SBM PERPETUAL FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2026

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FUND MANAGER	SBM Mauritius Asset Managers Ltd Level 3, Lot15A3, Hyvec Business Park Wall Street Ebène Cybercity Mauritius
FUND ADMINISTRATOR AND REGISTRY	SBM Fund Services Ltd Level 3, Lot15A3, Hyvec Business Park Wall Street Ebène Cybercity Mauritius
BANKER AND CUSTODIAN	SBM Bank (Mauritius) Ltd SBM Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius
REGISTERED OFFICE	SBM Bank (Mauritius) Ltd SBM Tower 1, Queen Elizabeth II Avenue Port Louis Mauritius
AUDITOR	PricewaterhouseCoopers PwC Centre Avenue de Telfair Telfair 80829, Moka Mauritius
TRUSTEE	DTOS Trustees Ltd 10th Floor, Standard Chartered Tower 19, Cybercity, Ebène Mauritius

INVESTMENT COMMITTEE

	Date of appointment	Date of resignation
Mr. Alain Eric Koo Khen Heong Venpin	Jul-15	18-Jul-25
Mr. Roshan Ramoly	Jul-15	18-Jul-25
Mr. Aakash Krishan Kalachand	05-Aug-25	-
Mr. Shunmoogum Coopoosamy	05-Aug-25	-
Mr. Raoul Claude Nicolas Gufflet	05-Aug-25	-

Investment Manager's Statement

Dear Unitholder,

Financial year (FY) 2026 was characterised by a significantly more complex investment landscape than the previous year. Markets navigated a combination of shifting trade policies, heightened geopolitical tensions, evolving monetary policy expectations and elevated commodity price volatility. Despite these headwinds, global economic activity remained resilient, supported by healthy corporate balance sheets, continued investment in AI infrastructure and resilient consumer spending across major developed markets.

Global equity markets experienced periods of heightened volatility as investors reassessed the implications of trade tariffs, conflicts in the Middle East and the outlook for interest rates. Despite these challenges, corporate earnings continued to provide an important anchor for market performance, particularly within technology-related sectors, where investment in AI, semiconductors and digital infrastructure remained a key structural growth driver. Investor appetite for these structural themes remained strong, reinforcing their importance within the global equity investment landscape. Bond markets also experienced notable shifts during FY26; expectations surrounding the path of monetary policy evolved as inflation proved more persistent than initially anticipated, resulting in periods of volatility across sovereign bond markets and a steeper yield curve.

Against this backdrop, portfolio positioning remained disciplined and selective, with a continued focus on long-term fundamentals rather than short-term market movements. We maintained a selective approach to domestic equities, favouring fundamentally strong businesses with resilient earnings and attractive long-term prospects. We continued to allocate capital towards structural growth opportunities, particularly within technology and AI-related industries, while maintaining a diversified allocation across regions and sectors. Fixed income positioning continued to emphasise credit quality and prudent duration management to optimise risk-adjusted returns.

Looking ahead, we expect global markets to remain supported by resilient corporate earnings, continued AI-driven investment and healthy private sector balance sheets. At the same time, elevated geopolitical uncertainty, evolving trade policies and the path of inflation are likely to result in more frequent episodes of market volatility. We believe these conditions reinforce the importance of active portfolio management, disciplined security selection and broad diversification across asset classes and geographies.

While the investment environment remains dynamic, we remain confident that our long-term, research-driven investment philosophy and disciplined risk management framework position the Fund to continue delivering sustainable value for our unitholders.

We thank our management team, stakeholders, and above all, our unitholders for their continued confidence and trust.

SBM Mauritius Asset Managers Ltd
September 2026

Investment Manager's Report

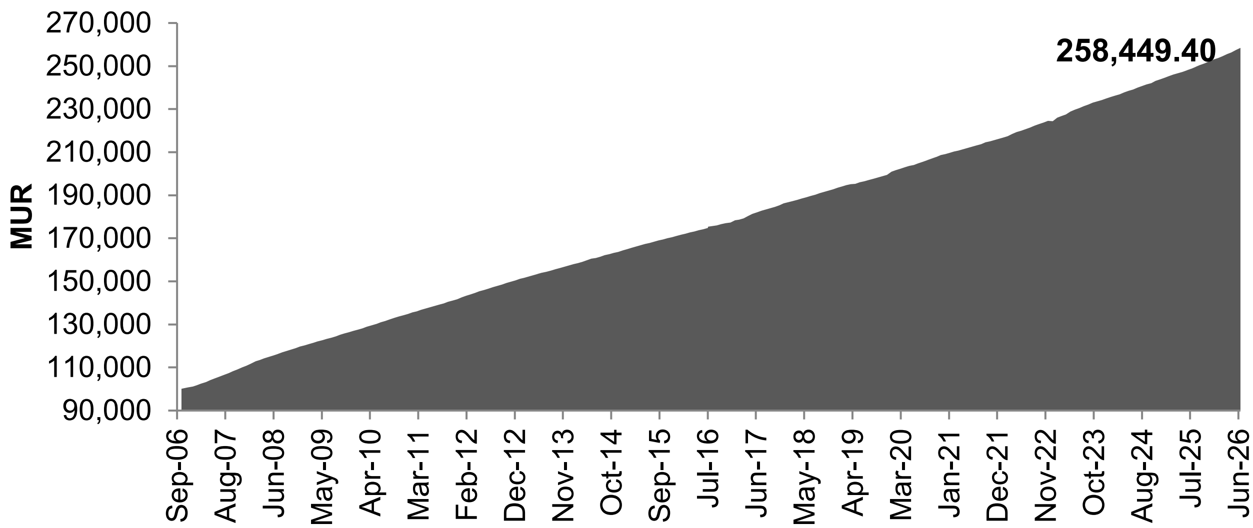
Performance commentary

The net assets of SBM Perpetual Fund fell from MUR 5,910.3M to MUR 5,815.4M while the net asset value per unit (NAV) increased from MUR 247.96 to MUR 258.45 over the financial year 2026, equivalent to a return of 4.2%. As a comparison, its reference index (SBM Savings Rate + 1%) yielded 4.1% over the same period.

ANNUALISED RETURN

	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION
SBM Perpetual Fund (%)	+4.2	+3.9	+4.0	+4.9
Benchmark (%)	+4.1	+4.1	+3.3	+4.3
	CY 25	**CY 24**	**CY 23**	**CY 22**
SBM Perpetual Fund (%)	+3.8	+3.8	+4.7	+3.8
Benchmark (%)	+4.1	+4.0	+4.1	+1.9

VALUE OF MUR 100,000 INVESTED SINCE INCEPTION



Past performance is not a reliable indicator of future performance and unit prices may fluctuate with prevailing market conditions and current performance may be higher or lower than the performance cited. For more information on the fund's objectives, risks, and strategy, please consult its Prospectus. Latest unit prices are available on the website: https://nbfc.sbmgroup.mu/mam/financial-products/funds-performance

The graph illustrates the performance of MUR 100,000 invested in the Fund at inception. The growth of investment amount assumes that dividends, if any, are re-invested and does not include sales charge but takes into account the running expenses of the Fund as well as taxes and other deductions.

Positioning and strategy

SBM Perpetual Fund invests in domestic fixed income and fixed income-related securities. The investment strategy of the Fund is set according to its objective of capital preservation.

As at Jun-26, the exposure to Government of Mauritius (GoM) securities stood at 84.5% against 79.6% as at Jun-25, in line with the Fund's strategy to mitigate credit risk and preserve capital. To optimise risk-adjusted returns, the barbell strategy was maintained whereby the Fund allocated more capital to GoM at the long-end while allotting to corporate bonds at the short- to mid-end of the maturity bucket.

Within the corporate bond segment, the portfolio is well-diversified among issuers and sectors. It is the objective of the Fund to invest mainly in investment-grade corporate securities (on a domestic rating scale) in managing credit and liquidity risks. The exposure to corporate bonds declined to 14.2% as at Jun-26 versus 19.2% as at Jun-25 following maturity as well as sale of corporate bonds across the financial, investment, commerce and consumer cyclical sectors.

As part of its liquidity strategy, the Fund maintained a cash and cash equivalent allocation of around 1.3%.

ASSET ALLOCATION (% net assets)

	30/06/25	30/06/26
Fixed income…………….....	98.8	98.7
Cash & cash equivalent..……	1.2	1.3

GEOGRAPHICAL ALLOCATION (% net assets)

	Fund	Index
Mauritius………………………	100.0	100.0

FIXED INCOME ALLOCATION (% net assets)

	30/06/25	30/06/26
Government of Mauritius……	79.6	84.5
Corporate Bonds…………….	19.2	14.2

SECTOR ALLOCATION (% net assets)

	30/06/25	30/06/26
Government of Mauritius………	79.6	84.5
Investment……………………….	8.0	6.1
Financial…………………………	6.9	5.1
Commerce……………………….	2.0	1.0
Property…………………………..	1.7	1.5
Industry……………………………	0.5	0.5
Energy…...................................	0.1	0.1

TOP 5 HOLDINGS (% net assets)

	30/06/25	30/06/26
Government of Mauritius Inflation Linked Bond 04/05/34	5.8	5.8
Government of Mauritius 27/01/43	3.5	3.6
Government of Mauritius 30/09/42	3.1	3.2
Government of Mauritius 09/03/28	2.8	2.8
Government of Mauritius 17/03/37	2.7	2.7
TOTAL	**17.9**	**18.2**

TOP 5 CORPORATE HOLDINGS (% net assets)

	30/06/25	30/06/26
Forty Two Point Two 29/04/28…...	1.5	1.5
Ciel Finance Notes 25/11/31……..	1.1	1.2
SBM MUR Note Class A2 Series Bond 28/06/28……………………..	1.3	1.1
Ciel 10Y Notes 24/06/29………….	1.0	1.0
Bank One Limited Notes 22/06/30	0.9	0.9
TOTAL	**5.8**	**5.7**

Economic Review

Economy

In its July 2026 World Economic Outlook (WEO), the International Monetary Fund (IMF) pegged its global growth projection at 3.0% in 2026 before recovering to 3.4% in 2027, down from an average growth of 3.5% in 2024-25. The moderation reflects the economic impact of the Middle East conflict, partly offset by stronger AI-driven technology demand, with effects differing across countries depending on their exposure to the conflict and role in the global technology supply chain.

The IMF noted that risks to the global outlook remain tilted to the downside. Renewed conflict in the Middle East could prolong commodity price volatility, disrupt supply chains, and tighten financial conditions. Meanwhile, rising trade fragmentation and a potential correction in tech-driven market expectations may further weaken global growth and fuel inflationary pressures. The IMF emphasised the need for structural reforms to strengthen energy security and AI readiness, alongside greater international cooperation to address ongoing geopolitical challenges.

REAL GDP GROWTH (IMF estimates, % YoY)

Group/ Country	Advanced	Euro Area	EM & Developing	EM Asia	Sub-Saharan Africa	United States	China	India	Mauritius*
2025(E)	1.9	1.4	4.5	5.6	4.5	2.1	5.0	7.7	3.1
2026(F)	1.7	0.9	3.8	5.0	4.3	2.3	4.6	6.4	2.8
2027(F)	1.8	1.2	4.5	4.8	4.5	2.2	4.1	6.7	-

**Statistics Mauritius estimates*

The IMF projects advanced economies to grow by 1.7% in 2026 and 1.8% in 2027, compared with its April WEO forecasts of 1.8% and 1.7%, respectively. US growth is projected at 2.3% in 2026 and 2.2% in 2027, broadly in line with the April outlook. Economic activity is expected to be supported by expansionary fiscal policy, accommodative financial conditions, and sustained investment in technology.

In the Euro Area, the IMF expects growth to stand at 0.9% in 2026 and 1.2% in 2027. The 2026 forecast has been revised down by 0.2 percentage point from the previous release, reflecting weaker-than-expected momentum, mainly on account of a negative carryover from the first quarter led by Ireland, higher energy prices, and subdued consumer confidence. Fiscal measures are expected to partially mitigate the impact of those headwinds.

Within the Euro Area, growth forecasts for Germany and France have been revised by -0.1 and -0.3 percentage points, respectively, while Italy's GDP growth projection remains unchanged at 0.5%. Spain is likely to remain the region's strongest performer, with growth projected at 2.1% in 2026, supported by resilient tourism, a dynamic labour market boosted by immigration, and competitive renewable energy costs.

For emerging markets and developing economies, the growth forecast has been downgraded by 0.1 percentage point for 2026 to 3.8%, while that of 2027 has been uplifted by 0.3 percentage point to 4.5%. The revisions are driven primarily by changes in the outlook for China and India.

Economic Review (Cont'd)

Economy (Cont'd)

The IMF revised China's 2026 GDP growth forecast upward to 4.6%, an increase of 0.2 percentage points from its April WEO projection, supported by front-loaded public infrastructure investment and a surge in high-tech manufacturing and exports, despite subdued domestic consumption. However, growth is expected to moderate to 4.1% in 2027 as elevated global oil prices, prolonged uncertainty, and structural headwinds weigh on economic activity.

The Indian economy is projected to grow by 6.4% in 2026, 0.1 percentage point lower than the previous forecast, reflecting a more challenging global environment marked by trade uncertainty and geopolitical tensions. Growth is expected to pick up to 6.7% in 2027, supported by robust private consumption and resilient services activity, reinforcing India's position as the world's fastest-growing major economy.

For Mauritius, the Bank of Mauritius projects a real GDP growth rate of 2.8% in 2026, down from the 3.3%-3.5% expectation by the MPC in February 2026. The downward revision reflects the impact of higher fuel and electricity costs on economic activity and household purchasing power, as well as softer tourist arrivals. Meanwhile, headline inflation is expected to rise to around 5.5% in 2026, above the previous forecast of 3.6% and exceeding the upper bound of the Bank's 2%-5% target range. Fuel inflation is expected to remain elevated with potential spillover effects on transport services and energy-intensive sectors. Food inflation may also face upward pressure amid strained global supply conditions.

Global headline inflation is expected to increase to 4.7% in 2026 from 4.1% in 2025, before easing to 3.9% in 2027, driven by elevated energy and food prices. These forecasts are 0.3 and 0.2 percentage points higher than the earlier projections, suggesting that the disinflation trend observed since early 2024 has stalled. Monetary policy is expected to remain relatively restrictive as persistent inflation limits the scope for interest rate cuts. Inflation is expected to remain uneven across countries, reflecting differences in exchange rate movements, services inflation, labour market conditions, and other country-specific factors. Core inflation is likely to return to target gradually across major economies, while inflation in China is expected to recover from its current low levels.

Financial markets review

Equity markets

Global equities continued their strong momentum during FY26, driven by resilient corporate earnings, record capital issuance, and surging AI infrastructure demand. The MSCI World Index advanced +19.8%, while the S&P 500 index gained +20.9%, closing the financial year at 7,499.36. US equities demonstrated remarkable resilience as markets weathered mid-year volatility driven by a major escalation in the Middle East war and rising energy costs. The market rally notably broadened out to cyclical and small-cap sectors toward the close of the financial year.

European equities recorded robust gains during FY26 with the MSCI Europe Index gaining +18.9%, supported by robust large-cap earnings, rotational demand for traditional value sectors like banks and mining, and AI adoption, though geopolitical energy shocks limited further upsides. Large-caps anchored European equities in FY26, propelling the EuroStoxx 50 Index +19.3%, driven by policy stimulus and earnings growth. Asia presented a sharp reversal of prior dynamics; Japan's equity market emerged as a top global performer surging +73.0%, driven by corporate governance reforms and orderly interest rate normalisation. Likewise, China's equity market surged +26.5% in local currency terms, driven by government support measures and significant inflows into the technology sector. Broader emerging markets generally performed strongly, with the MSCI Emerging Markets Index rising +40.9%, driven by a secular AI hardware boom in South Korea and Taiwan.

The Mauritian equity market lagged global peers. The SEMDEX and DEMEX indices registered -2.7% and -2.1%, respectively, led by a combination of fiscal tightening, macroeconomic headwinds, and investor uncertainty. Major contributors to SEMDEX gains included SBMH, SUN, and EMTL, while IBLL, ENLG, and MSE were the main detractors. Individually, BLL (+48.9%), SUN (+24.4%), and RIVO (+16.8%) were the strongest performers, benefiting from earnings momentum and investor interest in tourism and luxury real estate. Conversely, UBP (-49.5%), MCFI (-44.1%), and SHL (-38.4%) registered the steepest declines. By financial year-end, the SEMDEX traded at 7.13x earnings with a dividend yield of 5.49%, compared to 6.37x and 4.80% a year earlier.

EQUITY INDEX PERFORMANCE (% local currency)

Index	1M	3M	6M	YTD	1Y	3Y	5Y
S&P 500…………………..	-1.1%	+14.9%	+9.6%	+9.6%	+20.9%	+68.5%	+74.5%
MSCI World……………….	-0.8%	+13.3%	+8.9%	+8.9%	+19.8%	+62.7%	+59.9%
MSCI World Small Cap….	+1.5%	+14.6%	+15.7%	+15.7%	+28.2%	+55.0%	+32.3%
MSCI Europe……………..	+2.9%	+10.5%	+8.8%	+8.8%	+18.9%	+38.5%	+43.3%
MSCI EM………………….	-1.7%	+23.3%	+22.7%	+22.7%	+40.9%	+74.1%	+25.3%
MSCI AC Asia……………	-1.3%	+21.0%	+20.3%	+20.3%	+34.7%	+67.8%	+31.7%
SEMDEX…………………	-0.2%	+1.5%	-5.7%	-5.7%	-2.7%	+14.2%	+20.6%
DEMEX…………………..	+0.3%	+1.7%	-2.4%	-2.4%	-2.1%	-13.2%	-22.9%

TOP INDEX LEADERS (% local currency)

Global equities	1Y	Domestic equities	1Y
Alphabet Inc..………………….....	+101.6	SBM Holdings Ltd …...………	+13.9
Apple Inc………………………	+41.6	SUN Limited………………..….	+24.4
Micron Technology Inc………	+838.8	Emtel Limited………………….	+7.2
Nvidia Inc……………………..	+26.8	New Mauritius Hotels Ltd……	+9.7
Advanced Micro Devices……	+309.4	Riveo Limited……………….....	+16.8

Financial markets review (Cont'd)

Bond markets

The global fixed income landscape was dominated by a hawkish pivot in monetary policy expectations, persistent inflation concerns, and a significant rise in sovereign debt issuance. After a period of declining yields, government bond yields rose meaningfully in the second half of the financial year amid the Middle East war, reflecting renewed inflation pressures from rising oil prices and a divided Federal Reserve.

In the US, the 10-year Treasury yield surged from 4.23% to 4.47% over the financial year, as strong economic data fuelled expectations that the Federal Reserve would hold rates higher for longer. Treasury markets faced headwinds as investors demanded greater term premium to compensate for extended inflation and policy uncertainty. Meanwhile, corporate bonds continued to show resilience. Despite brief periods of widening due to geopolitical tensions, investment grade corporate credit spreads tightened further to multi-decade lows. This compression was heavily supported by robust corporate earnings, strong balance sheets, and a massive wave of capital expenditure driving AI infrastructure investment.

The European bond market experienced a volatile and challenging financial year, primarily driven by escalating geopolitical conflicts in the Middle East and structural shifts in monetary policy. The European Central Bank shifted from an accommodative to a tightened policy stance, delivering a 0.25% interest rate hike in June 2026, bringing the deposit rate to 2.25% as energy price shocks rekindled regional inflation fears. Consequently, eurozone government bond yields surged, with Germany's benchmark 10-year Bund yield climbing to 2.91% by end of June 2026. This environment widened cross-country risk premiums, leaving heavily indebted nations like France particularly vulnerable to elevated refinancing costs, while corporate high-yield credit offered a slight silver lining, outperforming safer sovereign alternatives on account of resilient corporate earnings and attractive all-in yields.

In Asia, Japanese government bonds experienced high volatility, with the 10-year JGB yield hitting multi-decade highs closing at 2.64% in June 2026, driven by a combination of aggressive fiscal expansion and accelerating monetary policy normalisation. Chinese government bonds outperformed, driven by low volatility and a low correlation with Western markets.

On the domestic secondary market, yields on the 91D Treasury bills dropped by 38bps to 3.98% in June 2026. Yields on 182D Treasury bills and 364D Treasury bills retracted by 33bps and 43bps to 4.24% and 4.49% respectively. 3Y GoM notes yield fell from 5.20% in June 2025 to 4.86% in June 2026, while the 5Y GoM bonds traded at 5.07% against 5.34%. Yields on the long-term bonds were also on the downtrend, with the only exception being the 10Y GoM bonds, which remained flat at 5.62%. The yield on 15Y GoM bonds fell by 21bps to 5.77%, while the 20Y GoM bonds yield decreased by 22bps to 5.87%.

Financial markets review (Cont'd)

Bond markets (Cont'd)

BOND INDEX PERFORMANCE (% local currency)

Index	1M	3M	6M	YTD	1Y	3Y	5Y
Barclays Global Aggregate Bond…….	-0.7%	+0.9%	-0.2%	-0.2%	+0.6%	+10.6%	-7.5%
Barclays US Aggregate Bond………...	+0.2%	+0.7%	+0.6%	+0.6%	+3.8%	+13.0%	+0.4%
Barclays US Govt Inflation-Linked All Maturities Index ……………………….	-0.5%	+0.9%	+1.1%	+1.1%	+3.4%	+12.0%	+4.2%
Barclays High Yield bond …………….	+0.3%	+2.5%	+2.0%	+2.0%	+5.9%	+29.0%	+22.7%
JP Morgan EMU IG Bond …………….	+0.4%	+1.8%	+1.2%	+1.2%	+1.3%	+8.3%	-9.3%
JP Morgan EM Bond ………………….	+0.8%	+4.6%	+2.6%	+2.6%	+10.7%	+32.5%	+11.1%
FTSE Asian Broad Bond……………...	+0.2%	+1.4%	+0.9%	+0.9%	+4.8%	+19.5%	+6.3%

USD except for JP Morgan EMU IG Bond

MARKET YIELDS (%)

Tenor	United States		Germany		India		China		Mauritius	
	Jun-26	Jun-25	Jun-26	Jun-25	Jun-26	Jun-25	Jun-26	Jun-25	Jun-26	Jun-25
91D	3.77	4.31	2.25	1.77	5.67	5.64	1.04	1.34	3.98	4.36
182D	3.87	4.19	2.31	1.79	5.70	5.67	1.09	1.35	4.24	4.57
364D	4.06	3.97	2.41	1.81	5.82	5.73	1.09	1.35	4.49	4.92
3Y	4.16	3.68	2.54	1.91	6.21	5.95	1.29	1.40	4.86	5.20
5Y	4.21	3.79	2.62	2.15	6.47	6.15	1.42	1.50	5.07	5.34
10Y	4.41	4.21	2.91	2.62	6.81	6.50	1.72	1.65	5.62	5.62
15Y	4.81	4.63	3.19	2.90	7.04	6.72	-	-	5.77	5.99
20Y	4.98	4.84	3.34	3.00	7.23	6.89	2.16	1.90	5.87	6.09

Commodity markets

Commodity markets were heavily influenced by geopolitical escalations, supply chain disruptions, and shifting currency dynamics, with the S&P GSCI index staging a powerful rally to close FY26 up +30.4%. Brent crude oil traded within an elevated, volatile range, heavily supported by prolonged shipping restrictions in the Strait of Hormuz during the Middle East conflict before easing towards the financial year end. Natural gas reversed its prior uptrend and underperformed, closing at -5.2% as regional distribution networks adjusted to seasonal changes and structural demand shifts. Within precious metals, gold and silver registered spectacular safe-haven gains, surging +21.3% and +62.3% respectively, driven by robust central bank purchases. Industrial metals also posted stellar returns, with copper prices gaining +23.1% as structural demand from electric vehicles and artificial intelligence data centre infrastructure expansion entirely overwhelmed broader macroeconomic headwinds.

COMMODITIES

	Jun-26	Jun-25	FY26 (% YoY)
WTI $/Bbl……………………………………………	69.50	65.11	+6.7
Brent $/Bbl………………………………………….	72.92	67.61	+7.9
Natural gas USD $/mmBtu……………………….	3.28	3.46	-5.2
Copper $/Oz……………………………………….	619.25	503.00	+23.1
Silver Spot $/Oz ………………………………….	58.60	36.11	+62.3
Gold Spot $/Oz…………………………………...	4,008.02	3,303.14	+21.3

Financial markets review (Cont'd)

Forex

The foreign exchange landscape was characterized by a powerful resurgence of the US dollar, driven by a hawkish tone and a sharp escalation in global geopolitical tensions. The US Dollar Index (DXY) rebounded strongly, gaining 4.5% over the financial year as sticky domestic inflation forced the Fed to halt its easing cycle. The greenback's multi-year strength was further reinforced by safe-haven capital inflows as the previous Middle East ceasefire broke down, leading to renewed conflict and geopolitical risk. Additionally, the implementation of broader US tariff measures and widening fiscal deficits amplified market volatility, punishing currencies heavily reliant on global trade and encouraging investors to rotate back into high-yielding US dollar assets.

The euro surrendered a portion of its prior gains as a primary casualty of this shifting trend. The EUR/USD pair depreciated by 3.1% year-on-year, pulling back from its previous peak to trade at 1.14 by end of June 2026. This decline reflected a severe erosion of global risk appetite and a stalling Eurozone economic recovery, which struggled against the backdrop of rising oil prices and fading spillovers from previous Chinese and German stimulus packages. Similarly, the British pound fell victim to the broad European downturn, depreciating by 3.4% against the US dollar to finish the financial year near 1.33. This decline materialised despite UK inflation remaining sticky at 2.6%.

In Asia, the Japanese yen (JPY) sharply reversed course, depreciating by 12.9% YoY to close at JPY 162.55 against the US dollar, crushed by a wide US-Japan interest rate differential and soaring global oil prices despite the Bank of Japan's rate hikes. In contrast, the Chinese renminbi (CNY) defied the broad dollar rally, strengthening by 5.3% YoY to close at 6.79. This appreciation was powered by sustained global adoption of China's AI ecosystem, strong industrial export demand, and aggressive central bank measures that successfully restored international investor confidence and drew equity inflows. Meanwhile, the Indian rupee accelerated its downward trajectory, weakening 10.4% to close at INR 94.67, as persistent trade imbalances and a widening current account deficit overwhelmed its high domestic interest rates.

The Mauritian rupee (MUR) reversed its path and posted a 5.0% depreciation against the USD, pressured by the greenback's global resurgence. During the financial year, the Bank of Mauritius (BoM) sold approximately USD 235 million in the domestic FX market. The Key Repo Rate was raised by 25 basis points to 4.75% in May 2026 to counter upside risks to the inflation outlook and anchor medium-term price stability amid elevated geopolitical tensions.

FOREX

	Jun-26	Jun-25	FY26 (% YoY)
Dollar index……………………………………	101.19	96.88	+4.5
EUR-USD ……………………………………	1.14	1.18	-3.1
GBP-USD……………………………………..	1.33	1.37	-3.4
USD-JPY ……………………………………..	162.55	144.03	+12.9
USD-CNY ……………………………………	6.79	7.16	-5.3
USD-INR ……………………………………..	94.67	85.77	+10.4
USD-MUR ……………………………………	47.31	45.06	+5.0

Market Outlook

Global financial markets entered FY27 with heightened uncertainty amid renewed inflationary pressures stemming from geopolitical tensions and higher energy prices. In the US, expectations around the Federal Reserve's monetary policy path remain a key driver of market sentiment, with inflation developments, labour-market conditions and elevated fiscal deficits contributing to expected volatility. In Europe, growth prospects remain modest, although increased fiscal and infrastructure spending, particularly in Germany, should provide support to economic activity. In Asia, China's targeted policy support and continued investment in technology and artificial intelligence are helping to underpin growth, while Japan continues to benefit from corporate governance reforms. India is expected to remain among the fastest-growing major economies, supported by resilient domestic demand and structural growth drivers, although higher energy prices, trade fragmentation and external imbalances pose downside risks.

In Mauritius, the growth momentum is projected to moderate in 2026, with Statistics Mauritius forecasting a real GDP growth rate of around 3.0%, below the 3.2% growth rate achieved in 2025, reflecting a less favourable external environment, particularly the impact of the Middle East conflict on tourism and energy prices, alongside weaker household purchasing power. Higher fuel and electricity costs are expected to weigh on domestic demand and business activity. Nevertheless, continued resilience in services, improving manufacturing activity and public-sector infrastructure investment should provide some support to overall growth. The central bank projects headline inflation to hover around 5.5% in 2026 - exceeding its target band of 2% to 5%. However, the rate is expected to drop progressively as energy shock impacts fade and base effects improve.

International equities are expected to remain supported by resilient corporate earnings, ongoing investment in artificial intelligence and a gradual broadening of earnings growth across regions and sectors. In the US, mega-cap technology, semiconductors and AI-related companies are likely to remain key contributors to earnings growth, although elevated valuations and market concentration could increase sensitivity to any disappointment in AI-related earnings. European equities are likely to benefit from fiscal and infrastructure spending, improving industrial activity and relatively attractive valuations compared with the US. In Asia, opportunities remain supported by the AI hardware supply chain and structural growth themes, while India is anticipated to benefit from strong domestic fundamentals. China's technology and consumer sectors offer selective opportunities, although the outlook remains subject to domestic demand conditions, policy support and geopolitical risks. Domestically, equity markets are expected to remain influenced by global risk sentiment and external developments, while resilient earnings within the banking and financial services should provide support to the broader index.

Within fixed income, the outlook remains cautiously constructive, with returns expected to be supported primarily by attractive carry and selective duration opportunities as global monetary policy enters a more mature phase. In the US, Treasury yields are likely to remain sensitive to the policy outlook, inflation developments and elevated fiscal deficits, limiting the scope for a sustained decline in long-term yields. In Europe, monetary policy and relatively contained inflation should provide some support to sovereign bonds, although increased fiscal spending and government issuance could constrain further yield compression. In emerging markets, selective opportunities remain in local-currency bonds, particularly where real yields and carry remain attractive, although currency and geopolitical risks warrant a cautious approach. In Mauritius, the domestic bond market is expected to remain broadly stable, supported by a relatively contained interest-rate environment, while government borrowing requirements and movements in global bond yields remain key risks.

The Trustee and Manager of SBM Perpetual Fund ("the Fund") are pleased to submit their Corporate Governance Report for the year ended 30 June 2026, inclusive of other statutory disclosures.

INTRODUCTION

SBM Perpetual Fund is an open-ended collective investment scheme which was previously incorporated as a public limited liability company pursuant to the Companies Act 2001 and is licensed by the Financial Services Commission.

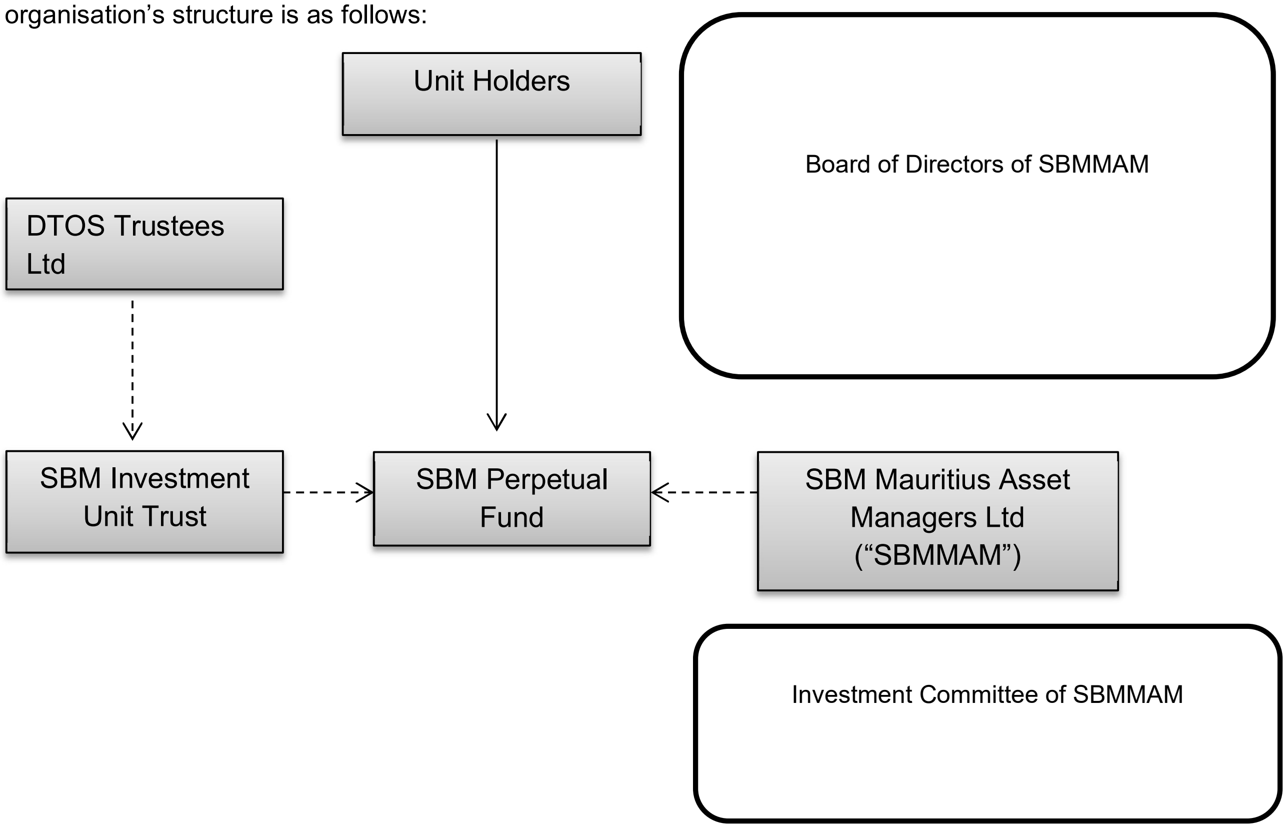
Following a restructuring exercise, the Fund has been restructured under the SBM Investment Unit Trust, whilst keeping their investment objectives and strategies by a Supplemental Deed of Amendment of the Trust Deed of the SBM Investment Unit Trust dated 31 December 2019 between the Manager, SBM Mauritius Asset Managers Ltd and DTOS Trustees Ltd.

The Fund's objective is to achieve long term growth by investing in a diversified portfolio of local fixed income instruments, including government issued instruments, cash, and term deposits. This Fund is suitable for investors seeking a relatively high level of capital preservation.

The Fund is a public interest entity as defined under the Financial Reporting Act 2004.

SBM Perpetual Fund's corporate governance framework includes its Trustee, Investment Committee, Manager, the board of the Manager, Unitholders, and other stakeholders.

The organisation's structure is as follows:



INTRODUCTION (CONTINUED)

The Trustee, the Manager and the board of the Manager are fully committed to achieving and sustaining the highest standards of corporate governance with the aim of maximising long-term value creation for the Unitholders of the Fund and all the stakeholders at large. Much emphasis is on the conduct of business practices that display characteristics of good corporate governance namely discipline, transparency, independence, integrity, accountability, social responsibility, professionalism, and fairness.

In addition, the Trustee, the Manager, and the board of the Manager of the Fund continuously review the implications of corporate governance principles and practices in light of their experience, regulatory requirements and investor expectations. They hereby confirm that the Fund, as set out in this report, has strived to comply in all material aspects with the following legal and regulatory framework:

- Trust deed and subsequent Supplemental Deeds;
- Terms of reference of the Trustee and sub-committee;
- The National Code of Corporate Governance for Mauritius 2016 (the "Code");
- The Trust Act, 2001;
- The Securities Act, 2005; and
- The Securities (Collective Investment Schemes and Closed-end Funds) Regulations, 2008.

The main roles as described under Principle 2, 3 and 4 of the Code of Corporate Governance are fulfilled by the Board of the Manager.

The Board of the Manager has attempted to create the right balance and composition to better meet the objectives of the organisation. The Board is unitary and comprises of seven Directors, of which two are Independent and five are non-Executive Directors. The Independent Directors do not have any relationship with the majority Shareholders, therefore a sufficient number of directors do not have any relationship with the organisation. The Board is led by Mrs. Nooreenah Bibi Mungar and all Board members currently reside in Mauritius.

The Board of SBM Mauritius Asset Managers Ltd comprises of the following:

- Mr. Jayvash Nundoo (Appointed on 24 April 2024)
- Mrs. Nooreenah Bibi Mungur (Appointed on 18 July 2025)
- Mr. Aakash Krishan Kalachand (Appointed on 18 July 2025)
- Mr. Raoul Claude Nicolas Gufflet (Appointed on 05 August 2025)
- Mr. Shunmoogum (Radha) Coopoosamy (Appointed on 19 August 2025)
- Mr. Deobruthsingh Jaypaul (Appointed on 21 November 2025)
- Mr. Mooneesing Janna Naikeny (Appointed 07 January 2026)
- Mr. Mr. Pierre Marrier d'Unienville (Resigned on 18 July 2025)
- Mr. Alain Eric Koo Khen Heong Venpin (Resigned on 18 July 2025)
- Mr. Shailendrasingh Sreekeessoon (Resigned on 18 July 2025)
- Mr. Roshan Ramoly (Resigned on 18 July 2025)
- Mr. Muhammad Assad Yussuf Abdullatiff (Resigned on 24 June 2025)
- Mr. Edward Vaughan Heberden (Resigned on 18 July 2025)

The Investment Committee of SBM Mauritius Asset Managers Ltd comprises of the following:

- Mr. Aakash Krishan Kalachand (Appointed on 05 August 2025)
- Mr. Shunmoogum (Radha) Coopoosamy (Appointed on 05 August 2025)
- Mr. Raoul Claude Nicolas Gufflet (Appointed on 05 August 2025)
- Mr. Alain Eric Koo Khen Heong Venpin (Resigned on 18 July 2025)
- Mr. Roshan Ramoly (Resigned on 18 July 2025)

INTRODUCTION (CONTINUED)

There exists a transparent procedure in place regarding the appointment of prospective Directors which is made in accordance with the skills, knowledge and expertise required on the Board. The re-election of Directors is made on an annual basis at the Annual Meeting of Shareholders. New Board members are provided with an induction pack to provide them with sufficient knowledge and understanding of the Fund's business.

All Board members are fully apprised of their fiduciary duties as laid out in the Companies Act 2001. The independent directors are remunerated for their knowledge, experience and insight provided to the Board. Directors' fees are paid by the Manager and have been disclosed in its accounts.

TRUST DEED AND SUPPLEMENTAL DEEDS

The Trust Deed and subsequent Supplemental Deeds of the Fund comply with the provisions of the Trust Act, 2001, The Securities Act, 2005 and The Securities (Collective Investment Schemes and Closed-end Funds) Regulations, 2008. The Deed is available upon written request to the Manager at the Registered Office of the Fund.

Salient features of the documents are:

No Unitholder shall be entitled to:

- require the transfer to him of any of the assets comprised in the Fund;
- interfere with or question the exercise or non-exercise by the Trustee or the Manager of the rights and powers of the Trustee and the Manager in their dealings with the Fund or its assets or any part thereof;
- attend meetings whether as Unitholders or otherwise, or to vote or to take part in or consent to any action concerning any property of any entity in which the Fund holds an interest.

A Unitholder is entitled to any distribution as approved and declared by the Manager as per provisions of the Trust Deed.

THE TRUSTEE AND THE MANAGER

Corporate Profile of the Trustee – DTOS Trustees Ltd

DTOS Trustees Ltd is a private company incorporated in Mauritius on 23rd May 2003. DTOS Trustees Ltd is a wholly owned subsidiary of DTOS Ltd and is duly licensed by the Financial Services Commission to act as a qualified trustee. It offers a complete and comprehensive range of trust services including trust formation / migration, corporate trusteeship, advice on tax, regulatory and statutory matters, accounting, administration, and tax filings, where required.

Role of the Trustee

The Trustee has been appointed in order to ensure that the affairs of the Fund are being managed and administered for the benefit of the Unitholders and to their best interests along the following principles:

- **International best standards and regulatory compliance**

Overseeing the conduct of the Fund's business and monitoring whether the business is being properly managed at all levels according to international best standards and in accordance to provisions of its regulatory regime;

Role of the Trustee (CONTINUED)

- **Accounts and risk management**

Reviewing and, where appropriate, approving risk policy, financial statements, annual budgets, business plans and internal reports.

- **Supervision of fund intermediaries**

Supervising the fund intermediaries in their delivery of services to the Fund and ensure that such delivery is done diligently and creates most value for the Unitholders of the Fund.

Corporate Profile of the Manager – SBM MAM

SBM Mauritius Asset Managers Ltd ("SBM MAM") is licensed and regulated by the Financial Services Commission of Mauritius and holds a CIS Manager license. It is 100% owned by SBM Capital Markets Ltd. SBM MAM offers investment management services across a number of asset classes including equities, fixed income, private and alternative investments.

Role of the Manager and its obligations

The Manager is appointed by the Trustee and under the supervision of the Trustee, manages and administers the Fund for the benefit of the Unitholders of the Fund in accordance with the Trust Deed and Prospectus of the Fund.

Its obligations cover but are not restricted to the following:

- **Conduct of Business**

It shall conduct its business in a proper and efficient manner to ensure that any undertaking in the affairs of the Fund is carried out in a proper, ethical, and efficient manner.

- **Supervision of assets**

The Manager shall manage and supervise all assets of the Fund to the best interest of the Unitholders.

- **Trade in units of the Fund**

It shall sell and issue units of the Fund in accordance to the provisions of the Trust Deed and Prospectus and in so doing shall ensure that the interests of unit-holders are protected at all times.

THE INVESTMENT COMMITTEE

The Trust Deed provides for the establishment of an Investment Committee composed of at least 3 persons and not more than 6 persons. The main purpose of the committee is to issue guidelines and advise the Manager on investments.

Currently, the committee is composed of 3 members and meets on a quarterly basis. It reviews the performance of the Fund, ensures that the investment strategy complies with the provisions of the Trust Deed and Prospectus.

Managing Conflict of Interest and Related Party Transactions

The Fund adheres to the SBM Group Conflict of Interest and Related Party Transactions policy to assist the Board of the Trustee and Manager in identifying and disclosing actual and potential conflicts and help ensure the avoidance of conflicts of interest, where necessary.

For the related party transaction, please refer to Note 19 to the Financial Statements.

Information, information technology and information security policy

The Trustee and Manager confirm that information, information technology and information security policy exist within the Group.

RISK GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

The Manager is responsible for the risk management practice and procedures in place within the operating structure of the Fund for risk management. The Manager also defines the overall strategy for risk tolerance and is responsible for the design, implementation and review of a risk management framework, processes and day-to-day management of risk as performed by the intermediaries and service providers of the Fund.

Part of the responsibility to monitor the framework and processes has been delegated to the Investment Committee which conducts reviews on a quarterly basis.

The Fund’s policy on risk management encompasses all business risks including operational, technology, business continuity, financial, compliance and reputational risks which could influence the achievement of the Fund’s objectives. In context, a due diligence exercise is undertaken in collaboration with nominated intermediaries to ensure that they have the capability to commit on the implementation of appropriate customised procedures and controls for the purpose of the Fund.

The risk management mechanisms in place include:

- A system for the ongoing identification and assessment of risk;
- Development of strategies in respect of risk and definition of acceptable and non-acceptable levels of risk;
- The communication of risk management policies across the multiple parties and functionaries involved in the processes;
- The implementation of a documented system of processes with appropriate controls and approval mechanism that closely align the control effort to the nature and importance of the risk;
- Processes to reduce or mitigate identified risks and contain them within the levels of tolerance defined and agreed by the Board of the Manager;
- Compliance reports are prepared and presented to the board of the Manager on a quarterly basis; and
- Internal audit functions exist at the level of the Manager and Fund Administrator whereby the processes pertaining to the affairs of the Fund are scrutinised and undergo audit reviews. Quarterly reports are prepared and presented to the boards of the Manager and Fund Administrator.

Risk exposure of the Fund falls within the following areas or risk:

Operational risks
Operational risk is defined as risk of direct or indirect loss resulting from inadequate or failed internal process, people, and systems or from external events. Assets of the Fund are properly safeguarded, and reporting infrastructures are adequate and effective for timely and accurate data collection.

Compliance risks
Compliance risk is defined as risk of loss from failure to comply with regulations governing the conduct of an organisation’s business. It is a composite risk made up of risk of legal or regulatory sanctions, financial loss, or loss of reputation.

RISK MANAGEMENT (CONTINUED)

Technology risks

Technology risks include hardware and software failures, system development and infrastructure issues. To varying degrees, the Fund is reliant upon certain technologies and systems for the smooth and efficient running of its operations. Disruption to these technologies could adversely affect its efficiency.

Business continuity risks

This relates to losses from failed transaction processing and process management.

Reputational risks

This relates to losses due to unintentional or negligent failure to meet a professional obligation to specific clients or from the nature or design of a product.

Financial risks

The primary sources of financial risks faced by the Fund are risks inherent to its investment activities. Investment values and returns are dependent on the performance of financial markets and may adversely affect the Fund's financial results. The financial risks faced by the Fund and management of these risks are further discussed in the notes to the financial statements.

INTERNAL CONTROL

The Manager and the board of the Manager acknowledge their responsibility for internal control and work closely together and with the Fund Administrator to put in place a system of internal controls which is designed to provide the Trustee with reasonable assurance that the assets are safeguarded; that operations are carried out effectively and efficiently; that the financial controls are reliable and in compliance with applicable laws and regulations and that material frauds and other irregularities are either prevented or detected within a reasonable time.

The Manager and Fund Administrator prepare compliance and risk monitoring reports that are submitted to the Investment Committee and Board of the Manager on a quarterly basis for their review, following which recommendations are made to the Manager on an on-going basis. Preventive and corrective actions are then duly implemented to address internal control deficiencies and opportunities for improving the systems.

WHISTLEBLOWING POLICY

In order to enhance good governance and transparency, the SBM Group has a Whistleblowing policy. The main aims of the policy are to provide an avenue for raising concerns related to fraud, corruption, and any other misconduct. The policy addresses the following:

- Protection of and Remedies for Whistle blowers and Complainants;
- Channels and Procedures;
- Hotline, Email and PO Box facilities

REPORTING WITH INTEGRITY

The Manager is required to ensure that adequate accounting records are maintained so as to disclose at any time, and with reasonable adequacy, the financial position of the Fund. The Manager is also responsible for taking reasonable steps to safeguard the assets of the Fund to prevent and detect fraud and other irregularities.

REPORTING WITH INTEGRITY (CONTINUED)

The Manager must present financial statements for each financial year, which give a true and fair view of the affairs of the Fund, and the results for that period. In preparing such financial statements, the Manager is required to:

- select suitable accounting policies and apply them on a consistent basis using reasonable and prudent judgment
- state whether or not the the Trust Act, 2001 and IFRS Accounting Standards have been adhered to and explain material departures thereto
- use the going concern basis unless it is inappropriate.

The Manager acknowledges its responsibility for ensuring the preparation of the financial statements in accordance with IFRS Accounting Standards and the responsibility of external auditors to report on these financial statements. The Manager is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management and the selection of appropriate accounting policies.

Nothing has come to the Manager's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Fund.

The financial statements have been prepared on a going concern basis and there is no reason to believe that the Fund will not continue as a going concern in the next financial year.

The Manager confirms that in preparing the financial statements, it has:

- selected suitable accounting policies and applied them consistently
- made judgments and estimates that are reasonable and prudent
- followed the IFRS Accounting Standards
- prepared the financial statements on the going concern basis
- adhered to the Code of Corporate Governance in all material aspects and reasons have been provided for non-compliance.

The Manager is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the financial statements comply with the Trust Act 2001, the Securities Act 2005, the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 and have been prepared in accordance with the International Reporting Standards. The Manager is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Annual report is published in full on the website of the Manager of the Fund.

AUDIT
Internal Audit

The Non-Banking Financial cluster ('NBFC') of the SBM Group has its own permanent Internal Audit function reporting to the Audit Committee of SBM (NBFC) Holdings Ltd, the holding Company of NBFC. The internal audit team comprises of three fully qualified accountants. The Internal Audit oversees the Fund. The internal auditors provide assurance about the effectiveness of the risk management and control processes in place and they maintain their independence by reporting to the Audit Committee. The Head of Internal Audit has regular access to the Trustee and Manager and the chairperson of the Risk Committee.

INTERNAL AUDIT (CONTINUED)

There were no restrictions on access by the internal auditors to records or members of the management team.

The Audit Committee of NBFC is chaired by a Chartered Accountant and the Committee comprises of independent members with more than 31 years' experience in the Financial Services industry. The Audit Committee reviews and approves Internal Audit's plan and resources and evaluates the effectiveness of the function. The Audit Committee ensures that a consistent risk-based audit methodology is applied. The audit reports are thereafter tabled at the Committee and the findings and methodologies are reviewed and discussed by the Audit Committee.

As the third line of defense, the role of internal audit is to provide independent, objective assurance services designed to add value and improve NBFC entities' operations. Audits are carried out to review the adequacy and effectiveness of the group's system of internal controls, as per the Board approved risk-based audit plan. In conducting reviews, the Internal Auditors are alert to indicators of fraud and opportunities that could allow fraud, such as control weaknesses. In doing so, the Internal Auditors obtain reasonable assurance that business objectives for the process under review are being achieved and material control deficiencies are detected. Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations are issued to the chairperson of the Audit Committee and the Chief Executive Officer. Any deviation in policies and non-performance of internal controls are duly reported and discussed at Audit Committee level. Corrective actions are promptly taken and regular follow ups as well as reporting performed by Internal Audit until complete resolution.

External Audit

PricewaterhouseCoopers was appointed as statutory auditors of the Fund for the financial year ended 30 June 2026. The Trustee and Manager assess and review on a regular basis the independence of the external auditor.

The fees for the year ended 30 June 2026 for audit services were **MUR 483,000** excluding VAT (2025: MUR 954,000 excluding VAT). No non-audit services were provided by the external auditors during the financial year.

RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

SHAREHOLDING

Holding Structure – 30 June 2026

As at 30 June 2026, the Fund had issued **22,501,002 units** (As at 30 June 2025: 23,835,554 units) for a total fund size of **Rs 5,815,402,152** (30 June 2025: Rs 5,910,267,346). The NAV per unit of the Fund as at 30 June 2026 was **Rs. 258.45** (30 June 2025: Rs. 247.96).

The NAV per unit for the past years are as follows:

Year	NAV per unit
June 2024	239.16
June 2025	247.96
June 2026	258.45

SHAREHOLDING (CONTINUED)

Unit-holders' Relations and Communication
Unitholders are strongly encouraged to visit the website of the Manager to remain updated on the Fund's initiatives/projects, goals, and prices.

Unit-holders' Agreement
To the best knowledge of the Manager and Trustee, there has been no such agreement with any of its Unitholders for the year under review.

Unit-holders' Calendar
The Fund has planned the following forthcoming events:

Reporting date	30 June 2026
Publication of year end results	Within 90 days from end of 30 June 2026

Analysis of ownership
The Fund had **1,639 unitholders** as at 30 June 2026 (30 June 2025: 1,703 Unitholders). A breakdown of the category of Unitholders and the unit ownership as at 30 June 2026 are set out below:

Market Value (MUR)	No. of unitholders	No. of units	% holding
0 – 499,999	399	384,539	2%
500,000 – 999,999	322	854,902	4%
1M – 1,999,999	388	2,000,254	9%
2M – 4,999,999	320	3,731,407	16%
5M – 9,999,999	129	3,248,889	14%
>10M	81	12,281,011	55%
TOTAL	**1639**	**22,501,002**	**100%**

OTHER STATUTORY DISCLOSURES

SIGNIFICANT CONTRACTS

The following agreements have been approved by the Trustee and Manager and are still effective as at end of the financial year 2026:
- Custody Agreement with the SBM Bank (Mauritius) Limited.
- Administration Agreement with SBM Fund Services Ltd.
- Fund Management Agreement with SBM Mauritius Asset Managers Ltd.

Employee Share Option Scheme
The Fund has no share option plans.

Directors and Officers Liability Insurance
The Fund has subscribed to a Directors and Officers Liability Insurance policy in respect of legal actions or liability which may arise against its Trustee, Manager, and officers. The cover does not provide insurance against fraudulent, malicious, or wilful acts or omissions.

Ethics and Business Conduct

Under regulatory supervision of the Financial Services Commission, all officers and agents of the Fund are expected to maintain a high level of ethics in their behaviour and business transactions. The transactions of the Fund are carried out as per its Manager's and Fund Administrator's Code of Business Conduct and Ethics, applicable to all direct and indirect employees who deal with the matters of the Fund.

The Fund is involved in the provision of services and its operations do not materially impact on the environment. Investing strategies include investment in sound, ethical and environmental friendly entities.

On behalf of the Trustee and Manager

Mr. ....
On behalf of the Trustee
Date: 11 SEP 2026

DTOS TRUSTEES LTD
The Common Seal of

Mr. ....
On behalf of the Manager

Trustee's and Manager's Responsibilities in respect of the Financial Statements

The Trustee and Manager are required to ensure that adequate accounting records are maintained so as to disclose at any time, and with reasonable adequacy, the financial position of the Fund. They are also responsible for taking reasonable steps to safeguard the assets of the Fund to prevent and detect fraud and other irregularities.

They must present financial statements for each financial year, which give a true and fair view of the affairs of the Fund, and the results for that period. In preparing such financial statements, they are required to:

- select suitable accounting policies and apply them on a consistent basis using reasonable and prudent judgment
- state whether or not the Trust Act, 2001 and IFRS Accounting Standards have been adhered to and explain material departures thereto
- use the going concern basis unless it is inappropriate.

The Manager acknowledges its responsibility for ensuring the preparation of the financial statements in accordance with IFRS Accounting Standards and the responsibility of external auditors to report on these financial statements. The Manager is responsible for ensuring the maintenance of adequate accounting records and an effective system of internal controls risk management and the selection of appropriate accounting policies.

Nothing has come to the Trustee's and Manager's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting records supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Fund.

The financial statements have been prepared on a going concern basis and there is no reason to believe that the Fund will not continue as a going concern in the next financial year.

The Trustee and Manager confirm that in preparing the financial statements, they have:

- selected suitable accounting policies and applied them consistently
- made judgments and estimates that are reasonable and prudent
- followed the IFRS Accounting Standards
- prepared the financial statements on the going concern basis
- adhered to the Code of Corporate Governance in all material aspects and reasons have been provided for non-compliance.

The Trustee and Manager are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the financial statements comply with the Trust Act, 2001, the Securities Act, 2005, the Securities (Collective Investment Schemes and Closed-end Funds) Regulations, 2008 and have been prepared in accordance with IFRS Accounting Standards. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustee and Manager

DTOS TRUSTEES LTD
The Common Seal of

Mr. ....
On behalf of the Trustee

Mr. ....
On behalf of the Manager

Date: 11 SEP 2026

STATEMENT OF COMPLIANCE
(Section 75 (3) of the Financial Reporting Act)

Name of PIE: SBM Perpetual Fund

Reporting Period: Year ended 30 June 2026

We, the Trustee and Manager of the SBM Perpetual Fund (the "Fund") confirm that to the best of our knowledge, the Fund has complied with most of its obligation and requirements under the National Code of Corporate Governance for Mauritius (2016) except for the principles as set out below:

Principle	Section relating to	Reason for non-compliance
1	Governance structure • Approval of Board Charter • Approval of organisation's code of ethics • Approval of job descriptions of key senior governance positions • Approval of statement of accountabilities	The Fund is set up as a Trust and this principle does not apply to a Trust structure. However, the main roles as described under this principle are fulfilled by the Manager of the Fund, SBM Mauritius Asset Managers Ltd, who ensures that the organisation is led by an effective Board, with clearly defined responsibilities and accountabilities.
2	The Structure of the Board and its Committees	The Fund is set up as a Trust and this principle does not apply to a Trust structure. It has no board of directors, no board committees, and no company secretary. However, the main roles as described under this principle are fulfilled by the Manager of the Fund, SBM Mauritius Asset Managers Ltd, who ensures that the Board is appropriately structured to provide effective leadership, oversight, and strategic direction for the organisation.
3	Director's Appointment Procedures	The Fund is set up as a Trust, and this principle does not apply to a Trust structure. It has no board of directors, no board committees, and no company secretary.

STATEMENT OF COMPLIANCE (CONTINUED)

		However, the main roles as described under this principle are fulfilled by the Manager of the Fund, SBM Mauritius Asset Managers Ltd, who ensures there is a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors.
4	Directors' Duties, Remuneration and Performance	The Fund is set up as a Trust and this principle does not apply to a Trust structure. It has no board of directors, no board committees, and no company secretary. However, the main roles as described under this principle are fulfilled by the Manager of the Fund, SBM Mauritius Asset Managers Ltd, who ensures ensure directors act ethically, fulfill legal duties, and contribute effectively to governance.
5	Reporting with Integrity • Absence of website	Given the Fund's structure as a Trust, it was not considered necessary to have a dedicated website. However, the Annual report is published in full on the website of the Manager of the Fund.
6	Audit	The Fund is set up as a Trust and it has no dedicated internal audit function and audit committee. However, the main roles as described under this principle are fulfilled by SBM (NBFC) Holdings Ltd, the ultimate parent of the Manager of the Fund, who ensures there are effective audit structures in place for reliable reporting and assurance.

On behalf of the Trustee and Manager

DTOS TRUSTEES LTD
The Common Seal of

G. Poegeelall

....
On behalf of the Trustee
Date: 11 SEP 2026

....
On behalf of the Manager

Independent Auditor's Report

To the Unit Holders of
SBM Perpetual Fund

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SBM Perpetual Fund (the "Fund") as at 30 June 2026, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Securities Act 2005 and the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008.

What we have audited

The financial statements of SBM Perpetual Fund set out on pages 8 to 31 comprise:

- the statement of financial position as at 30 June 2026;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code") as applicable to audits of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Republic of Mauritius
Tel: +230 404 5000, Fax:+230 404 5088, www.pwc.com/mu
Business Registration Number : F07000530

Independent Auditor’s Report

To the Unit Holders of SBM Perpetual Fund (Continued)

Report on the Audit of the Financial Statements (Continued)

Other Information

The Trustee and Manager are responsible for the other information. The other information comprises the corporate information, the investment manager's statement, the investment manager's report, the corporate governance report, the trustee's and manager's responsibilities in respect of the financial statements and the statement of compliance but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Trustee and Manager for the Financial Statements

The Trustee and Manager are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the Securities Act 2005 and the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008, and for such internal control as the Trustee and Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee and Manager are responsible for assessing the Fund’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 Trustee and Manager either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee and Manager are responsible for overseeing the financial reporting process.

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Independent Auditor's Report

To the Unit Holders of SBM Perpetual Fund (Continued)

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with the Trustee and Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

To the Unit Holders of
SBM Perpetual Fund (Continued)

Report on Other Legal and Regulatory Requirements

Mauritian Financial Reporting Act 2004

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

Other Matter

This report, including the opinion, has been prepared for and only for the Fund's unit holders, as a body, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

DocuSigned by:
PricewaterhouseCoopers
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PricewaterhouseCoopers

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Johanne How Cho Hee, licensed by FRC

11 September 2026

SBM PERPETUAL FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	2026 MUR'000	2025 MUR'000
ASSETS			
Cash and cash equivalents		**94,214**	98,513
Other receivables		**-**	130
Financial assets at fair value through profit or loss	7	**585,016**	849,774
Financial assets held at amortised cost	6	**5,152,409**	4,997,091
		5,831,639	5,945,508
LIABILITIES			
Other payables	10	**15,601**	34,593
Income tax liability	11(a)	**636**	648
		16,237	35,241
EQUITY			
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE FUND			
Redeemable units	5(i)	**4,075,474**	4,411,982
Retained earnings		**1,739,867**	1,503,148
Other reserve		**61**	(4,863)
	5(ii)	**5,815,402**	5,910,267
TOTAL EQUITY AND LIABILITIES		**5,831,639**	5,945,508

Approved by the Trustee and the Manager and authorised for issue on

DTOS TRUSTEES LTD
The Common Seal of
*

....
TRUSTEE

....
MANAGER

The notes on pages 12 to 31 form part of these financial statements.

	Notes	2026	2025
		MUR'000	MUR'000
GROSS INCOME			
Interest income	12	**293,088**	285,376
Net gain/(loss) on financial assets at FVTPL	7	**4,924**	(858)
		298,012	284,518
FUND EXPENSES			
Manager's fees	13	**43,777**	44,391
Administrator's fees	14	**6,567**	6,659
Registry fees	15	**6,567**	6,659
Custodian fees	16	**3,287**	3,386
Trustee fee	17	**1,342**	1,310
Audit fees		**558**	1,097
Legal & professional fees		**94**	75
Sundry charges		**5**	5
Brokerage fees		**170**	4
Expected credit losses	8	**(8,198)**	6,346
Postage fees		**259**	-
		54,428	69,932
PROFIT BEFORE TAXATION		**243,584**	214,586
Income tax expense	11 (b)	**(1,941)**	(2,094)
PROFIT AFTER TAXATION		**241,643**	212,492
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**241,643**	212,492

The notes on pages 12 to 31 form part of these financial statements.

	Note	Issued units MUR'000	Retained earnings MUR'000	Other reserve MUR'000	Total MUR'000
At 01 July 2024		4,503,607	1,289,798	(4,005)	5,789,400
Issue of units	5 (i)	421,636	-		421,636
Redemption of units	5 (i)	(513,261)	-	-	(513,261)
Total comprehensive income for the year		-	212,492	-	212,492
Transfer:					
Net loss on financial assets at FVTPL		-	858	(858)	-
As at 30 June 2025		4,411,982	1,503,148	(4,863)	5,910,267
At 01 July 2025		**4,411,982**	**1,503,148**	**(4,863)**	**5,910,267**
Issue of units	5 (i)	**419,684**	**-**		**419,684**
Redemption of units	5 (i)	**(756,192)**	**-**	**-**	**(756,192)**
Total comprehensive income for the year		**-**	**241,643**	**-**	**241,643**
Transfer:					
Net loss on financial assets at FVTPL		**-**	**(4,924)**	**4,924**	**-**
As at 30 June 2026		**4,075,474**	**1,739,867**	**61**	**5,815,402**

Note:
As per the Fund's prospectus, capital gains arising from changes in the value of investments, both realised and unrealised are credited to non-distributable reserves and shall not be available for distribution as dividends. Capital losses arising from changes in the value of investments will be debited to the said reserve and shall not be offset against income received. All other undistributable income and expenses such as foreign exchange movement are transferred to other reserve.

The notes on pages 12 to 31 form part of these financial statements.

	Notes	2026	2025
		MUR'000	MUR'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**243,584**	214,586
Adjustment for:			
Interest Income	12	**(293,088)**	(285,376)
Net gain/ (loss) on financial assets at FVTPL	7(b)	**(4,924)**	858
Expected credit losses	8	**(8,198)**	6,346
Operating loss before working capital changes		**(62,626)**	(63,586)
Decrease/ (Increase) in other receivables		**130**	(107)
Decrease in other payables		**(18,992)**	(2,473)
Purchase of financial assets held at amortised cost	6	**(248,203)**	(268,270)
Purchase of financial assets held at FVTPL	7	**(217,768)**	(60,095)
Proceeds on maturity of financial assets held at amortised cost	6	**93,200**	122,500
Proceeds on disposal of financial assets held at FVTPL	7	**485,250**	142,927
Interest received		**303,171**	301,853
Net cash generated from/(used in)operations		**334,162**	172,749
Taxation paid	11(a)	**(1,953)**	(1,860)
Net cash generated from/ (used in) operating activities		**332,209**	170,889
CASHFLOWS FROM FINANCING ACTIVITIES			
Issue of redeemable units	5 (i)	**419,684**	421,636
Redemption of redeemable units	5 (i)	**(756,192)**	(513,261)
Net cash (used in)/ generated from financing activities		**(336,508)**	(91,625)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		**(4,299)**	79,264
CASH AND CASH EQUIVALENTS AT START OF YEAR		**98,513**	19,249
CASH AND CASH EQUIVALENTS AT END OF YEAR		**94,214**	98,513

The notes on pages 12 to 31 form part of these financial statements.

1 LEGAL FORM AND PRINCIPAL ACTIVITY

SBM Perpetual Fund (“the Fund”) was incorporated on 28 September 2006 as a Public Company Limited by share. Its registered office is situated at SBM Tower, 1 Queen Elizabeth II Avenue, Port Louis, Mauritius. The Fund was authorised to operate as a Collective Investment Scheme under Section 97 of the Securities Act 2005. The Fund is authorised to operate as a unit trust under the Securities Act 2005 and the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 (the “Securities Laws of Mauritius”).

The principal activity of the Fund is to invest in long term securities and other instruments. The Fund’s investment activities are managed by SBM Mauritius Asset Managers Ltd.

2 APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current year, the Fund has applied all the new and revised standard 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 1 July 2025.

2.1 New standards and amendments to existing standards

A number of new standards, amendments to existing standards and interpretations are effective for annual periods beginning on 01 July 2025 and have not been applied in preparing these financial statements. None of these is applicable to the Fund's operations or had a material effect on the financial statements of the Fund.

2.2 New standards, amendments and interpretations issued but not yet effective

A number of new standards, amendments to existing standards and interpretations are effective for annual periods beginning after 01 July 2026 and have not been applied in preparing these financial statements. None of these is expected to have a material effect on the financial statements of the Fund except for IFRS 18, which may potentially have an impact.

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The Fund is currently still assessing the effect of the above forthcoming standard and amendments.

3. ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and comply with the requirements of the Trust Deed, the Securities Act 2005, the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008.

The financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL)which are measured at fair value.

The financial statements are presented in Mauritian Rupee ("MUR'000") and all values are rounded to the nearest thousand, except when otherwise indicated.

Going concern

The Manager of the Fund has made an assessment of its ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Manager is not aware of any material uncertainty that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Taxes (Continued)

Deferred tax (Continued)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

(b) Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

As a result of the adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require:
- Impairment of financial assets to be presented in a separate line item in the statement of comprehensive income; and
- Separate presentation in the statement of profit or loss and other comprehensive income of interest revenue calculated using the effective interest method.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through other comprehensive income (OCI) or financial assets through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Fund's business model for managing them. The Fund initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Management has made an assessment on the basis of the facts and circumstances that existed at the date of initial application to determine whether to classify the debt instruments held at amortised cost or financial assets at fair value through OCI. The determination of the business model within which a financial asset is held at amortised cost needs to meet the objective which is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Financial assets (Continued)

Initial recognition and measurement (Continued)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date for debt instruments, i.e., the date that the Fund settles the purchase or sale of the asset.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Financial assets at amortised cost

The Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Fund's financial assets at amortised cost include investments held in government bonds and local bonds and cash and cash equivalents.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Financial assets (Continued)

Financial assets at amortised cost (Continued)

Amortised cost and effective interest method (Continued)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "interest income" line item.

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

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Fund designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVOCI on initial recognition. It has been acquired principally for the purpose of selling it in the near term;

- Debt instruments that do not meet the criteria for amortised cost or FVOCI are classified as at FVTPL. In addition, certain debt instruments that meet the SPPI criteria are also measured at FVTPL, as they are held within a business model that is managed and evaluated on a fair value basis. The collection of contractual cash flows is incidental to the Fund's investment strategy, which is primarily focused on fair value information for performance assessment and decision-making;

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 9. At the end of each reporting period, the fair value gains or losses are transferred to "Other reserve" as they are not distributable in accordance with the Prospectus of the Fund.

The Fund recognises all quoted bonds under this category.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Financial assets (Continued)

Financial assets at fair value through OCI (FVOCI)

The Funds measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Fund of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

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

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Fund could be required to repay.

Impairment of financial assets

The Fund recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are, measured at 12-months ECLs:

• financial assets that are determined to have low credit risk at the reporting date; and
• other financial assets for which credit risk (i.e the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Fund considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Fund considers this to be Baa3 for Moody's rating or BBB- as per Standard and Poor's rating. (See Note 19).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from the default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating the ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and cash flows that the Fund expects to receive).

Credit-impaired financial assets
At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
• Significant financial difficulty of the borrower or issuer;
• A breach of contract such as default or being more than 30 days past due; or
• It is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowances for ECLs in the statement of financial position
Presentation of allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of assets.

Write off policy
A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Fund's recovery procedures. Any recoveries made are recognised in profit or loss.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities comprise of other payables, which are measured at amortised cost.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Other payables
Other payables are stated at their amortised cost using the effective interest method.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Determination of fair value

The fair value for financial instruments traded in active markets at reporting date is based on their quoted price or binding dealer price quotations.

For all other financial assets not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include: using recent arm’s length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis making as much use of available and supportable market data as possible.

An analysis of fair value instruments and further details as to how they are measured are provided in Note 8.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Determination of fair value (Continued)

• Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
• Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
• Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

(c) Interest income calculated using effective interest method

Interest revenue and expense are recognised in the statement of other comprehensive income for all interest-bearing financial instruments using the effective interest method.

(d) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank.

(e) Redeemable units

Redeemable units are classified as equity instruments when:
• The redeemable shares entitle the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation.
• The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
• All redeemable shares in the class of instruments that is subordinate to all other classes of instruments have identical features.
• The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Fund's net assets.
• The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.
In addition to the redeemable units having all the above features, the Fund must have no other financial instrument or contract that has:
• Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund;
• The effect of substantially restricting or fixing the residual return to the holders of redeemable units.

The Fund classified its redeemable units as equity as it meets the above features.
The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.
The Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

3 ACCOUNTING POLICIES (CONTINUED)

3.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Related parties

Parties are considered to be related to the Fund if they have the ability, directly or indirectly, to control the Fund or exercise significant influence over the Fund. Related parties may be individuals or other entities.

4 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Fund's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements:

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (see financial assets sections of note 3). The Fund determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Fund monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Fund's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjournment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the company. Such changes are affected in the assumptions when they occur.

Expected credit losses (ECLs)

To calculate the ECL, the Fund has applied judgements that have a significant effect on the amounts recognised in the financial statements and include the classification of financial instruments into financial assets measured at amortised cost. Estimated ratings have been used for the calculation (Note 19).

5. CAPITAL MANAGEMENT

As a result of the ability to issue, repurchase and resell units, the capital of the Fund can vary depending on the demand for redemption and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable units beyond those included in the Fund's prospectus.

The investment objective of the Fund is to achieve attractive risk-returns through a combination of long-term capital appreciation and current income by making portfolio investments.

The Fund's objectives for managing capital are:
- To invest the capital in investments, meeting the description, risk, exposure and expected return indicated in its prospectus.
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise.
- To maintain sufficient size to make the operation of the Fund cost efficient.

The capital of the Fund consist of redeemable participating units denominated in Mauritian Rupees. The redeemable participating units are redeemable at the option of the shareholder based on net asset value. The redeemable participating units have been classified as equity.

Unitholders have undivided rights in the Fund pro-rata to the number of Units held by them.
Upon the Fund being terminated, the Fund shall sell all the Fund property vested in it in accordance with the terms of the Trust Deed. It shall apply the proceeds of the sale to repay any liability by the Fund and shall distribute all net cash proceeds to the Unitholders pro-rata to their number of Units after deduction of expenses as provided for in the Trust Deed.

Unitholders shall be entitled to vote at meetings of Unitholders.
The following matters shall require a meeting of Unitholders:
- termination of the Trust by Extraordinary Resolution,
- appointment of a new Manager or Trustee in the case the Manager has retired and has not been replaced by the Trustee or in case the Trustee has retired and has not been replaced by the Manager.

(i) Movement during the year

	2026		2025	
	Units	**MUR'000**	Units	MUR'000
At 01 July	**23,835,554**	**4,411,982**	24,207,064	4,503,607
Units issued	**1,661,877**	**419,684**	1,734,677	421,636
Units redeemed	**(2,996,429)**	**(756,192)**	(2,106,187)	(513,261)
At 30 June	**22,501,002**	**4,075,474**	23,835,554	4,411,982

(ii) Net asset value per unit

	2026	2025
Net asset attributable to holders of units (MUR'000)	**5,815,402**	5,910,267
Net asset value per unit (MUR)	**258.45**	247.96

(iii) Prices per unit

	2026	2025
Issue price	**261.04**	250.44
Redemption price	**255.87**	245.48

6. FINANCIAL ASSETS HELD AT AMORTISED COST

	2026	2025
	MUR'000	MUR'000
At 01 July	**4,997,091**	4,873,374
Additions	**248,203**	268,270
Maturity	**(93,200)**	(122,500)
Net interest accrued	**(7,883)**	(15,707)
Allowance for expected credit loss (Note 8)	**8,198**	(6,346)
At 30 June	**5,152,409**	4,997,091

(a) Financial assets held at amortised cost are analysed as follows:

	2026	2025
	MUR'000	MUR'000
Non-current	**5,075,543**	4,902,293
Current	**76,866**	94,798
	5,152,409	4,997,091

(b) Details of financial assets held at amortised cost are as follows:

	Interest rate	**Maturity**	**2026**	2025
			MUR'000	MUR'000
Government bonds	2.83% - 11.75%	Oct 2026 - Mar 2045	**4,819,906**	4,664,851
Bank One Notes	5%	Jun 2030	**53,056**	53,053
Ciel Note	5.45%	Jun 2029	**60,029**	60,005
Ascencia Ltd	4.15%	Dec 2030	**30,089**	29,983
Ascencia Ltd	5.20%	Dec 2035	**39,989**	39,979
ENL	5.85%	Aug 2032	**51,104**	51,063
CFL	5.70%	Nov 2031	**67,177**	67,111
EnVolt Limited 3Y	5.30%	Oct 2026	**3,031**	3,027
Gamma Civic	4.33%	Jun 2031	**28,028**	28,020
TOTAL Financial assets held at amortised cost			**5,152,409**	4,997,091

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026	2025
	MUR'000	MUR'000
At 01 July	**849,774**	934,234
Additions	**217,768**	60,095
Disposals	**(485,250)**	(142,927)
Interest accrued	**(2,200)**	(770)
Net loss on financial assets at FVTPL	**4,924**	(858)
At 30 June	**585,016**	849,774

(a) Financial assets measured at fair value are further analysed as follows:

	2026	2025
	MUR'000	MUR'000
Non-current	**429,844**	706,325
Current	**155,172**	143,449
	585,016	849,774

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Details of financial assets measured at FVTPL are as follows:

	Interest rate	Maturity	2026 MUR'000	2025 MUR'000
Government bond	3.92%	Oct 2026	**40,295**	39,770
Government bond	0.00%	Jul 2026	**49,928**	7,449
CIM Financial Services Ltd	4.75%	Jul 2030	**40,025**	40,343
SBM MUR Note Class A2 series	5.75%	Jun 2028	**61,950**	74,956
IBL Ltd Notes	6.25%	Mar 2030	**30,116**	30,117
IBL Ltd Floating Rate Notes	6.00%	Jun 2029	**14,512**	14,512
Forty Two Point Two Notes	3.55%	Apr 2028	**89,030**	87,862
Forty Two Point Two Notes	4.85%	Jun 2029	**11,096**	11,096
Forty Two Point Two Notes	6.40%	Oct 2028	**10,119**	10,119
Innodis Ltd	3.90%	Dec 2026	**11,769**	11,769
CFSL Notes	5.80%	Mar 2028	**36,624**	36,624
CFSL Notes	4.40%	Nov 2026	**50,165**	50,323
United Docks Ltd	5.10%	Jul 2029	**40,911**	52,162
MCB Group Ltd Notes	5.10%	Aug 2026	**3,013**	42,926
ABCB Notes	5.80%	Mar 2034	**50,741**	51,439
ENL Credit-Linked Notes	5.25%	Jul 2038	**44,722**	75,702
Northfields International High School			**-**	1,008
IBL Ltd Notes			**-**	64,555
CIM Financial Services Ltd			**-**	57,866
Forty Two Point Two Notes			**-**	89,176
			585,016	849,774

8. ALLOWANCE FOR EXPECTED CREDIT LOSSES (ECLs)

	2026 MUR'000	2025 MUR'000
At start	**10,119**	3,773
Movement during the year	**(8,198)**	6,346
At end	**1,921**	10,119

All financial assets are classified under stage 1 at reporting date (2025: Stage 1).

9. FAIR VALUE MEASUREMENT HIERARCHY

IFRS 13 requires disclosures relating to fair value measurement using a three level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

9. FAIR VALUE MEASUREMENT HIERARCHY (CONTINUED)

	Level 1	Level 2	Level 3	Total
	MUR'000	**MUR'000**	**MUR'000**	**MUR'000**
2026				
Financial assets measured at FVTPL	**-**	**585,016**	**-**	**585,016**
2025				
Financial assets measured at FVTPL	-	849,774	-	849,774

There were no transfer between levels during the year.

10. OTHER PAYABLES

	2026	2025
	MUR'000	MUR'000
Audit fees	**555**	1,097
Manager's fee payable (Note 19)	**3,578**	3,767
Administrator fee payable (Note 19)	**537**	565
Custodian fees payable (Note 19)	**283**	298
Registry fees payable (Note 19)	**537**	565
Trustee fees payable (Note 19)	**110**	116
Entry and exit fees payable (Note 19)	**2**	30
Tax filing fees payable	**12**	36
Other professional fees payable	**75**	9
Redemption payable	**9,654**	28,110
Subscription in advance	**258**	-
	15,601	34,593

The carrying amount of other payables approximate their fair value. Other payables are unsecured, interest free and repayable within 3 months.

11. TAXATION

Income tax is calculated at the rate of 17% (2025: 17%) on profit for the year as adjusted for income tax purposes.

As a Collective Investment Scheme licensed in Mauritius, the Fund benefits from a 95% exemption on interest income. In addition, the Fund may claim an 80% partial exemption on foreign dividend income, subject to meeting the prescribed substance conditions. Other income not qualifying for either exemption is taxed at the standard rate of 15%. As an alternative to the 80% exemption, the Fund can claim tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction, capped to Mauritian tax liability.

Effective from the year of assessment commencing on 1 July 2024, CCR levy is applicable at 2% on chargeable income of companies and resident sociétés with a turnover of more than MUR 50 million. Tax credits, except for investment tax credit or foreign tax credit available under a tax treaty, will no longer be available for offset against the CCR Levy. Given that the Fund has turnover exceeding MUR 50 million for the year ended 30 June 2026, the Fund is subject to CCR Levy.

(a) Income tax liability

	2026	2025
	MUR'000	MUR'000
At 01 July	**648**	414
Tax charge	**1,935**	1,879
Tax paid in advance	**(1,299)**	(1,231)
Income Tax paid	**(654)**	(629)
Underprovision in previous year	**6**	215
At 30 June	**636**	648

11. TAXATION (CONTINUED)

(b) Reconciliation of tax charge

	2026	2025
	MUR'000	MUR'000
Profit before taxation	243,584	214,586
Tax reconciliation at the tax rate of 15% (2025: 15%)	36,538	32,188
CCR Levy at 2%	228	221
Exempt income	(43,771)	(40,691)
Non deductible expenses	8,940	10,161
Underprovision in previous year	6	215
Income tax expense	1,941	2,094
Income tax charge	1,935	1,879
Underprovision in previous year	6	215
Income tax expense	1,941	2,094

12. INTEREST INCOME

	2026	2025
	MUR'000	MUR'000
Financial assets held at amortised cost	261,771	244,287
Financial assets held at FVTPL	31,317	41,089
	293,088	285,376

13. MANAGER'S FEES

Manager's fees are computed daily based on **0.75% p.a of net asset value** (2025: 0.75% of NAV) of the Fund and are payable monthly in arrears.

14. ADMINISTRATOR'S FEES

Administrator's fees are computed daily based on **0.1125% p.a of net asset value** (2025: 0.1125% of NAV) of the Fund and are payable monthly in arrears.

15. REGISTRY FEES

Registry's fees are computed daily based on **0.1125% p.a of net asset value** (2025: 0.1125% of NAV) of the Fund and are payable monthly in arrears.

16. CUSTODIAN FEES

Custodian's fees are computed daily based on **0.06% on investment value** (2025: 0.06% on investment value) of the Fund and are payable monthly in arrears.

17. TRUSTEE FEES

Trustee fees are charged at **0.020% per annum of the Net Asset Value plus VAT** of the Fund up to an AUM of MUR 8 billion, **or a maximum of MUR 150,000 monthly plus VAT** subject to a minimum of MUR 35,000 per month and a maximum of MUR 50,000 per month (2025: 0.020% + VAT). The Trustee fees are calculated on a daily basis and payable monthly in arrears.

18. EXIT FEES

Exit fees of 1.00% in year 1, 0.75% in year 2, 0.50% in year 3 and nil after year 3 (2025: 1.00% in year 1, 0.75% in year 2, 0.50% in year 3 and nil after year) will be applicable at the time of redemption. The redemption proceeds will be reduced by the amount of the exit fees and the net amount paid to the Unitholder.

19. RELATED PARTY DISCLOSURES

During the years ended 30 June 2026 and 30 June 2025, the Fund transacted with related entities. Details of the nature, volume of transactions and balances with the entities are shown below.

	Nature of relationship	Balances held		Fund expense	
		2026	2025	**2026**	2025
		MUR'000	MUR'000	**MUR'000**	MUR'000
SBM Mauritius Asset Managers	**Fund Manager**				
Manager's fees payable		**3,578**	3,767		
Manager's fees expense				**43,777**	44,391
Entry and exit fees payable		**2**	30		
SBM Fund Services Ltd	**Administrator**				
Administrator's fees payable		**537**	565		
Administrator's fees expense				**6,567**	6,659
Registry fees payable		**537**	565		
Registry fees expense				**6,567**	6,659
SBM Bank (Mauritius) Ltd	**Banker and Custodian**				
Custodian fees payable		**283**	298		
Custodian fees expense				**3,287**	3,386
Bank balances held with Bank		**94,214**	98,513		
Bank charges on Bank account				**5**	5
DTOS Trustees Ltd	**Trustee**				
Trustee fees payable		**110**	116		
Trustee expense				**1,342**	1,310
SBM Holdings Ltd	**Other related parties**				
Investments held in related parties		**61,950**	74,956		
Interest Income				**3,807**	1,564
SBM Capital Markets Ltd	**Broker**	**-**	-		
Brokerage fees expense				**170**	4
Units issued to related parties	**Common Manager**				
SBM Universal Fund		**5,855,442**	5,618,484		

Terms and conditions of transactions with related parties
Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party payables.
No compensation was paid to key management personnel for the year ended 30 June 2026 (30 June 2025:nil).

20. FINANCIAL INSTRUMENTS

Categories of Financial Assets and Financial Liabilities	2026	2025
Financial assets	**MUR'000**	MUR'000
Financial assets held at amortised cost	**5,152,409**	4,997,091
Financial assets held at FVTPL	**585,016**	849,774
Cash and cash equivalents at amortised cost	**94,214**	98,513
Other receivables at amortised cost	**-**	100
	5,831,639	5,945,478
Financial liabilities		
Other payables at amortised cost	**15,601**	34,593

20. FINANCIAL INSTRUMENTS (CONTINUED)

Material accounting policies

Details of the material accounting policies and methods adopted, (including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised) in respect of each class of financial asset and financial liability and equity instruments are disclosed in note 3 to the Financial Statements.

Financial risk management

Risk is inherent in the Fund's activities and is managed by the directors through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls put in place.The Fund is exposed to market risk (which includes interest rate risk and currency risk), credit risk and liquidity risk arising from the financial instruments it holds. The Fund has investment guidelines that set out its overall business strategies and its tolerance for risk.

Risk management

The Fund's credit risk is managed by the Investment manager subject to the Fund's established policy, procedures and controls. The credit exposure is monitored by the investment team and reported to the Fund's board and Investment Committee on a quarterly basis. There are internal limits with respect to single issuer exposure, maximum sector exposure and the Fund will hold a diversified portfolio of securities in mitigating overall portfolio credit risk. Investment–grade securities are mostly targeted in managing credit risk but credit migration is monitored.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Fund is exposed mostly to risk relating to changes in interest rates. This has been detailed under interest rate risk.

Currency risk

At the reporting date, there were no financial assets or liabilities denominated in foreign currencies. As such, the Fund is not exposed to currency risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.
At the reporting date, the interest rate profile of the Fund's interest bearing financial instruments was:

	2026	2025
	MUR'000	MUR'000
Variable rate assets		
Deposits with financial institutions	**3,013**	42,928
Government bonds	**487,983**	489,349
Other local bonds	**323,280**	506,628
Balance with bank	**94,214**	98,513
	908,490	1,137,418
Fixed rate assets		
Deposits with financial institutions	**155,030**	226,218
Government bonds	**4,422,148**	4,222,721
Other local bonds	**345,971**	359,021
	4,923,149	4,807,960

The Fund is exposed to interest rate risk on its variable rate assets.

20. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk (Continued)

The sensitivity analysis below assesses the impact of a change in interest rate over a 12-month period.

	Change in interest rate	2026	2025
	%	MUR'000	MUR'000
Profit before tax	+1	**9,085**	11,374

A decrease in interest rate by 1% would have resulted in an equal but opposite impact on profit before tax and net assets.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund seeks to mitigate its exposure to credit and counterparty risk by placing its cash, transacting in securities, placing deposits and bonds with reputable financial institutions.
The carrying amount of financial assets as disclosed in the statement of financial position represents the maximum credit exposure.

The Investment Manager's policy is to closely monitor the creditworthiness of the Fund's counterparties by reviewing their credit ratings, financial statements and press releases on a regular basis.

Credit risk disclosures are segmented into two sections based on whether the underlying financial instrument is subject to IFRS 9's impairment disclosures or not.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of exposures.The Fund considers that these exposures have low credit risk based on the external credit rating of the counterparties.

Financial assets subject to IFRS 9's impairment requirements

The Fund's financial assets subject to the expected credit loss model within IFRS 9 are financial assets at amortised cost. At 30 June 2026, the total financial assets at amortised cost was **MUR 5,152,409,143** (2025: MUR 4,997,090,835) on which a loss allowance of **MUR 1,920,628** has been provided (2025: MUR 10,118,833 for financial assets at amortised cost) .
There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the year.

Probabilities of default have been used to calculate the loss allowance. The 12-month and lifetime probabilities are based on historical data supplied by Moody or Standard and Poor for each credit rating and are recalibrated based on current market prices. Loss given default parameters generally reflect an assumed recovery rate of 55%. However, if the assets were credit-impaired, the estimate loss would be based on a specific assessment of expected cash shortfalls and on the original effective interest rate. The loss on financial assets is detailed as follows:

2026

Financial assets	Rating	PD_1	LGD_1	MUR'000
Government Bonds	Baa3	0.0811%	45%	**1,759**
Deposits with financial institutions	A+	0.0382%	45%	**9**
Other local bonds	A+ / AA-	0.0341%- 0.0594%	19.28%- 20.73%	**153**
				1,921

20. FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Financial assets subject to IFRS 9's impairment requirements (Continued)

2025

Financial assets	Rating	PD_1	LGD_1	MUR'000
Government Bonds	Baa3	0.4655%	45%	9,793
Deposits with financial institutions	A+	0.0526%	45%	13
Other local bonds	A+ / AA- / Unrated	0.0068%- 0.0270%	43.85%- 50.17%	313
				10,119

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its redeemable shares on a regular basis. Units are redeemable at the holder's option based on the Fund's NAV per share at the time of redemption, calculated in accordance with the Fund's prospectus. A unitholder who makes full or partial request for redemption of units shall be paid the Redemption Price within 30 (thirty) Days of the applicable Dealing Day, or after receipt of the completed original redemption documentation, whichever is later. The Manager may limit the total number of Units in the Fund that may be redeemed on any Dealing Day to 5% of the outstanding Units in the Fund.

The Fund's policy is to satisfy redemption requests by the following means (in decreasing order of priority):
- Searching for new investors
- Withdrawal of cash deposits
- Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)
- Disposal of other assets

The Fund invests primarily in fixed income securities and place deposits with financial institutions and other financial instruments which, under normal market conditions, are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

The following table summarises the maturity profile of the Fund's redeemable units and other financial liabilities based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Fund's contractual commitments and liquidity.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

Financial assets

Analysis of equity and debt securities into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be

20. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

2026	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
	MUR'000	**MUR'000**	**MUR'000**	**MUR'000**	**MUR'000**
Cash and cash equivalents	**94,214**	**-**	**-**	**-**	**94,214**
Financial assets held at amortised	**490,508**	**469,428**	**1,669,413**	**4,797,864**	**7,427,213**
Financial assets held at FVTPL	**155,172**	**187,603**	**146,778**	**95,463**	**585,016**
Total financial assets	**739,894**	**657,031**	**1,816,191**	**4,893,327**	**8,106,443**
Other payables	**15,601**	**-**	**-**	**-**	**15,601**
Total financial liabilities	**15,601**	**-**	**-**	**-**	**15,601**
Liquidity gap	**724,293**	**657,031**	**1,816,191**	**4,893,327**	**8,090,842**

2025	Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Cash and cash equivalents	98,513	-	-	-	98,513
Financial assets held at amortised	343,495	323,921	1,295,364	4,174,345	6,137,125
Financial assets held at FVTPL	143,449	105,855	357,389	243,081	849,774
Total financial assets	585,457	429,776	1,652,753	4,417,426	7,085,412
Other payables	34,593	-	-	-	34,593
Total financial liabilities	34,593	-	-	-	34,593
Liquidity gap	550,864	429,776	1,652,753	4,417,426	7,050,819

21. Excessive risk concentration

Concentration indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentration of risks arises when a number of financial instruments or contracts are entered into with the same counterparty or when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic political or other conditions. Concentrations of liquidity risk may arise from repayment terms of financial liabilities. Concentrations of foreign exchange risk may arise if the Fund has a significant net open position in a single foreign currency. In order to avoid excessive concentration of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The investment manager is instructed to reduce exposure to excessive risk concentrations. The Fund shall not purchase a security, other than a debt security issued by the Government of Mauritius or the Government of any other country, if, immediately after the purchase more than 5% of its net assets, taken at market value at the time of purchase would be invested in securities of that issuer. The Fund shall also not purchase a security of an issuer where, immediately after the purchase, the Fund would hold more than 10% of a class of securities of that issuer. The Fund has complied with these restrictions.

22. EVENTS AFTER REPORTING DATE

There has been no material events after the reporting date which would require disclosure or adjustment to the Financial Statements for the year ended 30 June 2026.