemical Fertilizer & Industry Limited (MCFI), increasing its ownership to 74.476%.

An analysis of assets and liabilities of MCFI at time of the additional acquisition of 4.066% in 2024 are as follows:

	Additional interests acquired
	2024
	Rs'000
Assets	
Property, plant and equipment	362,222
Rights of use of assets	195,818
Investment properties	8,003
Intangible assets	88,881
Investment in associates	29,998
Financial assets at FVOCI	4,221
Inventories	210,988
Trade receivables	459,418
Other assets	53,887
Current tax assets	2,669
Cash and cash equivalents	29,694
	1,445,799

Notes to the Financial Statements

for the year ended 31 December 2025

38. BUSINESS COMBINATIONS (cont'd)

(a) Acquisition of additional interest in The Mauritius Chemical Fertilizer & Industry Limited (MCFI) by Harel Mallac & Co. Ltd (Cont'd)

	Additional interests acquired
	2024
	Rs'000
Liabilities	
Borrowings	(413,920)
Lease liabilities	(229,085)
Deferred tax liabilities	(15,051)
Retirement benefit obligations	(22,537)
Trade and other payables	(328,479)
Current tax liabilities	(801)
	(1,009,873)
Net identifiable assets at date of additional acquisition / Net identifiable assets acquired	435,926
Less: Share of net assets already held by the Group	(306,935)
Less: Non-controlling interests	(111,266)
Share of net assets/(liabilities)	17,725
Purchase consideration	(7,346)
	10,379
Accounted as follows:	
Movement in Equity	10,379
Gain on bargain purchase/(goodwill)	-

Notes to the Financial Statements

for the year ended 31 December 2025

38. BUSINESS COMBINATIONS (cont'd)

(i) Purchase consideration - cash outflow

	MCFI Rs'000
Cash consideration	(7,346)
Net outflow of cash - investing activities	(7,346)

39. THREE YEAR SUMMARY - THE GROUP

	2025 Rs'000	2024 Rs'000	2023 Rs'000
STATEMENTS OF PROFIT OR LOSS			
Revenue	**3,390,076**	3,375,778	4,333,058
(Loss)/profit after finance costs	**(99,170)**	(188,551)	137,190
Net share of result of associates and joint ventures	**102,960**	54,151	39,550
	3,790	(134,400)	176,740
Net (loss)/profit on disposal of investments	**-**	-	-
Impairment of assets	**(3,623)**	(27,490)	-
(Impairment)/reversal of impairment of receivables	**(37,881)**	(16,799)	(6,066)
(Loss)/profit before taxation	**(4,557)**	(178,689)	170,674
Taxation	**(21,546)**	(7,593)	(36,465)
(Loss)/profit for the year from continuing operations	**(26,103)**	(186,282)	134,209
Post tax loss for the year from discontinued operations	**(12,166)**	(20,555)	22,114
(Loss)/ profit for the year	**(38,269)**	(206,837)	156,323
Attributable to:			
Owners of the parent	**(23,398)**	(196,757)	147,698
Non controlling interests	**(14,871)**	(10,080)	8,625
	(38,269)	(206,837)	156,323
Other comprehensive income/(loss)	**197,407**	(18,686)	(40,633)
Total comprehensive income/(loss) for the year	**159,138**	(225,523)	115,690

Notes to the Financial Statements

for the year ended 31 December 2025

39. THREE YEAR SUMMARY - THE GROUP (cont'd)

	2025 Rs'000	2024 Rs'000	2023 Rs'000 Restated
Attributable to:			
Owners of the parent	**160,106**	(214,339)	117,586
Non controlling interests	**(968)**	(11,184)	(1,896)
	159,138	(225,523)	115,690
Dividend per share	**-**	-	36.50
Earnings per share from continuing operations(Rs/cents)	**(1.00)**	(15.65)	11.15
Earnings per share from discontinued operations (Rs/cents)	**(1.08)**	(1.83)	1.96
Total earnings per share	**(2.08)**	(17.48)	13.11

STATEMENTS OF FINANCIAL POSITION

	2025 Rs'000	2024 Rs'000	2023 Rs'000
Non-current assets	**3,462,491**	3,297,246	3,329,640
Current assets	**1,876,525**	2,084,046	2,026,664
Assets classified as held for sale	**43,000**	-	-
Total assets	**5,382,016**	5,381,292	5,356,304
Capital and reserves	**2,046,226**	1,918,373	2,187,366
Non-controlling interests	**143,509**	144,477	173,386
Non-current liabilities	**1,057,892**	1,155,207	1,050,810
Current liabilities	**2,134,389**	2,163,235	1,944,742
Total equity and liabilities	**5,382,016**	5,381,292	5,356,304

Notes to the Financial Statements

for the year ended 31 December 2025

40. EFFECT OF PRIOR YEAR ADJUSTMENTS

In preparing the financial statements for the year ended 31 December 2025, the Group identified prior year restatements and made necessary corrections. Restatements were made to the financial statements, presentation and disclosures of certain transactions and balances, in accordance with International Accounting Standard, IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. They refer to the comparatives for 1 January 2025, unless where specified.

During the financial year, the Group identified prior period restatements in the audited financial statements of its associate, Maritim (Mauritius) Limited, Touristic United Enterprise Ltd and Novengi Ltd, for the year ended 31 December 2024.

The key restatements impacting the company's financial statements include:

Fair value adjustment

A. Maritim (Mauritius) Limited retrospectively applied a fair value adjustment to its freehold land and building, resulting in a material increase in the carrying amount of property, plant and equipment. This revaluation also gave rise to a corresponding increase in deferred tax liabilities, impacting the associate's other comprehensive income.

In addition, the associate identified errors relating to property, plant and equipment that had not been received since 2020. These errors resulted in misstatements in property, plant and equipment, accumulated depreciation, depreciation expense, prepayments, and trade and other payables in prior periods.

These adjustments were identified following the receipt of Maritim Hotels' audited financial statements for the year ended 31 December 2024, which contained significant prior-period restatements. Accordingly, the group restated its financial statements to reflect the corrected financial information of its' associated company.

B. Management identified a discrepancy between the opening retained earnings as per the audited financial statements of Touristic United Enterprise Ltd and the balances previously used in consolidation.

The difference arose due to the understatement of the profit . As a result, the opening retained earnings as at 1 January 2025, have been restated.

C. During the current period, management determined that certain contract assets in Novengi Ltd previously recognized were no longer recoverable. As a result, these contract assets have been written off. The prior period balances have been restated to reflect this adjustment. This write-off has been recognized in profit or loss and reduces the carrying amount of contract assets on the statement of financial position.

Notes to the Financial Statements

for the year ended 31 December 2025

40. EFFECT OF PRIOR YEAR ADJUSTMENTS (cont'd)

THE GROUP	As at 01 January 2025 (as previously reported)	Adjustments	As at 01 January 2025 (as restated)
	Rs'000	Rs'000	Rs'000
Statements of financial position - Impact on assets and equity			
- Investment in associated company	1,452,604	(65,033)	1,387,571
- Contract assets	20,795	(10,329)	10,466
- Inventory	751,804	(13,944)	737,860
Total effect on net assets	**2,225,203**	**(89,306)**	**2,135,897**
Impact on Other reserves (associate reserves)	**(769,726)**	**(65,033)**	**(834,759)**
Impact on retained earnings	**622,813**	**(24,273)**	**598,540**
Total effect on equity (attributable to owners of the parent)	**2,007,679**	**(89,306)**	**1,918,373**
Total effect on non controlling interests	**144,477**	**-**	**144,477**

Notes to the Financial Statements
for the year ended 31 December 2025

40. EFFECT OF PRIOR YEAR ADJUSTMENTS (cont'd)

	As at 01 January 2025 (as previously reported)	Adjustments	As at 01 January 2025 (restated)
	Rs'000	Rs'000	Rs'000
Statements of profit or loss and other comprehensive income			
Loss before finance costs	(46,931)	(24,273)	(71,204)
Profit attributable to :			
Owners of the Company			
- Continuing operations	(151,929)	(24,273)	(176,202)
- Discontinuing operations	(20,555)	-	(20,555)
Non-controlling interests	(1,104)	-	(1,104)
	(173,588)	(24,273)	(197,861)
Total comprehensive income attributable to :			
Owners of the Company	(190,066)	(24,273)	(214,339)
Non-controlling interests	(11,184)	-	(11,184)
	(201,250)	(24,273)	(225,523)
Earnings per share from continuing operations	**(13.49)**	**(2.16)**	**(15.65)**
Earnings per share from discontinued operations	**(1.83)**	**-**	**(1.83)**

41. DISCONTINUED OPERATIONS

On 06 June 2025, the Group entered into a sale agreement to dispose of Linxia Ltd, which carried out wholesale distribution of IT equipment and consumer electronics. The disposal reflects the Group's strategy to concentrate its resources on core activities with high growth potential. The disposal was completed on 25 September 2025, on which date control of Linxia Ltd passed to the acquirer. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal are as follows:

Notes to the Financial Statements
for the year ended 31 December 2025

41. DISCONTINUED OPERATIONS (cont'd)

The results of the discontinued operations, which have been included in the profit for the year, were as follows:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Revenue	**251,042**	413,546
Expenses	**(263,208)**	(434,206)
Profit before taxation	**(12,166)**	(20,660)
Attributable tax credit	**-**	105
Loss on disposal of discontinued operations	**(12,166)**	(20,555)

During the year, Linxia Ltd contributed Rs **102,851** (2024: Rs11,600) to the Group's net operating cash flows, generated MUR **0.2m** (2024: MUR 0.6m) in respect of investing activities and paid MUR **111m** (2024: MUR 46m) in respect of financing activities.

A profit of **MUR 33.2m** arose on the disposal of Linxia Ltd, being the difference between the proceeds of disposal and the carrying amount of the subsidiary's net assets and attributable goodwill.

Cash flows from discontinued operations

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Net cash from operating activities	**102,851**	11,628
Net cash inflow/(outflow) from investing activities	**167**	(614)
Net cash (outflow)/inflow from financing activities	**(111,240)**	46,307

Notes to the Financial Statements

for the year ended 31 December 2025

41. DISCONTINUED OPERATIONS (cont'd)

The net assets of Linxia Ltd at the date of disposal were as follows:

	2025
	Rs'000
Property, plant and equipment	556
Right-of-use assets	2,261
Intangible assets	4,680
Inventories	65,182
Trade and other receivables	92,061
Cash and bank balances	28,940
Total assets	**193,680**
Trade and other payables	65,297
Tax liabilities	-
Bank overdrafts and loans	108,122
Retirement benefit obligation	7,129
Total liabilities	**180,548**
Net assets of disposal group	**13,132**

	2025
	Rs'000
Gain on disposal	33,157
Reversal of goodwill	3,623
Total consideration	51,337
Expenses claimed	(1,080)
Total consideration transferred	**50,257**
Satisfied by:	
Cash consideration	27,398
Loan liability assigned	23,939
Expenses Claimed	(1,080)
Total consideration transferred	**50,257**

Notes to the Financial Statements

for the year ended 31 December 2025

42. AMALGAMATION ADJUSTMENT

In financial year 2025, Logima Ltee ("Logima") was amalgamated with and into the surviving company, Informatics Business Solutions Ltd ("IBS"). The amalgamation was done in line with the objective to streamline the group structure and to improve performance, efficiency, dynamism and creativity.

Common control transactions fall outside the scope of IFRS 3 Business Combinations because there is no change in control over the assets by the ultimate parent. As a result, the Company adopted accounting principles similar to the pooling-of-interest method based on the predecessor values. No consideration was paid to any shareholders as effect of the amalgamation.

Impact of the amalgamation on the Company's financial statements:	Rs'000
Net assets acquired	95,825
Reversal of investment in Logima	55,000
Amalgamation reserves	(15,800)

The accounting policies of Logima was aligned with the Company before performing the amalgamation exercise.

43. EVENTS AFTER THE REPORTING PERIOD

Middle east war

Subsequent to 31 December 2025, geopolitical tensions in the Middle East have escalated into armed conflict. This event occurred after the reporting date and does not provide evidence of conditions that existed at that date.

Accordingly, this is considered a non-adjusting subsequent event, and no adjustments have been made to the amounts recognised in the financial statements for the year ended 31 December 2025.

Management has assessed the impact of this event and concluded that there is no material impact on the financial position or performance of the Group as at 31 December 2025.

The situation remains dynamic, and management will continue to monitor developments closely. At the date of approval of these financial statements, the potential financial impact on the Group's future operations, including possible disruptions to supply chains, increased costs, and market volatility, cannot be reliably estimated.

43. EVENTS AFTER THE REPORTING PERIOD (cont'd)

Migration of Harel Mallac & Co. Ltd from SEM to DEM

Further to the cautionary announcement issued by the Company on 2 March 2026 pursuant to Listing Rules 11.3., Harel Mallac & Co. Ltd is in the process of applying to the Stock Exchange of Mauritius (SEM) for the migration of the Company's listing to the Development & Enterprise Market of the SEM. This transition will not affect the Company's core operations, and Harel Mallac will continue to focus on delivering value through its diversified portfolio and strategic initiatives.

Making a
difference
for the better.

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