INTEGRATED REPORT 2026

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PUSHING FORWARD IN ADVERSITY

INTEGRATED REPORT 2026

Velogic Head Office

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/ velogicgroup

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An ER brand

VELOGIC

Trade it easy

Dear Shareholder,

On behalf of the Board of Directors, we are pleased to present the Integrated Report of Velogic Holding Company Limited for the financial year ended 30 June 2026.

The Group's financial statements were approved by the Board on 21 September 2026.

You are kindly invited to attend the Annual Meeting of Shareholders of the Company:

Date: **25 November 2026**
Time: **02:00 P.M.**
Venue: **The Pod Building, Vivéa Business Park**

We look forward to your presence at the meeting.

Sincerely,

Mr. Philippe Espitalier-Noël
Chairman

Mr. Nayendranath Nunkoo
Chief Executive Officer

Pushing Forward in Adversity

Progress is rarely linear, particularly when unexpected headwinds arise. At Velogic, we keep moving. Whatever the route, we find a way.

Every container we move is part of a bigger value chain. Every shipment connects businesses and communities. Its impact reaches far beyond the journey itself, creating ripples that strengthen connections and contribute to shared prosperity.

Over the past year, challenging conditions put our business model and our teams to the test. In the face of adversity, we adjusted our sails. We stayed the course. And most importantly, we kept pushing forward.

About this report

This Integrated Report presents a comprehensive view of Velogic's financial and non-financial performance for the year ended 30 June 2026, enabling stakeholders to assess the Group's position, performance and outlook. Material events up to the Board's approval of the Financial Statements in September 2026 have also been included.



Reporting Scope

This report spans the key dimensions of Velogic's value creation journey and comprises:

- A Sustainable Value Creation section, encompassing Engaging Our Stakeholders, our Sustainability & Inclusiveness Report, and Investing in Our People, which reflects how we build lasting stakeholder trust, advance our environmental and social commitments, and nurture our workforce;
- A Corporate Governance Report, outlining the Corporate Governance structure, board committees, performance evaluations, compensation strategies, and other relevant aspects of sound corporate governance practices;
- A Risk Management Report, presenting our Risk Management Framework and analysing strategic, financial, operational, and compliance risks;
- Group Annual Financial Statements, presenting a comprehensive set of audited Group Financial Statements; and
- The Notice of Annual Meeting of Shareholders, including a proxy form for individual shareholders, a proxy form for bodies corporate, and essential guidelines for shareholder participation in the meeting.

Frameworks, Standards & Principles

This report has been prepared with reference to the Integrated Reporting Framework, issued by the IFRS Foundation, and all applicable regulatory requirements. Velogic has used the Global Reporting Initiative (GRI) Standards as guidance, selectively adopting the disclosures considered most relevant to the Group's activities and reporting context. In applying the GRI Standards, we have considered the reporting principles of Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability.

The GRI Standards are globally recognised standards for sustainability reporting, helping organisations understand and report their impacts on the economy, environment and people.

Board Responsibility Statement

The Board of Directors accepts full responsibility for the integrity of this Integrated Report. In its collective judgement, the Board confirms that the report addresses the Group's material matters and presents a fair, balanced and transparent account of Velogic's strategy and value creation journey over time.

Forward-Looking Statements

This report includes forward-looking statements which, by their nature, involve risks and uncertainties, as they relate to future events and circumstances that may be beyond our control. Readers are advised to exercise caution when interpreting these statements.

Your feedback matters

We welcome feedback from all stakeholders to strengthen our reporting and sharpen our focus on material issues. Please write to us at **investors@velogic-mu.com.**

Glossary of Terms

ACCA	Association of Chartered Certified Accountants
ACS	Associated Container Services Ltd - Velogic's container storage, handling, repair and modification subsidiary
AGOA	African Growth and Opportunity Act
AI	Artificial Intelligence
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
AMS	Annual Meeting of Shareholders
API	Application Programming Interface
B2B	Business-to-Business
B2C	Business-to-Consumer
BCG	Boston Consulting Group
BI	Business intelligence
bn	Billion
BRC	British Retail Consortium
BSc	Bachelor of Science
BTS	Brevet de technicien supérieur
BU	Business Unit
CAP29	ER Group's three-year strategic roadmap (2026-2029)
CCRL	Corporate Climate Responsibility Levy
CEB	Central Electricity Board
CEO	Chief Executive Officer
CFA	Chartered Financial Analyst
CFIO	Chief Finance and Investment Officer
CFS	Container Freight Station
CGC	Corporate Governance Committee
CGU	Cash Generating Units
CHCL	Cargo Handling Corporation Ltd
CNIS	Carbon Neutral Industrial Sector
CO_2	Carbon Dioxide
COMESA	Common Market for Eastern and Southern Africa
COO	Chief Operations Officer
CSR	Corporate Social responsibility
DEM	Development & Enterprise Market
DESS	Diplôme d'études supérieures spécialisées
DPS	Dividend per Share
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ED	Executive Director
EPS	Earnings Per Share
ER Group	ER Group Limited, Velogic's ultimate parent group
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
EUR1	Certificate used as proof of origin of goods moving into the European Union (EU) territory
EV	Electric Vehicles
FCA	Fellow of the Institute of Chartered Accountants
FCCA	Fellow of the Association of Chartered Certified Accountants
FCIM	Fellow of the Chartered Institute of Marketing
FCL	Full Container Load
FIATA	International Federation of Freight Forwarders Associations
FMPA	Financial (Miscellaneous Provisions) Act
FOM	Freeport Operations (Mauritius) Ltd
FRC	Financial Reporting Council
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FY	Financial Year
g	Gram
GHG	Greenhouse Gas
GOH	Garments on Hangers
GRI	Global Reporting Initiative
h	hours
ha	hectare
HACCP	Hazard Analysis and Critical Control Points
HR	Human Resources
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IATA	International Air Transport Association
ICAEW	Institute of Chartered Accountants in England and Wales
ICSA	Institute of Chartered Secretaries and Administrators
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
INED	Independent Non-Executive Director
INR	Indian Rupee
IPPF	International Professional Practices Framework
IR	Inherent Risk
ISA	International Standards on Auditing
ISO	International Organization for Standardization
ISP	Internet Service Provider
ITIL	Information Technology Infrastructure Library
Jul	July
Jun	June
K	Thousand
KES	Kenyan Shilling
kg	Kilogram
L	Litre
LCL	Less than Container Load
LLM	Master of Laws (Legum Magister)
LSE	London School of Economics and Political Science
Ltd	Limited
m^3	Cubic metre
M&A	Mergers and Acquisitions
MBA	Master of Business Administration
MCB	Mauritius Commercial Bank
MDP	Management Development Programme
MFA	Multi-Factor Authentication
MIAGE	Maîtrise en Informatique Appliquée à la Gestion des Entreprises
M or m	Millions
MQA	Mauritius Qualifications Authority
MSc	Masters of Science
MTL	Mechanical Transport Limited
MUR	Mauritian Rupees
MW	Megawatt
MWh	Megawatt-hour
NAV	Net Asset Value
NAVPS	Net Asset Value Per Share
NED	Non-Executive Director
NGO	Non-governmental organisation
NPS	Net Promoter Score
OCI	Other comprehensive income
PAT	Profit After Taxation
PE	Price Earnings (ratio)
PIE	Public Interest Entity
PPE	Personal Protective Equipment
PV	Photovoltaic
PwC	PricewaterhouseCoopers
RIDS	Rogers International Distribution Services
RMAC	Risk Management and Audit Committee
ROA	Return on Asset
ROE	Return on Equity
RPA	Robotic Process Automation
RR	Residual Risk
Rs	Mauritian Rupees
SARLU	Société à responsabilité limitée unipersonnelle
SAS	Société par actions simplifiée
SEM	Stock Exchange of Mauritius
S&I	Sustainability & Inclusiveness (also referred to as SI, e.g. SI Impact Tour)
SIC	Sustainability and Inclusiveness Committee
t	tonnes
tCO_2eq	tonnes of CO^2 equivalent
TEU	Twenty-foot Equivalent Unit - standard unit for counting containers and for describing the capacity of container ships or terminals. One 20 foot container equals to 1 TEU. One 40 foot container equals to 2 TEUs
TMS	Transport Management System
UK	United Kingdom
UPS	United Parcel Service
US	United States
USD	United States Dollar
USPs	Unique Selling Proposition
VPN	Virtual Private Network
WMS	Warehouse Management System

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Pushing forward on every road

Whatever the load, our domestic transport network gets it from A to B, safely and on time.
From our combined container yards by the port to the last stretch of road before delivery, we consolidate, deconsolidate, and keep things moving, whatever the size, shape or quantity. Behind the wheel, our drivers are trained in eco-friendly driving and every kilometre covered a little more responsibly. Every road leads somewhere. We make sure your goods get there.

About Velogic

For more than 60 years, Velogic has been turning the complexities of international trade into simple, reliable solutions for its customers. What began in 1964 as ER Group's freight forwarding arm has progressively evolved into an integrated logistics partner. This evolution reached a defining milestone in 2021, when Velogic became the first international logistics company to be listed on the Development & Enterprise Market (DEM) of the Stock Exchange of Mauritius – a testament to the confidence earned over decades, and a springboard for the next phase of growth.

Today, Velogic's expansion is reflected in its geographical footprint. Headquartered in Mauritius, the Company currently operates 38 offices strategically placed in major cities across Mauritius, Reunion, Madagascar, India and Kenya, forming a network built to move goods effortlessly from origin to destination. Cross-Border Logistics, Landside Logistics, and Packing & Shipping activities are brought together under one roof, providing customers with a comprehensive suite of services and eliminating the complexity of managing multiple supply chain partners.

Behind every shipment is a relationship. Velogic's proactive and customer-centric philosophy, supported by a global network of over 300 agents and partners, enables the business to respond effectively to the most complex customer needs across diverse economic sectors worldwide. This holistic approach allows businesses to rely on a single, trusted service provider for their logistical needs, making Velogic the preferred partner for seamless cross-border trade.

5
Territories

38
Offices

+300
Agents worldwide

1,535
Professionals

Backed by deep expertise and a strong financial footing, Velogic continues to expand into new markets beyond the Indian Ocean, driven by an ambitious growth strategy. The result is a company firmly established as a market leader in Mauritius, and increasingly recognised as a key logistics player across the region.

Accolades

PwC Sustainability Awards 2023
Transport & Logistics Category

PwC Sustainability Awards 2024
Transport & Logistics Category

Ministry of Environment – Environmental Awards 2024
Transport Sector

MAURITIUS: 12
Mer Rouge (4)
Plaisance (2)
Riche Terre (4)
Rodrigues (2)

INDIA: 9
New Delhi
Mumbai
Nhava Sheva
Chennai
Tirupur
Tuticorin
Bangalore
Hyderabad
Gandhidham

MADAGASCAR: 9
Antananarivo (3)
Antsirabe
Toamasina
Mahajanga
Fort Dauphin
Toliara
Sambava

REUNION: 3
Le Port
Sainte Marie (2)

KENYA: 5
Nairobi (2)
Mombasa (2)
Nakuru

Partner agent's network
Own offices

Certifications and industry standards*

*Certifications are country specific

International Air Transport Association

Authorized Economic Operator France

International Federation of Freight Forwarders Associations

ISO9001:2015

AJA EuropeTM – ISO 9001:2015, 14001:2015 and 45001:2018

BRCGS Food Safety Global Standard

Vision, Purpose & Values

Our Vision

To be the regional logistics leader enabling trade sustainably.

Our Purpose Statement

Our purpose is to make trade easy by enabling our clients to get the best possible logistics solutions, providing them proactively with relevant information and helping them to grow their business.

Together, we make it happen for our success and growth.

Our Core Values

COLLABORATION

We value diversity, nurture relationships and work together for shared success.

AGILITY

We anticipate change, adapt and act swiftly.

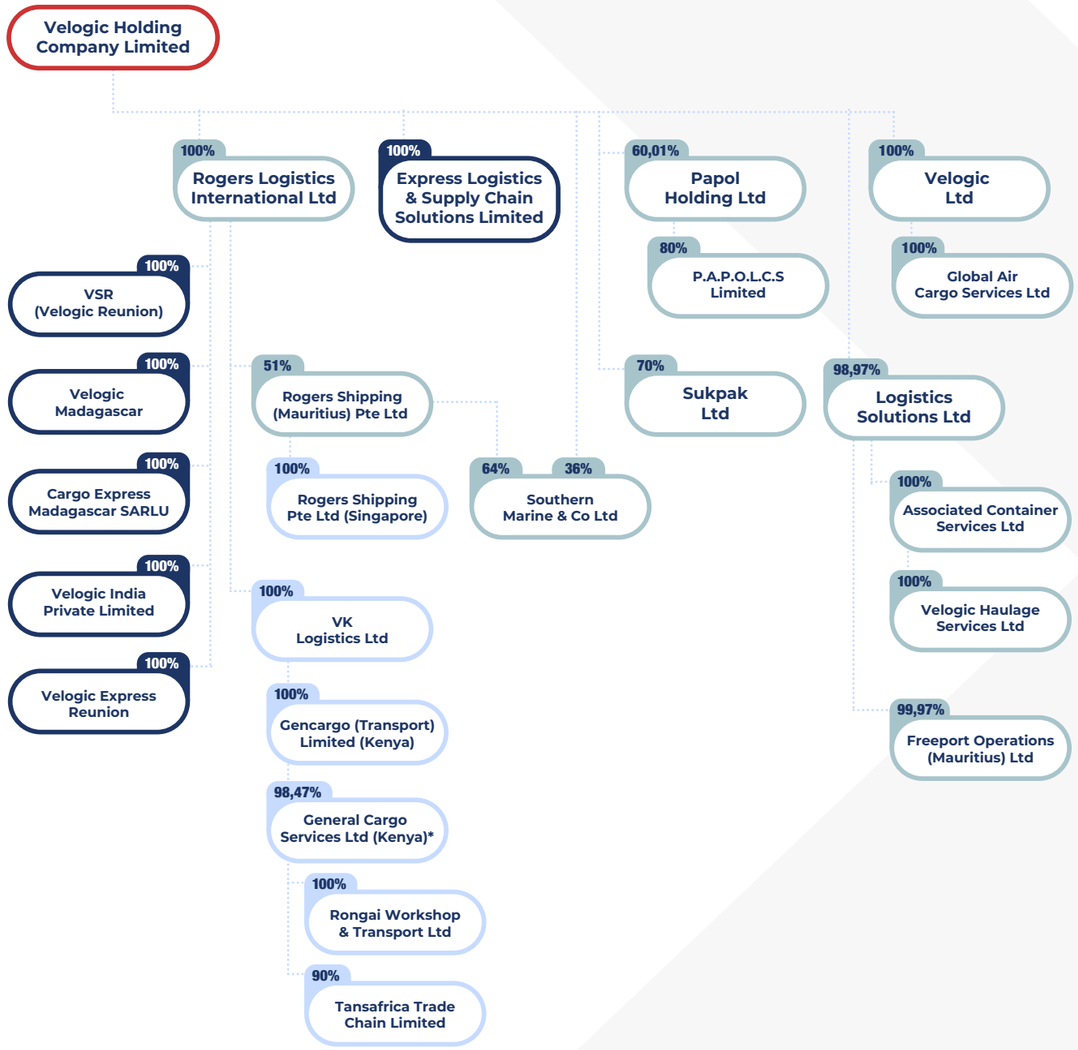
RESPONSIBILITY

We act with purpose, take ownership and deliver impactful results.

The Vision sets the destination, the Purpose Statement explains why the journey matters to clients, and the Core Values: Collaboration, Agility and Responsibility — are how the team shows up to deliver on both.

Shareholding Structure

As at 01 July 2026



**Mehul Bhatt holds 1.53% of the shareholding of Gencargo Services Ltd (Kenya).*

Track Record & Key Milestones

1964
Introduction of Freight Forwarding activities in Mauritius

1993
Opening of offices in France & Madagascar

2008
Opening of India office

2009
- Launch of Velogic brand
- Acquisition of majority stake in Société du Port

2011
Opening of Reunion office

2013
Acquisition of MTL

2014
Entry of Amethis into Velogic's shareholding structure

2015
Acquisition of Southern Marine & ERC

2016
Acquisition of 51% in a Kenyan company

2017
Securing the representation of global express courier services leader UPS in the Indian Ocean region and acquiring a dedicated entity in Reunion (Velogic Express Reunion)

2018
Disposal of Velogic Mozambique

2019
Sale of 70% of Velogic France to a strategic partner with presence in Europe & the US

2022
- Acquisition of 49% stake in 2 Kenyan entities
- Exit of Amethis from Velogic's shareholding structure
- Listing on the DEM of the Stock Exchange of Mauritius

2023
Acquisition of 100% stake in another transport company in Kenya

2024
Disposal of Velogic France

2025
- Start of operations in Tanzania
- Acquisition of 100% stake in MC Easy Freight Co. Ltd in Mauritius

2026
- Amalgamation of Shipping Activities under Southern Marine
- Relocation of the Bulk Cargo and Ship Chartering Agency from Singapore to Mauritius
- Amalgamation of MC Easy Freight Co. Ltd with Velogic Ltd
- Cessation of Tanzania operations

Velogic in Numbers

Financial performance

PROFIT AFTER TAX (MUR)

205m ▼ 12%
Jun 25: 233m

REVENUE (MUR)

4,016m ▼ 3%
Jun 25: 4,132m

EBITDA* (MUR)

554m ▼ 2%
Jun 25: 567m

EPS (MUR)

2.00 ▼ 13%
Jun 25: 2.29

DPS (MUR)

1.33 ▼ 1%
Jun 25: 1.35

PE**

7.2x ▲ 6%
Jun 25: 6.8x

**Share price MUR 14.45

*Adjusted EBITDA - See CFIO's Report on Page 36



Operational performance

CROSS-BORDER LOGISTICS

TOTAL AIR (TONS)
5,154 Jun 25: 5,559

SEA FREIGHT (TEUS)
8,224 Jun 25: 11,121

EXPRESS COURIER (N°of shipments)
91,788 Jun 25: 95,373

LANDSIDE LOGISTICS

CONTAINER TRANSPORT
(N° of containerised trips)
71,870 Jun 25: 73,996

SUGAR TRANSPORTATION (K TONS)
521 Jun 25: 440

CONTAINER STORAGE (K TEU)
604 Jun 25: 536

PACKING & SHIPPING

PACKING (TONS)
6,846 Jun 25: 5,564

Our Activities

From the point of origin to the final customer, Velogic manages every step in between as one seamless, fully-integrated service. Three complementary segments make this possible:

CROSS-BORDER LOGISTICS

Freight forwarding, customs brokerage & express courier services.

LANDSIDE LOGISTICS

Port operations, container handling, warehousing and inland transport.

PACKING & SHIPPING

Sugar packing for export, ship agency, chartering and bulk shipping.

Every shipment passes through these three segments as it travels from origin to destination.

Our USPs

SERVICE EXCELLENCE

IATA and FIATA accredited, ISO 9001, 14001 and 45001 certified, with over 60 years of freight, port and packing expertise.

TECHNOLOGY

API-integrated tracking with global platforms and Cargo Community Systems, plus Warehouse Management Systems across our sites.

RELATIONSHIPS & BRANDS

A portfolio of specialised operating brands, strengthened by strategic partnerships.

SUSTAINABILITY

Recognised with the Environmental Award 2024 and the PwC Sustainability Award 2023 & 2024 for our commitment to responsible growth.

Our Brands

Velogic's brand is recognised across every market we serve, reinforced by a portfolio of specialised operating brands, each built to lead its own segment as part of one integrated network.

VELOGIC
Trade it easy

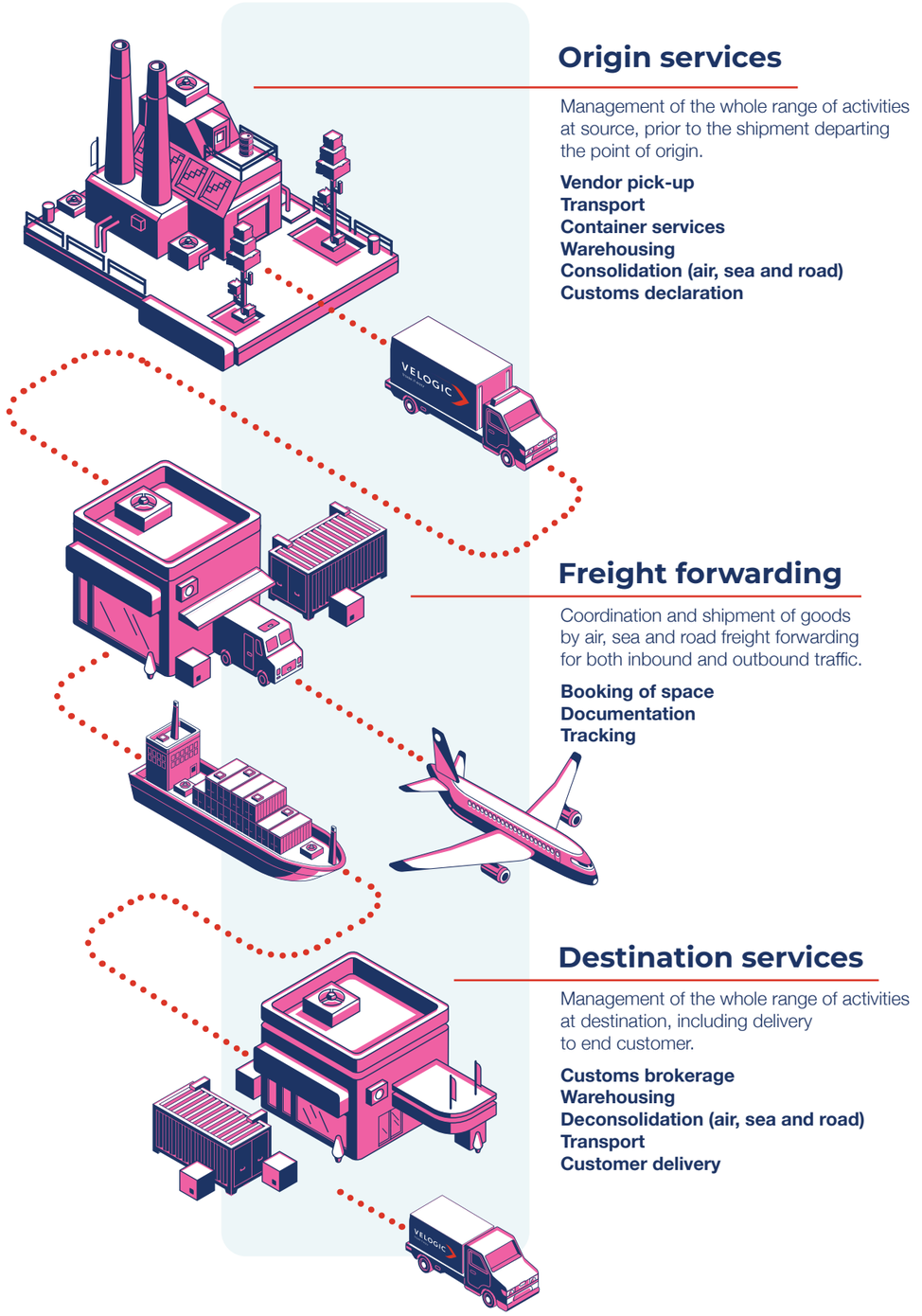
GCS

SOUTHERN MARINE

FREEPORT OPERATIONS
(MAURITIUS) LTD

SUKPAK

P.A.P.O.L.C.S



Origin services

Management of the whole range of activities at source, prior to the shipment departing the point of origin.

Vendor pick-up
Transport
Container services
Warehousing
Consolidation (air, sea and road)
Customs declaration

Freight forwarding

Coordination and shipment of goods by air, sea and road freight forwarding for both inbound and outbound traffic.

Booking of space
Documentation
Tracking

Destination services

Management of the whole range of activities at destination, including delivery to end customer.

Customs brokerage
Warehousing
Deconsolidation (air, sea and road)
Transport
Customer delivery

Overview of our Sectors of Activity



CROSS-BORDER LOGISTICS

Moving goods efficiently across borders, freight forwarding, customs brokerage and express courier services from origin to destination.

SEA FREIGHT

- Full Container Load (FCL)
- Less than Container Load (LCL)
- Consolidation and deconsolidation
- Provision of dry, reefer and open-top containers
- Project cargo
- Full documentation services
- Garments on Hangers (GOH)
- Personal belonging

AIR FREIGHT

- Consolidation and deconsolidation
- Triangular trade shipments and/or transshipment
- Full documentation services
- Project and general cargo
- Perishables, temperature-controlled and hazardous goods
- Garments on Hangers (GOH)
- Personal belongings & unaccompanied luggage

BROKERAGE

- Customs Clearance
- Permits Processing
- Application for import and/or export certificates (e.g., AGOA, COMESA, EUR1, etc.)

EXPRESS COURIER

- Express courier service through UPS (Authorised Service Contractor)

LANDSIDE LOGISTICS

Land transportation, freeport and container solutions that move goods of any size, shape or quantity, securely and reliably.

FREEPORT OPERATIONS

- Storage and handling (warehousing)
- Cross-docking facilities
- Container Freight Station (CFS)
- Reefer container storage and plugging
- Processing zones

CONTAINER SERVICES

- Container storage and handling
- Repairs and maintenance
- Container modifications and verifications
- Sales and rentals
- Preparation of containers for 'Food Grade'
- Preparation of containers for Garments on Hangers

TRANSPORT & PROJECTS

- Transport of containers and bulk
- In-house garage service
- Container handling for Rodrigues

PACKING & SHIPPING

Special sugar packing for export, and comprehensive ship agency services for a highly demanding maritime clientele.

PACKING (THROUGH SUKPAK)

- Packaging of sugars for international brands for export

SHIPPING (THROUGH SOUTHERN MARINE)

- Ship chartering
- Bulk shipping
- Ship agency services
- Surveys and claims handling
- Maritime security crew transfers
- Specialised logistics operations in association with Grindrod (South Africa)
- Stevedoring (Rodrigues)

Deep Dive into our Sectors of Activity



CROSS-BORDER LOGISTICS

Full Container Load (FCL)
- Container loads in which the entire cargo relates to a single order in a single container

Less than Container Load (LCL)
- Container loads that are filled by multiple orders in a single container

Consolidation
- Combining several small packages or shipments into one big shipment, aiding to lower shipping costs and transit/lead times

Deconsolidation
- Breaking down one big shipment into smaller packages, to be sent to their final destination

Project cargo
- The domestic or international transportation of large, heavy-duty, high value, or complex pieces of equipment

Full documentation services
- Handling and centralisation of all important logistics documentation (Bill of Lading, Air Waybills, Customs Declaration, Permits, etc.)

Garments on Hangers (GOH)
- Shipment of high-quality garments, through a string or bar system

Personal belongings
- Transportation of personal effects and household goods

Triangular trade and/or cross trade shipments
- Shipment between three parties, three ports or three countries where the first party is neither the origin nor the destination

Perishables, temperature-controlled and hazardous goods
- The transportation of time and/or temperature-sensitive items as well as regulated items, supported by specific know-how

Express Courier
- Delivery of parcels via an express courier network using air transportation

LANDSIDE LOGISTICS

Storage and handling (warehousing)
- Overall activities in warehouses and logistics centres, such as loading and unloading cargo, sorting, etc.

Cross-docking facilities
- Unloading materials from a manufacturer or mode of transportation directly to the customer, or another mode of transportation, with no storage in between

Container Freight Station (CFS)
- A station or warehouse where a number goods or products are stored to be shipped together in one or more containers

Reefer container storage and plugging
- Refrigerated container is fitted with a power plug cable that can be plugged into a vessel, a terminal, or the genset on a truck

Processing zones
- Designated areas within the Freeport where goods can undergo light processing, assembly, labelling or repackaging while in storage, adding value before onward shipment or re-export

Container repairs & maintenance
- All aspects of container care carried out in our in-house workshop (from minor repairs to major overhauls)

Container Modifications
- Transforming containers into houses, offices or storage units. This includes mixing different container sizes to have personalised solutions

Sales and rentals
- Sales or rental of empty container units

Transport of containers and bulk
- The transportation of goods in large quantities, without packing or packaging, that do not fit in standard size containers

PACKING & SHIPPING

Packaging of unrefined special sugars
- Specialised in the packing of special unrefined sugars into retail packs varying from 250 g to 25 kg

Ship chartering
- Hiring of shipping vessels for specific voyages

Ship agency services
- Acting as port agent on behalf of owners for vessels calling at a port

Surveys and claims handling
- Careful inspection of the transport, cargo and integrity of the packaging, as well as the handling of claims on the best terms possible

Maritime security crew transfers
- Carrying out crew change for shipping vessels requiring maritime security guards onboard

Specialised logistics operations in association with Grindrod (South Africa)
- The transportation of a range of non-standard goods, including oversized, heavy weight or project-related cargo

Stevedoring (Rodrigues)
- Loading and unloading cargo from to and/or from a ship

Pushing forward across ocean

Whether it's a single shipment or a full container, we move your cargo across oceans with flexibility and control. Through long-standing carrier relationships and a global network of partners, we secure the right routes and conditions for every load. From LCL and FCL to complex project cargo, our teams in Mauritius coordinate each step, from port operations to documentation and surveys. Across every voyage, we keep your goods moving steadily, with the oversight to see them safely to shore.

In Conversation with our Chairman



How would you assess Velogic's performance in FY26?

The results for FY26 are somewhat mixed and should be viewed against the backdrop of the global, commercial and geopolitical disruptions, and their ensuing impact on the geographies in which we operate. At Group level, revenue declined by 3% and profit after tax by 12%, compared with FY25, on account of weaker overseas performance.

In Kenya, geopolitical tensions in the Middle East, which subsequently culminated in the Iran war in February 2026, had a direct impact on our performance. Firstly, rising fuel prices substantially increased our operating costs and put pressure on our margins, as we were unable to fully pass these additional costs to customers. Secondly, tea exports to Middle Eastern countries were affected by disruptions to maritime traffic and shipping routes in the region resulting from the conflict. Thirdly, less reliable vessel calls disrupted our supply chain, including customs clearance processes.

In Madagascar, our performance was mainly affected by uncertainties surrounding the renewal of the African Growth and Opportunity Act (AGOA), which was eventually extended to the 31 December 2026. This was compounded by US tariff uncertainties, which weighed on the textile and apparel industry, and consequently on logistics volumes.

In India, we deliberately rationalised our customer portfolio during the year, which weighed on revenue but helped improve margins.

By contrast, Mauritius bucked the trend, recording a 22.7% improvement in PAT, largely driven by the successful integration of MC Easy Freight Co. Ltd, effective 1st July 2025. This process generated economies of scale through operational synergies while lowering overheads. Overall, profitability improved across most lines of business, more than offsetting a softer contribution from landside logistics.

The bottom line in Mauritius was further boosted by a strong performance from Sukpak, driven mainly by higher volumes, and the Reunion Office also delivered strong results, thanks mainly to express courier activities.



Philippe Espitalier-Noël
Chairman

In Conversation with our Chairman

In a year marked by significant external shocks, what does this performance tell us about the resilience of Velogic's fundamentals?

In FY26, we navigated some very disruptive geopolitical and commercial headwinds. Our success in defending our positions in our core markets within this uncertain trading environment is a testament to the diversification strategy we have been pursuing, which continues to cushion the Group from the full force of external shocks. Beyond the numbers, our resilience was best reflected in our resolve to maintain strategic execution momentum amid persisting turbulence.

Beyond day-to-day operations, how is Velogic drawing on synergies with other ER Group subsidiaries to create value?

Many initiatives were undertaken, reflecting stronger synergies between Velogic and other ER Group entities. The most significant one is the partnership with Axess with Velogic's garage facilities and workshop resources now shared with the truck dealership business of Axess. Beyond resource optimisation, this collaboration is leading to new business opportunities, while strengthening overall operational capabilities of both entities.

In FY26, Velogic secured the representation of a new brand of mechanical harvesters, with a view to addressing the needs of Velogic's cane producing customers. Axess assumes the brand representation, and Velogic will integrate the new harvesters in its cane cultivation and transport solution.

ER Group's 2029 three-year strategic plan prioritises regional growth. What will be Velogic's role in delivering this ambition?

As ER's regional growth vehicle in logistics, Velogic will be central in the execution of this strategic plan. We will continue to leverage our foothold in Kenya, a major economic hub in East Africa, to further explore opportunities across the region. We truly believe in our potential to grow both organically and through acquisition of mid-scale players within the supply chain to create sustainable value for all our stakeholders.

Speaking of regional expansion, the Tanzania office had to close during the year following a change in government policy. Did that development affect the way the Board sees Velogic's long-term ambition in East Africa?

This closure, effective 30 June 2026, was the confirmation of a new government policy prohibiting non-citizens from undertaking clearing and forwarding activities. The decision was surprising, sending a very negative sign to foreign investors. Our team had no choice but to swiftly redeploy our resources towards Kenya, which remains our gateway market for growth in the region. As a consequence of the closure, we had to recognise an impairment of the related goodwill during the year, a non-cash accounting outcome that fortunately does not affect our ability to continue investing in the region.

Indeed, our ambition in the region remains unchanged even if this experience has emphasised the inherent risks associated to policy changes in certain African jurisdictions.

How do you welcome the measures announced in the 2026-2027 National Budget regarding port infrastructure projects? What opportunities do they present for Velogic?

Velogic shares the strong belief that the port and its peripheral activities offer a game changing opportunity for Mauritius. The announcements address the much-needed upgrading of our port infrastructure, which has been awaiting major upgrading investments for two decades.

The last modernisation works date back to 2017, when the Mauritius Container Terminal underwent an essential extension of its quay.

As all stakeholders, we welcome these announcements with great enthusiasm and look forward to their timely implementation. The creation of an Island Container Terminal, the modernisation of Cargo Handling Corporation Ltd (CHCL) and the potential arrival of an international operator will undoubtedly provide the boost our port operations require.

In this area, however, time is of the essence, as other regional ports - in Madagascar, South Africa or East African countries - have already embarked on ambitious modernisation and capacity-expansion projects. Key to successful implementation will be execution discipline, regulatory clarity and strong public-private collaboration.

What measures were taken during the year to ensure Velogic's onboarding of digital transformation needs?

FY26 saw meaningful progress in our digital transformation agenda. We introduced a new Financial Management System, a new Transport Management System and a new Warehouse Management System. We positioned these investments as enablers of stronger internal controls, enhanced risk management and greater operational efficiency and resilience.

As we ramp up our digitalisation process, we are also strengthening our cybersecurity posture and technology resilience, through a combination of technical safeguards and ongoing staff awareness initiatives to guard against phishing and malware threats. With these new systems in place, the next effort will focus on the use of Robotic Process Automation (RPA) and relevant AI tools to boost efficiency and productivity.

Velogic realigned its sustainability framework with ER Group's S&I roadmap this year. How is this expected to shape the Group's approach to long-term value creation?

This alignment led to a refreshed framework that aims to strengthen climate resilience and foster social inclusion, while creating long-term value for all our stakeholders. The objective is to further embed sustainability across our operations, building on the good foundations laid over the past years.

In terms of energy transition, a major milestone was achieved with the solar PV System installed at FOM. For its first full year of operation, the system generated more electricity than the site consumed. This demonstrates the value of this MUR 65m investment.

Our waste recycling initiatives as well as Sukpak's partnership with local beekeepers are tangible examples of how we create value across our value chain.

Against a backdrop of geopolitical uncertainty and economic volatility, what will be the company's strategic priorities for FY27?

Under these circumstances, the priority is to consolidate our position in our core markets. As we speak, Velogic is actively exploring the acquisition of a freight forwarding business in Kenya. Should it materialise, the aim would be to reinforce our service portfolio by becoming a fully integrated player offering customs clearance, transport and a comprehensive range of freight forwarding and supply chain services. We truly believe in Kenya's potential to be a growth engine in the foreseeable future, with business volumes and a service portfolio that could come close to those of Mauritius.

Digital transformation will remain a clear focus as we continue to roll out the agenda and start using the newly implemented systems at full capacity. AGOA has now been extended through 31 December 2028, providing renewed policy certainty for our operations in Madagascar and Mauritius. However, the current environment remains volatile, requiring ongoing market monitoring and organisational agility to ensure informed and timely decision-making.

To conclude, what message would you like to share with your stakeholders?

I want to begin by thanking my fellow Board members for their continued support and valuable insights throughout the year, as well as our Chief Executive Officer, Vishal Nunkoo, and his leadership team, for their business acumen and composure amid persistent market disruptions. My thanks also go to every member of the Velogic family for their steadfast commitment and professionalism.

FY26 was a demanding year, but the team never lost sight of the road ahead. We must continue to consolidate our overseas platforms to tap into growing markets, and I am confident that the same resolve which carried us through this year will get us there.

Guided by our values and a shared sense of purpose, I have no doubt that our company will become more resilient with a renewed ability to drive the growth agenda.

CEO's Message



Dear shareholders,

Looking back on the financial year ended 30 June 2026, it can be said that it was yet another arduous year to navigate. Economies worldwide were impacted by several external factors, including energy shocks, rising inflation, increasing trade tariffs and the delayed renewal of the AGOA. As a result, global trade in goods took a hit, and lower trade volume inevitably translated into reduced demand for logistics services.

While the global economy demonstrated a high level of resilience and entered 2026 on a fairly strong footing, the intensification of geopolitical tensions in the Middle East in late February materially changed the outlook. The United States-Iran war, by impacting maritime traffic in the Strait of Hormuz, leading to its near closure for several weeks, caused one of the most significant energy supply disruptions in recent history.

This had a very tangible impact on our operating costs through a sharp rise in oil prices. These tensions also resulted in higher maritime freight rates, driven by increased energy prices, reduced shipping volumes, rising insurance costs and higher risk premiums.

Political unrest in Madagascar, Kenya and Tanzania led to brief operational disruptions due to office closures. Climate change is another factor that must be highlighted, as its impact is already being felt in certain value chains in which we are involved, such as tea production in Kenya.



Nayendranath (Vishal) Nunkoo
Chief Executive Officer

CEO's Message

Our performance

For the year under review, Velogic Group recorded a decline in both revenue and profit after tax, which stood at MUR 4,016m and MUR 204.8m, respectively, compared with the previous financial year. This performance is mainly attributable to weaker results from our overseas offices, which faced strong headwinds.

"In Mauritius, however, the Group improved its performance compared with FY25, increasing its profit after tax by 22.7% to MUR 136m."
(FY25: MUR 111m)

This was mainly due to the successful integration of MC Easy Freight Co. Ltd into Velogic, effective 1st July 2025, which led to lower overheads and greater synergies. In addition, the strengthened output of our sugar packing operations contributed to improving our bottom line.

During the year under review, both import and export volumes declined, impacting our revenue. The decline in import volumes was the direct consequence of weaker local consumption resulting from inflation as well as budgetary measures that reduced consumers' purchasing power. For its part, Sukpak performed well, supported by higher export volumes of specialty sugars and favourable exchange rates throughout the year.

In Reunion, express courier operations maintained strong performance, thanks to higher import volumes and increased local delivery activity. This offset weaker freight forwarding activity, which was affected by lower volumes.

Madagascar was affected by the delayed renewal of the AGOA in February 2026, following months of uncertainty during which many clients decided to hold off their orders. Unfortunately, the US authorities decided to renew this tariff-free trade programme only until 31 December 2026. Given the order cycle time of the textile and apparel industry, this period proved insufficient to restore customer confidence. Like Madagascar, Mauritius was also impacted, albeit to a lesser extent.

India's economic momentum softened during the year under review due to the imposition of US tariffs on its exports. The ensuing depreciation of the Indian Rupee against the US Dollar further increased pressure on the economy. Velogic's revenue in this geography witnessed a sharp decline due to the customer portfolio rationalisation undertaken during FY25. Efforts towards creating a leaner business resulted in lower overheads which, combined with improved margins, helped to enhance results, though marginally.

In Kenya, operating costs increased sharply due to higher fuel prices, which account for 40% of overall costs. This increase impacted our margins. Kenya's tea exports were severely impacted by the US-Iran war and the resulting logistics disruption, as Middle East countries represent around 20% to 25% of its tea export market. Consequently, the performance of the Kenya office was below last year's level. During the reporting period, it is worth noting that we launched Rongai Fresh, reflecting our ambition to further diversify our operations into distribution.

Regionalisation strategy

FY26 was also marked by the closure of our Tanzania office, effective 30 June 2026, following a decision of the Tanzanian government to prevent non-citizens from engaging in certain business activities, including clearing and forwarding services. At the end of the financial year, we had to act accordingly, and cease our operations, despite initiatives undertaken through the foreign freight forwarders association to engage with the authorities.

This policy calls for greater caution as we implement our strategy, though it does not alter our resolve to extend our footprint in this region and continue serving our clients to the best of our ability. As I write this message, our team is exploring a new business acquisition in Kenya, which will remain a gateway market for Velogic to expand in East Africa.

Digitalisation journey

During the period under review, we made significant progress in advancing our digitalisation agenda by leveraging new technological tools to improve operational efficiency and increase productivity in order to better serve our clients.

A new Financial Management System was introduced towards the end of FY26. Its implementation was coupled with the streamlining of internal processes and the strengthening of internal controls, which will improve efficiency and reporting capabilities, while also enabling data-driven decision-making.

Our transport division rolled out a new Transport Management System. This tool enables the team to track the fleet in real-time and take swift decisions to optimise resources based on reliable data. Compliant with industry standards, this system also improves the invoicing process.

Another meaningful milestone achieved during the year was the progressive introduction of a new Warehouse Management System. This new system has substantially improved operations and is generating reliable data that our clients can leverage in their decision-making.

Our sustainability agenda

When it comes to sustainability and inclusiveness, Velogic is committed to transitioning towards a more resilient and inclusive future. During the year under review, we updated our strategic framework to ensure alignment with ER Group's S&I framework and three-year strategic roadmap.

While further details on our initiatives are provided in the S&I report (pp. 56-61), allow me to highlight a few initiatives and impacts that illustrate our genuine commitment.

In FY26, electricity production from our solar PV system at FOM exceeded the site's energy requirements, resulting in measurable avoided carbon emissions. Our waste management and recycling efforts are also delivering concrete and encouraging results across our operations.

I would particularly like to underscore our partnership with The Good Shop, a social enterprise that supports the local circular economy. In addition to hosting a donation drive at our Head Office, we helped the organisation address a logistics challenge by offering two containers. The impact on their operations and, consequently, on their sales was immediate.

Outlook

We look ahead with cautious optimism, as the situation remains highly volatile. The evolution of the Middle East crisis in the weeks and months to come will be decisive on many fronts, beginning with oil prices, whose fluctuations have ripple effects across the economy and our operations.

The two-year AGOA extension secured in September 2026, through to 31 December 2028, offers a more predictable outlook than the one-year renewal granted in early 2026. This should help restore US customer confidence in the textile and apparel value chains in Madagascar and Mauritius. We should also pay close attention to El Niño, which is forecast to strengthen significantly towards the end of 2026 and could affect, among other things, agricultural production.

We welcome with much enthusiasm the government's policy of strengthening Mauritius as a regional maritime hub through the ambitious investment outlined in the Budget Speech 2026-27. The Island Container Terminal project, the modernisation of the Cargo Handling Corporation Ltd and the potential arrival of an international operator to facilitate container handling, bunkering and transhipment will be key in positioning logistics as a strategic pillar of economic development. We now look forward to seeing the implementation of this vision. We also look forward to the implementation of the modernisation project of the airport in Rodrigues, as the construction works are likely to boost our activities.

Closing message

In the current context, our values – collaboration, agility and responsibility – have never been more relevant. We should work together and build synergies. We must seize opportunities as they arise and embrace the continuous improvement in everything we do. And we must honour our commitments and ensure we deliver on our promises to our clients and partners.

In conclusion, I would like to thank the Chairman and all the Board members for their support and sound advice throughout the year, as well as our partners and clients for continuing to strengthen the business relationships that bind us together.

A special thank you goes to my executive team and to all team members for their dedication, professionalism and stewardship, as we keep pushing forward.

CFIO's Report



Group perspective

The financial year ended 30 June 2026 unfolded against a backdrop of considerable operational complexity, shaped by persistent geopolitical volatility and significant supply chain headwinds.

Escalating tensions and maritime disruptions in the Middle East placed sustained upward pressure on freight rates and fuel costs, while shifts in US trade policy, including tariff measures and the delayed renewal of AGOA, weighed on key markets in which Velogic operates.

Despite this challenging and, at times, unpredictable operating environment, Velogic demonstrated notable resilience and agility, adapting swiftly to shifting market conditions across its footprint. Through disciplined cost management, proactive risk mitigation, and the strength of our diversified regional presence, we were able to absorb the impact of these external shocks and safeguard the continuity of our operations

As a result, Velogic delivered a positive overall performance for the year under review, a testament to the robustness of our business model and the commitment of our teams across all markets.
While revenue declined by 3% to MUR 4,016m and profit after tax fell by 12% to MUR 204.8m, our key performance indicators remained encouraging in a particularly adverse trading environment.



Hansraz (Hans) Mulloo
Chief Finance & Investment Officer

CFIO'S Report

MUR'M

	Jun 2026	Jun 2025	Variance
Revenue	4,016.4	4,131.7	(115.3)
Gross Profit	**1,613.1**	**1,618.8**	**(5.7)**
Allowance for expected credit losses	(0)	(7.7)	7.7
Adjusted EBITDA	**553.6**	**567.3**	**(13.7)**
Depreciation, amortisation and impairment	(213.3)	(190.6)	(22.7)
Finance costs	(58.8)	(53.2)	(5.5)
Profit before taxation	**281.5**	**323.4**	**(42.0)**
Taxation	(76.7)	(90.6)	14.0
Profit for the year	**204.8**	**232.8**	**(28.0)**

*Adjusted EBITDA includes impairment of goodwill amounting to MUR 3.3 million

Performance by segment

Mauritius

	Revenue		EBITDA		PAT	
	FY26	FY25	FY26	FY25	FY26	FY25
Cross-border Logistics	1,178.6	1,316.5	106.4	88.6	54.7	35.4
Landside Logistics	725.8	723.3	175.3	169.0	32.8	37.3
Packing & Shipping	239.2	198.4	72.4	58.6	48.7	38.3
Total	**2,143.6**	**2,238.2**	**354.1**	**316.2**	**136.2**	**111.0**

On the domestic front, revenue declined by 4.2% year-on-year to MUR 2,144m. The packing, shipping and landside logistics segments delivered revenue growth, while cross-border logistics recorded a decline.

Notwithstanding the top-line performance, EBITDA strengthened by 12% to MUR 354m and profit after tax grew by 22.7% to MUR 136m, contributing in excess of 66% to the Group profitability for the year.

Cross-border logistics

The cross-border logistics segment recorded a 10.5% year-on-year revenue contraction, driven by lower air and sea shipment volumes amid a broader market-wide decline, influenced by several exogenous factors. In response, we shifted our focus towards profitable volume growth, particularly in sea groupage, consolidation, and air export, where we identified stronger opportunities to protect and enhance margins while mitigating external market pressures.

During the year, we also completed the full merger of MC Easy Freight Ltd into Velogic, generating synergies and lowering overheads. Consequently, EBITDA and profit after tax grew despite the revenue decline.

"We shifted our focus towards more profitable volume growth, particularly in sea groupage, consolidation, and air export."

Landside logistics

The landside logistics segment comprising warehousing, container depot, and haulage operations recorded a marginal net increase in revenue. Haulage revenue grew year-on-year, driven primarily by higher sugar cane transport volumes and an increase in petroleum transfer trips.

Conversely, warehousing revenue declined due to lower reefer plug-in, alongside reduced handling and yard storage volumes. The container depot also faced headwinds, experiencing lower demand across container modifications, handling, rental, repairs, and storage.

Despite these top-line challenges, EBITDA grew by 3.7% due to improved performance at the haulage level, which largely offset shortfalls in warehousing and depot operations. However, profit after tax fell by 12.1%, weighed down by higher depreciation and finance costs associated with right-of-use assets upon renewal of rental lease agreements with landlords.

Packing and Shipping

Sugar packing operations outperformed the previous year in both revenue and profitability. Revenue grew on the back of higher volumes of special sugars packed and a more favourable average exchange rate. This revenue growth translated into a higher EBITDA and profit after tax.

Revenue for our shipping operations remained on par with last year. However, profitability was affected by a one-off claim relating to an industrial relations matter.

Overseas

	Revenue		EBITDA		PAT	
	FY26	FY25	FY26	FY25	FY26	FY25
Cross-border Logistics	1,122.7	1,255.2	118.7*	145.6	49.5	76.4
Landside Logistics	750.1	638.2	79.2	95.9	16.8	36.5
Packing & Shipping	0.0	0.0	1.5	9.5	2.3	8.9
Total	**1,872.8**	**1,893.5**	**199.4**	**251.0**	**68.6**	**121.8**

*Adjusted EBITDA - See CFIO's Report on Page 36

On the international front, revenue dipped 1.1% year-over-year to MUR 1,873m. EBITDA and profit after tax trailed prior-year performance, contracting by 20.6% and 43.7%, respectively.

Cross-border logistics

Revenue from cross-border logistics contracted 10.6% year-over-year, driving a 35.2% decline in profit after tax. Performance across key geographic markets reflected challenging operational environments and ongoing strategic realignments.

Amid a challenging macroeconomic environment in India, revenue decreased by 35.5%. This contraction was a deliberate outcome of our 2025 strategic customer portfolio rationalisation, which prioritised long-term margin quality and risk mitigation over top-line volume by intentionally scaling back low-margin and non-core shipments. Furthermore, profitability faced additional headwinds from intense competitive pricing pressures within the market and a prudent increase in provisions for doubtful debts, reflecting our proactive approach to credit risk management amid ongoing volatility.

Revenue in Madagascar declined by 2.3%, while profit after tax fell by 29.4%. Operations suffered from a reduction in shipment volumes as uncertainty surrounding the renewal of AGOA affected garments exports to the United States. Additionally, intense competition from the market weighed on our gross margin.

Operations in Reunion delivered an overall performance slightly above the prior year, supported by robust growth in courier services. Strong inland delivery volumes drove significant revenue and earnings growth, which served to partly offset lower activity levels and softer performance in freight forwarding operations.

Tanzanian operations came to a halt during the year following the changes brought by the Tanzanian Government regarding foreign ownership in certain activities. As a result, our customs brokerage licence was not renewed. Consequently, the Group had to impair goodwill amounting to MUR 3.3m.

CFIO'S Report

Landside logistics

FY26 was a challenging year for our haulage operations in Kenya. Although revenue increased by 17.5% compared with previous year on account of higher number of container and distribution trips, EBITDA declined by 17.4%. This reflected margin pressures following increases in fuel price and a reduction in return cargo volumes.

Profit after tax was further impacted by higher depreciation charge following the acquisition of new trucks during the year.

Packing and Shipping

The shipping operation was relocated from Singapore to Mauritius in January 2026. The absence of commission income from coal impacted the segment's results for the year.

"The shipping operation was relocated from Singapore to Mauritius in January 2026."

KEY FINANCIAL METRICS & SHAREHOLDER VALUE

Earnings per share

Profit attributable to the shareholders stood at MUR 187.5m, down 12.6% compared with last year. This translated into an earnings per share of MUR 2.0 per share for the year, against MUR 2.29 in FY25.

Dividend

During the year, we returned MUR 124.4m to the shareholders in form of dividends, which translated into a dividend per share of MUR 1.33 per share, representing a distribution of 66.5% of earnings.

Cash

Velogic demonstrated strong free cashflow generation, converting MUR 226.7m of its MUR 553.6m Adjusted EBITDA into free cashflow to the firm, a high-quality cash conversion ratio of 41%, reflecting disciplined working capital management.

Following the full settlement of the final dividend prior to the financial year-end in June 2026, Velogic closed the year with a solid net cash balance of MUR 333.6m, underlining the strength of our liquidity position while continuing to deliver direct returns to shareholders.

Borrowings

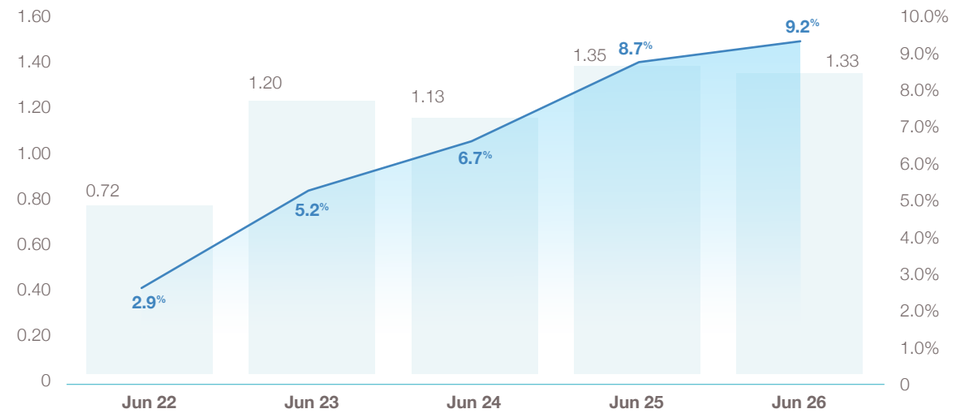
Total debt, comprising bank loans, overdrafts, and lease liabilities, increased by 13% year-on-year to reach MUR 856m. This movement was primarily driven by a net increase of MUR 36m in bank loans to fund fleet expansions in Kenya and Mauritius, including the acquisition of new trucks, trailers, and side lifters.

The closing overdraft balance was higher due to a timing shift, as the FY26 final dividend was settled in June rather than July, as in prior years.

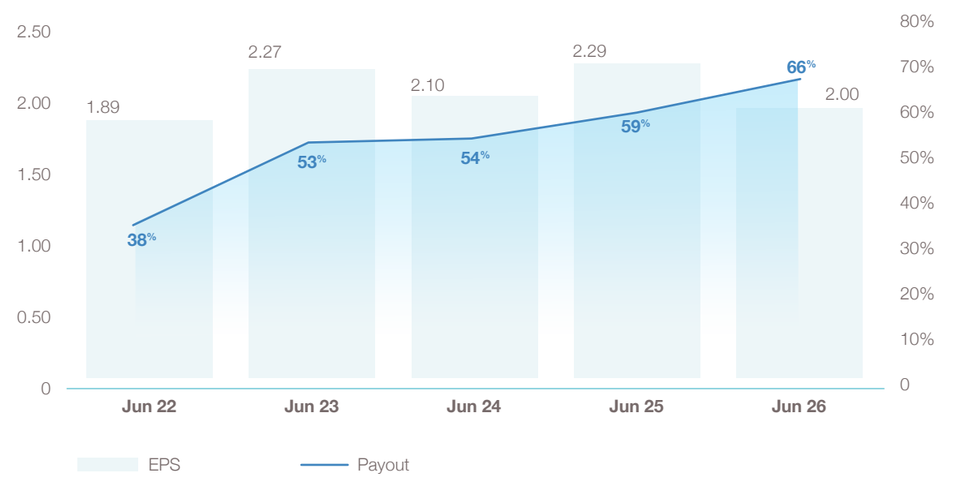
Additionally, lease obligations saw a net increase of 3.3% following the renewal of key land and building lease agreements.

Consequently, the Group reported a gearing ratio of 38% at year-end. The Net debt to EBITDA ratio stood at 0.8x, whilst the Net debt to Equity reached 19%.

EVOLUTION OF DIVIDEND PAID AND DIVIDEND YIELD

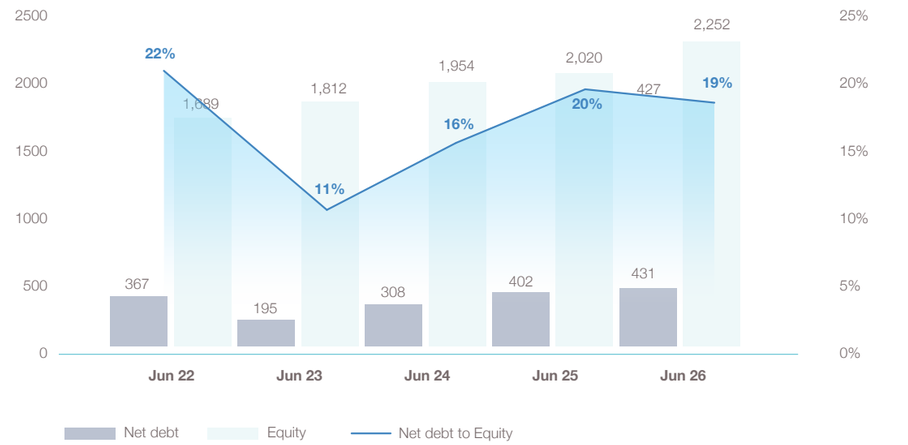


EVOLUTION OF EPS AND DIVIDEND PAYOUT

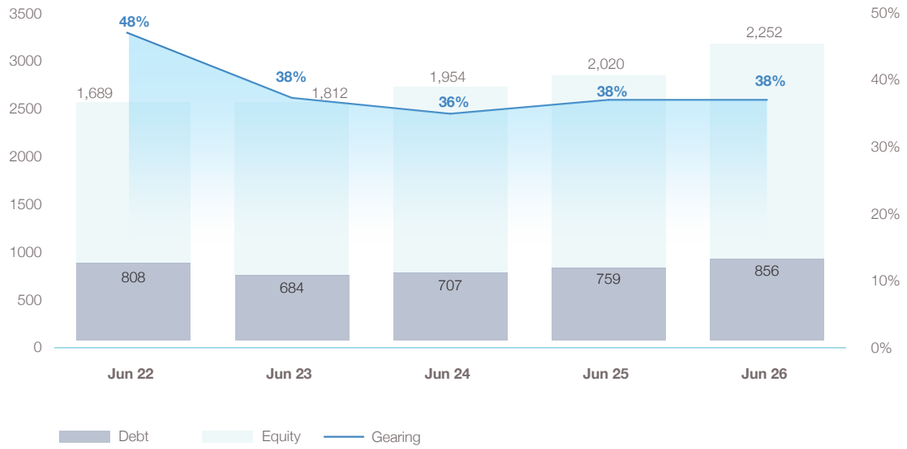


CFIO'S Report

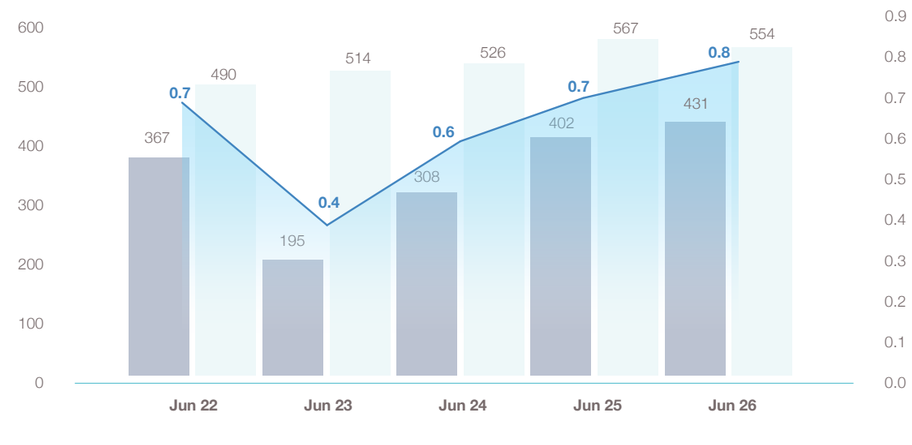
EVOLUTION OF NET DEBT TO EQUITY



EVOLUTION OF GEARING



EVOLUTION OF NET DEBT AND NET DEBT TO EBITDA



Conclusion

FY26 was a demanding year, defined by persistent operational challenges alongside geopolitical and socio-political volatility. Despite these headwinds, Velogic's strong foundations, disciplined cost management, and diversified regional network enabled us to navigate an uncertain environment with resilience. Looking forward, our focus remains firmly on driving sustainable, long-term value.

In conclusion, I would like to express my sincere thanks to my Chairman, Chief Executive Officer, Board members, as well as my fellow colleagues and my team for their unwavering support and dedication throughout the year.

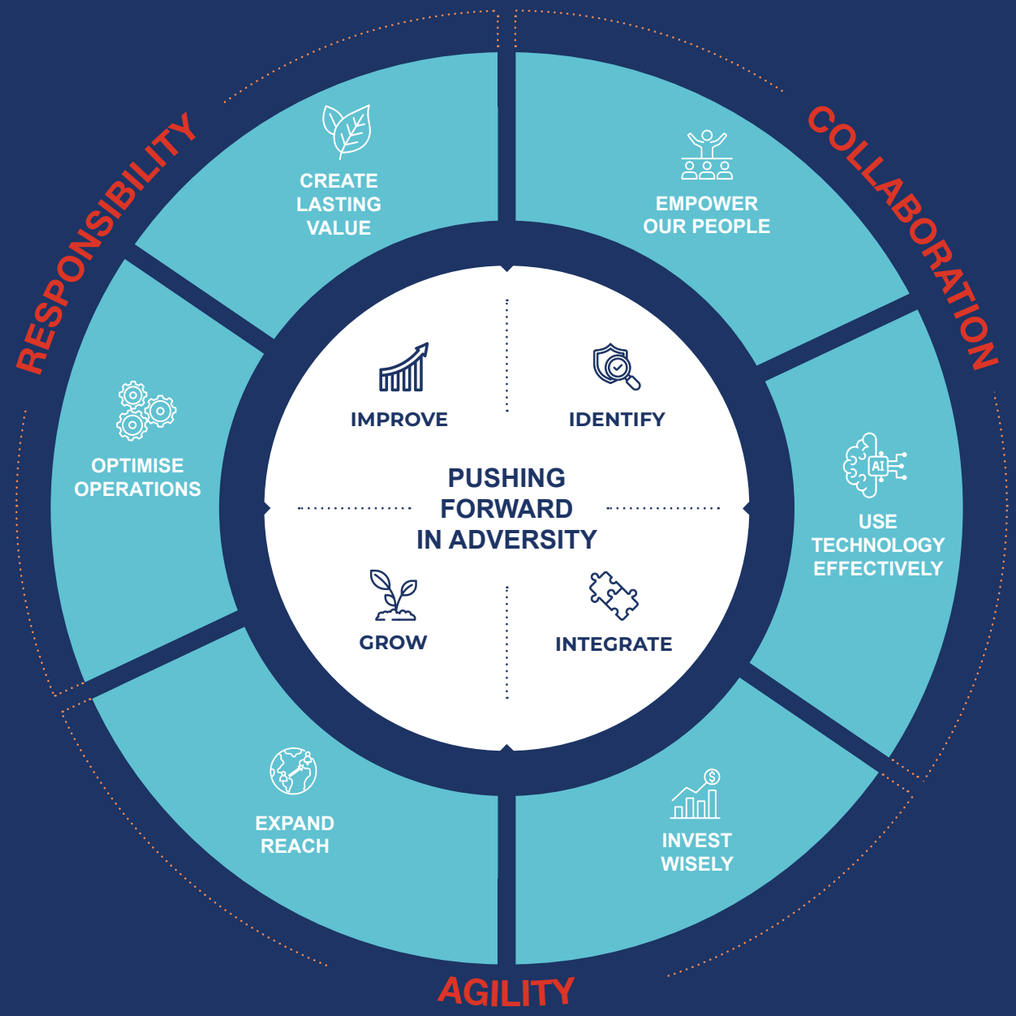


Hansraz (Hans) Mulloo
Chief Finance & Investment Officer

Pushing forward through technology

Technology sits at the core of how we move. From advanced warehouse management systems to in-house platforms like VeloTrax, we bring structure, visibility, and control to every stage of your operations. Whether managing stock across bonded or freeport facilities, optimising fleet movements, or integrating directly with your systems, our tools are built around real operational needs. By connecting data, automation, and on-the-ground execution, we simplify complexity and give you the clarity to move faster and smarter.

Our Strategy



Our core values set the standard for how we work: Collaboration, Agility and Responsibility. Around them, four priorities set the cycle we return to each year:

IMPROVE what we already have	Improve productivity and protect margins where conditions allow. In Mauritius, the full integration of MC Easy Freight Co. Ltd lifted profit after tax by 22.7%, even as the top line eased.
IDENTIFY where else to compete	Identify where the stronger opportunities really are. In cross-border logistics, that meant shifting towards sea groupage, consolidation and air export, where margins held up best against a broader market decline.
GROW with discipline	Grow thoughtfully. This was best reflected in the completion of the MC Easy Freight merger, the launch of Rongai Fresh to diversify into distribution in Kenya, and continued investment in fleet capacity in Kenya and Mauritius.
INTEGRATE resilience into everything we do	Integrate resilience into everything we do. This was translated into action by aligning our Sustainability & Inclusiveness strategy with ER Group's three-year CAP29 roadmap across four themes and eleven strategies. The Group also strengthened its three-lines-of-defence risk model and business continuity planning, enabling its diversified regional footprint to absorb this year's shocks without disrupting operations.

The pages that follow set out how this year's priorities are being put into practice.

Our Value Creation Model explains how these values and priorities, together with the six capitals on which we draw, are translated into this year's outputs and strategic outcomes.

Engaging Our Stakeholders describes how we listen to, and are held accountable by, the people who depend on us, including through the Group's first-ever Global Customer Experience Survey, which established a baseline Sentiment Score and Net Promoter Score (NPS) view that we intend to repeat annually.

Our Sustainability & Inclusiveness Report sets out how we are building resilience into the business itself, and not only responding to this year's challenges.

Investing in Our People concludes the section, showing how we equip the teams who carry this work forward.

To achieve these priorities, we focus on:

EMPOWERING OUR PEOPLE

Keeping our people engaged was harder in FY26. As a result, retention eased to 81% (FY25: 88% local / 81% overseas), sustainable engagement to 79% (FY25: 90%) and People Experience to 75% (FY25: 89%). We responded directly through several initiatives, including an 11-month Management Development Programme, dedicated finance-sector upskilling, and a Learning Culture Week, while shaping the three-year FY2027–29 plan around structure and alignment, capability building, and performance.

USING TECHNOLOGY EFFECTIVELY

New Financial Management, Transport Management and Warehouse Management Systems went live this year, sharpening real-time visibility and control precisely when tight margins made every decision count.
AI-powered tools were also deployed to detect and prevent phishing and malware attacks, strengthening cybersecurity and technology resilience across the Group.

INVESTING WISELY

We funded fleet expansion in Kenya and Mauritius, completed the MC Easy Freight Co. Ltd integration, and still returned 66.5% of earnings to shareholders as dividends - bringing together financial discipline and shareholder value.

EXPANDING REACH

In Tanzania, our customs brokerage licence was not renewed, leading to the closure of the office at year-end. This was a regulatory setback, not a change of ambition. Kenya remains our gateway to East Africa, where a new acquisition is already taking shape.

CREATING LASTING VALUE

We aligned our Sustainability & Inclusiveness strategy with ER Group's CAP29 roadmap, and our solar plant at Freeport Operations Mauritius supplied more clean power than the site needed across its first full year of operation.

OPTIMISING OPERATIONS

Disciplined cost control and a diversified regional footprint enabled us absorb this year's shocks in fuel, freight and tariffs without losing our footing. Operating cash conversion remained strong at 96.3% of EBITDA.

Value Creation Model

OUR CORE VALUES

Collaboration • Agility • Responsibility •

OUR PURPOSE STATEMENT

Our purpose is to make trade easy by enabling our clients to get the best possible logistics solutions, providing them proactively with relevant information and helping them to grow their business. Together, we make it happen for our success and growth.

OUR CAPITALS

- Financial capital
- Manufactured capital
- Intellectual capital
- Human capital
- Social & relationship capital
- Natural capital

OUR VISION

"To be the regional logistics leader enabling trade sustainably."

OUR SEGMENTS

- Cross-Border Logistics
- Landside Logistics
- Packing & Shipping

OUR TERRITORIES



Mauritius
India
Madagascar
Reunion
Kenya
Tanzania*

**Tanzania operations up to June 2026.*

FINANCIAL YEAR 2026 OUTPUTS

- Revenue: **MUR 4,016m** (-3% vs FY25)
- Profit After Tax (PAT): **MUR 204.8m** (-12% vs FY25)
- EPS: **MUR 2.00** (-13% vs FY25)
- Dividend: **MUR 1.33/share** Payout Ratio: **66.5%** Dividend Yield: **9.2%**
- Share Price: **MUR 14.45** (30 June 2026)
- Market Cap: **MUR 1.35 billion**
- Operating Cash Conversion: **96.3% of EBITDA**
- Mauritius PAT: **+23% to MUR 136m**
- Headcount: **1,535 professionals** (+26 vs FY25)
- Customer Retention: **90%**
- GHG Emissions: **74,356 tCO_2eq**
- Freeport Solar PV: **first full year covered 109% of site electricity needs** (FY25: ~85%)

STRATEGIC OUTCOMES

- **Resilience Amid Adversity:** diversified regions and stronger risk management absorbed FY2026's global shocks
- **Market Leadership:** MC Easy Freight integration strengthened the one-stop-shop model in Mauritius
- **Regional Expansion:** Tanzania licence non-renewal offset by continued Kenya-led growth
- **Technology & Efficiency:** FMS/TMS/WMS go-lives and AI-powered cybersecurity tooling
- **Sustainability:** Freeport solar PV's first full year exceeded the site's own electricity needs
- **Customer Value:** first Global Customer Experience Survey set a baseline Sentiment Score and NPS
- **Human Capital:** continued L&D investment amid a FY26 dip in retention and engagement

Our Capitals at a Glance

Velogic draws on six capitals to create value, and this Integrated Report demonstrates how each contributes across the business. The map below traces where every capital is substantively addressed across the seven sections of the report.

● PRIMARY SOURCE ○ SUPPORTING REFERENCE ◌ NOT SIGNIFICANTLY FEATURED

	OVERVIEW	LEADERSHIP INSIGHTS	SUSTAINABLE VALUE CREATION	CORPORATE GOVERNANCE	RISK MANAGEMENT	FINANCIAL PERFORMANCE	SUPPLEMENTARY INFO
Financial	○	●	○	○	○	●	◌
Manufactured	●	○	●	◌	○	○	◌
Intellectual	◌	○	●	○	○	◌	◌
Human	○	○	●	○	○	◌	◌
Social & Relationship	○	○	●	○	◌	◌	○
Natural	◌	◌	●	◌	○	◌	○

Financial Capital

Primary:
CFIO's Report, pp.34-41
(revenue, profit after tax, dividend payout, cash conversion)

Supporting:
Financial Statements, pp.129-216;
Shareholder Information p.68

Manufactured Capital

Primary:
Our Activities, pp.18-19;
Deep Dive into our Sectors of Activity, pp.22-23;
Value Creation Model, pp.46-47
(fleet, warehousing, terminal infrastructure)

Supporting:
Track Record & Key Milestones pp.14-15.

Intellectual Capital

Primary:
Our Strategy, pp.44-45;
CEO's Message, pp.30-33;
In Conversation with our Chairman, pp.26-29;
Value CreationModel, pp.46-47

Supporting:
Corporate Governance Report, pp.71-98;
and Risk Management Report, pp.104-118

Human Capital

Primary:
Investing in our People, pp.62-65
(development programmes, training, culture initiatives)

Supporting:
CEO's Message, pp.30-33;
Board & Senior Management profiles, pp.74-87

Social & Relationship Capital

Primary:
Engaging Our Stakeholders, pp.50-54

Supporting:
About Velogic & Our Vision pp.10-13; Corporate Governance Report, pp.71-98; Risk Management Report, pp.104-118

Natural Capital

Primary:
Sustainability & Inclusiveness Report, pp.56-61
(energy, emissions, environmental initiatives)

Supporting:
Risk Management Report pp.104-118

Engaging Our Stakeholders

As logisticians, we engage with a wide range of stakeholders across every aspect of our activities. Every operation we undertake is embedded within a web of relationships involving customers, authorities, employees, business partners and the communities in which we operate.

In a financial year shaped by compounding external shocks – reflected in this year's theme, *Pushing Forward in Adversity* – the strength and resilience of these relationships remained critical to our ability to navigate ahead and continue to stay the course. Success is not solely measured through our financial performance, but also through the mutually beneficial relationships we build and the shared value we create alongside our stakeholders.

This section provides a transparent overview of the expectations of our key stakeholder groups, our efforts to engage with them and the feeback we received. Where relevant, readers are referred to the corresponding sections of this report for further information.

Stakeholder Engagement Map



Shareholders, Investors & Providers of Capital

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26
• Long-term value creation despite a difficult operating environment. • Robust governance frameworks and accountability mechanisms. • Transparent and timely reporting on performance. • Open dialogue with the Board and Management.	• Annual Meeting of Shareholders. • Investor briefings (as required throughout the year). • Quarterly unaudited financial statements. • Press communiqués, newsletters, website and social media publications (ongoing).	• Given the decline in Group revenue and profit after tax compared with the prior year, shareholders sought clear visibility on factors driving performance in each geography, on top of headline figures. • This expectation influenced this year's reporting, especially the CEO's Message and the CFIO's Report, both analysing performance by territory. • Continued confidence that the MC Easy Freight Co. Ltd integration will reinforce our decision to pursue disciplined, integration-led growth.	• Published quarterly unaudited financial statements and the Integrated Annual Report 2026, in print and digital formats. • Held the Annual Meeting of Shareholders and investor briefings. • Delivered improved profitability in Mauritius. • ER Logistics Investment Holding Ltd continued to hold 80.44% of the ordinary shares. • Continued compliance with all principles of the National Code of Corporate Governance for Mauritius (2016).

In Conversation with our Chairman (pp.26-29), CEO's Message (pp.30-33) and CFIO's Report (pp.34-41)

Our People

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26
• Support during a demanding operating year. • Continuous learning and career development opportunities. • An inclusive, safe and healthy workplace. • Recognition and fair treatment.	• Annual Health & Safety Week. • SI Impact Tour recognition and site visits (newly introduced). • Ongoing training and induction sessions. • Internal communications and team briefings.	• A difficult trading year, coupled with operational changes (including the Tanzania closure and ongoing integration work), made wellbeing and clear communication more important than ever. • In response, this year's Health & Safety Week programme was broadened to include a mental health and self awareness workshop, alongside physical health screenings. • Feedback from sustainability champions led to the introduction of the SI Impact Tour, recognising frontline contributors, while giving them insights into how the Group's sustainability agenda is shaped.	• Organised the Health & Safety Week, during which over 300 health checks were conducted for the benefit of our employees, alongside a mental health and self-awareness workshop. • Introduced the SI Impact Tour, recognising Sustainability & Inclusiveness champions and raising awareness through site visits. • Delivered training and awareness sessions to over 420 employees, alongside induction sessions for 84 new team members. • Provided 414 support allocations to employees under the Educhelp initiative.

See Sustainability & Inclusiveness Report (pp. 56-61) and Investing in our People (pp.62-65)

Engaging Our Stakeholders

Customers

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26

• Reliable services despite a volatile trading environment.
• Solutions that anticipate evolving needs.
• Transparent, ethical commercial dealings.
• Protection of data and systems.
	• Global Customer Experience Survey at Group level (newly introduced).
	• Day-to-day account management across our network.
	• Digital service channels (ERP, TMS & WMS platforms).
	• Direct engagement through our commercial teams.
		• Until this year, Velogic had no single, comparable view on customer sentiment across all the territories it serves. The Global Customer Experience Survey was designed to close that gap.
		• The survey established a baseline Sentiment Score and a cross tabulated Net Promoter Score (NPS) view by territory. Velogic is committed to conducting the exercise annually.
		• Disruptions on key trade lanes reinforced the importance customers place on visibility and responsiveness during periods of uncertainty, prompting us to accelerate our digitalisation programme during the year.
			• Conducted the Group's first Global Customer Experience Survey, establishing a baseline Sentiment Score and cross-tabulated NPS view across territories, with plans to repeat the exercise annually.
			• Rolled out a new Transport Management System, developed with Rogers Capital, enabling real-time fleet tracking and route optimisation.
			• Introduced a new Warehouse Management System at Inova, improving operational efficiency and enhancing clients' decision-making capabilities through access to high-quality data.
			• Deployed AI-powered tools to strengthen cybersecurity and protect customer data.
			• Customer retention rates by geography:
			  • Mauritius: 94% FY25: 96%
			  • Madagascar: 100% FY25: 87%
			  • Reunion: 96% FY25: 93%
			  • Kenya: 97% FY25: 94%
			  • India: 74% FY25: 83%
			  • Velogic Group: 90% FY25: 92%

See In Conversation with our Chairman (pp.26-29) and CEO's Message (pp.30-33)

Business Partners & Suppliers

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26
• Reliable, ethical partnerships that hold up under a challenging trading environment. • Fair and transparent trading conduct. • Collaboration on shared sustainability commitments.	• Joint technology projects implemented with key partners. • Direct supplier engagement on waste and recycling initiatives. • Active participation in industry associations (e.g., freight forwarding associations).	• Red Sea re-routing and Middle East disruptions affected not only Velogic, but also every carrier and route partner we work with. The year reinforced the value of close coordination with these partners, rather than managing disruptions in isolation. • Conversations with our waste and recycling partners highlighted gaps in our management of hazardous materials, such as end-of-life truck batteries, which led to a more formal partnership for traceable disposal.	• Partnered with Rogers Capital to develop and roll out a new Transport Management System. • Partnered, through Velogic Haulage Services Ltd, with a specialised industrial battery supplier to safely dispose of and recycle 41 end-of-life truck batteries with full traceability throughout the process. • Worked closely with carriers and route partners to manage the impact of Red Sea re-routing and Middle East disruptions on shared trade lanes.

See CEO's Message (pp. 30-33) and Sustainability & Inclusiveness Report (pp. 56-61)

Government Bodies & Regulators

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26
• Full compliance with laws, regulations and licensing requirements, even when these evolve unexpectedly. • Responsible corporate citizenship. • Support for national economic development priorities.	• Ongoing compliance reporting across our six territories. • Engagement through industry and freight forwarding associations. • Direct dialogue with regulators and public authorities.	• The Tanzanian government's decision to restrict non-citizens from clearing and forwarding activities was a clear, sobering reminder that regulatory policies in this region can shift quickly. • We responded by ceasing our Tanzania operations in an orderly way by the end of FY26, while continuing to explore other ways to serve the East Africa corridor. • Elsewhere, ongoing dialogue with regulators supported our ISO 9001: 2015 certification process in Madagascar.	• Ceased operations in Tanzania, effective 30 June 2026, in an orderly manner, following the government's decision. • Continued to comply with all principles of the National Code of Corporate Governance for Mauritius (2016). • Achieved ISO 9001: 2015 certification in Madagascar. • Welcomed the Mauritian Government's Budget Speech 2026-27 commitments to strengthen the country's positioning as a regional maritime hub through major initiatives, including the Island Container Terminal project and the modernisation of the Cargo Handling Corporation Ltd.

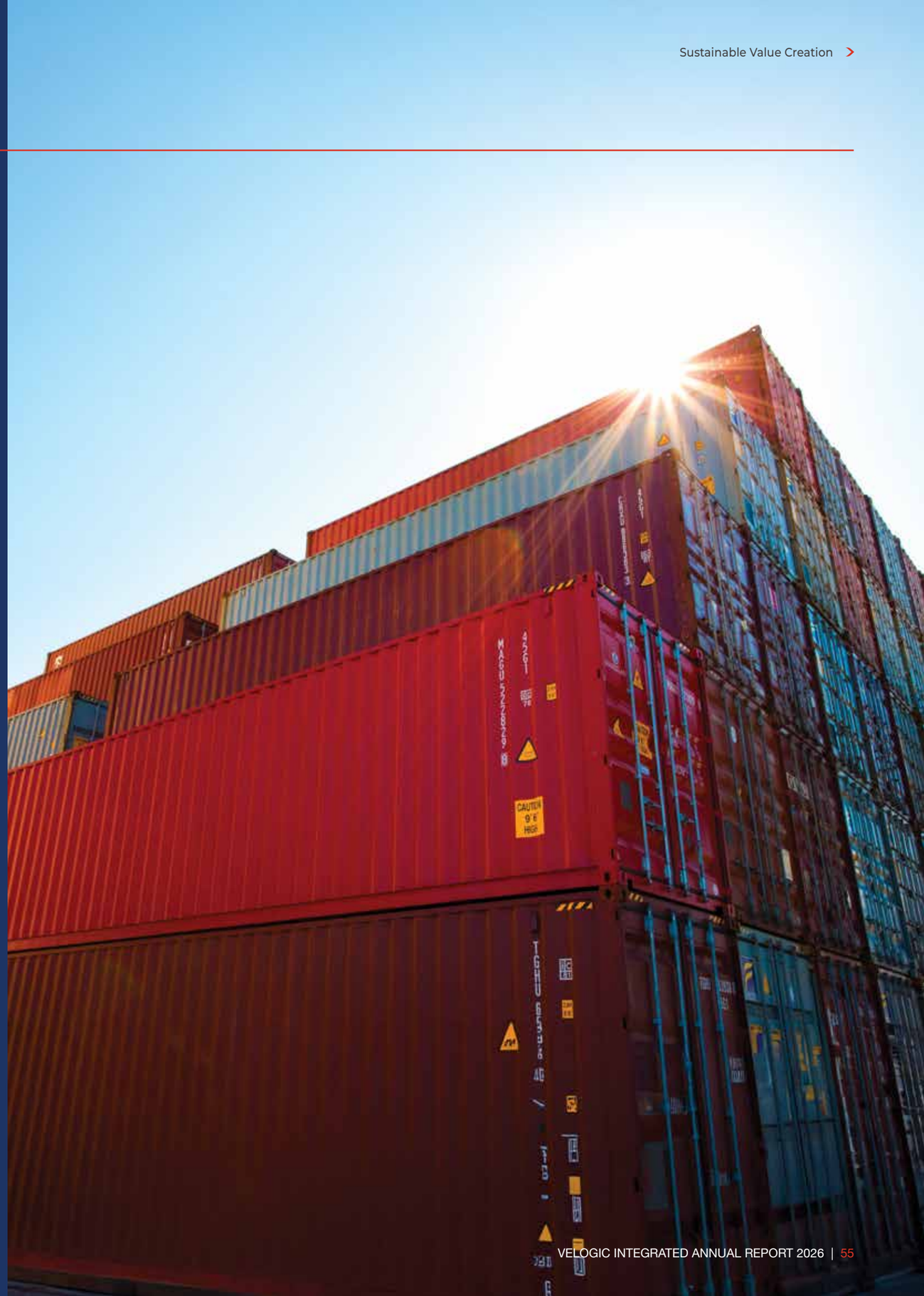
See In Conversation with our Chairman (pp.26-29) and CEO's Message (pp. 30-33)

Engaging Our Stakeholders

Community at Large

WHAT THEY EXPECT OF US	HOW WE ENGAGED	WHAT WE HEARD, AND HOW WE RESPONDED	HIGHLIGHTS OF FY26
• Continued local investment despite a difficult trading year. • Environmentally responsible operations. • Support for vulnerable and underserved communities.	• Donation drive and in-kind support. • Ongoing partnerships with NGO. • Community sponsorships and site level initiatives.	• Velogic leveraged its expertise to help The Good Shop address a logistics challenge, i.e. limited storage capacity, by providing two containers. This made a tangible difference to the organisation's sales performance. • Engagement with beekeepers and community NGOs highlighted practical, recurring needs (feed for bee colonies, road safety near our sites) rather than one-off gestures, which is why several of our community initiatives have evolved into multi-year programme.	• Hosted The Good Shop Donation Drive, collecting 401 kg of donations and allocated two containers to help address the organisation's storage constraints. • Redistributed 1.76 tonnes of sugar waste to 14 local beekeepers through Sukpak. • Installed two solar-powered speed radars in Mer Rouge and ran road safety campaigns with two local NGOs. • Continued our sponsorship of a national wrestler, who secured a bronze medal at the African Championship and qualified for the World Championship 2026 and the Commonwealth Championship 2026.

See Sustainability & Inclusiveness Report (pp. 56-61)



Sustainability &
Inclusiveness Report

Highlights of FY26

FY26 74.356 $ktCO_2eq$

Carbon Emissions
(FY25 67.493 $ktCO_2eq$)

**FY2026 figures reflect an enhanced carbon accounting methodology, including UPS logistics emissions and expanded data coverage - See Appendix*

1,907.34 tCO_2eq

(Equivalent to 104,141 trees planted)
Carbon emissions avoided thanks to the PV system

420
Employees trained
(FY25: 471)



54.5 hours
Spent on training and awareness
(FY25: 27.1h)

6.7 t
Waste diverted from landfill
(FY25: 11.7 t)

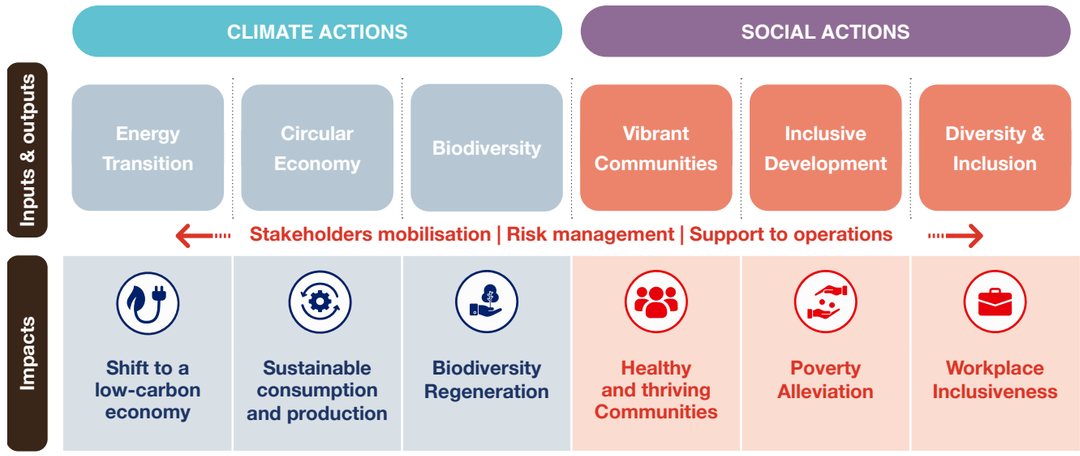
1.76 t
Sugar waste repurposed
(FY25: 1.02 t)

414 Support allocations
Educhelp (FY25: 383)



Velogic is actively pursuing its transition towards a more resilient and inclusive future. During the financial year under review, the Company revisited its Sustainability & Inclusiveness (S&I) Development Strategic Framework to ensure alignment with the ER Group's S&I Framework and its three-year strategic roadmap, CAP29.

ER Group Sustainability Framework



Following this review, Velogic's S&I Strategic Plan 2026-2029 is now structured around four key themes, supported by 11 strategies. This refreshed framework aims to further embed sustainability across the Company's operations, while strengthening climate resilience, advancing social inclusion and creating long-term value for stakeholders.

S&I DEVELOPMENT STRATEGIC FRAMEWORK				
Themes	Sustainability Governance & Oversight	Sustainability in our Operations	Biodiversity and Ecosystems	Social Initiatives
Strategies	Establishing a management-level sustainability committee Implementing structured reporting and monitoring mechanisms Developing and enforcing sustainability policies	Moving towards a low-carbon future Integrating sustainable procurement practices Promoting responsible waste management Optimising resource efficiency	Raising biodiversity and ecosystem awareness Promoting of biodiversity by expansion of planting greenery	Promoting inclusive development and community-based projects Transitioning to a centralised reporting platform

Sustainability & Inclusiveness Report

1. CLIMATE RESILIENCE

1. 1.1. Energy transition

Carbon assessment

As a result of the initiatives implemented over the past years, Velogic's carbon emissions are now at 74.356 ktCO_2eq (FY25: 67.493 KtCO_2eq); excluding Velogic Kenya which is at 2.579 ktCO_2eq.

During the reporting period, the Company conducted its fifth consecutive carbon footprint assessment, reaffirming its commitment to measuring and managing its environmental impact.

In line with the continuous improvement of its carbon accounting methodology, the company has expanded the scope of its calculations to include emissions generated by UPS shipments, thereby providing a more comprehensive and accurate assessment of its carbon footprint.

Velogic also strengthened its data collection and reporting process through the Tennaxia platform, which was used for the third consecutive year. Improved user proficiency has further enhanced the accuracy, consistency and reliability of the carbon emissions calculations.

Towards cleaner energy

In FY26, FOM's 1MW solar photovoltaic (PV) system completed its first full year of operation. During the reporting period, it generated 1,490.848MWh of clean electricity, resulting in an electricity coverage of 109%.

The project reflects the Company's commitment to reducing its carbon footprint and strengthening its long-term climate resilience. During the year, the PV system helped avoid approximately 1,907.34 tCO_2eq of carbon emissions, which is equivalent to 104,141 trees planted.

Coupled with the iSOLAR digital monitoring platform, the system enables real-time performance monitoring, energy yield tracking and KPI management, ensuring continuous operational optimisation. Since its commissioning, it has supported the warehouse's operations with renewable electricity, including energy-intensive reefer container activities, while reducing the building's rooftop heat load.

Transition to electric equipment & vehicles

The progressive replacement of conventionally fuelled leased equipment in favour of electric alternatives powered by renewable energy has emerged as a strategic objective. As at the end of FY26, five operational sites were already partly equipped with electric material handling equipment, including 3-tonne forklifts, 2-tonne reach trucks and stackers, including at ACS Rodrigues. Electric equipment accounted for 22.6% of the total fleet in operation at the end of the reporting period.

While a complete transition cannot be achieved immediately due to existing lease agreements, future equipment replacements have already been identified and incorporated into the Group's investment planning. Additional sustainable mobility solutions, such as electric trucks, are also being explored, in line with the Company's long-term commitment to reducing its environmental footprint and transitioning towards lower-emission operations.



Capacity building

During the reporting period, 420 employees benefited from training and awareness sessions covering a range of topics, including data collection, sustainable procurement and the energy crisis, among others.
These sessions totalled 3,297 hours of training. Moreover, induction sessions were provided to 84 new team members across subsidiaries and departments.

1.2. Circular economy

Waste diversion

In FY26, a total of 6.7t of waste (FY25: 11.7t) were diverted from landfill, reflecting the positive impact of our ongoing efforts and well-established waste management practices across our subsidiaries to reduce waste. In addition, 19,512 L of cooking and engine oil were also recycled.

WASTE	QUANTITY
Coffee capsules	**19.6 kg**
Battery cells	**63.1 kg**
Plastic bottles (PET)	**66.0 kg**
Paper & Cardboard	**3380.4 kg**
Pens (from July to Nov 2025)	**5.4 kg**
E-waste	**610.4 kg**
Scrap metal	**7.7 kg**
Plastic films and strap	**822.6 kg**
Textile	**14.2 kg**
Sugar	**1761.7 kg**
Cooking oil	**12.0 L**
Engine oil	**19500.0 L**

Note: Reported figures do not include general waste

Truck battery disposal and recycling

Velogic, through its subsidiary Velogic Haulage Services Ltd, has partnered with a well-established industrial battery supplier to ensure the safe disposal and recycling of end-of-life truck batteries. In FY26, a total of 41 batteries (representing 1,288 kg of hazardous waste) were collected and exported to specialised recycling facilities overseas, where valuable materials are recovered for reuse.

To ensure full traceability, the local supplier documents each collection and provides supporting evidence confirming the batteries' recycling. This initiative reinforces Velogic's commitment to the responsible management of hazardous waste, improved resource efficiency and the advancement of a circular economy.

Sustainability & Inclusiveness Report

The Good Shop Donation Drive

In December 2025, Velogic hosted The Good Shop Donation Drive at its head office in Mer Rouge. Through this initiative, a total of 401 kg of donations were collected, of which:

- 35% were sent to The Good Shop outlets.
- 30% were packed and distributed to The Good Shop's NGO partners.
- 35% were classified as non-reusable and, subsequently, disposed of responsibly by a waste management service provider.

In December 2025, Velogic provided the social enterprise with two containers to address a major logistical challenge: storage capacity. These containers have significantly optimised the organisation's operations, boosting its capacity to receive and process donations. This has had a direct positive impact on sales, with year-on-year growth of 51.4% and 60.6% in January and February 2026, respectively. Given the positive impact of this collaboration, the partnership is expected to be renewed.

1.3. Biodiversity protection

Sukpak's partnership with local beekeepers

In FY26, Sukpak redistributed 1.76 tonnes of sugar waste (FY25: 1.02 t) to 14 local beekeepers, who use it to feed some 200 beehives across Mauritius. Through this initiative, Velogic transforms an operational by-product into a valuable resource, thereby contributing to waste reduction in line with circular economy principles.
The sugar serves as supplementary feed when natural food resources are scarce, helping to maintain bee colonies, especially during winter and drought periods, and supporting local honey production.
In doing so, the initiative also contributes to biodiversity conservation by sustaining vital ecosystem services such as pollination. Launched in 2018, this practice is now formalised within the company's Procedure for Control of Resources and Waste.

Biodiversity conservation

Mauritius is home to one of the world's most threatened ecosystems, where 89% of endemic plant species are at risk of extinction. In FY26, Velogic planted 12 indigenous plants at its Head Office in Mer Rouge. Though modest in scale, this initiative is testament to the company's commitment to factor these biodiversity considerations into its operations and contribute to the preservation of the country's natural heritage. This initiative also served as an effective tool for raising awareness among team members about the importance of biodiversity conservation.

2. Social Inclusion

2.1. Inclusive development

Educhelp

Sukpak supports its employees by helping to cover the education-related costs of their children through the Educhelp initiative, whereby proceeds from the sale of used sugar bags are redistributed. In FY26, MUR 228,716 were allocated under this initiative, including for the purchase of school supplies for the children of 85 employees in December 2025. During the reporting period, 414 support allocations were provided to employees under this initiative.

Promoting health & safety

The Sustainability Health & Safety Week was an opportunity to sensitise our team members on several health issues and provide them with screening tests. Over the course of the week:

- 141 employees participated in the general health screening programme.
- 83 employees underwent eye screening.
- 69 employees benefited from breast cancer screening.
- 21 employees underwent prostate cancer screening.

A mental health and self-awareness workshop was also organised in May 2026.

SI Impact Tour

The SI (Sustainability & Inclusiveness) Impact Tour is an employee engagement initiative introduced in FY26 to recognise the contribution of SI champions across all subsidiaries and departments. These champions are actively involved in advancing sustainability, especially through the data collection process, which is essential to reporting.

Beyond recognition, this initiative also aims to offer experiential learning opportunities through site visits. Two visits were organised during the reporting period. The first took place at The Good Shop, where the team members gained insights into the social enterprise's operations and impact. The second visit brought them to the Rivulet Terre Rouge Estuary Bird Sanctuary, where they deepened their understanding of wetland conservation and biodiversity protection.

2.2 Vibrant communities

Road safety awareness campaign

Given the continued growth of Mauritius' vehicle fleet and the increasing number of road accidents, road safety has become a key area of focus. Building on the campaign launched in FY25, Velogic installed two solar-powered speed radars in Mer Rouge in January 2026. Positioned at strategic traffic points within the port area, these radars encourage drivers to respect speed limits and adopt safer driving practices.

In March 2026, a Road Safety campaign was conducted in collaboration with the NGO Mouvement pour le Progrès de Roche Bois. This initiative followed the distribution of 225 road safety awareness flyers in the same area, thanks to a collaboration with NGO Groupe Diboute Roche Bois in October 2025.

Youth empowerment through sports

Velogic continued its sponsorship of a promising wrestler, building on the partnership established with him during the previous financial year. During the reporting period, the company provided financial support, covering the cost of sports equipment, nutritional supplements, air tickets for taking part in international competitions as well as a monthly pocket money.

In FY26, the athlete shone on the African stage by securing a bronze medal at the African Championship and successfully qualified for the World Championship 2026 and the Commonwealth Championship 2026.
He was also admitted to the High Performance Centre, which is dedicated to developing elite athletes.
On the academic side, he successfully completed a BSc in Biochemical Engineering at the University of Mauritius.

Looking ahead

For FY27, Velogic will continue its efforts to move towards a low-carbon future. Building on the progress achieved during the reporting period, the company is committed to further enhancing its energy efficiency and monitoring capabilities, while advancing its fleet electrification journey. Waste recycling and reuse as well as safe disposal will remain a key priority across its subsidiaries. On the social front, the company will strengthen existing partnerships and seek to establish new ones, in alignment with its S&I Strategic Plan 2026-2029.

Investing in Our People

Highlights of FY26

Headcount

1,535
(FY25: 1,509)

Gender profile

1,095
Male (FY25: 1,089)

440
Female (FY25: 420)

Distribution by years of service

Less than 1 year	1- 5 years	6-15 years	16-25 years	More than 25 years
138	767	398	127	105

Distribution by generation

Baby Boomers	Generation Y
89	670
Generation X	**Generation Z**
511	265

Retention rate		Sustainable Engagement	People Experience	Senior Leadership
Local:	**Overseas:**			
81%	81%	79%	75%	73%
(FY25: local: 88% / Overseas: 81%)		(FY25: 90%)	(FY25: 89%)	(FY25: 90%)

At Velogic, we firmly believe that growth is primarily driven by the expertise and dedication of our team members. The challenging operating environment we faced in FY26 was a clear reminder of the need to continue investing in our people. In a fast-changing business landscape, our team members need to be equipped with future-ready skills and develop the agility to embrace new tools and ways of working. During the period under review, our focus was on strengthening long-term capabilities, fostering engagement while addressing talent attraction and retention.

1. Resilience through long-term capabilities

Nurturing our leaders

The Management Development Programme (MDP) is an 11-month programme developed by ER Group to support both personal and professional development of leaders. In FY26, 8 team members across various departments benefited from this programme, whose aim is to strengthen their people management skills by enhancing their active listening and communication skills, decision-making and problem-solving abilities as well as their capacity to empower colleagues and improve their approach to client service, among other areas. The beneficiaries are therefore better equipped to navigate uncertainty, support teams effectively and sustain long-term performance.

Staying ahead in a changing landscape

Finance professionals operate in an ever-evolving landscape, requiring continuous adaptation to changing regulations, technologies, and market dynamics. During the FY under review, 47 colleagues within the finance function across six subsidiaries benefited from 10 finance-related training programmes, representing a total of 156 training hours.
The average training duration was around 3.3 hours per participant.

These programmes combine both awareness sessions and intensive professional development programmes, covering a broad range of topics, including Artificial Intelligence in Finance, IFRS, taxation, transfer pricing, credit management, among others. The training initiative is testament to Velogic's commitment to enhancing financial expertise, ensuring regulatory compliance, embracing digital transformation, and supporting continuous professional development within the finance function.

Fostering a continuous learning culture

Continuous learning is part of Velogic's DNA. In July 2025, the company held the Learning Culture Week, featuring a series of activities aimed at stimulating curiosity, strengthening team spirit and fostering personal development. This annual initiative has been an opportunity for team members to refocus and explore new tools, such as mentoring and coaching. Sophrology and laughing therapy workshops, among others, were organised to help team members in building resilience.

This commitment to continuous learning also translates in our knowledge management through mentoring, tacit knowledge transfer and documentation practices.

Share of training expenditure by focus area in FY26

Focus areas	%
Health & safety skills	13.85%
Leadership skills	26.03%
Soft skills	6.75%
Technical skills	53.37%

Investing in Our People

2. Addressing the talent attraction and retention issue

Strengthening our expatriate management approach

Talent shortage is a challenge faced by all sectors, and logistics is no exception. Velogic is acting swiftly to address it and therefore ensure business continuity across its lines of service, both in Mauritius and in the other geographies where it operates. Velogic is committed to building a diverse and resilient workforce capable of meeting evolving operational needs across its international locations.

The Group is also responding by adjusting its strategy and progressively strengthening its expatriate management approach. It is expanding its international recruitment efforts to address critical talent shortages, especially for positions requiring specialised skills. Through dedicated onboarding, engagement and cultural integration initiatives, the aim is to ensure that foreign talents are integrated seamlessly into the operations. In parallel, continuous efforts are being made to enhance the company's employer brand, while attrition rates are closely monitored.

3. Driving engagement

Strengthening our culture and core values

During the reporting period, Velogic held Culture Workshops for all employees in Mauritius and in its outstations. The objective was to foster cultural alignment across the organisation to create a shared sense of purpose, strengthen collaboration and engagement. These workshops recorded a high turnout, especially in Kenya and India where we achieved 100% participation. These workshops were highly interactive, thereby encouraging discussions, knowledge sharing and active participation from all attendees. This is part of Velogic's efforts to enhance employee experience, sense of belonging and engagement.

Fostering a supportive work environment

Creating engagement was of the utmost importance in FY26, given the challenging environment the Group had to navigate. The main initiative in this area was the team building event organised to reinforce organisational values and strengthen engagement. The initiative also aimed to nurture leadership potential among employees by fostering trust, accountability, collaboration, and a shared sense of purpose.

A total of 315 employees participated in the event, making it one of Velogic's key engagement initiatives. The programme successfully promoted a culture of collaboration, mutual respect and unity, encouraging employees to develop a team spirit and work more effectively towards common goals.

To foster a more inclusive and supportive work environment, several events were also organised to celebrate religious festivals, international days and the National Independence Day, bringing all team members together to share in these special occasions. The aim is to celebrate cultural diversity across our workforce.

4. Reinforcing Health & Safety and emergency preparedness

Regular health and safety training helps reduce workplace accidents and injuries, thereby protecting physical and mental well-being of our team members. During the reporting period, a total of 221 of them benefited from such programmes. The Basic Fire Fighting course attracted the highest participation with 156 employees, reflecting Velogic's commitment to equipping our team members with essential emergency skills. In addition, two confined space training sessions were organised, targeted at employees working in high-risk environments.

Health & Safety training programmes	No. of participants
Basic Fire Fighting	156
First aid and life saving	29
Mental and self-awareness	21
Confined space	15

Looking ahead

As of FY27, Velogic will be implementing its three-year strategy through 2029. This strategy is built around three strategic pillars: structure and alignment; capability building; and optimisation and performance. The objective is to further strengthen the company's positioning as an employer of choice in the logistics sector, improve productivity, and embed its values into daily operations. The focus will be on building strong foundations that enable teams to work together effectively, equip our people to adapt, grow and lead in an ever-evolving environment, and foster a culture of ownership, accountability and results-driven performance.

Pushing forward into the sky

When time is critical, we match your shipment with the right air freight solution. From standard cargo to part or full charter, we move goods quickly and reliably across continents. Our teams coordinate every detail, from booking and consolidation to handling and delivery, ensuring speed without compromising control. With strong airline partnerships and on-the-ground expertise, we keep your shipments moving seamlessly, reducing transit times and keeping your business on schedule.

Corporate Governance

Shareholder Information

Share Price Development

Velogic's ordinary shares have traded on the Development & Enterprise Market (DEM) of the Stock Exchange of Mauritius since listing on 15 December 2021, at an initial offer price of MUR 25.00.

The share price opened FY26 at MUR 15.60 and rose over the first quarter, reaching a year-high of MUR 18.70 in September 2025, before giving up these gains progressively over the remaining nine months. The share price stood at MUR 17.40 at 31 December 2025, MUR 15.25 at 31 March 2026, and MUR 14.45 at 30 June 2026, touching a year-low of MUR 14.30 in the final weeks of June. The full-year decline of 7.4%, from MUR 15.60 to MUR 14.45, marked the second consecutive year of decline in closing price, in line with broader market conditions over the period.

Despite a decline in the share price, trading activity increased significantly. A total of 2,285,755 shares were traded during FY26, worth MUR 34.6 million – representing increases of 68.5% in trading volume and 57.0% in traded value compared with FY25 (1,356,868 shares; MUR 22.0 million). Close to three-quarters of the year's trading volume, i.e. 1,703,380 shares, was recorded in June 2026 alone, as the share price fell to its year-low.

With the number of shares in issue unchanged at 93,515,565, the decline in share price translated directly into a lower market capitalisation. As at 30 June 2026, Velogic's market capitalisation stood at MUR 1.35 billion, compared with MUR 1.46 billion a year earlier.

Category of Shareholders

As at 30 June 2026, Velogic had 892 shareholders on its register, comprising individual investors, institutions and corporate bodies.

Velogic's largest shareholder by a wide margin is ER Logistics Investment Holding Limited, holding 80.44% of the 93,515,565 shares in issue. It therefore remains Velogic's controlling shareholder. No shareholder other than ER Logistics Investment Holding Limited held more than 5% of the Company's shares.

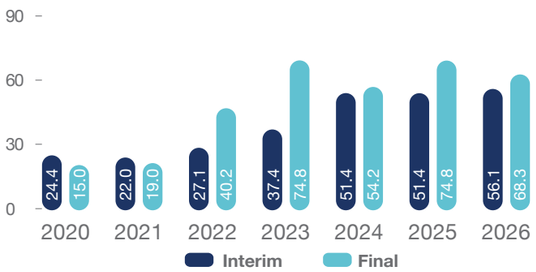
Category	Number of Shareholders	Number of Shares Held	% Shareholding
Individual	779	5,278,356	5.6444%
Insurance and Assurance companies	1	83,200	0.0890%
Investments and Trust companies	14	2,251,834	2.4080%
Pensions and Provident funds	36	9,231,604	9.8717%
Other Corporate Bodies	62	76,670,571	81.9870%
Total	**892**	**93,515,565**	**100%**

Source: MCB Capital Markets, August 2026

Dividends

The lower share price did not translate into lower shareholder returns on a yield basis. The FY26 dividend yield rose to 9.2%, up from 8.7% in FY25, 6.7% in FY24 and 5.2% in FY23. It marked the fourth consecutive annual increase, though the smallest over the period (+0.5 percentage points, against +2.0pp in FY25 and +1.5pp in FY24). Based on the FY26 closing share price of MUR 14.45, a 9.2% yield implies a total dividend of MUR 1.33 per share for the year.

Dividend Evolution
(MUR m)



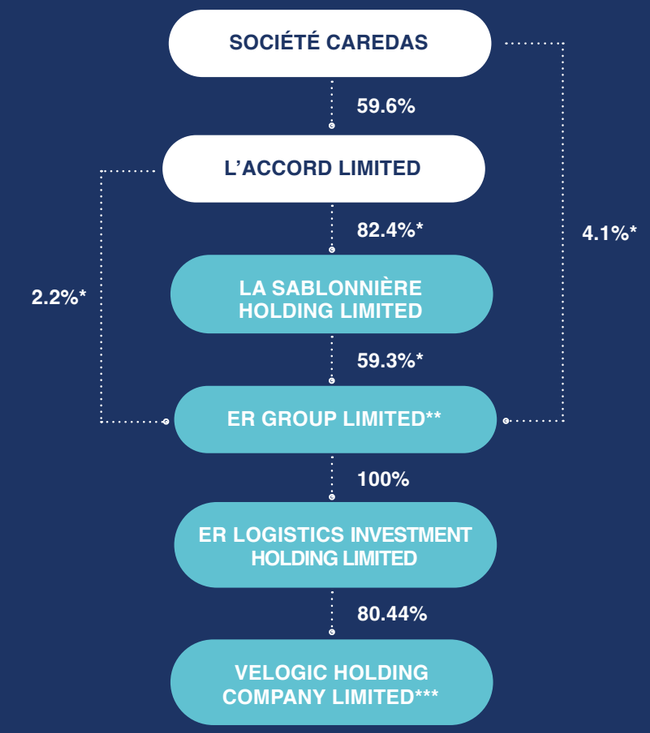
Investor Relations

Beyond price and dividend performance, Velogic maintains an ongoing dialogue with shareholders and analysts through its Integrated Report, investor briefings, quarterly unaudited financial statements, shareholder meetings, press releases, social media updates and the corporate website, ensuring that the investment community remains informed between reporting periods.

Further information is available at **www.velogic.net/investors**

VOTING RIGHTS

AS AT 30 JUNE 2026



* Effective voting rights
** Listed on the Official List of the Stock Exchange of Mauritius Ltd ("SEM")
*** Listed on the Development & Enterprise Market of SEM

Key Investor Ratios

ROE (FY 2026)	ROA (FY 2026)	NAVPS (FY 2026)*	Dividend Payout (FY 2026)	Dividend Yield (FY 2026)*
8.5%	4.8%	23.49	66.5%	9.2%
(FY 2025: 10.9%)	(FY 2025: 6.1%)	(FY 2025: 21.10)	(FY 2025: 58.8%)	(FY 2025: 8.7 %)

* Dividend Yield is calculated using the Dividend Per Share (DPS) divided by the market price post listing and DPS divided by NAV attributable to owners of parent.

Statement of Compliance

Section 75 (3) of the Financial Reporting Act

Name of Public Interest Entity ("PIE"): Velogic Holding Company Limited

Reporting Period: 01 July 2025 to 30 June 2026

We, the Directors of Velogic Holding Company Limited, confirm that, to the best of our knowledge, the PIE has complied with the National Code of Corporate Governance for Mauritius (2016) ("the Code").

The Company has applied all of the principles set out in the Code and explained how these principles have been applied.

Signed by:

Mr. Philippe Espitalier-Noël
Chairperson

Mr. Nayendranath Nunkoo
Director

21 September 2026



Corporate Governance Report

Velogic Holding Company Limited (the "Company" or "Velogic") is a subsidiary of ER Logistics Investment Holding Limited, which is itself a subsidiary of ER Group Limited ("ER Group").
Velogic was listed on the Development & Enterprise Market ("DEM") on 15 December 2021.
For the year under review, Velogic qualifies as a Public Interest Entity as defined by the Financial Reporting Act 2004.

This Corporate Governance Report outlines the Company's commitment to transparency, good corporate governance and the continuous effort to enhance shareholder value. Throughout the report, we have set out how we have applied the principles and complied with the relevant provisions of the Code of Corporate Governance for Mauritius (the "Code").

This report, along with the Integrated Annual Report, is published in its entirety on the Company's website: **https: //www.velogic.net/investors**

1. GOVERNANCE STRUCTURE

The Board assumes responsibility for leading and controlling the Company and is collectively responsible for its long-term success, reputation and governance, while meeting all legal and regulatory requirements. In line with the Code, the Board has

- adopted a Board Charter that sets out the objectives, roles and responsibilities and composition of the Board of Directors;
- identified its key Senior Governance positions as detailed in Velogic's Board Charter;
- approved an Organisational and Governance Structure (as disclosed on page 72 in the Integrated Annual Report)
- adopted the Code of Ethics of ER Group.

Furthermore, on 23 February 2022, the shareholders of Velogic adopted a Constitution, to which no amendments have been made.

The Board Charter, Constitution and Code of Ethics are available for consultation on Velogic's website: **https://www.velogic.net/investors/corporate-governance/**
Moreover, the Company has also adopted the ER Group's Speak Up Policy, which provides for an online reporting channel/ whistleblowing platform, namely, "Speak Up". The Company is committed to promoting transparency and upholding fair, ethical practices at all levels.

The monitoring and review processes of the aforesaid documents are carried out by the Board, as and when material changes occur.

The day-to-day operations of the Company are entrusted to the senior management team under the responsibility of the Chief Executive Officer ("CEO").

Corporate Governance Report



Whenever there is a change in the statement of accountability and statement of major accountabilities, the necessary approval is sought, and the said documents are subsequently reviewed and updated.

The members of the Senior Management team are depicted in the table below. Each of them has a role profile as set out in their contract of employment. Furthermore, the position statement of Senior Governance positions is available at **https://www.velogic.net/company/management-team/**.

NAME	POSITION
1. Nayendranath (Vishal) Nunkoo	Chief Executive Officer
2. Hansraz (Hans) Mulloo	Chief Finance & Investment Officer
3. Denis Hung Han Yun	Chief Operations Officer
4. Bertrand Abraham	Chief Human Resources Officer
5. Neerish Chooramun	Chief Marketing & Communications Officer
6. André de Comarmond	Managing Director - Indian Ocean
7. Nainesh Patel	Managing Director - East Africa
8. Nawaz Gobindram	Managing Director - Indian sub-continent
9. Marcel Lagesse	Managing Director - Shipping
10. Thierry Espitalier-Noël	Managing Director - Sugar Packing
11. Clarel Michaud	Managing Director - Freight Forwarding (Mauritius)
12. Fabien de Guardia	Senior Manager - Transport & Garage/Depot & Workshop
13. Cedric D'Unienville	Senior Manager - Warehousing & Rodrigues Services
14. Tony Yue Chi-Ming	Country Manager (Madagascar)
15. Jean-Noël Albert	Country Manager Reunion (Express Courier)
16. Robert Richard	Country Manager Reunion (Freight Forwarding)

Executive Team

1. Bertrand **ABRAHAM**
2. Denis **HUNG HAN YUN**
3. Marcel **LAGESSE**
4. Nawaz **GOBINDRAM**
5. Clarel **MICHAUD**
6. Thierry **ESPITALIER-NOËL**
7. Neerish **CHOORAMUN**
8. Nainesh **PATEL**
9. Nayendranath (Vishal) **NUNKOO**
10. Hansraz (Hans) **MULLOO**
11. André **DE COMARMOND**

The Executive Team comprises the members of the Senior Management Team who report directly to the Chief Executive Officer.

Senior Management's Profile

The profiles of the members of the Senior Management team are as follows:



Nayendranath (Vishal) NUNKOO
Chief Executive Officer

See under the Section Board of Directors' Profile



Hansraz (Hans) MULLOO
Chief Finance & Investment Officer

See under the Section Board of Directors' Profile



Neerish CHOORAMUN
Chief Marketing & Communications Officer

Neerish joined Velogic in November 2018 to establish the company's marketing function and strategy and has since been leading the department. He holds an MBA in Marketing Management, a BSc in Entrepreneurial Management, and an Associate Degree in E-Technology Computing. A Fellow of the Chartered Institute of Marketing (UK) and the Mauritius Institute of Directors and a member of the American Marketing Association, he brings over 20 years of experience across logistics, marketing and corporate services, gained within leading Mauritian business groups. He also serves as a visiting faculty and advisory committee member at several tertiary education institutions.



André DE COMARMOND
Managing Director - Indian Ocean

André was appointed Managing Director - Indian Ocean in March 2017. He has more than 40 years of experience in sales & marketing. He took employment in the Shipping Division of Rogers in 2007, at Société du Port, before being appointed Country Manager of Velogic Mauritius in 2010 and then Regional Manager – Indian Ocean the following year. In 2011, he followed the Executive Training, Emerging Leaders Program, at the London Business School.



Denis HUNG HAN YUN
Chief Operations Officer

Denis was appointed COO in March 2017. He previously held the positions of Chief Processes & Systems Officer and Country Manager (Mauritius). Prior to joining Cargo Express, part of the Rogers Group, in 1999, he worked as a web developer as well as analyst programmer and systems analyst. Denis holds a Bachelor of Business Science in the field of Computer Science.



Bertrand ABRAHAM
Chief Human Resources Officer

Bertrand was appointed Chief Human Resources Officer in 2011. He has 30 years of experience in the field of human resources, having worked in the textile and sugar industries before joining Rogers Group in 2004 and moving to the Logistics sector in 2008. He holds a Diploma in Personnel Management from the University of Mauritius and an MSc in Human Resources Management from the University of Surrey, UK.



Nainesh PATEL
Managing Director - East Africa

Nainesh Patel was appointed Managing Director – East Africa, effective 01 July 2025. Nainesh is a seasoned leader with over 17 years of experience in Freight Forwarding and Logistics across East and Central Africa. He has held Senior Leadership roles with Global and Regional firms; bringing with him expertise in Strategic Management, Project Leadership and Organisational Transformation.



Nawaz GOBINDRAM
Managing Director - Indian sub-continent

Nawaz took over as Regional Manager – Indian Subcontinent in July 2011, before being appointed Managing Director – Indian sub-continent in 2017. He previously gained valuable experience in the logistics sector by serving successively as Deputy Country Manager in Madagascar and Country Manager in India. Nawaz holds a DESS in Management Logistique Ingénierie Transports and a MIAGE degree.

Senior Management's Profile



Marcel LAGESSE

Managing Director - Shipping

Marcel has over 38 years of experience in road transport and project cargo, having been the manager as well as one of the shareholders of MTL, a transport company which was subsequently acquired by Velogic in October 2012.
He was also one of the founder shareholders of FTL in 1994. He initially joined Velogic as Manager - Garage, Transport and Project Cargo as from October 2012 and was subsequently appointed Projects Cargo Manager, responsible for Project Cargo and Shipping business in January 2014. Marcel was then appointed Managing Director of the Shipping Services in December 2014, where he is now leading the shipping activities of Rogers Shipping and Southern Marine, stevedoring of P.A.P.O.L.C.S Limited as well as Project Cargo of Velogic.



Thierry ESPITALIER-NOËL

Managing Director - Sugar Packing

Thierry has over 30 years of experience in the manufacturing field, half of which was spent overseas (South Africa and Madagascar). His expertise covers sectors like chemical processing, paper making, optical glasses & sunglasses, ice making and distribution, printing & packaging, baby diapers & sanitary napkins.
Thierry holds an Executive MBA (Heriot Watt, Scotland) and a Higher Diploma in Chemical Engineering (SA).
He was appointed Operations Manager at Sukpak in March 2020 and is now the Managing Director of the sugar packing activities.



Cédric D'UNIENVILLE

Senior Manager - Warehousing & Rodrigues Services (CFS)

Cédric joined Velogic in February 2010 and has been serving as Senior Manager – Warehousing & Rodrigues Services since January 2023. Over the years, he has held various managerial positions within Velogic, including Manager – Projects & Development, Haulage; Manager – Depot; and Manager – Rodrigues Services. His expertise spans warehouse operations, project management, and the development of logistics procedures. Prior to joining Velogic, Cédric worked as an Airfreight Coordinator at GEFCO in Toulouse, France. He holds a Licence Responsible Production Transport et Logistique from ISTELI and a BTS in Transport et Logistique Internationale from Polyvalent Rive Gauche, Toulouse. Additionally, he has completed the in-house MDP Programme.



Tony Yue CHI-MING

Country Manager - Madagascar

Tony joined Cargo Express as Accounts Clerk on 01 November 1991. He was posted in Madagascar in January 2001 and has subsequently held the positions of Accounts Supervisor/Operations under Cargo Express Madagascar. He was then transferred to Velogic where he held the positions of Operations Manager, Manager - Finance and Administration and Acting Country Manager before being appointed Country Manager RIDS – Madagascar, effective 01 January 2013.



Clarel MICHAUD

Managing Director - Freight Forwarding (Mauritius)

Clarel was appointed Managing Director – Freight Forwarding (Mauritius) as from 1 July 2025. He brings over 30 years of experience in the freight and logistics sector, with deep exposure to logistics management, strategic planning, negotiation, and business development. He holds an MBA from Université Paris Dauphine – PSL and a Master 2 in Economics and Management from the University of Paris I: Panthéon-Sorbonne. A Fellow of the Chartered Institute of Marketing (UK), Clarel has also completed the MCB IF Execution Leadership Masterclass, further strengthening his executive capabilities.



Fabien DE GUARDIA

Senior Manager - Transport & Garage / Depot & Workshop

Fabien joined Velogic Haulage as Senior Manager - Transport Division on 15 March 2021. He also took over the Depot and Workshop activities as from January 2023. Fabien holds a diploma in Business Management from MCCI and a certificate in Management Development from Charles Telfair Institute. Fabien worked at Velogic from 2008 to 2018, during which he successively headed the two aforementioned departments. Before joining Velogic, Fabien was employed as General Manager – Logistics at Omnicane Logistic Operations Ltd.



Jean-Noël ALBERT

Country Manager - Reunion (Express Courier)

Jean-Noël is the Country Manager – Reunion (Express Courier) since 2017. Jean-Noël launched his own Courier Express company (JNA Express) in Reunion when he obtained the franchise of UPS in 1997. The company was then sold to IBL Reunion in 2009 before being taken over by Velogic in 2017.
He has nearly 40 years of experience in Transport/Freight and Logistics, having also worked as deck officer in the merchant navy for Rogers Shipping, operations manager for MSC France S.A. (Reunion). He holds a BTS Transport & Logistics and is a qualified Professional in road Cargo Transport as well as a Commissioner of Transport in Reunion.



Robert RICHARD

Country Manager - Reunion (Freight Forwarding)

Robert is the Country Manager – Reunion (Freight Forwarding) since 2017. He joined Velogic Reunion in 2013 as Sales Manager. Robert has over 25 years of experience in the maritime and logistics sector, where he developed expertise in import and export activities. Before joining Velogic Réunion, he served as Agency Manager for CMA CGM Reunion and as Trade and Traffic Manager for Höegh Autoliners, overseeing Africa and the Indian Ocean from Reunion Island. He holds a BTS in Communication and is a Commissioner of Transport in Reunion Island.

Board of Directors

1. Soorya **OOGARAH-RAMCHURN**
2. Belinda **VACHER**
3. Philippe **ESPITALIER-NOËL**
4. Hansraz (Hans) **MULLOO**
5. Mehul **BHATT**
6. Damien **MAMET**
7. Hanjali **PERMALLOO-LEROUX**
8. Marie-Aimée **DINAN-SALDIVAR MOGUEL**
9. Charlotte **GUIRAL**
10. Nayendranath (Vishal) **NUNKOO**
11. Gianduth (Alvin) **JEEAWOCK**

The Board of Directors is presented as constituted at 30 June 2026

Board Of Directors' Profile

Profile of Directors

The profiles of the directors, including their qualifications and nationality, are set out below. Moreover, the list of directorships of each director is available on the website.



Philippe ESPITALIER-NOËL

Chairman, Non-Executive Director

(Born in 1965)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 30 September 2004

Qualifications:

- BSc in Agricultural Economics (University of Natal, South Africa), Master of Business Administration (London Business School)

Professional Journey:

- Chief Executive Officer at ER Group
- Chief Executive Officer of Rogers and Company Limited up to 30 June 2025
- President of the Sustainability and Inclusive Growth Commission of Business Mauritius since 2017
- Honorary Consul of the Kingdom of Denmark since 2004
- Previously worked as management consultant for CSC Index in London
- Ambassadeur de l'Alliance des Patronats Francophones

Skills and Experience:

- Strong experience in mergers, acquisitions, and business transformation
- Sound executive leadership and a considered approach to strategy development and implementation
- Proactive approach to addressing stakeholder priorities under challenging circumstances
- Detailed understanding of the external context, particularly in relation to the climate change imperatives
- Deep understanding of effective management techniques to support future growth, focusing on people development and culture shaping
- Extended International networks and business relationships



Nayendranath (Vishal) NUNKOO

Executive Director and Chief Executive Officer

(Born in 1969)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 21 June 2011

Qualifications:

- MBA majoring in Finance and MSc in Engineering

Professional Journey:

- Joined Rogers Group in 1993 and worked in various positions, namely in the Planning & Development department, the Aviation and Logistics sectors
- General Manager Software Services - Enterprise Information Solutions
- Corporate Manager – Strategic Planning at the Head Office of Rogers and Company Limited

Skills and Experience:

- Extensive experience in General Management in the Logistics and IT sectors
- Broad experience in the strategic and business development field
- Strong managerial and financial skills



Mehul BHATT

Non-Executive Director

(Born in 1980)

Nationality: **Indian**

Residency: **Mauritius**

Date of Appointment: 27 February 2020

Qualifications:

- MBA from London Business School (UK), Bachelor's in Nautical Science, BITS, Pilani (India), Fellow of Institute of Chartered Shipbrokers (UK) and Associate Fellow of Nautical Institute (UK)

Professional Journey:

- Presently Chief Strategy and Transformation Executive for Savanne Life Sciences
- Chief Strategy and Sustainable Development Executive of Rogers Group until June 2023
- Started career in Merchant Marine at the age of 18 with Chevron, an oil major based out of San Ramon, USA
- Worked across USA, Denmark, East Africa, UK and India prior to moving to Mauritius in 2019
- Worked with international groups, such as A. P. Moller-Maersk and Chevron in various strategy, finance, general management, performance management, operations and commercial roles

Skills and Experience:

- Over 20 years in shipping and logistics
- Extensive expertise in people and organisational leadership



Marie-Aimée DINAN-SALDIVAR MOGUEL

Independent Non-Executive Director

(Born in 1978)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 18 September 2024

Qualifications:

- Fellow Chartered Accountant - Institute of Chartered Accountants in England and Wales (ICAEW) and BSc (Hons) Economics – London School of Economics and Political Science

Committee:

- Member of Risk Management and Audit Committee

Professional Journey:

- Administratrice Financière – Roman Catholic Diocese of Port-Louis (since February 2024)
- Finance Executive – Anahita group of companies and Alteo Property cluster (2012 – 2024)
- Business Strategist – The Mauritius Commercial Bank Limited – Strategy, Research and Development (2006 – 2012)

Skills and Experience:

- Significant experience in business strategy, performance and financial management

Board Of Directors' Profile



Charlotte GUIRAL

Independent Non-Executive Director

(Born in 1988)

Nationality: **French**

Residency: **Canada**

Date of Appointment: 18 September 2024

Qualifications:

- MSc in Management at EMLYON Business School, Lyon, France, Master II, Engineer Diploma at Centrale Lyon Engineer School, Lyon, France

Professional Journey:

- Managing Director at Indian Ocean Cluster of CMA CGM, Mauritius (from May 2022 to September 2024)
- Managing Director at CMA CGM, New Caledonia (from January 2016 to April 2022)
- West Africa Regional Reefer Manager at CMA CGM, Ivory Coast (from January 2016 to April 2017)
- Asia Reefer Business Developer & Key Accounts at CMA CGM Asia Regional Office, Hong Kong (from January 2014 to December 2015)

Skills and Experience:

- Experience in structuring complex business environments, empowering teams and promoting a customer-centric culture
- Driving operational excellence and leveraging technology to enhance business performance



Gianduth (Alvin) JEEAWOCK

Non-Executive Director

(Born in 1984)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 13 April 2022

Qualifications:

- Executive MBA (jointly by Paris Dauphine and Sorbonne Business School), Obtained Chartered Financial Analyst (CFA) designation and BSc in Finance, University of Mauritius

Professional Journey:

- Currently Chief Operations Officer of Swan Capital Solutions Ltd

Skills and Experience:

- Stakeholder management skills
- Highly skilled in managing and interpreting financial data
- Excellent collaborative leadership skills



Damien MAMET

Non-Executive Director

(Born in 1977)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 22 August 2022

Qualifications:

- Member of the Institute of Chartered, Accountants in England and Wales and Executive Programmes (London Business School) and INSEAD Business School, Singapore

Committee:

- Member of Risk Management and Audit Committee

Professional Journey:

- Appointed Chief Finance Executive of ER Group in 2025
- In 2017, he was appointed Chief Finance Executive and was an Executive Director of Rogers and Company Limited
- In 2014, he was appointed Chief Projects & Development Executive of Rogers and Company Limited
- Joined Rogers Group where he was appointed Managing Director of Foresite Property Fund Management Ltd in 2009
- In 2007, he was appointed Manager of Corporate Finance of PricewaterhouseCoopers
- In 2003, he moved to BDO De Chazal Du Mée (Mauritius)
- Started his career with Ernst & Young in London in 1999

Skills and Experience:

- Strategic and commercial understanding
- Team management skills
- Financial reporting and fund management, leadership skills, risk and audit



Hansraz (Hans) MULLOO

Executive Director and Chief Finance & Investment Officer

(Born in 1973)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 09 May 2024

Qualifications:

- Member of the Institute of Chartered Accountants in England and Wales, Member of the Association of Chartered Certified Accountants and Member of the Chartered Institute of Management Accountants

Professional Journey:

- Presently serves as Independent Non-Executive Director and Chairperson of the Audit Risk and Corporate Governance Committee of the Financial Services Commission (since 1 July 2025)
- Financial Planning and Analysis at Alteo Limited
- Corporate Finance Manager and Risk Officer at Alteo Limited
- Business Development Executive at CIEL Corporate Services Ltd
- Finance and Procurement Manager at Noveprim Ltd and Noveprim Europe Ltd
- Finance Manager at Scott & Co Ltd

Skills and Experience:

- Proven expertise in areas such as Mergers and Acquisitions, Group financial reporting, Budgeting, Project management, and Risk management
- Proactive team player with strong communication and leadership skills
- Excellent problem-solving and time management skills

Board Of Directors' Profile



Hanjali PERMALLOO-LEROUX

Non-Executive Director

(Born in 1973)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 01 September 2023

Qualifications:

- MBA at IAE Paris, Sorbonne Business School, MSc Information Management, University of Lancaster, UK

Professional Journey:

- Chief Technology Executive at ER Group
- Chief Officer Operational Excellence at Rogers Capital (from Jun 2019 to Feb 2024)
- General Manager at AXA Customer Services (from 2015 to 2019)
- Senior Manager, Project at CIM Group (from 2008 to 2014) Manager at DCDM Consulting/Accenture (from 1998 up to 2008)

Skills and Experience:

- Significant experience in business and digital transformation



Soorya OOGARAH-RAMCHURN

Non-Executive Director

(Born in 1971)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 01 September 2023

Qualifications:

- BSc (Hons) in Industrial & Business Economics, London School of Economics & Political Science (LSE), UK, Postgraduate in International Business & Finance, University of Surrey, UK, Masters/DESS in Innovative Projects, Institut de la Francophonie (IFE) Mauritius and Masters/DESS in 'PME/PMI' Université de Paris XII, France

Professional Journey:

- Marketing Manager at Holiday Plus Ltd (from 1994 to Dec 1999)
- Manager-Planning & Development – Rogers Aviation Business Development Unit (until July 2005)
- Manager-Operations - Rogers Aviation GSA Operations (Passenger & Cargo) in Mauritius and South Africa (until September 2012)
- Managing Director Aviation Services - Rogers Aviation GSA Operations (Passenger & Cargo) in 7 countries, Sabre Travel Network, Visa Services and Ground Handling (until March 2018)
- Managing Director Aviation & Travel Services - Rogers Aviation GSA Operations & Travel Agency Operations in 7 countries travel agency operations in 5 countries, Heads IT, Marketing & Digital Departments (from April 2018 to June 2026)
- Deputy Chief Executive Officer of ER Aviation (since 1 July 2026)

Skills and Experience:

- Strategic planning, Management and Implementation Negotiation skills, Communication strategy Marketing



Belinda VACHER

Independent Non-Executive Director

(Born in 1985)

Nationality: **Mauritian**

Residency: **Mauritius**

Date of Appointment: 13 April 2022

Qualifications:

- LLM International Business Law, Université Paris II, Panthéon-Assas, Master's in Business Administration, University of Mauritius, Certificate in Business Accounting, Chartered Institute of Management Accountant, UK, BSc (Hons) Finance, University of Mauritius

Committee:

- Chairperson of Risk Management and Audit Committee

Professional Journey:

- Chief Finance Officer of Harel Mallac & Co Ltd
- Chief Fund Management Executive, Rogers and Company Limited
- Chief Projects and Sustainability Executive, Rogers and Company Limited
- Chief Investment and Corporate Advisory Officer, Grit Real Estate Income Group Ltd
- Head of Projects and Corporate Advisory, Rogers Capital Ltd
- Fund Manager and Non-Executive Director of Ascencia Ltd (Listed Company since 2008)
- Fellow Member – Mauritius Institute of Directors

Skills and Experience:

- Strong expertise and experience in corporate finance, financial modelling, business valuation, deal structuring and investment appraisal (with a specialisation in deals and M&A)
- Excellent network for fund raising (both equity & debt), supported by a proven track record
- Extensive experience in other domains such as company listing, legal and compliance and relevant governance, risk management, strategic planning, due diligence, investor relations, communication strategy and implementation of branding and marketing



Radhakrishna CHELLAPERMAL

Independent Non-Executive Director

(Born in 1955)

Nationality: **Mauritian**

Date of Appointment: 25 August 2021

Date of Resignation: 4 February 2026

Qualifications:

- Fellow of the Association of Chartered Certified Accountants (FCCA)

Committee:

- Chairman of Risk Management and Audit Committee up to 4 February 2026

Professional Journey:

- Former Chairperson of the Central Electricity Board
- Former Deputy Financial Secretary at the Ministry of Finance - Mauritius
- 37-year career at the Ministry of Finance - Mauritius

Skills and Experience:

- Strong accounting and leadership skills
- Significant experience in the strategic development and planning

2. THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

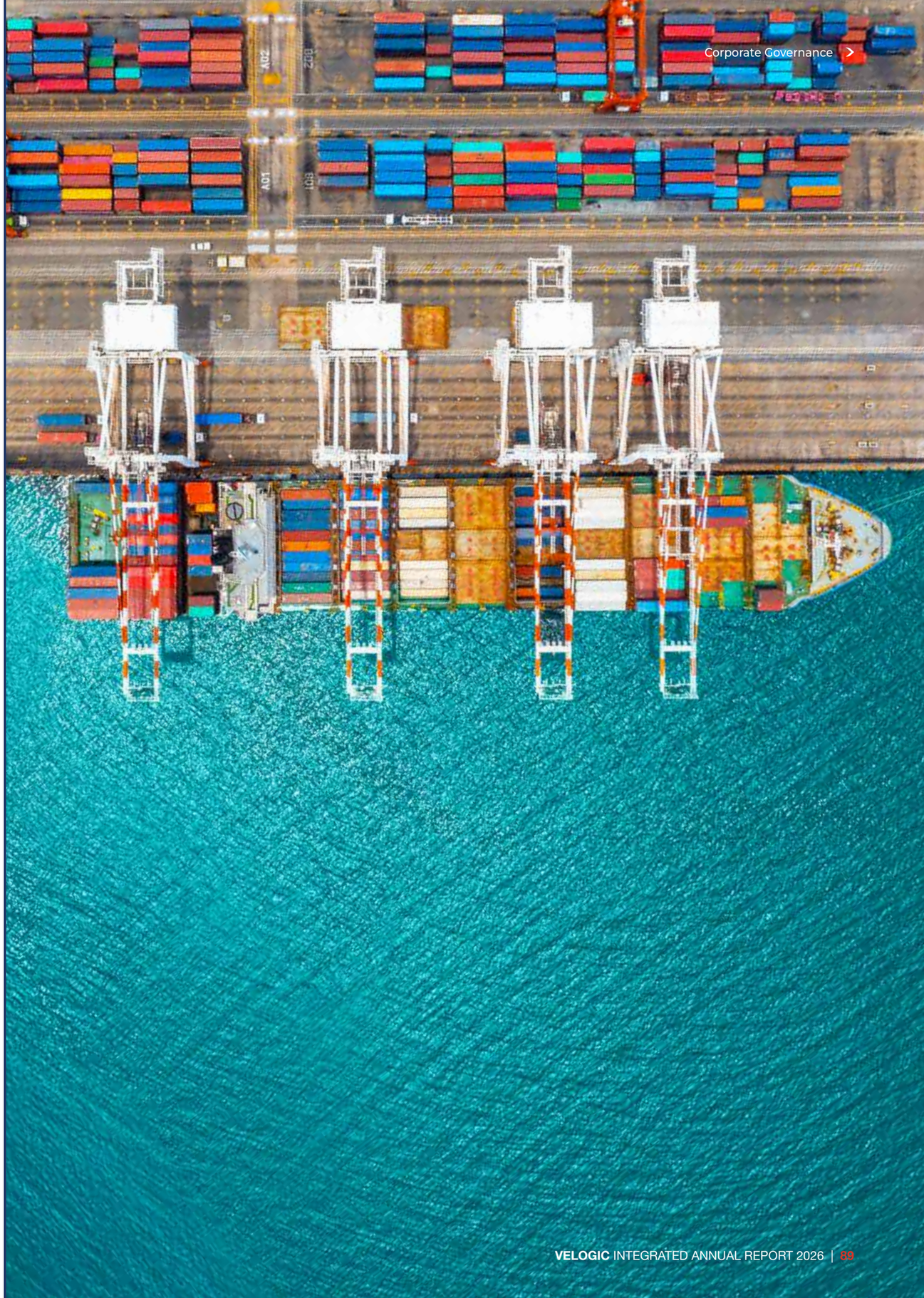
2.1. Structure of the Board

As at 30 June 2026, the Company was headed by a unitary Board comprising eleven (11) directors. The Board is composed of two (2) Executive Directors, six (6) Non-Executive Directors and three (3) Independent Non-Executive Directors, under the Chairmanship of Mr Philippe Espitalier-Noël, who is a Non-Executive Director. The Board, in consultation with the Nomination Committee of ER Group, reviews its size and composition, in light of the market in which the Company operates.

Moreover, the functions and responsibilities of the Chairman and the Chief Executive Officer are distinct and separate. At the time of approving this report, the analysis of the composition of the Board is as follows:

COMPOSITION OF BOARD		RESIDENCY	
Non-Executive Director (“NED”)	6	Mauritian Resident	10
Executive Director (“ED”)	2	Non-Mauritian resident	1
Independent Non-Executive Director (“INED”)	3		
GENDER		**AGE PROFILE**	
Male	6	Below 40 years	1
Female	5	Between 40 to 50 years	5
		Between 51 to 60 years	4
		Above 60 years	1

LENGTH OF TENURE	
Less than 3 years	3
Between 3 to 10 years	6
More than 10 years	2



Corporate Governance Report

2.2. Main Focus Areas of the Board FY 2025/2026

A minimum of 4 Board meetings are held annually. In the event that Board meetings cannot be held, the relevant matters are approved by way of written resolution of the Directors, accompanied by the supporting documentation for their consideration.

During the financial year under review, the Board met 4 times and the focus areas of the Board were as follows:

FINANCIALS

- Reviewed and approved:
  - the audited financial statements of the Integrated Annual Report and the publication of the audited abridged financial statements for the year ended 30 June 2025; and
  - the publication of the unaudited quarterly consolidated results of the Company.
- Received the external auditors' report on the Company's audited financial statements for the year ended 30 June 2025.

STRATEGY & FINANCE

- Reviewed the performance of the group against business plans as reported by the CEO.
- Approved the CAP-29 and the budget for the period 2026-2027 for the Company and the Group.
- Took note of updates regarding key projects and health and safety matters.
- Approved the provision of corporate guarantees in respect of Velogic Express Reunion and Rogers Logistics International Ltd.
- Approved declarations of interim and final dividend.

GOVERNANCE, COMPLIANCE AND RISK

- Prepared and convened Annual Meeting of Shareholders.
- Recommended to shareholders the re-appointment of Ernst & Young as auditors of the Company for the financial year ended 30 June 2026.
- Reviewed the categorisation of Mrs Belinda Vacher as Independent Non-Executive Director.
- Reviewed the composition of the Risk Management and Audit Committee.
- Took note of the Risk Report of Velogic Group.
- Approved changes in bank signatories and Data Protection Officer.
- Approved the change in registered office.
- Adoption of Group Policies.
- Approved the participation of the Company in the Treasury Management Framework established by ER Group.
- Reviewed the Charter of the Board and Risk Management and Audit Committee.

STANDING AGENDA ITEMS

- Approved minutes of proceedings from previous meetings.
- Received disclosures of interests from directors as and when applicable.
- Received reports and recommendations of the Risk Management and Audit Committee.
- Received copies of the litigation register and register of bank & corporate guarantees.

2.3. Board Committees

The Board has delegated some of its powers and responsibilities to the Risk Management and Audit Committee ("RMAC").

The Chairperson of the RMAC regularly reports proceedings of the Committee to the Board. Directors have access to all Committee meetings and records.

The RMAC has its own Charter which sets out, inter alia, membership requirements, meeting proceedings, roles and responsibilities. The RMAC Charter is reviewed as and when material changes occur, and any proposed amendments are recommended to the Board for approval.

During the financial year under review, the RMAC has reviewed its Charter, which is available for consultation on the website of Velogic: **https://www.velogic.net/investors/corporate-governance/rmac-charter/**.

During the year under review, the Chairperson of the RMAC extended committee meeting invitations on an *ad hoc* basis to key executives, and both internal and external auditors. Outside of formal meetings, the Committee Chairperson maintains a dialogue with key individuals involved in the Company's governance, namely the Chairperson of the Board, the Chief Executive Officer, the Chief Finance & Investment Officer and the external audit lead partner.

The RMAC is composed as follows:

RMAC MEMBERS	CATEGORY
Belinda Vacher[1]	Independent Non-Executive Director and Chairperson
Marie-Aimée Dinan-Saldivar Moguel[1]	Independent Non-Executive Director
Damien Mamet	Non-Executive Director

[1]Effective April 2026, Mrs Belinda Vacher was appointed Chairperson of the RMAC and Mrs Marie-Aimée Dinan-Saldivar Moguel was appointed member of the RMAC.

Main Focus Areas of the RMAC during FY 2025/2026

During the financial year under review, the RMAC met 5 times and the focus areas of the RMAC were as follows:

FINANCIAL STATEMENTS & REPORTING RESPONSIBILITIES

- Reviewed and recommended to the Board the approval of:
  - the audited financial statements of the Integrated Annual Report and the publication of the audited abridged financial statements for the year ended 30 June 2025; and
  - the publication of the unaudited quarterly consolidated results of the Company.
- Received the external auditors' report on the Company's audited financial statements for the year ended 30 June 2025.

INTERNAL & EXTERNAL AUDIT MATTERS

- Recommended the re-appointment of Ernst & Young as auditors for the year ended 30 June 2026.
- Examined reports issued by the Internal Audit function.
- Approved the Internal Audit Plan for the year ending 30 June 2027.
- Reviewed the external audit plan of Ernst & Young for the financial year ended 30 June 2026.
- Reviewed and approved the external audit fees payable to Ernst & Young for the financial year ended 30 June 2026.

RISK & GOVERNANCE

- Reviewed the Charter of the RMAC.
- Examined Reports issued by the Risk Management function.
- Took note of updates regarding health and safety matters.
- Approved minutes of proceedings from previous meetings.

Corporate Governance Report

3. DIRECTORS' APPOINTMENT PROCEDURES

3.1. Appointment and Re-election

The Board may appoint any person as a Director, either to fill a casual vacancy or as an additional Director. The Director appointed by the Board will hold office only until the next Annual Meeting and shall then retire but shall be eligible for appointment at that meeting.

The Corporate Governance Committee ("CGC") of ER Group recommends candidates to the Board for appointments. Candidate assessments encompass diverse facets: backgrounds, specialised skills, expertise knowledge and the potential contribution to enhancing Board effectiveness. The CGC also considers gender diversity, time commitment and independence during evaluations.

In line with the Company's Board Charter, all Directors stand for election and/or re-election at the Annual Meeting of Shareholders of the Company.

The Board confirms that all directors continue to perform effectively and remain committed to their role as Directors of the Company.

3.2. Board Induction

Upon joining the Board, all new Directors participate in an induction and orientation process aimed at deepening their understanding of each business, environment and market in which the Group operates. As part of the induction process, each new director receives an appointment letter and a comprehensive induction pack from the Company Secretary, which contains essential Board and Company information, constitution, charters, policies, calendar of meetings and minutes of proceedings.

3.3. Professional Development and Training

Directors are encouraged to stay informed about changes and trends affecting the Company's businesses, environment and markets. The Board regularly assesses the development needs of its Directors and the Board as a whole.

Directors attended various professional development programmes during the year under review, covering AML-CFT, AI Strategy and Leadership Programme, ITIL 4 Foundation and Financial Strategy for Value Creation, amongst others.

3.4. Succession Planning

The Board recommends plans for the succession of Directors and senior management. The Board regularly reviews its composition, structure and succession plans.

4. Directors' duties, remuneration and performance

4.1. Legal Duties & Access to Information

All Directors are familiar with their legal duties and are required to exercise the care, skill and diligence that a reasonably prudent and competent Director would exercise in their position. Directors may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of their duties.

Directors are also entitled to have access, at all reasonable times, to all relevant Company information and consult Management, if useful, to perform their duties.

A Directors' and Officers' Liability Insurance policy has been secured by the Company. The policy provides cover for risks arising from acts or omissions of Directors and Officers of the Company.

The Board regularly monitors and ensures compliance with the Code of Ethics.

4.2. Remuneration Policy

The underlying philosophy is to set remuneration at an appropriate level to attract, retain and motivate high-calibre personnel and reward in alignment with their individual as well as joint contribution towards the achievement of the Group's objective and performance, while taking into account current market conditions and the Group's financial position.

The Independent Non-Executive Directors of Velogic received the following fees for the year ended 30 June 2026:

- Fixed monthly fee of MUR 15,000; and
- Attendance fee of MUR 20,000 per Board meeting and RMAC Meeting.

Corporate Governance Report

4.3. Attendance and Remuneration/Benefits paid

For the year under review, attendance at Board and Committee meetings and actual remuneration and benefits received by the Directors are presented below:

		ATTENDANCE TO BOARD MEETINGS	ATTENDANCE TO RMAC MEETINGS	COMPANY (MUR)
Number of Meetings held		4	5	
CATEGORY	DIRECTORS			
Executive	Mr Nayendranath (Vishal) Nunkoo	4/4	N/A	-
	Mr Hansraz (Hans) Mulloo	4/4	N/A	-
Non-Executive	Mr Philippe Espitalier-Noël	4/4*	N/A	-
	Mr Mehul Bhatt	4/4	N/A	-
	Mr Gianduth (Alvin) Jeeawock	3/4	N/A	-
	Mr Damien Mamet	4/4	4/5	-
	Mrs Hanjali Permalloo-Le Roux	3/4	N/A	-
	Mrs Soorya Ramchurn-Oogarah	3/4	N/A	-
Independent	Mr Radhakrishna Chellapermal[1]	2/3	3/3	207,143
	Mrs Marie-Aimée Dinan-Saldivar-Moguel[2]	4/4	2/2	300,000
	Mrs Charlotte Guiral	2/4	N/A	220,000
	Mrs Belinda Vacher[3]	4/4	4/5*	340,000

*****Chairperson*

[1]Effective February 2026, Mr Radhakrishna Chellapermalv resigned as Director of the Company.

[2]Effective April 2026, Mrs Marie Aimée Dinan-Saldivar Moguel was appointed member of the RMAC.

[3]Effective April 2026, Mrs Belinda Vacher was re-classified as an Independent Non-Executive Director and appointed as Chairperson of the RMAC.

The Executive Directors receive remuneration from the subsidiary that is their employer. The Board of Directors considers that is in the best interest of the Company not to disclose the individual remuneration that Executive Directors receive from their employer, given the commercial sensitivity of such information.

The remuneration and benefits perceived by the Company and its subsidiaries as at 30 June 2026 are disclosed in Other Statutory Disclosures.

4.4. Directors' Interests, Dealing in the shares and Related Party Transactions

Upon its listing on the DEM and pursuant to the Securities Act 2005, Velogic qualified as a reporting issuer. Consequently, the officers of the Company and those of its subsidiaries are qualified as officers. In addition, the Directors of Velogic are also officers of the Company and are required to comply with Appendix 6 - Model Code For Securities Transactions (the "Securities Code") by Directors of Listed Companies.

Velogic's Board Charter contains policies on Conflicts of Interest and Related Party Transactions. Directors who are interested in a transaction or proposed transaction with the Company disclose their interests to the Board and cause same to be entered in the Interests Register. The Company Secretary maintains the Interests Register and ensures that the latter is updated regularly. The register is available for consultation by shareholders upon written request to the Company Secretary.

The Directors' interests in Velogic's shares as at 30 June 2026 were as follows:

NAME OF DIRECTORS	DIRECT INTEREST	INDIRECT INTEREST
Mr Philippe Espitalier-Noël	Nil	4.543%
Mr Nayendranath (Vishal) Nunkoo	0.006%	Nil
Mr Mehul Bhatt	Nil	Nil
Mrs Marie Aimée Dinan-Saldivar Moguel	Nil	Nil
Mrs Charlotte Guiral	Nil	Nil
Mr Gianduth (Alvin) Jeeawock	Nil	Nil
Mr Damien Mamet	Nil	Nil
Mr Hansraz (Hans) Mulloo	Nil	Nil
Mrs Hanjali Permalloo-Le Roux	Nil	Nil
Mrs Soorya Ramchurn-Oogarah	Nil	Nil
Mrs Belinda Vacher	Nil	Nil
Mr Radhakrishna Chellapermal[1]	Nil	Nil

[1]Effective February 2026, Mr Radhakrishna Chellapermal resigned as Director of the Company.

During the financial year under review, none of the Directors has traded in the shares of Velogic.

Corporate Governance Report

4.5. Information, information technology and information security governance

The Company is a registered controller with the Data Protection Office. In keeping with Data Protection Act 2017, the Company has endeavoured to reinforce the safety and security measures in place to protect the personal data it collects, stores and processes.

The Company has adopted a Data Protection Privacy Manual, which describes the comprehensive approach of the Company to personal data protection. Regular audits and training of the personnel will be carried out to ensure compliance with this Manual.

The Board monitors and evaluates significant expenditures on Information Technology. Technology has allowed the Company to gather real-time data, allowing immediate response to customer trends and new habits. Embracing agility and change is considered vital for the Company in fulfilling its customer promise.

The Information Technology and Security Policies are available for consultation on Velogic's website at https://www.velogic.net/investors/corporate-governance/

4.6. Board evaluation

In 2023, an externally facilitated evaluation was conducted by the Boston Consulting Group Ltd and the Board resolved that the next board evaluation exercise would be conducted during the financial year ending 30 June 2026.

This year's review was facilitated by the Company Secretary. Directors were issued with a questionnaire designed to gather their insights and opinions on key areas, such as governance, digitalisation, strategic foresight, and self-evaluation.

The results of this exercise were compiled and presented to the Board. The key findings were analysed and discussed, and the Board has taken the necessary actions to address the matters identified.

5. RISK GOVERNANCE AND INTERNAL CONTROL

For Risk Governance and Internal Control, please refer to pages 104 to 118.

6. RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

6.1. Shareholding Profile

As at 30 June 2026, the share capital of Velogic consisted of 93,515,565 Ordinary Shares.

The shareholder holding more than 5% of the ordinary shares of the Company as at 30 June 2026 were as follows:

	ORDINARY (%)
ER Logistics Investment Holding Limited	80.44

6.2. Contract between the Company and its Substantial Shareholders and Shareholders' Agreement affecting the Governance of the Company by the Board

The Directors confirm that, to the best of their knowledge, they are not aware of the existence of any such agreement for the year under review.

6.3. Third-Party Agreements

There is no management agreement between Velogic and any third party where such third party is a director of Velogic, or a company owned or controlled by a director of Velogic.

6.4. Engagement with Shareholders

The Annual Meeting of Shareholders is held annually, in compliance with the Constitution of the Company and the Companies Act 2001. At the annual meetings, Shareholders are encouraged to ask questions. The Company is in a constant dialogue with its shareholders and stakeholders through:

- Investors' Briefing;
- Quarterly Unaudited Financial Statements;
- Meeting of Shareholders;
- Press communiques;
- Social Media; and
- Its website.

Corporate Governance Report

The calendar of important events of Velogic are as follows:

September 2026	Publication of abridged audited financial statements for the year ended 30 June 2026
November 2026	Publication of 1st quarter results to 30 September 2026
	Eventual declaration of interim dividend
	Issue of the Integrated Annual Report 2026
	Annual Meeting of Shareholders
February 2027	Publication of half-year results to 31 December 2026
May 2027	Publication of 3rd quarter results to 31 March 2027
	Eventual declaration of final dividend

6.5. Dividend Policy

The Company has no formal dividend policy. Payment of dividends is subject to the profitability of the Company, cash flow, working capital and capital-expenditure requirements.

7. COMPANY SECRETARY

ER Secretarial Services Limited, a subsidiary of ER Group Limited, employs qualified chartered secretaries to provide corporate secretarial services to Velogic Group. Mrs Preety Gopaul, a Fellow of the Institute of Chartered Governance with more than 25 years of experience, is in charge of the company secretarial department.

All Directors, and particularly the Chairman, have access to the advice and services of the Company Secretary, delegated by ER Secretarial Services Limited for the purposes of the Board's affairs and the business.

The Company Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with, and for all matters associated relating to the maintenance of the Board or otherwise required for its efficient operation.

8. EXTERNAL AUDIT

Messrs. Ernst & Young have been re-appointed as external auditors of Velogic for the financial year ended 30 June 2026 at the shareholders' meeting held in November 2025. The last tender for the appointment of external auditors was effected in 2021, following which Messrs. Ernst & Young was appointed.

During the year under review, Ernst & Young also provided stocktake services with respect to Freeport Operations (Mauritius) Ltd and issuance of an auditors' certificate for submission to the Financial Services Commission for Rogers Logistics International Ltd.

Statement Of Directors' Responsibilities

In Respect of Financial Statements

Directors acknowledge their responsibilities for:

I. The maintenance of adequate accounting records and effective internal control systems;

II. The preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year, the results of its operations and the cash flows for the year, and which comply with International Financial Reporting Standard (IFRS), International Accounting Standards and the Companies Act;

III. The selection of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

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

The Directors report that:

I. Adequate accounting records and an effective system of internal control and risk management have been maintained, while an internal audit function has been established;

II. Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

III. International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified in the interest of fair presentation; and

IV. The National Code of Corporate Governance for Mauritius (2016) has been adhered to in all material aspects.

After reviewing all matters considered or brought to its attention during the year under review, the Board is satisfied that the Annual Report and accounts, taken as a whole, are fair, balanced and understandable.

Other Statutory Disclosures

(Pursuant to Section 221 of The Companies Act 2001 and Section 88 of The Securities Act 2005)

Directors

A list of Directors of the Company and its subsidiaries is set out in the Integrated Annual Report 2026.

Directors' Service Contracts

None of the Directors of the Company and of the Subsidiaries have service contracts that need to be disclosed under Section 221 of the Companies Act 2001.

Directors' Remuneration & Benefits

The total remuneration and benefits received, or due and receivable:

I. by each Director of Velogic from the Company can be found on page 94 of this Report;

II. by the Directors from Velogic and its subsidiaries were as follows:

	FROM THE COMPANY		FROM THE SUBSIDIARIES	
	2026	2025	**2026**	2025
Directors	**Rs '000**	Rs '000	**Rs '000**	Rs '000
Executive Directors				
- Full-time	**-**	-	**12,991**	18,724
- Part-time	**-**	-	**-**	-
Non-Executive Directors	**967**	947	**-**	-
Post-employment benefits – Executive Directors	**-**	-	**2,013**	1,306
	967	947	**15,004**	20,030

Directors' Interests in the Equity of Velogic

The interests of the Directors in the shares of Velogic as at 30 June 2026 are found on page 95 of this Report;

As at 30 June 2026, none of the Directors, except for the one detailed below, held any direct interests in the equity of the subsidiaries of the Company:

	GENERAL CARGO SERVICES (KENYA)	
	No. of Ordinary Shares	**%**
Mehul Bhatt	**394**	**1.53**

Donations and Social Contributions

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Donations made during the year:	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Corporate Social Responsibility (2%)	**3,211**	3,049	**-**	-
Voluntary	**98**	103	**-**	-

Auditor's Remuneration

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Audit fees paid to:	**Rs 000**	Rs 000	**Rs 000**	Rs 000
Ernst and Young	**12,000**	11,400	**2,750**	3,166
Others	**4,126**	4,465		
Non-audit fees paid to:				
Ernst and Young	**265**	105	**-**	-

NAME OF COMPANY	COUNTRY OF INCORPORATION	FEES PAYABLE TO ERNST AND YOUNG	
		Audit Fees	Other Services
		Rs '000	**Rs '000**
Velogic Holding Company Limited	Mauritius	2,750	-
Velogic Ltd	Mauritius	2,750	-
Global Air Cargo Services Ltd	Mauritius	90	-
Rogers Logistics International Ltd	Mauritius	460	140
VK Logistics Ltd	Mauritius	440	-
Logistics Solution Ltd	Mauritius	450	-
Associated Container Services Ltd	Mauritius	1,650	-
Velogic Haulage Services Ltd	Mauritius	770	-
Velogic Garage Services Ltd	Mauritius	500	-
Freeport Operations (Mauritius) Ltd	Mauritius	930	120
Sukpak Ltd	Mauritius	690	-
Papol Holding Ltd	Mauritius	90	-
P.A.P.O.L.C.S. LIMITED	Mauritius	90	-
Southern Marine & Co Ltd	Mauritius	90	-
Rogers Shipping (Mauritius) Pte Ltd	Mauritius	250	-

Other services relate mainly to provision of stocktake services and issuance of an auditors' certificate for submission to the Financial Services Commission.

Major Transactions

No major transaction to be disclosed under this Section of the Companies Act 2001 for financial year ended 30 June 2026.

Pushing forward through our people

Behind every movement is a team that makes it happen. Our people bring expertise, commitment, and a hands-on approach to every shipment, ensuring each detail is managed with care. Working closely with you, they anticipate challenges, adapt quickly, and find the right solutions to keep your operations running smoothly. Because beyond systems and networks, it's the human touch that keeps everything moving forward.

Risk Management Report

1. Introduction

Velogic is the regional logistics leader operating across five territories — Mauritius, Réunion, Madagascar, India, and Kenya. Managing risk proactively is central to our strategy to deliver sustainable growth, safeguard our clients' supply chains, and generate long-term value for all stakeholders. This section presents our risk management framework, the risk environment during the year under review, and a detailed account of our principal risks.

2. Our FY26 Risk Environment

At Velogic, we recognise that effective risk management is a cornerstone of long-term resilience and value creation. By proactively identifying, assessing and mitigating risks, we enhance our capacity to withstand disruptions, adapt to change, and capture new opportunities. Our risk management framework plays a critical role in safeguarding operational continuity, financial health and stakeholder interests.

FY26 was defined by a demanding operating environment — geopolitical tensions, ongoing Red Sea disruptions, US tariff uncertainty, and rising statutory costs in Mauritius. At the same time, Velogic pursued a significant inorganic growth strategy, completing the integration of MC Easy Freight Co. Ltd and delivering the first full year of operations in Tanzania. These dual forces shaped both the nature of our risks and the rigour of our response.

The following overview highlights the key initiatives and measures undertaken during the year to safeguard Velogic's financial strength, operational stability and long-term sustainability.

1. Navigating geopolitical and trade disruptions

Houthi attacks on cargo vessels in the Red Sea continued to force re-routing via the Cape of Good Hope, driving higher freight rates and longer lead times. The expiry of AGOA and new US tariffs created uncertainty for exports from Mauritius and Madagascar. Velogic leveraged its diversified route network and carrier relationships to manage client impacts and explore alternative trade flows.

2. Delivering inorganic growth while managing integration risk

Velogic's acquisition of MC Easy Freight Co. Ltd in July 2024 expanded the Group's Cross-Border Logistics. A dedicated integration work stream was established to align systems, processes and culture, with the combined entity now operating under a single Velogic brand.

3. Strengthening cybersecurity and technology resilience

AI-powered tools were deployed to detect and prevent phishing and malware attacks. A new Transport Management System and ERP system for Finance were implemented, improving data integrity and process automation. Employees were sensitised to cybersecurity threats, with refresher training scheduled for FY27.

4. Advancing sustainability and environmental commitments

A 1MW photovoltaic system at FOM became operational in February 2025, meeting 85% of the electricity needs of Velogic's main Mauritius site in FY25. For its first full year of operation in FY26, the PV system generated more electricity than FOM required, achieving an electricity coverage of 109%.

Moreover, the Madagascar office achieved ISO 9001:2015 certification, further embedding quality management and risk controls into daily operations.

3. Our Risk Management Approach

Overview

A robust risk management system remains central to Velogic's long-term growth, sustainability, and value creation. The Company's structured and dynamic risk management process continuously monitors both external and internal developments, enabling the early identification of evolving risks and timely mitigation in line with its defined risk appetite.

During the year under review, the Company undertook a comprehensive risk management exercise, adopting both top-down and bottom-up approaches. At the strategic level, key risks were defined in close collaboration with the Group CEO, ensuring alignment with the Group's overall direction. In parallel, operational risks were identified through in-depth discussions with management, while support functions were actively engaged to address specific risk exposures. This integrated approach reinforced risk ownership across all levels of the organisation and ensured that material risks were appropriately identified, assessed, and managed.

The process is structured as follows.

Identifies risk	Assesses severity of risk	Prioritises risk	Implements risk responses	Develops portfolio view	Regular monitoring
↓	↓	↓	↓	↓	↓
Identifies potential risks that could impact the organisation	Analyses the likelihood and impact to determine the risks' significance	Ranks risks based on their significance and urgency	Develops and executes risk mitigation strategies with management	Aggregates risks across enterprise to provide comprehensive perspective	Monitors risks on a regular basis and revise the risk rating as needed

Risk Management Report

Risk Governance

The Board, through its Risk Management and Audit Committee (RMAC), exercises ultimate oversight of risk management at Velogic. The Committee plays a vital role in fostering a strong risk-aware culture, safeguarding the integrity of operations, and protecting the interests of the Company's stakeholders. The RMAC discharged its responsibilities in accordance with its Terms of Reference **(https://www.velogic.net/investors/corporate-governance/rmac-charter/)** and maintained a strong oversight of key risks and control areas.

During the year, the Committee conducted comprehensive reviews of the Company's principal risks, focusing particular attention on the areas of highest residual exposure. It assessed the adequacy and effectiveness of mitigation strategies in place and challenged management where action plans required strengthening or acceleration.

In carrying out its duties, the RMAC considered regular reports and updates from management on risk, compliance, health and safety, and audit functions. The Committee reviewed both internal and external audit plans and findings and satisfied itself that assurance coverage remained proportionate to the risk profile of the business. Following detailed evaluations, the Committee concluded that both internal and external auditors operated effectively and contributed meaningfully to strengthening the Company's risk management and assurance framework.

During the year, the committee composition was as follows:



Mrs Belinda VACHER
Chairperson



Mr Damien MAMET



Mrs Marie-Aimée DINAN-SALDIVAR MOGUEL

Risk Appetite and Tolerance

The Board sets risk appetite annually for each strategic priority area. Velogic maintains a measured risk posture - accepting higher risk in areas that drive value creation while maintaining low tolerance for risks that could impair the safety of customers and employees, damage our reputation, or result in regulatory non-compliance.

The risk appetite statements, anchoring on the strategic pillars of ER Group, and thus Velogic, are as follows:

FOCUS AREA/ ENABLER	RISK APPETITE STATEMENTS
Customer Centricity	We have a very high appetite for initiatives that materially improve customer experience, satisfaction and loyalty, including the use of data analytics and emerging technologies to deliver personalised and differentiated experiences.
	We have a high appetite for innovation in products, services and customer journeys, provided consistency of experience across subsidiaries is maintained.
	We have a very low appetite for risks that could compromise customer trust, including data privacy breaches, cybersecurity incidents, misleading communications or regulatory non-compliance.
	We have a low appetite for practices that create inconsistent customer experiences across businesses or dilute the Group brand.
Sustainability & Stewardship	We have a very high appetite for transforming business models, operations and value chains to embed sustainable, ethical and inclusive practices, including energy transition, circular economy and biodiversity initiatives.
	We have a high appetite for active engagement in vulnerable communities and national development initiatives, aligned with the Group's stewardship role.
	We have a very low appetite for risks that could result in environmental harm, breaches of sustainability regulations, ethical failures, or material stakeholder dissatisfaction.
	We accept moderate risks when adopting new sustainable practices or technologies, provided impacts are well assessed and aligned with long-term value creation and trust.
Operational Excellence	We have a very high appetite for innovation, process optimisation and the adoption of emerging technologies that improve efficiency, speed, scalability and profitability.
	We have a high appetite for data-driven decision-making and group-wide performance frameworks that enhance operational discipline and transparency.
	We have a low appetite for risks that could compromise operational stability, safety, resilience, cybersecurity or compliance with regulatory and industry standards.
	We accept moderate, well-managed risks associated with experimentation and change, provided governance, testing and alignment with Group standards are in place.

Risk Management Report

FOCUS AREA/ ENABLER	RISK APPETITE STATEMENTS
People & Culture	We have a high appetite for investing in people, leadership development, future skills and new ways of working that strengthen engagement, performance and long-term capability.
	We have a high appetite for cultural reinforcement initiatives that strengthen collaboration, agility, inclusiveness and entrepreneurial mindset across the Group.
	We have a very low appetite for risks that could harm employee safety, well-being, dignity, or lead to non-compliance with labour laws and ethical standards.
	We accept moderate risks linked to organisational change and cultural evolution, provided they are aligned with the Group's values and cultural DNA.
Business Leadership and Regionalisation	We have a high appetite for organic growth, mergers, acquisitions and partnerships that strengthen leadership positions in existing or closely related businesses.
	We have a high appetite for scalable regional and international expansion in mastered industries, aligned with a clear regionalisation roadmap.
	We have a low appetite for growth initiatives that lack strategic fit, scalability or leadership potential, or that demand disproportionate time and human capital.
	We have a very low appetite for investments that undermine long-term value creation, require labour-intensive models, or significantly increase debt at holding level.
Synergies	We have a high appetite for collaboration across businesses to deliver shared growth, cost efficiencies, brand alignment and optimal use of group assets and capabilities.
	We have a high appetite for harmonising core processes, systems and standards where this enhances efficiency, consistency and control.
	We have a low appetite for synergies that weaken governance or erode individual business strengths.
	We have a very low appetite for fragmentation, misalignment or practices that compromise consistency in customer or employee experience across the Group and dilute strategic focus or create operational inefficiencies.

Risk management process

Three lines model

The established three lines of defence model facilitates a coordinated and comprehensive approach to providing assurance to the RMAC and the Board of Directors. This coordinated approach ensures effective and efficient risk management across the organisation, reinforcing accountability in roles at every level.

The first line — Operational Management — sits within Velogic's country and business unit teams. Country Managers and functional leads own and manage risks on a day-to-day basis, implementing the controls defined in the risk framework. Their proximity to operations makes them the most important line of defence in a geographically distributed business.

The second line — Support Functions and Risk Management — provides oversight, guidance and challenge. The Risk and Compliance function, together with Finance, Legal and IT, monitors adherence to risk policies, supports identification of emerging risks, and ensures that mitigation plans remain proportionate and current across all six territories.

The third line — Internal Audit — provides independent assurance to the Board and the RMAC on the effectiveness of risk management and internal controls. Internal audit findings are reported directly to the Audit Committee and are complemented by external audit work.

1st line of defense

Operational management

- Manages risks and implements controls

2nd line of defense

Support functions and Risk Management

- Provides oversight, guidance, and support
- Ensures compliance and effective risk management practices

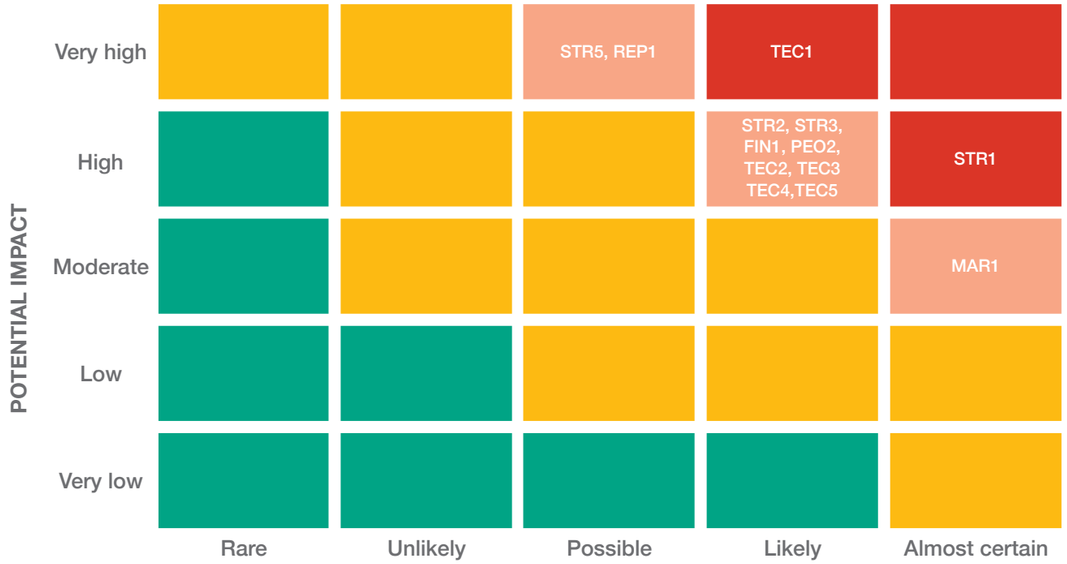
3rd line of defense

Internal audit

- Provides independent assurance on the effectiveness of risk management and internal controls

Risk Management Report

4. Our risk profile – Principal risks



STR1 — REGIONAL OFFICE UNDERPERFORMANCE	IR: 20 RR: 20

Risk Description

Continued underperformance of regional offices could undermine Velogic's regional expansion strategy and weaken long-term growth prospects.

Key Mitigating Actions	Additional Action Plans
• Maintain cost competitiveness by continuously monitoring operational expenses. • Ongoing monitoring of Days Sales Outstanding (DSO). • Periodically reviewing regional offices performance and strategically exiting or restructuring non-performing locations to protect overall profitability. • Enhance margin sustainability by negotiating directly with airlines and other key service providers to secure preferential rates and strengthen Velogic's bargaining position.	• Grow our regional offices strength through acquisitions.

STR2 — VERTICAL INTEGRATION OF SHIPPING LINES	IR: 20 RR: 16

Risk Description

Continued evolution of global shipping lines into fully integrated logistics providers could enable them to offer end-to-end solutions directly to customers.

Key Mitigating Actions	Additional Action Plans
• External factor beyond Velogic's control; however, vertical integration by shipping lines has stabilised.	• No further mitigating actions.

STR3 - COMPETITION	IR: 20 RR: 16

Risk Description

Intense competition from other logistics companies/shipping agencies/sugar packing companies could lead to reduced market share and lower profit margins.

Key Mitigating Actions	Additional Action Plans
Cross border logistics • Acquisition of MC Easy Freight Co. Ltd to expand market share, reduce competition, and achieve economies of scale. • Velogic has its landside logistics arm, which provides a competitive edge over competitors. **Landside logistics** • Nurture good relationship with existing customers. • Provide diversified services to our customer base, such as transportation of sugar, concrete blocks, waste, etc. • Rental of moving floor trucks to Sotravic. • For Freeport Operations, maintain frequent touchpoints with clients and offer integrated solutions for customs clearance and inventory management. **Packing and shipping** • Employees of Southern Marine have completed the Anti Bribery and Corruption course, providing a competitive edge when tendering. • Sukpak is Halal- and HACCP-certified and holds Kosher certification.	**Landside logistics** • Provide door-to-door logistics solutions to Decathlon. • Develop a new service line which shall be small distribution logistics (B2B and B2C). • Implement Velotrax (Transport Management System) to track lorries and optimise fleet movement throughout the day. **Packing and shipping** • Explore ship agency market for oil and gas vessels.

Risk Management Report

STR5 - TERMINATION OR UNFAVOURABLE RENEGOTIATION OF PARTNERSHIP WITH SHIPPING LINES	IR: 15 RR: 15

Risk Description

Loss of partnerships with shipping lines could lead to loss of strategic positioning, reduced container traffic and under-utilisation of depot infrastructure.

Key Mitigating Actions	Additional Action Plans
• Nurture good relationship with existing maritime lines. • Given the volume of containers of CMA CGM and Maersk, the latter do not have the critical mass to open their own container depot. • It is the policy of CMA CGM and Maersk not to allocate the entire volume to a single depot.	• No further mitigating actions.

MAR1 - UNCERTAINTY AROUND RENEWAL OF AGOA AND INTRODUCTION OF US TARIFFS	IR: 15 RR: 15

Risk Description

Shifts in global trade policies, such as the potential non-renewal of AGOA or rising protectionist measures in the United States, could restrict preferential market access for exports and, as a result, reduce freight forwarding volumes.

Key Mitigating Actions	Additional Action Plans
• External factor beyond Velogic's control.	• No further mitigating actions.

FIN1 - REVENUE CONCENTRATION RISK	IR: 20 RR: 16

Risk Description

Revenue concentration among a limited number of clients could result in significant financial instability and cash flow disruption in the event of the loss or downsizing of one or more key clients.

Key Mitigating Actions	Additional Action Plans
Shipping • Nurture good relationships with bulk vessels. • With the resurgence of piracy off the coast of Somalia, more boats are rerouting through the Cape of Good Hope and stop at Port Louis. • Monitor vessels going through the Indian Ocean and proactively engage with Charterers to propose our services. • Present in several international vessel insurance websites, namely webster and Cesam. **Sukpak** • Sugar packing remains a manual process across the production chain, with tasks that cannot be performed by Silverspoon's equipment. • Sugar packing for the Mauritius Sugar Syndicate.	**Shipping** • Explore ship agency market for oil and gas vessels. **Sukpak** • Working on a strategy to diversify the customer portfolio.

Risk Management Report

REP1 - ADVERSE MEDIA COVERAGE ARISING FROM EVENTS SUCH AS ROAD ACCIDENTS	IR: 20 RR: 15

Risk Description

A major accident involving Velogic's transport operations could lead to reputational damage, loss of client confidence, and reduced competitiveness due to negative media coverage and public backlash.

Key Mitigating Actions	Additional Action Plans
• Adverse media monitored by Blast Burson based on keywords communicated to the latter. • Velogic has several communication channels, namely its own website, Facebook, Tiktok, and other social platforms. • Where applicable, a holding Company statement is published. • Centralisation of media relations within the marketing and communication department.	• No further mitigating actions.



PEO2 - TALENT ATTRACTION AND RETENTION	IR: 16 RR: 16

Risk Description

Operational disruption and increased workload for existing staff due to challenges to attract and retain talent, driven by the scarcity of human resources on the market and poaching practices of direct competitors.

Key Mitigating Actions	Additional Action Plans
Landside logistics, Packing and Shipping • Promote Velogic as an employer of choice through strong branding and presence on social networks. • Subcontract non-core functions during period of talent shortage. • Monitor attrition rates through the People department, with underlying causes investigated. **Landside logistics** **<u>Operatives</u>** • Provision and annual renewal of PPE, where applicable. • Implement recognition programmes, including bonuses and incentives. • Provision of on-site amenities to operatives. **<u>Employees</u>** • Implement career development programmes for employees (Management Development Programmes). • Strengthen succession planning and cross-training to reduce reliance on key individuals.	**Landside logistics** • Recruit foreign labour to fill driver positions. All permits have been obtained from the relevant authorities. • Continue to work on the Employee Value Proposition • Analyse the attrition rate by departments (including age band) across the different business units. • Conduct the engagement survey by department and age band. **Sukpak** • Provide for the recruitment of foreign labour to support Sukpak's production activities.

Risk Management Report

TEC1 - INSIDER THREATS	IR: 20 RR: 20

Risk Description

Data theft, leaks or operational sabotage that could result from misuse of access privileges by employees or contractors.

Key Mitigating Actions	Additional Action Plans
• No existing mitigating response.	• Implement behaviour analysis tool. • Improve the HR offboarding process for disgruntled employees. • Define a removable device management procedure.

TEC2 - LACK OF BUSINESS CONTINUITY	IR: 16 RR: 16

Risk Description

Lack of processes and remediation procedures to cater for unforeseen events could result in business disruption.

Key Mitigating Actions	Additional Action Plans
• Replicated server at Velogic Plaisance.	• Implement a Business Continuity Plan. • Undertake a Disaster Recovery Plan. • Consider an ISP backup.

TEC3 - RANSOMWARE ATTACKS	IR: 20 RR: 16

Risk Description

Cybercriminals could encrypt critical files and demand payment, resulting in operational disruptions and financial losses.

Key Mitigating Actions	Additional Action Plans
• Core System on premise and on RCTS infrastructure. • Access only on Internal Network and through VPN. • Restrict Physical and Logical Access. • Checkpoint email security in place. • Kaspersky used but does not cover Servers. • Offsite Backup procedures in place - Daily and Weekly.	• Implement an Incident Response Plan. • Consider having advanced Endpoint Detection and Response.

TEC4 - DATA BREACH	IR: 25 RR: 16

Risk Description

Unauthorised access to sensitive customer data through hacking or phishing could lead to legal and financial exposure.

Key Mitigating Actions	Additional Action Plans
• Fileserver is accessible only internally and through VPN. • Soft token and physical token. • Access control and permission exists on core application.	• Provide training on Onboarding and Offboarding procedures. • Restrict the use of Google Drive for the storage of client data. • Review file storage structure across MC Easy Freight Co. Ltd and Velogic. • Restrict access to removable devices.

TEC5 - INADEQUATE CYBER HYGIENE	IR: 20 RR: 16

Risk Description

Weak passwords, lack of multi-factor authentication (MFA), and irregular updates could make systems vulnerable to attacks.

Key Mitigating Actions	Additional Action Plans
• Active directory in place, along with mandatory password changes. • Administrative rights on machine are tightly controlled.	• Implement regular patching. • Define backup procedure. • Define removable device management procedure. • Define access management procedure.

Risk Management Report

5. Audit

Internal Audit

Role and Independence

The Internal Audit function provides independent and objective assurance on the effectiveness of Velogic's governance, risk management and internal control framework. Reviews are conducted using a risk-based approach, focusing on key operational, financial, compliance and strategic risks.

Internal Audit operates independently of Management and reports functionally to the Risk Management and Audit Committee ("RMAC"). It has unrestricted access to all records, personnel and information necessary to fulfil its mandate.

The Head of Internal Audit reports quarterly to the RMAC on audit outcomes, key findings and the status of management action plans. Significant and high-risk matters are escalated to the Board as appropriate.

Team and Capability

The Internal Audit function is led by a Head of Internal Audit and supported by an in-house team comprising a Senior Internal Audit Manager, an Internal Audit Team Lead, three Senior Internal Auditors and two Internal Auditors.

The function operates under a co-sourcing model with PwC, structured as a value-adding partnership that enhances the effectiveness of Internal Audit.

This model provides access to specialised expertise, leading practices and scalable resources, particularly in areas such as Sustainability, Information Technology and Cybersecurity, while preserving strong organisational knowledge within the in-house team.

The RMAC oversees the independence, effectiveness and capability of the Internal Audit function. Continuous professional development and alignment with evolving regulatory requirements and industry practices remain key priorities in sustaining a high-quality, forward-looking assurance function.

Audit Plan and Methodology

The annual internal audit plan is developed through a robust risk-based methodology, ensuring alignment with Velogic's strategic priorities and evolving risk landscape. The planning process incorporates insights from prior audits, risk assessments, management reports and consultations with Senior Management.

This approach enables the identification and prioritisation of key risk areas, emerging issues and control weaknesses across the organisation. The resulting plan is reviewed and approved by the RMAC, ensuring focused assurance coverage over areas of greatest risk and strategic importance.

Six Internal audit reviews performed during FY26

- ACS WAREHOUSING
- VELOGIC PEOPLE
- VELOGIC SUSTAINABILITY
- VELOGIC KENYA CYBERSECURITY
- SUKPAK OPERATIONS
- VELOGIC FOLLOW UP



Pushing forward with responsibility

We believe progress should be sustainable, inclusive, and mindful of the world around us. Through initiatives like SigneNatir, we are committed to building a future that respects both people and the environment.

Guided by clear priorities, from protecting biodiversity and reducing our carbon footprint, to promoting circular practices and supporting local communities, we are taking meaningful steps towards long-term, responsible growth. By aligning our actions with the United Nations Sustainable Development Goals, we ensure that the way we move forward creates value not just for today, but for generations to come.

Financial Performance

Company Secretary's Certificate

(Pursuant to Section 166(d) of The Companies Act 2001)

In my capacity as Company Secretary of Velogic Holding Company Limited ('the Company'), I hereby confirm that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended June 30, 2026, all such returns as are required of the Company under the Companies Act 2001.



Company Secretary
Koomaravallee Nagalingum, FCG

21 September 2026

Independent Auditor's Report

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Velogic Holding Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 129 to 216, which comprise the consolidated and separate statements of financial position as at 30 June 2026, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and Company as at 30 June 2026, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Independent Auditor's Report

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Key Audit Matters (Continued)

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Valuation of investment in subsidiaries As at 30 June 2026, the Company held investments in subsidiaries amounting to Rs 3,720 million (2025: Rs 3,389 million) which are carried at fair value and which are all unquoted. Disclosures around the investment in subsidiaries and cash generating units ("CGU") are set out in note 8 of the financial statements. These investments are valued using different methods ranging from discounted cash flow techniques and market multiples approach. Valuation techniques for these underlying investments can be subjective in nature and require significant judgement, with management having to make financial forecasts, determine appropriate discount factors and growth rates. The actual results could differ from the estimates. Variations in the estimates and assumptions may result in significant impact on the reported results and relevant assets. Due to the significant judgments that need to be applied, we have considered the investments in subsidiaries as a key audit matter.	We obtained an understanding, evaluated the design and the operating effectiveness of controls over the fair valuation of the investment in subsidiaries. Our audit procedures included challenging management on the appropriateness of the fair valuation model and reasonableness of the assumptions used through performing the following: • We assessed management's ability to make forecasts by comparing historical forecasts prepared by management against actual realised amounts challenging growth rates; • We verified the mathematical accuracy of each cash flow model used and checked the internal inconsistency of the models; • With the involvement of our valuation specialists, we appraised the method used, the value in use computation, the discount factor used, the forecasts used, the market multiples used and the other assumptions adopted therein; • We verified the forecasts used by management with reference to historical data and market developments, challenging growth sales; • We performed a sensitivity analysis on the major inputs, including the most significant assumption, the discount factor, to assess the range of acceptable valuations in each CGU; • We considered the impact of any external factor throughout the procedures performed on the valuation by challenging whether the valuation methodologies and assumptions used remained appropriate; and • We assessed the adequacy of the disclosures made in the financial statements in accordance with IFRS 9 Financial instruments and IFRS 13 Fair Value Measurements.
Impairment of goodwill The carrying amount of goodwill recognised at Group level amounted to Rs 523.7 million as at 30 June 2026 (2025: Rs 526.9 million). Disclosures around the impairment assessment of goodwill and cash generating units are set out in note 7 of the financial statements. A cash generating unit ("CGU") to which goodwill has been allocated must be tested for impairment at least annually in accordance with IAS 36 Impairment of Assets, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the unit. The determination of the recoverable amount, being the higher of value-in-use and fair value less costs to sell, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. Various valuation methods, ranging from discounted cash flow techniques and market multiples approach are used. Valuation techniques can be subjective in nature and require significant judgement, with management having to make financial forecasts, determine appropriate discount factors and growth rates. The actual results could differ from the estimates. Variations in the estimates and assumptions may result in significant impact on the reported results and the carrying amount of relevant assets. Due to the significant judgments that need to be applied, we have considered the impairment of goodwill as a key audit matter.	We evaluated the operation of the management's controls over the impairment assessment process. Our audit procedures included challenging management on the appropriateness of the impairment model and reasonableness of the assumptions used through performing the following: • We reviewed management determination of CGUs for impairment assessment purpose; • We obtained management's impairment assessment and tested the arithmetical accuracy of the computations; • With the involvement of our valuation specialists, we appraised the method used, the value in use computation, the discount factor used, the forecasts used, the market multiples used and the other assumptions adopted therein; • We verified the forecasts used by management with reference to historical data and market developments, challenging growth rates; • We performed a sensitivity analysis on the major inputs, including the most significant assumption, the discount factor, to assess the range of acceptable valuations in each CGU; • We considered the impact of external factors throughout the procedures performed on the valuation by challenging whether the valuation methodologies and assumptions used remained appropriate; and • We assessed the adequacy of the disclosures made in the financial statements.

Independent Auditor's Report

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 99-page document titled "Velogic Holding Company Limited Annual Report- Year Ended, June 30, 2026", which includes the Statement of compliance, Corporate governance report, Statement of directors' responsibilities, Other statutory disclosures and the Secretary's certificate as required by the Companies Act 2001. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

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

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

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

Use of our report

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

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

Financial Reporting Act 2004

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

ERNST & YOUNG
Ebène, Mauritius

THIERRY LEUNG HING WAH, F.C.C.A
Licensed by FRC

Date: **21 September 2026**

Financial Performance

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Statements Of Financial Position

JUNE 30, 2026

	Notes	THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
ASSETS		**Rs'000**	Rs'000	**Rs'000**	Rs'000
Non-current assets					
Property, plant and equipment	5	**1,469,146**	1,172,131	**-**	-
Right-of-use assets	6(a)	**284,460**	281,964	**-**	-
Intangible assets	7	**642,129**	638,252	**-**	-
Investment in subsidiaries	8	**-**	-	**3,719,700**	3,388,700
Other financial assets at fair value through other comprehensive income	9	**3,349**	3,372	**-**	-
Loans and other receivables	10	**1,687**	-	**96,061**	120,069
Deferred tax assets	11	**37,067**	33,092	**-**	-
		2,437,838	2,128,811	**3,815,761**	3,508,769
Current assets					
Inventories	12	**69,262**	74,186	**-**	-
Trade receivables	13	**977,126**	984,880	**-**	-
Contract assets	14	**70,731**	55,259	**-**	-
Loans and other receivables	10	**184,975**	150,503	**90,804**	87,516
Other assets	15	**73,273**	46,419	**67**	84,576
Current tax assets	16	**66,719**	49,029	**-**	-
Cash in hand and at bank	31(b)	**425,245**	357,774	**17,166**	4,903
		1,867,331	1,718,050	**108,037**	176,995
Total assets		**4,305,169**	3,846,861	**3,923,798**	3,685,764
FINANCED BY					
Capital and reserves					
Share capital	17	**1,019,294**	1,019,294	**1,019,294**	1,019,294
Other reserves	18	**392,622**	227,397	**2,620,439**	2,289,439
Retained earnings		**784,472**	726,471	**75,910**	53,849
Equity attributable to equity holders of the parent		**2,196,388**	1,973,162	**3,715,643**	3,362,582
Non-controlling interests		**55,372**	47,237	**-**	-
Total equity		**2,251,760**	2,020,399	**3,715,643**	3,362,582
Non-current liabilities					
Borrowings	19	**349,024**	298,025	**111,413**	137,758
Lease liabilities	6(b)	**276,615**	260,918	**-**	-
Deferred tax liabilities	11	**139,200**	106,125	**-**	-
Retirement benefits obligations	20	**72,239**	71,693	**-**	-
Provisions	21	**8,121**	6,741	**-**	-
		845,199	743,502	**111,413**	137,758
Current liabilities					
Trade and other payables	22	**910,237**	755,794	**6,308**	5,608
Contract liabilities	23	**47,360**	29,320	**-**	-
Current tax liabilities	16	**19,791**	19,048	**63**	63
Borrowings	19	**175,136**	139,681	**90,371**	104,941
Lease liabilities	6(b)	**55,686**	60,795	**-**	-
Dividend payable	24(a)	**-**	78,322	**-**	74,812
		1,208,210	1,082,960	**96,742**	185,424
Total liabilities		**2,053,409**	1,826,462	**208,155**	323,182
Total equity and liabilities		**4,305,169**	3,846,861	**3,923,798**	3,685,764

These financial statements have been approved by the Board of Directors on September 21, 2026 and signed on its behalf by:

Mr. Philippe Espitalier-Noël
Director

Mr. Nayendranath Nunkoo
Director

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Profit or Loss

Year Ended June 30, 2026

	Notes	THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
		Rs'000	Rs'000	**Rs'000**	Rs'000
Revenue from contract with customers	25	**4,016,420**	4,131,727	**-**	-
Direct costs	26	**(2,403,337)**	(2,512,938)	**-**	-
		1,613,083	1,618,789	**-**	-
Commission and other income		**82,017**	78,464	**-**	915
Dividend income		**-**	-	**152,449**	148,660
Interest income using the effective interest method		**2,494**	4,394	**11,955**	12,265
		1,697,594	1,701,647	**164,404**	161,840
Employee benefit expense	27	**(918,730)**	(893,009)	**(967)**	(1,095)
Depreciation of:					
-property, plant and equipment	5(a)	**(124,139)**	(104,808)	**-**	-
-right-of-use assets	6(a)	**(78,413)**	(77,499)	**-**	-
Amortisation of intangible assets	7	**(7,438)**	(8,299)	**-**	-
Impairment of intangible assets	7	**(3,314)**	-	**-**	-
Expected credit losses	13(a)	**(20)**	(7,716)	**-**	-
Other expenses	26	**(237,173)**	(248,560)	**(5,334)**	(6,730)
Net foreign exchange transactions gains		**11,899**	14,915	**790**	439
Finance costs:					
- recognised using the effective interest method	28	**(37,057)**	(34,060)	**(12,457)**	(13,057)
- others	28	**(21,712)**	(19,167)	**-**	-
Profit before tax	29	**281,497**	323,444	**146,436**	141,397
Taxation	16(b)	**(76,657)**	(90,614)	**-**	-
Profit for the year		**204,840**	232,830	**146,436**	141,397
Profit attributable to:					
Equity holders of the parent		**187,458**	214,586	**146,436**	141,397
Non-controlling interests		**17,382**	18,244	**-**	-
		204,840	232,830	**146,436**	141,397
Earnings per share (Rs.)	30	**2.00**	2.29		

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Other Comprehensive Income

YEAR ENDED JUNE 30, 2026

	Notes	THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
		Rs'000	Rs'000	**Rs'000**	Rs'000
Profit for the year		**204,840**	232,830	**146,436**	141,397
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gain on revaluation of land and buildings	5	**153,731**	-	**-**	-
Change in fair value of investment in subsidiaries	8	**-**	-	**331,000**	263,400
(Decrease)/increase in fair value of equity instruments at fair value through OCI	9	**(23)**	10	**-**	-
Remeasurement of post employment benefit obligations	20	**(7,792)**	(2,241)	**-**	-
Related tax:					
- Post employment benefit obligations	11(c)(i)	**2,751**	(97)	**-**	-
- Revaluation of land and buildings	11(c)(ii)	**(29,297)**	-	**-**	-
- Effect of change in deferred tax rate on revaluation*	11(c)(ii)	**-**	(5,649)	**-**	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		**45,883**	(15,295)	**-**	-
Other comprehensive income/(loss) for the year, net of tax		**165,253**	(23,272)	**331,000**	263,400
Total comprehensive income for the year		**370,093**	209,558	**477,436**	404,797
Total comprehensive income attributable to:					
Equity holders of the parent		**347,601**	193,769	**477,436**	404,797
Non-controlling interests		**22,492**	15,789	**-**	-
		370,093	209,558	**477,436**	404,797

* In 2025, this referred to the movement of deferred tax liability on revaluation reserve relating to changes in tax rates following the introduction of the CCRL (2%).

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Changes in Equity

YEAR ENDED JUNE 30, 2026

(a) THE GROUP	Note	Attributable to the equity holders of the parent				Non-controlling interests (NCI)	Total
		Share capital	Other reserves	Retained earnings	Total		
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026							
Balance at July 1, 2025		**1,019,294**	**227,397**	**726,471**	**1,973,162**	**47,237**	**2,020,399**
Profit for the year		**-**	**-**	**187,458**	**187,458**	**17,382**	**204,840**
Other comprehensive income for the year		**-**	**160,143**	**-**	**160,143**	**5,110**	**165,253**
Total comprehensive income for the year		**-**	**160,143**	**187,458**	**347,601**	**22,492**	**370,093**
Transfer*		**-**	**5,082**	**(5,082)**	**-**	**-**	**-**
Dividends	24	**-**	**-**	**(124,375)**	**(124,375)**	**(14,357)**	**(138,732)**
		-	**5,082**	**(129,457)**	**(124,375)**	**(14,357)**	**(138,732)**
Balance at June 30, 2026		**1,019,294**	**392,622**	**784,472**	**2,196,388**	**55,372**	**2,251,760**

* The transfer relates to the reclassification of fair value gains or losses between other reserves and retained earnings following the transfer of investments in subsidiaries and the sale of buildings by the Group.

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Changes in Equity

YEAR ENDED JUNE 30, 2026

(a) THE GROUP	Note	Attributable to the equity holders of the parent				Non-controlling interests (NCI)	Total
		Share capital	Other reserves	Retained earnings	Total		
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) 2025							
Balance at July 1, 2024		1,019,294	248,141	638,203	1,905,638	48,488	1,954,126
Profit for the year		-	-	214,586	214,586	18,244	232,830
Other comprehensive loss for the year		-	(20,817)	-	(20,817)	(2,455)	(23,272)
Total comprehensive (loss)/income for the year		-	(20,817)	214,586	193,769	15,789	209,558
Transactions with owners of the Company							
Transfer*		-	73	(73)	-	-	-
Dividends	24	-	-	(126,245)	(126,245)	(17,040)	(143,285)
		-	73	(126,318)	(126,245)	(17,040)	(143,285)
Balance at June 30, 2025		1,019,294	227,397	726,471	1,973,162	47,237	2,020,399

* The transfer relates to the retranslation of a loan by the Group following its partial repayment, with the corresponding amount reclassified between reserves.

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Changes in Equity

YEAR ENDED JUNE 30, 2026

(b) THE COMPANY

	Notes	Share capital	Other reserves	Retained earnings	Total
		Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026					
Balance at July 1, 2025		**1,019,294**	**2,289,439**	**53,849**	**3,362,582**
Profit for the year		**-**	**-**	**146,436**	**146,436**
Other comprehensive income for the year		**-**	**331,000**	**-**	**331,000**
Total comprehensive income for the year		**-**	**331,000**	**146,436**	**477,436**
Dividends	24	**-**	**-**	**(124,375)**	**(124,375)**
Balance at June 30, 2026		**1,019,294**	**2,620,439**	**75,910**	**3,715,643**
(ii) 2025					
Balance at July 1, 2024		1,019,294	2,026,039	38,697	3,084,030
Profit for the year		-	-	141,397	141,397
Other comprehensive income for the year		-	263,400	-	263,400
Total comprehensive income for the year		-	263,400	141,397	404,797
Dividends	24	-	-	(126,245)	(126,245)
Balance at June 30, 2025		1,019,294	2,289,439	53,849	3,362,582

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Statements of Cash Flows

YEAR ENDED JUNE 30, 2026

	Notes	THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
		Rs'000	Rs'000	**Rs'000**	Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	31(a)	**677,860**	435,255	**(5,641)**	(9,589)
Interest paid		**(59,472)**	(54,110)	**(13,026)**	(13,762)
Interest received		**2,494**	4,394	**11,955**	12,265
Income tax paid	16(a)	**(87,635)**	(83,997)	**-**	-
Net cash generated from/ (absorbed in) operating activities		**533,247**	301,542	**(6,712)**	(11,086)
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired	34(a)(iii)	**(224)**	(94,090)	**-**	-
Purchase of property, plant and equipment	5	**(327,876)**	(130,963)	**-**	-
Proceeds on sale of property, plant and equipment		**77,227**	35,859	**-**	-
Purchase of intangible assets	7	**(14,781)**	(5,934)	**-**	-
Dividends received		**-**	-	**236,998**	120,233
Loans granted to related parties		**-**	-	**(5,000)**	(43,718)
Loan repayments received from related parties		**-**	-	**25,720**	32,566
Net cash (used in)/from investing activities		**(265,654)**	(195,128)	**257,718**	109,081
Cash flows from financing activities					
Proceeds from borrowings	31(c)	**158,871**	111,875	**-**	-
Payments of borrowings	31(c)	**(124,422)**	(87,058)	**(22,000)**	(22,000)
Loan received from related parties	31(c)	**-**	-	**5,000**	32,000
Loan repaid to related parties	31(c)	**-**	-	**(23,346)**	(11,346)
Principal paid on lease liabilities	6(d)	**(66,548)**	(70,669)	**-**	-
Dividends paid to company's shareholders	24	**(199,187)**	(105,672)	**(199,187)**	(105,672)
Dividends paid to non-controlling interests	24	**(17,867)**	(17,486)	**-**	-
Net cash used in financing activities		**(249,153)**	(169,010)	**(239,533)**	(107,018)
Net increase/(decrease) in cash and cash equivalents		**18,440**	(62,596)	**11,473**	(9,023)
Movement in cash and cash equivalents					
At July 1,		**316,762**	377,685	**4,903**	13,487
Increase/(decrease)		**18,440**	(62,596)	**11,473**	(9,023)
Net foreign exchange difference		**(1,568)**	1,673	**790**	439
At June 30,	31(b)	**333,634**	316,762	**17,166**	4,903

The notes on pages 136 to 216 form an integral part of these financial statements. Auditor's report on pages 123 to 126.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

1. GENERAL INFORMATION

Velogic Holding Company Limited (the "Company" or "Velogic") is a subsidiary of ER Logistics Investment Holding Ltd, which is itself a subsidiary of ER Group Limited as at June 30, 2026. Effective July 15, 2025, Rogers and Company Limited ("Rogers") have amalgamated with and into ER Group Limited ("ER Group") such that Velogic now forms part of the ER Group. Its registered office is situated at ER House, Vivéa Business Park, Moka, Mauritius.

2. ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of Velogic Holding Company Limited comply with the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") under the going concern basis.

The financial statements include the consolidated financial statements of the parent company and its subsidiaries (The Group) and the separate financial statements of the parent company (The Company).

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

The financial statements are prepared under the historical cost convention, except that:

(i) land and building included under property, plant and equipment are carried at revalued amounts;

(ii) investment in subsidiaries in the separate financial statements are stated at fair value;

(iii) plan assets are measured at fair value under IAS 19; and

(iv) relevant financial assets and financial liabilities are stated at their fair value.

The accounting policies apply to both the Group and the Company unless otherwise stated.

(a) ***Amendments to published Standards effective in the reporting period***

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments had no impact on the Group's financial statements.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(b) ***Standards, Amendments to published Standards and Interpretations issued but not yet effective***

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

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

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which (i) Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met; (ii) Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features; (iii) Clarifies the treatment of non-recourse assets and contractually linked instruments; (iv) Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The standard will become effective for reporting periods beginning on or after 1 January 2026, with early application permitted. The Group has assessed the amendments and does not expect them to have a material impact on the Group's financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments clarify how IFRS 9 should be applied to power purchase agreements with specific characteristics. The amendments include clarification on the application of the 'own-use' requirements and permitting hedge accounting if these contracts are used as hedging instruments. New disclosure requirements have also been included to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will become for reporting periods beginning on or after 1 January 2026. The Group has assessed the amendments and does not expect them to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 was issued in April 2024. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards.

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently assessing the impact of IFRS 18 on the presentation and disclosure of its financial statements.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the International Accounting Standards Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible entities to elect to apply IFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards.

The standard will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The Group has assessed the potential impact of IFRS 19 and does not expect its application to have a material effect on the Group's financial statements.

IFRS 20 - Regulatory Assets and Regulatory Liabilities

On 27 May 2026, the International Accounting Standards Board issued IFRS 20 Regulatory Assets and Regulatory Liabilities. IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

The standard will become effective for reporting periods beginning on or after 1 January 2029 and is applied either retrospectively in accordance with IAS 8 or using the modified retrospective approach, with early application permitted. The Group has assessed the applicability of IFRS 20 and does not expect the standard to have a material impact on the Group's financial statements.

Translation to a Hyperinflationary Presentation

In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also introduce certain additional disclosure requirements. The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. The Group has assessed the amendments and does not expect them to have a material impact on the Group's financial statements.

Where relevant, the Group continues to assess the potential impact of these Standards, Amendments to published Standards and Interpretations issued but not yet effective on the Group's financial statements.

2.2 Property, plant and equipment

Land and buildings, held for use in the production or supply of goods or for administrative purposes, are stated at its fair value based on periodic, but at least triennial valuations, by external independent valuers, less subsequent depreciation for buildings. All other property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairments. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

At the date of revaluation, the accumulated depreciation is eliminated against the gross carrying amount, and the asset is restated to its revalued amount. A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.2 Property, plant and equipment (cont'd)

However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. It is applied at the following useful lives:

Freehold buildings and buildings and yards on leasehold land	7 - 50 years
Plant and equipment	5 - 12 years
Motor vehicles	3 - 5 years
Furniture, fixtures and equipment	4 - 6.67 years

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

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

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

2.3 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial measurement of the lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.15 Impairment of non-financial assets.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.3 Leases (cont'd)

(b) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in note 6(b).

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets (cont'd)

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

(a) *Goodwill*

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.5) less accumulated impairment losses, if any.

Goodwill has been assessed as an intangible asset with indefinite life and is tested annually for impairment.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

(b) *Computer software*

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (3 - 5 years). Impairment of computer software has been assessed as an asset with definite life. Note 2.15(b) provides further information of impairment of asset with definite life.

(c) *Concession rights*

Concession rights acquired by the Group are initially recorded at cost and amortised over their estimated useful lives (7 - 60 years). Impairment of concession rights has been assessed as an asset with definite life. Note 2.15(b) provides further information of impairment of asset with definite life.

(d) *Customer related intangibles*

Customer related intangibles acquired by the Group are initially measured at fair value at the date of acquisition and amortised cost over their estimated useful lives (7-10 years).

2.5 Investment in subsidiaries

Separate financial statements of the Company

In the separate financial statements of the Company, investment in subsidiaries are carried at fair value. Gains and losses are recognised in other comprehensive income, are not recycled to profit or loss and are not subject to an impairment assessment.

Consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at June 30, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries (cont'd)

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss or a direct transfer from revaluation surplus to retained earnings. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. The Group has elected to measure non-controlling interests at the proportionate share of the net assets of the subsidiary at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries (cont'd)

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(a) *Recognition and initial measurement*

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments

(b) *Classification and subsequent measurement*

Financial assets

On initial recognition, financial assets are classified and measured either at amortised cost or, in the case of qualifying equity investments for which the Group has elected the FVOCI option, at fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.
- These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets:
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

(b) *Classification and subsequent measurement (cont'd)*

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - Subsequent measurement and gains and losses

Trade receivables, contract assets and loans and other receivables

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never recycled to profit or loss and are not subject to an impairment assessment.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities include borrowings and trade and other payables which are disclosed in note (d) and (e).

(c) *Derecognition*

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

(c) *Derecognition (cont'd)*

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) *Borrowings*

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

(e) *Trade and other payables*

Trade and other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

2.7 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.7 Fair value measurement (cont'd)

If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

2.8 Current and deferred income tax expense

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met as per below:

(i) the Group has a legal right to offset; and

(ii) the Group intends to settle on a net basis.

An entity will normally have a legally enforceable right to set off a current tax asset against a current tax liability when they relate to income taxes levied by the same taxation authority and the taxation authority permits the entity to make or receive a single net payment.

Corporate Social responsibility (CSR)

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

The CSR charge for the current year is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or enacted by the reporting date.

Corporate Climate Responsibility Levy (CCRL)

Pursuant to the Finance (Miscellaneous Provisions) Act 2024, enacted on 26 July 2024, the Income Tax Act was amended to introduce a Corporate Climate Responsibility (CCR) levy. The levy is imposed at a rate of 2% on the chargeable income of entities with an annual turnover exceeding Rs 50 million. The effective date is the year of assessment 2024/2025.

Fair Share Contribution (FSC)

The Fair Share Contribution (FSC) is recognised as part of current tax. A 5% FSC is applicable to entities with chargeable income exceeding Rs.24 million, subject to the applicable conditions under Mauritian tax legislation.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.8 Current and deferred income tax expense (cont'd)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.10 Contract liabilities/contract assets

(a) A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.10 Contract liabilities/contract assets (cont'd)

(b) A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in note 2.15.

2.11 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.12 Share capital

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

2.13 Retirement benefit obligations

(a) *Defined contribution plans*

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

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

(b) *Defined benefit plans*

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

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

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.13 Retirement benefit obligations (cont'd)

(b) *Defined benefit plans (cont'd)*

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss. Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

(c) *Unfunded pensioners*

For pensioners (former employees) who are not covered under any pension plan, the net present value of pension payable as per the terms of the contractual agreement is calculated by a qualified actuary and provided for.

(d) *Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(e) *Gratuity on retirement*

The Company is required under The Workers' Rights Act 2019 ("the WRA") to make a statutory gratuity payment to employees retiring after continuous employment with the Company for a period of 12 months or more. The employee needs to have reached retirement age as prescribed by the WRA to be eligible for the gratuity payment.

The Company calculates its net obligations in respect of defined benefit pension plans arising from the WRA for employees by estimating the amount of future benefit that its employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine the present value. The discount rate is the yield at the end of the reporting period.

The net present value of gratuity on retirement payable under the WRA is calculated by a qualified actuary (Swan Actuarial Services Ltd) using the projected unit credit method on a yearly basis.

The Company is eligible to deduct employer's share of contributions from the above defined contribution plans maintained by the Company to the extent as prescribed by the WRA, which may or may not leave residual liability to be provided for in the financial statements. The obligations arising under this item are not funded.

In accordance with the Workers' Rights Act 2019, the amounts deductible are:

- half the lump sum payable from the defined contribution scheme, based on employer's contribution;
- five times the amount of any annual pension payable at the retirement age due from the defined contribution, based on employer's contribution;
- any other gratuity granted at the retirement age; and
- ten times the amount of any annual pension granted at the retirement age.

(f) *State plan*

Contributions to the "Contribution Sociale Généralisée" are expensed to the profit or loss in the year in which they fall due.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.13 Retirement benefit obligations (cont'd)

(g) *Short-term employee benefits*

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. Examples include wages, salaries, profit-sharing and bonuses and non-monetary benefits paid to current employees.

The undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognised in that period. The expected cost of short-term compensated absences is recognised as the employees render service that increases their entitlement or, in the case of non accumulating absences, when the absences occur, and includes any additional amounts an entity expects to pay as a result of unused entitlements at the end of the period.

(h) *Provision for vacation leaves*

Vacation leave and other compensated absences with similar characteristics are accrued as a liability, as stipulated under long term benefits in IAS 19, as these benefits are earned by eligible employees based on past service and it is probable that the employer will compensate these employees for the benefits through paid time off or cash payments. The assessment of this provision is carried out annually by management for eligible employees. Such employees are those who fall under the definition of a worker under The Workers' Rights Act 2019 and have covered a qualifying period of service. The liability is measured using forecasted salary rates of the workers at the time of entitlement, which is then reduced by the average staff turnover applicable to the company. The present value of the vacation leave provision is determined by discounting the estimated future cash flows using rates of government bonds.

2.14 Foreign currencies

(a) *Functional and presentation currency*

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

(b) *Transactions and balances*

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

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

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

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.14 Foreign currencies (cont'd)

(c) Group companies

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

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

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

(ii) exchange differences on intercompany balances are recognised in profit or loss; and

(iv) exchange differences arising on retranslation of foreign subsidiaries are recognised in other comprehensive income.

On consolidation, exchange differences from monetary items that form part of a net investments in subsidiary companies are recognised in other comprehensive income and reclassified to profit and loss on disposal of the net investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to Non Controlling Interest.

Goodwill and fair value adjustments arising on acquisition, are translated into Mauritian Rupees at the exchange rates at the reporting date.

2.15 Impairment of financial assets and non-financial assets

(a) ***Financial assets***

Financial instruments and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit loss allowance for trade receivables, loan from related parties and contract assets.

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost in accordance with IFRS 9 general approach.

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 default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

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

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.15 Impairment of financial assets and non-financial assets (cont'd)

(a) ***Financial assets (cont'd)***

Financial instruments and contract assets (cont'd)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group 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 Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. An assessment is done for group companies and a repayment plan is agreed amongst parties.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due.

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 the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(b) Non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property, plant and equipment (note 2.2)
- Right-of-use assets (note 2.3(a))
- Intangible assets (note 2.4)
- Goodwill with indefinite lives (note 2.4(a))
- Disclosures for significant assumptions (note 4(d))

At each reporting date, the Group reviews the carrying amounts of its non-financial assets, including assets with definite useful lives, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.15 Impairment of financial assets and non-financial assets (cont'd)

(b) Non-financial assets (cont'd)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.16 Revenue recognition

(a) *Revenue from contracts with customers*

Performance obligations and timing of revenue recognition

Revenue is derived from sale of services with revenue recognised at a point in time and over time. This is generally when the services are rendered to the customer.

Revenue is also derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession, usually will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

The Group provides freight forwarding, courier services, packing of special sugars, port related and transport services, shipping services and warehousing. Customers are normally given one month to settle their invoices.

Cross-border logistics

Type of product / service	Revenue recognition policies
Sea export, Air export & courier export	Revenue is recognised when goods are shipped/exported. Hence, upon issuance of the Air Waybill (for Air Export) and Fiata Bill of lading - FBL (for Sea Export), revenue is recognised as the service has been rendered reaching the end of the agreed transaction term.
Sea import, Air import & courier import	Revenue is recognised upon issue of notice of arrival that is as soon as the plane/ship reaches port and the service has been rendered reaching the end of the agreed transaction term.
Custom clearance and brokerage	Revenue is recognised when custom clearance has been obtained.
Packing of special sugar	Revenue is recognised when goods are shipped/exported.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.16 Revenue recognition (cont'd)

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

Performance obligations and timing of revenue recognition (cont'd)

Landside logistics

Storage and handling of empty container	Revenue is recognised over time and invoiced at end of each month until last day of storage.
Rental of containers and reefers (refrigerated containers)	Revenue is recognised over time and invoiced at end of each month until last day of rental.
Repairs and modification of containers	Revenue is recognised over time and invoiced at end of repairs and modification.
Warehousing fees	Revenue is recognised over time and invoiced at end of each month until last day of storage of goods.
Port services - Rodrigues	Revenue is recognised upon arrival of vessel at port for each month.
Sales of container	Revenue is recognised upon delivery of container.
Transport services for carrying coal, sugarcane and petroleum products	Revenue is derived from selling transport services with revenue recognised at a point in time when control of the services has transferred to the customer. This is generally when the services are delivered to the customer.

Shipping

Shipping	Revenue is recognised when goods are shipped/exported.

Warehousing

Warehousing fees	Billings are issued at the earlier of: - the end of each month; and - end of the contract, i.e. end of rental/storage.

Determining the transaction price

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

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each service rendered, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each service ordered in such contracts (it is the total contract price divided by the type of services rendered). Customers are given one month to settle their invoices.

Practical Exemptions

The Group has taken advantage of the practical exemptions:

- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

2. ACCOUNTING POLICIES (CONT'D)

2.16 Revenue recognition (cont'd)

(b) Other income

Other revenues earned by the Group and the Company are recognised on the following bases:

- Interest income using the effective interest method is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.
- Other income is recognised as it accrues unless collectability is in doubt.
- Dividend income - when the shareholder's right to receive payment is established.

2.17 Dividend

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

2.18 Finance costs using effective interest method

The Group's finance costs include interest expense. Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the amortised cost of the liability.

2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.20 Amalgamation

Transactions involving entities under common control are accounted for based on the substance of the transaction and the Group's accounting policy for common-control transactions. Such transactions are outside the scope of IFRS 3 Business Combinations.

Amalgamations involving entities under common control are accounted for as common-control reorganisations where there is no change in ultimate control. The Group applies the distribution approach to common-control reorganisations where the investment in the subsidiary is measured at fair value.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risk factors, including:

(a) market risk (including cash flow and fair value interest rate risk);

(b) credit risk; and

(c) liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Group's financial performance.

Risk management is carried out by treasury department under policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks in close cooperation with the operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and non-derivative financial instruments and investment of excess liquidity.

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

(a) **Market risk**

Market risk is the risk that changes in market prices - e.g. currency risk and price risk - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) **Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, Kenya Shilling, Malagasy Ariary and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require the Group to manage its foreign exchange risk exposure with treasury. The Group also manages the exposure to currency variations by matching receipts and disbursements.

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

Currency profile

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

THE GROUP	**2026** **Financial assets**	**2026** **Financial liabilities**	2025 Financial assets	2025 Financial liabilities
	Rs'000	**Rs'000**	Rs'000	Rs'000
Rupee	**359,253**	**1,146,424**	370,461	960,529
Euro	**351,446**	**125,711**	359,275	142,771
US Dollar	**284,174**	**16,554**	280,824	33,169
Great Britain (GB) Pound	**63,261**	**-**	34,170	4,316
Kenya Shilling	**407,303**	**326,453**	344,369	253,627
Indian Rupee	**36,830**	**67,430**	46,423	68,739
Malagasy Ariary	**157,470**	**130,712**	100,744	80,718
Tanzanian Shilling	**3,376**	**774**	15,522	664
	1,663,113	**1,814,058**	1,551,788	1,544,533

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

THE COMPANY	**2026**	**2026**	2025	2025
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	Rs'000	**Rs'000**	Rs'000	Rs'000
Rupee	**3,923,731**	**208,092**	3,601,188	248,307

Sensitivity analysis

At the end of reporting date, if the rupee had weakened/strengthened against the following currencies with all the variables remaining constant, the impact on the post-tax profit and total equity for the period would have been as shown in the table below, mainly as a result of foreign exchange gains/losses on translation of foreign currency denominated financial assets and liabilities.

THE GROUP	**2026**				2025	
	%	**Impact on post-tax profit and total equity**		**%**	Impact on post-tax profit and total equity	
	change	**Financial assets**	**Financial liabilities**	change	Financial assets	Financial liabilities
Euro	**2%**	**7,029**	**2,514**	3%	10,778	4,283
US Dollar	**5%**	**14,209**	**828**	5%	14,041	1,658
GB Pound	**1%**	**633**	**-**	2%	683	86
Kenya Shilling	**7%**	**28,511**	**22,852**	3%	10,331	7,609
Indian Rupee	**5%**	**1,842**	**3,372**	5%	2,321	3,437
Malagasy Ariary	**18%**	**28,345**	**23,528**	5%	5,037	4,036
Tanzanian Shilling	**8%**	**270**	**62**	6%	931	40
		80,839	**53,156**		44,122	21,149

(ii) **Cash flow and fair value interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from borrowings as well as other interest-bearing financial assets and liabilities. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group has an interest rate policy which aims at minimising the annual interest costs and reduce volatility. The cost of debt is managed by effective negotiation directly with banks and other financial institutions.

THE GROUP

At the end of reporting date, if interest rates on borrowings had been 50 basis points higher/lower with all variables held constant, profit for the year and total equity would have been Rs 2.3 million (2025: Rs 2.3 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(a) Market risk (cont'd)

(ii) **Cash flow and fair value interest rate risk (cont'd)**

Sensitivity analysis

THE COMPANY

At the end of reporting date, if interest rates on borrowings had been 50 basis points higher/lower with all variables held constant, profit for the year and total equity would have been Rs 0.6 million lower/higher (2025: Rs 0.7 million), mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from loans and other receivables, trade receivables, contract assets and cash and cash equivalents.

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties are accepted. The main bank has been rated by the leading independent agency namely Moody's as baa3.

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	THE GROUP		**THE COMPANY**	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Loans and other receivables	**186,662**	150,503	**186,865**	207,585
Trade receivables	**977,126**	984,880	**-**	-
Contract assets	**70,731**	55,259	**-**	-
Cash and cash equivalents	**425,245**	357,774	**17,166**	4,903
	1,659,764	1,548,416	**204,031**	212,488

Loans are advanced to related parties after a careful analysis of the financial soundness of the counterparties. Obligations of the counterparties are monitored closely. As of date, there is no indication that the subsidiaries will not be able to repay the loan on due date.

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

Sales to customers on credit are made after a careful analysis of the financial soundness of the counterparties. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sector and/or regions. The Group's exposure is well diversified across a large number of customers and counterparties, which helps mitigate the risk of default from any single party. The Group manages credit risk through a structured credit risk management framework, which includes customer credit assessment, credit limits and approval procedures, portfolio diversification, credit risk mitigation, impairment monitoring, cash and bank counterparty risk and ongoing monitoring and reporting. Obligations of the counterparties are monitored closely.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(b) **Credit risk (cont'd)**

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

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

More information of loss allowance as at June 30, 2026 and June 30, 2025 has been disclosed in note 13(a).

The Group has adopted the general approach for measuring ECL for financial assets at amortised cost.

Under the general approach, the Expected Credit Losses (ECL) is measured as below:

ECL=PD×LGD×EAD

Where:

- ECL refers to the Expected Credit Losses;
- PD - This is the Probability of Default currently defined as the probability that the receivable will remain outstanding for more than 90 days;
- LGD - Loss Given Default denotes the share of losses, that is, the actual receivable loss in the event of customer default, or what is expected to be irrecoverable from among the assets in insolvency proceedings; and
- EAD - Exposure at Default is the amount outstanding at the reporting date.

The directors have considered the probability of default over 12 months derived from publicly available credit ratings such as Moody's and Standard & Poor's. The expected loss given default has been derived using the Basel III Guidelines for uncollateralised assets. The ECL model resulted in an immaterial impairment.

(c) **Liquidity risk**

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market position.

The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(c) Liquidity risk (cont'd)

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

	Contractual cash flows					
THE GROUP	Carrying amount	Within 1 year	1-2 years	2-5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2026						
Trade and other payables	**910,237**	**910,237**	**-**	**-**	**-**	**910,237**
Contract liabilities	**47,360**	**47,360**	**-**	**-**	**-**	**47,360**
Bank loans	**429,545**	**108,680**	**95,607**	**238,856**	**83,273**	**526,416**
Other loans	**3,004**	**-**	**3,004**	**-**	**-**	**3,004**
Lease liabilities	**332,301**	**84,321**	**75,758**	**101,861**	**279,517**	**541,457**
Bank overdrafts	**91,611**	**91,611**	**-**	**-**	**-**	**91,611**
	1,814,058	**1,242,209**	**174,369**	**340,717**	**362,790**	**2,120,085**
2025						
Trade and other payables	755,794	755,794	-	-	-	755,794
Contract liabilities	29,320	29,320	-	-	-	29,320
Bank loans	393,723	117,674	86,727	158,428	111,367	474,196
Other loans	2,971	-	2,971	-	-	2,971
Lease liabilities	321,713	86,446	60,554	120,812	223,369	491,181
Bank overdrafts	41,012	41,012	-	-	-	41,012
	1,544,533	1,030,246	150,252	279,240	334,736	1,794,474

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(c) Liquidity risk (cont'd)

THE COMPANY	Contractual cash flows					
	Carrying amount	Within 1 year	1-2 years	2-5 years	Later than 5 years	Total
2026	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Trade and other payables	**6,308**	**6,308**	**-**	**-**	**-**	**6,308**
Bank loans	**113,026**	**29,099**	**27,721**	**73,973**	**-**	**130,793**
Loan from related parties	**88,758**	**66,523**	**5,318**	**14,710**	**6,266**	**92,817**
	208,092	**101,930**	**33,039**	**88,683**	**6,266**	**229,918**
2025						
Trade and other payables	5,608	5,608	-	-	-	5,608
Bank loans	135,595	29,883	28,513	77,375	23,028	158,799
Loan from related parties	107,104	80,656	5,461	15,210	10,932	112,259
	248,307	116,147	33,974	92,585	33,960	276,666

3.2 Capital risk management

The Group's and the Company's objectives when managing capital are:

- to safeguard the Group's and the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by providing products and services commensurately with the level of risk.

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Capital risk management (cont'd)

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the Group and the Company monitor capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown on the statements of financial position) less cash and cash equivalents. Total equity comprises all components of equity i.e. share capital, other reserves, non-controlling interests and retained earnings.

The debt-to-equity ratios at June 30, 2026 and at June 30, 2025 were as follows:

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Lease liabilities (note 6(b))	**332,301**	321,713	**-**	-
Borrowings (note 19)	**524,160**	437,706	**201,784**	242,699
Total debts	**856,461**	759,419	**201,784**	242,699
Less: cash and cash equivalents (note 31(b))	**(425,245)**	(357,774)	**(17,166)**	(4,903)
Net debt	**431,216**	401,645	**184,618**	237,796
Total equity	**2,251,760**	2,020,399	**3,715,643**	3,362,582
Debt-to-equity ratio	**19%**	20%	**5%**	7%

The net debt to equity ratio changed from 20% to 19% for the Group and from 7% to 5% for the Company between June 30, 2025 and June 30, 2026. The decrease in the Group's ratio was due to higher cash and cash equivalents and an increase in equity. The decrease in the Company's ratio was mainly due to a decrease in borrowings.

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

3.3 Fair value estimation

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Accounting classification and fair values

A number of the Group's and the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation (cont'd)

Accounting classification and fair values (cont'd)	Carrying Value			Fair Value			
THE GROUP	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2026							
Financial assets measured at fair value							
Other financial assets at fair value through other comprehensive income	-	**3,349**	-	-	-	**3,349**	**3,349**
Financial assets not measured at fair value							
Trade receivables	**977,126**	-	-	-	-	-	-
Contract assets	**70,731**	-	-	-	-	-	-
Loans and other receivables	**186,662**	-	-	-	-	-	-
Cash and cash equivalents	**425,245**	-	-	-	-	-	-
	1,659,764	**3,349**	-	-	-	**3,349**	**3,349**
Financial liabilities not measured at fair value							
Borrowings - non current	-	-	**349,024**	-	-	-	-
Borrowings - current	-	-	**175,136**	-	-	-	-
Contract liabilities	-	-	**47,360**	-	-	-	-
Trade and other payables	-	-	**910,237**	-	-	-	-
	-	-	**1,481,757**	-	-	-	-

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation (cont'd)

Accounting classification and fair values (cont'd)	Carrying Value			Fair Value			
THE GROUP	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2025							
Financial assets measured at fair value							
Other financial assets at fair value through other comprehensive income	-	3,372	-	-	-	3,372	3,372
Financial assets not measured at fair value							
Trade receivables	984,880	-	-	-	-	-	-
Contract assets	55,259	-	-	-	-	-	-
Loans and other receivables	150,503	-	-	-	-	-	-
Cash and cash equivalents	357,774	-	-	-	-	-	-
	1,548,416	3,372	-	-	-	3,372	3,372
Financial liabilities not measured at fair value							
Borrowings - non current	-	-	298,025	-	-	-	-
Borrowings - current	-	-	139,681	-	-	-	-
Contract liabilities	-	-	29,320	-	-	-	-
Trade and other payables	-	-	755,794	-	-	-	-
	-	-	1,222,820	-	-	-	-

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation (cont'd)

Accounting classification and fair values (cont'd)	Carrying Value			Fair Value			
THE COMPANY	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2026							
Financial assets measured at fair value							
Investment in subsidiaries	**-**	**3,719,700**	**-**	**-**	**34,991**	**3,684,709**	**3,719,700**
Financial assets not measured at fair value							
Loans and other receivables - Non current	**96,061**	**-**	**-**	**-**	**-**	**-**	**-**
Loans and other receivables - Current	**90,804**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and cash equivalents	**17,166**	**-**	**-**	**-**	**-**	**-**	**-**
	204,031	**3,719,700**	**-**	**-**	**34,991**	**3,684,709**	**3,719,700**
Financial liabilities not measured at fair value							
Borrowings	**-**	**-**	**201,784**	**-**	**-**	**-**	**-**
Trade and other payables	**-**	**-**	**6,308**	**-**	**-**	**-**	**-**
	-	**-**	**208,092**	**-**	**-**	**-**	**-**
2025							
Financial assets measured at fair value							
Investment in subsidiaries	-	3,388,700	-	-	43,717	3,344,983	3,388,700
Financial assets not measured at fair value							
Loans and other receivables - Non current	120,069	-	-	-	-	-	-
Loans and other receivables - Current	87,516	-	-	-	-	-	-
Cash and cash equivalents	4,903	-	-	-	-	-	-
	212,488	3,388,700	-	-	43,717	3,344,983	3,388,700
Financial liabilities not measured at fair value							
Borrowings	-	-	242,699	-	-	-	-
Trade and other payables	-	-	5,608	-	-	-	-
	-	-	248,307	-	-	-	-

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

The Group made the following estimates and judgements:

(a) **Estimate of recoverable amount of CGUs to assess the impairment of goodwill**

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.4(a). These calculations require the use of estimates as stated in note 7(f).

(b) **Pension benefits**

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

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

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 20.

(c) **Revaluation of property, plant and equipment**

The Group carries its land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value as at June 30, 2026. The key valuation technique assumptions used to determine the fair value of property, plant and equipment are further explained in note 5.

(d) **Impairment of trade and other receivables**

The loss allowance for financial assets as discussed in note 3(b) are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. ECL on contract assets are also measured using the simplified model.

The forward looking overlay used was GDP. Elements of the ECL models that are considered as accounting judgements and estimates include mainly the development of ECL models including the various formulas and the choice of input which normally include determination of associations between macroeconomic scenarios and economic inputs such as gross domestic products rate and collateral values and probability of default (PD), Exposure At Default (EAD).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(e) **Asset lives and residual values**

Property, plant and equipment (note 2.2) and intangible assets (note 2.4) are depreciated/amortised over their useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

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

(f) **Impairment of non-financial assets**

Property, plant and equipment (note 5), right-of-use assets (note 6) and intangible assets (note 7) are considered for impairment if there is a reason to believe that impairment may be necessary and at the end of every reporting period. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

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

Cash flows which are utilised in these assessments are extracted from formal five-year business plans which are updated annually. The Group utilises the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

(g) **Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities (note 6). The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(h) **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has Rs 59.6 million (2025: Rs 94.2 million) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses and may not be used to offset taxable income elsewhere in the Group. Tax losses from operating activities expire on a rolling basis over 5 years. Tax losses on capital allowance do not expire. If the Group was able to recognise all tax losses, profit and equity would have increased by Rs 11.3 million (2025: Rs 17.9 million). Further details on taxes are disclosed in note 11.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(i) **Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)**

The Group considers that it controls P.A.P.O.L.C.S Limited even though it owns less than 50% of the voting rights. This is because the Group is the single largest shareholder of P.A.P.O.L.C.S Limited with the Group holding 60% in Papol Holding Limited and the latter holding 80% of P.A.P.O.L.C.S Limited. Hence the indirect ownership interest of the Group is 48%. The remaining 40% of the equity shares in Papol Holding Limited and 20% of the equity shares in P.A.P.O.L.C.S Limited are held by different shareholders. Since acquisition of P.A.P.O.L.C.S Limited, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.

(j) **Fair value of investment in subsidiaries**

The fair value of investment in subsidiaries is determined using valuation techniques as they are not traded in an active market including third party transaction values, net asset value, cost, or discounted cash flows, whichever is considered to be appropriate. For certain entities, the Net Asset Value (NAV) method is used where it is deemed to best reflect the fair value of the entity, particularly in cases where the subsidiary holds primarily financial assets or operates as an investment holding company. The Company would exercise judgement and estimates on the quality and quantity of pricing sources used. For details of the key assumptions used and the impact of changes to these assumptions see note 8(c).

(k) **Limitation of sensitivity analysis**

The sensitivity analysis in respect of market risk in note 3(a) demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should be noted that these sensitivities are non-linear and larger or smaller impacts should be interpolated or extrapolated from these results.

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

(l) **Going concern**

The Group made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue its business for the foreseeable future. The financial statements have thus been prepared on a going concern basis. Refer to note 37 for further details.

(m) **Amalgamation**

Management exercised judgement in determining the appropriate accounting treatment of the amalgamation for the Group. In assessing the substance of the transaction, management considered the ownership and control of the entities before and after the amalgamation and concluded that the transaction represents a common-control reorganisation.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land	Plant and equipment	Furniture, fixtures and equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026							
COST OR VALUATION							
At July 1, 2025	**159,232**	**155,164**	**499,143**	**1,058,612**	**204,688**	**97,913**	**2,174,752**
Additions	**-**	**1,778**	**1,680**	**294,392**	**22,276**	**7,750**	**327,876**
Disposals	**(21,197)**	**(1,927)**	**-**	**(237,958)**	**(2,051)**	**(20,782)**	**(283,915)**
Transfer*	**-**	**(14,830)**	**(43,610)**	**-**	**-**	**-**	**(58,440)**
Revaluation adjustment	**42,750**	**13,291**	**97,690**	**-**	**-**	**-**	**153,731**
Transfer between different class of assets	**-**	**(1,118)**	**-**	**152**	**966**	**-**	**-**
Transfer from right-of-use assets (note 6(a))**	**-**	**-**	**-**	**-**	**-**	**5,183**	**5,183**
Transfer to inventories	**-**	**-**	**-**	**-**	**(1,540)**	**-**	**(1,540)**
Exchange differences	**1,436**	**228**	**2,307**	**25,174**	**3,111**	**3,687**	**35,943**
At June 30, 2026							
- valuation	**182,221**	**152,586**	**557,210**	**-**	**-**	**-**	**892,017**
- cost	**-**	**-**	**-**	**1,140,372**	**227,450**	**93,751**	**1,461,573**
	182,221	**152,586**	**557,210**	**1,140,372**	**227,450**	**93,751**	**2,353,590**
DEPRECIATION							
At July 1, 2025	**-**	**12,460**	**32,495**	**730,361**	**165,448**	**61,857**	**1,002,621**
Charge for the year	**-**	**4,205**	**15,305**	**77,868**	**16,667**	**10,094**	**124,139**
Disposal adjustments	**-**	**(103)**	**-**	**(195,193)**	**(809)**	**(19,784)**	**(215,889)**
Transfer*	**-**	**(14,830)**	**(43,610)**	**-**	**-**	**-**	**(58,440)**
Transfer between different class of assets	**-**	**(1,386)**	**-**	**61**	**1,325**	**-**	**-**
Transfer from right-of-use assets (note 6(a))**	**-**	**-**	**-**	**-**	**-**	**6,447**	**6,447**
Transfer to inventories	**-**	**-**	**-**	**-**	**(477)**	**-**	**(477)**
Exchange differences	**-**	**69**	**404**	**20,647**	**2,402**	**2,521**	**26,043**
At June 30, 2026	**-**	**415**	**4,594**	**633,744**	**184,556**	**61,135**	**884,444**
NET BOOK VALUES							
At June 30, 2026	**182,221**	**152,171**	**552,616**	**506,628**	**42,894**	**32,616**	**1,469,146**

* This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) THE GROUP	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land	Plant and equipment	Furniture, fixtures and equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) 2025							
COST OR VALUATION							
At July 1, 2024	163,337	127,981	492,750	1,034,473	186,797	78,151	2,083,489
Acquisition through business combination (note 34(a))	7,720	33,572	-	6,737	9,907	5,844	63,780
Additions	-	1,105	7,477	83,000	13,959	25,422	130,963
Disposals	(10,779)	(7,186)	-	(40,845)	(4,995)	(22,412)	(86,217)
Transfer from right-of-use assets (note 6(a))**	-	-	-	-	-	12,203	12,203
Transfer from inventories	-	-	-	-	642	-	642
Exchange differences	(1,046)	(308)	(1,084)	(24,753)	(1,622)	(1,295)	(30,108)
At June 30, 2025							
- valuation	159,232	155,164	499,143	-	-	-	813,539
- cost	-	-	-	1,058,612	204,688	97,913	1,361,213
	159,232	155,164	499,143	1,058,612	204,688	97,913	2,174,752
DEPRECIATION							
At July 1, 2024	-	4,018	17,854	720,756	147,607	61,114	951,349
Acquisition through business combination (note 34(a))	-	4,599	-	6,224	8,312	3,542	22,677
Charge for the year	-	4,119	14,815	63,026	15,229	7,619	104,808
Disposal adjustments	-	(240)	-	(37,427)	(4,580)	(20,769)	(63,016)
Transfer from right-of-use assets (note 6(a))**	-	-	-	-	-	11,416	11,416
Exchange differences	-	(36)	(174)	(22,218)	(1,120)	(1,065)	(24,613)
At June 30, 2025	-	12,460	32,495	730,361	165,448	61,857	1,002,621
NET BOOK VALUES							
At June 30, 2025	159,232	142,704	466,648	328,251	39,240	36,056	1,172,131

** In 2026 and 2025, motor vehicles were transferred from right-of-use assets to property, plant and equipment upon expiry of the related lease terms, as the Group continued to use the underlying assets.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) The Group's land and buildings were revalued at June 30, 2026 by independent valuers. The revaluation net of applicable deferred income taxes was credited to revaluation surplus in shareholders' equity (note 18).

Details of the carrying amount of the Group's land and building measured at revalued amounts and information about the fair value hierarchy are as follows:

	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
2026			
Freehold land and yard	**182,221**	**-**	**182,221**
Freehold buildings	**-**	**152,171**	**152,171**
Buildings and yard on leasehold land	**-**	**552,616**	**552,616**
	182,221	**704,787**	**887,008**
2025			
Freehold land and yard	159,232	-	159,232
Freehold buildings	-	142,704	142,704
Buildings and yard on leasehold land	-	466,648	466,648
	159,232	609,352	768,584

There were no transfers between level 2 and 3 during the year.

The fair value of the freehold land was derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

The fair value of the freehold buildings, buildings and yard on leasehold land were determined using the cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence. The most significant input into this valuation approach is cost per square metre.

Significant valuation input:

	Observable inputs	Significant unobservable inputs	
Price/cost per square metre	Level 2	Level 3	Level 3
	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land
	Rs.	Rs.	Rs.
2026	**4800**	**26,000 - 70,000**	**7,700 - 52,500**
2025	3,650 - 21,000	13,000 - 71,000	7,000 - 52,500

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Significant valuation input: (cont'd)

Effect of 10% increase/(decrease) in estimated price per square metre in isolation	Level 2	Level 3	Level 3
	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land
	Rs'000	Rs'000	Rs'000
2026	**17,450**	**15,161**	**55,925**
2025	16,309	18,406	47,341

The reconciliation of buildings measured at revalued amounts using significant unobservable inputs are as follows:

	Freehold buildings	Building and yard on leasehold land	Total
	Rs'000	Rs'000	Rs'000
2026			
At July 1, 2025	**142,704**	**466,648**	**609,352**
Additions	**1,778**	**1,680**	**3,458**
Disposals	**(1,824)**	**-**	**(1,824)**
Revaluation adjustment	**13,291**	**97,690**	**110,981**
Transfer between different class of assets	**268**	**-**	**268**
Depreciation charged to profit or loss	**(4,205)**	**(15,305)**	**(19,510)**
Exchange differences	**159**	**1,903**	**2,062**
At June 30, 2026	**152,171**	**552,616**	**704,787**
2025			
At July 1, 2024	123,963	474,896	598,859
Acquisition through business combination (note 34(a))	28,973	-	28,973
Additions	1,105	7,477	8,582
Disposals	(6,946)	-	(6,946)
Depreciation charged to profit or loss	(4,119)	(14,815)	(18,934)
Exchange differences	(272)	(910)	(1,182)
At June 30, 2025	142,704	466,648	609,352

(c) If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2026		2025	
THE GROUP	**Land**	**Buildings**	Land	Buildings
	Rs'000	**Rs'000**	Rs'000	Rs'000
Cost	**139,470**	**165,413**	159,232	168,455
Accumulated depreciation	**-**	**(85,908)**	-	(83,720)
Net book value	**139,470**	**79,505**	159,232	84,735

(d) Bank borrowings are secured by floating charges on the assets of the Group including property, plant and equipment for the value of Rs 467.9 million (2025: Rs 357.9 million).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

THE GROUP

(a) **Right-of-use assets**

	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026					
COST					
At July 1, 2025	**101,278**	**326,267**	**52,939**	**64,189**	**544,673**
Additions	**467**	**54,726**	**-**	**9,435**	**64,628**
Effect of modification to lease terms	**10,926**	**36,581**	**-**	**-**	**47,507**
Gain on terminated leases*	**-**	**(98,612)**	**(4,893)**	**(4,621)**	**(108,126)**
Transfer	**60,965**	**(60,965)**	**-**	**-**	**-**
Transfer to property, plant and equipment (note 5)	**-**	**-**	**-**	**(5,183)**	**(5,183)**
Exchange difference	**300**	**7,662**	**24**	**255**	**8,241**
At June 30, 2026	**173,936**	**265,659**	**48,070**	**64,075**	**551,740**
DEPRECIATION					
At July 1, 2025	**14,610**	**183,734**	**36,934**	**27,431**	**262,709**
Charge for the year	**10,235**	**51,348**	**4,413**	**12,417**	**78,413**
Gain on terminated leases*	**-**	**(62,840)**	**(4,488)**	**(3,876)**	**(71,204)**
Transfer	**18,596**	**(18,596)**	**-**	**-**	**-**
Transfer to property, plant and equipment (note 5)	**-**	**-**	**-**	**(6,447)**	**(6,447)**
Exchange difference	**252**	**3,467**	**10**	**80**	**3,809**
At June 30, 2026	**43,693**	**157,113**	**36,869**	**29,605**	**267,280**
NET BOOK VALUES					
At June 30, 2026	**130,243**	**108,546**	**11,201**	**34,470**	**284,460**
(ii) 2025					
COST					
At July 1, 2024	138,788	277,704	58,082	63,180	537,754
Acquisition through business combination (note 34(a))	-	4,001	-	-	4,001
Additions	16,206	19,460	12,704	13,574	61,944
Effect of modification to lease terms	488	1,238	-	-	1,726
Gain on terminated leases*	-	(27,868)	(17,888)	(657)	(46,413)
Transfer	(52,258)	52,258	-	-	-
Transfer to property, plant and equipment (note 5)	-	-	-	(12,203)	(12,203)
Exchange difference	(1,946)	(526)	41	295	(2,136)
At June 30, 2025	101,278	326,267	52,939	64,189	544,673

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(a) **Right-of-use assets (cont'd)**

	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) 2025 (cont'd)					
DEPRECIATION					
At July 1, 2024	22,443	137,924	33,448	28,466	222,281
Acquisition through business combination (note 34(a))	-	1,767	-	-	1,767
Charge for the year	10,029	52,865	3,763	10,842	77,499
Gain on terminated leases*	-	(26,104)	(298)	(657)	(27,059)
Transfer	(17,337)	17,337	-	-	-
Transfer to property, plant and equipment (note 5)	-	-	-	(11,416)	(11,416)
Exchange difference	(525)	(55)	21	196	(363)
At June 30, 2025	14,610	183,734	36,934	27,431	262,709
NET BOOK VALUES					
At June 30, 2025	86,668	142,533	16,005	36,758	281,964

(b) **Lease liabilities**

	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026					
THE GROUP					
At July 1, 2025	**148,835**	**119,377**	**16,323**	**37,178**	**321,713**
Additions	**467**	**54,726**	**-**	**9,435**	**64,628**
Effect of modification to lease terms	**10,926**	**36,375**	**-**	**-**	**47,301**
Gain on terminated leases*	**-**	**(39,539)**	**(449)**	**(630)**	**(40,618)**
Interest expense	**8,209**	**10,532**	**876**	**2,095**	**21,712**
Foreign exchange movements	**3,394**	**2,264**	**13**	**154**	**5,825**
Lease payments	**(14,377)**	**(58,188)**	**(5,378)**	**(10,317)**	**(88,260)**
At June 30, 2026	**157,454**	**125,547**	**11,385**	**37,915**	**332,301**
Analysed as follows:					
Non-current	**157,454**	**82,845**	**8,643**	**27,673**	**276,615**
Current	**-**	**42,702**	**2,742**	**10,242**	**55,686**
	157,454	**125,547**	**11,385**	**37,915**	**332,301**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(b) **Lease liabilities (cont'd)**

	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) 2025					
At July 1, 2024	138,235	149,930	24,937	34,926	348,028
Acquisition through business combination (note 34(a))	-	2,475	-	-	2,475
Additions	16,206	19,460	12,704	13,574	61,944
Effect of modification to lease terms	488	1,238	-	-	1,726
Gain on terminated leases*	-	(2,051)	(17,634)	-	(19,685)
Interest expense	8,528	8,369	443	1,827	19,167
Foreign exchange movements	(1,831)	(478)	24	179	(2,106)
Lease payments	(12,791)	(59,566)	(4,151)	(13,328)	(89,836)
At June 30, 2025	148,835	119,377	16,323	37,178	321,713
Analysed as follows:					
Non-current	148,835	72,118	11,738	28,227	260,918
Current	-	47,259	4,585	8,951	60,795
	148,835	119,377	16,323	37,178	321,713

* At June 30, 2026 and June 30, 2025, certain leases were terminated, resulting in the derecognition of the corresponding right-of-use assets and lease liabilities.

(c) **Nature of leasing activities (in the capacity as lessee)**

Freeport Operations (Mauritius) Limited, a subsidiary, leases a plot of land from the Mauritius Ports Authority. The lease agreement expires on March 30, 2056. The lease contract provides for payments to increase every ten years by 50%. Another subsidiary, Associated Container Services Limited, leases a plot of land in Rodrigues from the Mauritius Ports Authority which expires on April 2, 2030.

The Group leases various buildings for office space as well as certain items of plant & equipment and motor vehicles. The leases comprise only fixed payments over their respective lease terms. There is no impact on the carrying amount of lease liabilities and right-of-use assets on the reporting date as the Group is not subject to lease payments that are variable. There are no extension and termination options included in leases across the Group. The Group did not provide residual value guarantees in relation to leases.

During the year, the Group modified its lease for leasehold land, buildings and plant and equipment to extend the term and to adjust rental payments. The modification resulted in a remeasurement of the lease liabilities and right-of-use assets.

(d) **Other information**

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Lease payments	**66,548**	70,669
Interest expense (note 28)	**21,712**	19,167
	88,260	89,836
Expense relating to short-term leases (note 29)	**6,570**	5,768
Total cash outflows for leases	**94,830**	95,604

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

7. INTANGIBLE ASSETS

	THE GROUP	Customer related intangibles	Concession rights	Goodwill	Computer software	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a)	2026					
	COST					
	At July 1, 2025	**13,719**	**180,000**	**526,972**	**92,278**	**812,969**
	Addition	**-**	**-**	**-**	**14,781**	**14,781**
	Disposal	**-**	**-**	**-**	**(1,742)**	**(1,742)**
	Exchange differences	**-**	**-**	**-**	**1,036**	**1,036**
	At June 30, 2026	**13,719**	**180,000**	**526,972**	**106,353**	**827,044**
	AMORTISATION & IMPAIRMENT					
	At July 1, 2025	**13,719**	**88,642**	**-**	**72,356**	**174,717**
	Charge for the year	**-**	**3,000**	**-**	**4,438**	**7,438**
	Disposal adjustments	**-**	**-**	**-**	**(1,421)**	**(1,421)**
	Impairment	**-**	**-**	**3,314**	**-**	**3,314**
	Exchange differences	**-**	**-**	**-**	**867**	**867**
	At June 30, 2026	**13,719**	**91,642**	**3,314**	**76,240**	**184,915**
	NET BOOK VALUE					
	At June 30, 2026	**-**	**88,358**	**523,658**	**30,113**	**642,129**

		Customer related intangibles	Concession rights	Goodwill	Computer software	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(b)	2025					
	COST					
	At July 1, 2024	13,719	180,000	458,794	87,226	739,739
	Acquisition through business combination (note 34(a))	-	-	-	6,612	6,612
	Goodwill on acquisition of subsidiaries (note 34(a))	-	-	68,178	-	68,178
	Addition	-	-	-	5,934	5,934
	Disposal	-	-	-	(1,341)	(1,341)
	Exchange differences	-	-	-	(6,153)	(6,153)
	At June 30, 2025	13,719	180,000	526,972	92,278	812,969
	AMORTISATION					
	At July 1, 2024	13,719	85,642	-	68,617	167,978
	Acquisition through business combination (note 34(a))	-	-	-	5,045	5,045
	Charge for the year	-	3,000	-	5,299	8,299
	Disposal adjustments	-	-	-	(562)	(562)
	Exchange differences	-	-	-	(6,043)	(6,043)
	At June 30, 2025	13,719	88,642	-	72,356	174,717
	NET BOOK VALUE					
	At June 30, 2025	-	91,358	526,972	19,922	638,252

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

7. INTANGIBLE ASSETS (CONT'D)

(c) The carrying amount at June 30, 2026 does not include internally generated goodwill (2025: Nil).

(d) The remaining amortisation period for Concession right was 29.5 years at June 30, 2026 (2025: 30.5 years).

(e) The carrying amount of goodwill are allocated to the following CGUs:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Velogic Ltd	**266,864**	202,000
Associated Container Services Ltd	**97,881**	97,881
General Cargo Services Ltd	**72,900**	72,900
Southern Marine Ltd	**28,931**	28,931
Velogic Haulage Services Ltd	**21,649**	21,649
MC Easy Freight Co. Ltd	**-**	64,864
Tansafrica Trade Chain Limited	**-**	3,314
Others (immaterial in relation to the total goodwill)	**35,433**	35,433
	523,658	526,972

In 2025, goodwill of Rs 64.8 million related to the acquisition of MC Easy Freight Co. Ltd by Velogic Ltd on July 15, 2024. It represented the excess of consideration transferred over the fair value of the identifiable net assets acquired and reflected the expected future economic benefits arising from synergies and other benefits from combining the operations with those of the Group. On 31 December 2025, the Group completed the amalgamation of MC Easy Freight Co. Ltd with Velogic Ltd, with Velogic Ltd being the surviving entity. The amalgamation was accounted for as a common-control reorganisation. Following the amalgamation, the goodwill arising from the acquisition continues to be recognised and is allocated to the Velogic Ltd cash-generating unit, which is expected to benefit from the related synergies. No additional goodwill arose from the transaction.

(f) *Impairment test for goodwill*

Impairment test for goodwill is allocated to the Company's cash-generating units (CGUs) identified according to the country of operation and business segment. At the end of the reporting period, the Group recognised a full impairment loss of Rs 3.3 million in respect of goodwill arising on the acquisition of Tansafrica Trade Chain Limited, included in the cross border logistics segment. The impairment was recognised following the loss of the Company's freight forwarding licence as a result of changes in the local legislation, which no longer permits a foreign company to hold such a licence. The impairment loss was recognised in profit or loss in accordance with IAS 36 Impairment of Assets.

For the purpose of impairment testing, goodwill has been allocated to the Group's CGUs subsidiaries. The recoverable amounts for the cash generating units were based on their value in use at June 30, 2026. At end of the reporting period, the recoverable amount has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. These projections reflect expected future performance and market conditions. There are no key assumptions other than the discount rates, used to determine the recoverable amount, which are consistent with those disclosed in note 8(c). This is presented in the table below:

	Range	
	2026	2025
	%	%
Discount rate	**9.96% -25.29%**	9.18% -25.34%

		Effect on fair value	
	Change in inputs	**2026**	2025
		Rs'000	Rs'000
Discount rate	+0.50 bps	**(25,523)**	(16,119)
	-0.50 bps	**12,760**	23,398

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

8. INVESTMENT IN SUBSIDIARIES

		THE COMPANY	
		2026	2025
(a)	AT FAIR VALUE	**Rs'000**	Rs'000
	At July 1,	**3,388,700**	3,125,300
	Change in fair value	**331,000**	263,400
	At June 30,	**3,719,700**	3,388,700

(b) The fair value of investment in subsidiary companies was determined at June 30, 2026. The valuation methodology for each subsidiary was either a market approach or on a discounted cash flow basis.

The hierarchy level of fair value of the Company's investment in subsidiary companies are as follows:

	THE COMPANY	
	2026	2025
	Rs'000	Rs'000
Level 2	**34,991**	43,717
Level 3	**3,684,709**	3,344,983
	3,719,700	3,388,700

(c) The table below sets out information about significant inputs used at June 30, 2026 in measuring investment in subsidiaries under level 2 and level 3:

Valuation techniques and key inputs

	Fair value		Inputs	Range	
	2026	2025		**2026**	2025
	Rs'000	Rs'000			
Valuation technique					
Market approach	**34,991**	43,717	Level 2 - Multiples	**6.5x-6.8x**	4.6x-6.0x
Significant unobservable inputs:					
Discounted cash flow	**3,684,709**	3,344,983	Level 3 - Discount rate	**9.96% -25.29%**	9.18% -25.34%
	3,719,700	3,388,700			

The table below shows the sensitivity of the fair value of investment in subsidiaries to a reasonably possible change in the inputs that management consider to be most significant. The sensitivity assumes that the changes in one input are in isolation to other inputs.

		Effect on fair value	
	Change in inputs	**2026**	2025
		Rs'000	Rs'000
Discount rate	+0.50 bps	**(25,523)**	(16,119)
	-0.50 bps	**12,760**	23,398

(d) In 2022, the Company contracted a bank loan and pledged all the shares held by Rogers Logistics International Ltd in VK Logistics Ltd as security. The outstanding balance on the loan at June 30, 2026 was Rs 113.0 million (2025: Rs 135.6 million).

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Details of the subsidiaries are as follows:

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of ownership interest Direct	Indirect	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity	Fair value of investment 2026	Fair value of investment 2025
			Rs'000	%	%	%			**Rs'000**	Rs'000
Logistics Solutions Ltd [1]	Ordinary	June 30,	525,690	98.97	-	1.03	Mauritius	Investment holding	**1,416,100**	1,317,500
Papol Holding Limited [1]	Ordinary	June 30,	100	60.00	-	40.00	Mauritius	Investment holding	**22,400**	20,300
Rogers Logistics International Ltd	Ordinary	June 30,	156,352	100.00	-	-	Mauritius	Investment holding	**1,387,500**	1,325,600
Express Logistics and Supply Chain Solutions Limited (formerly Rogers Logistics Services Company Limited) [2]	Ordinary	June 30,	100	100.00	-	-	Mauritius	Freight forwarding	**2,900**	2,800
Rogers Shipping Ltd [3]	Ordinary	June 30,	721	36.00	32.60	31.40	Mauritius	Shipping	**-**	24,900
Southern Marine & Co Ltd [1&3]	Ordinary	June 30,	500	36.00	32.60	31.40	Mauritius	Shipping agency	**55,600**	32,700
Sukpak Ltd [1]	Ordinary	June 30,	1,200	70.00	-	30.00	Mauritius	Sugar Packaging	**206,300**	88,300
Velogic Ltd [4]	Ordinary	June 30,	83,384	100.00	-	-	Mauritius	Freight forwarding	**628,900**	576,600
									3,719,700	3,388,700

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Details of the subsidiaries are as follows: (cont'd)

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of indirect ownership interest	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity
			Rs'000	%	%		
Rogers Logistics International Ltd holds the following subsidiaries:							
Cargo Express Madagascar S.A.R.L	Ordinary	June 30,	168	100.00	-	Madagascar	Freight forwarding
Rogers IDS Madagascar SARL	Ordinary	June 30,	8	100.00	-	Madagascar	Freight forwarding
Rogers Shipping (Mauritius) Pte Ltd [1&5]	Ordinary	June 30,	-	51.00	49.00	Mauritius	Shipping
Velogic Express Reunion	Ordinary	June 30,	8,341	100.00	-	Reunion Island	Courier Services
Velogic India Private Ltd [6]	Ordinary	March 31,	11,156	100.00	-	India	Freight forwarding
Velogic Sea Frigo R'Frigo SA	Ordinary	June 30,	4,085	100.00	-	Reunion Island	Freight forwarding
VK Logistics Ltd	Ordinary	June 30,	163,814	100.00	-	Mauritius	Investment holding
Rogers Shipping (Mauritius) Pte Ltd holds the following subsidiary:							
Rogers Shipping Pte Ltd	Ordinary	June 30,	11,021	100.00	-	Republic of Singapore	Shipping
Logistics Solutions Ltd holds the following subsidiaries:							
Associated Container Services Ltd [1]	Ordinary	June 30,	93,877	98.97	1.03	Mauritius	Port Services
Freeport Operations (Mauritius) Ltd [1]	Ordinary	June 30,	178,429	98.97	1.03	Mauritius	Port Services
Associated Container Services Ltd holds the following subsidiary:							
Velogic Haulage Services Ltd [1]	Ordinary	June 30,	31,514	98.97	1.03	Mauritius	Transport Services
Velogic Haulage Services Ltd holds the following subsidiary:							
Velogic Garage Services Limited [1]	Ordinary	June 30,	10,999	98.97	1.03	Mauritius	Garage Services
Papol Holding Limited holds the following subsidiary:							
P.A.P.O.L.C.S Limited [7]	Ordinary	June 30,	100	48.00	52.00	Mauritius	Stevedoring

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Details of the subsidiaries are as follows: (cont'd)

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of indirect ownership interest	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity
			Rs'000	%	%		
Velogic Ltd holds the following subsidiaries:							
Global Air Cargo Services Ltd	Ordinary	June 30,	433	100.00	-	Mauritius	Freight forwarding
VK Logistics Ltd holds the following subsidiary:							
Gencargo Transport Limited 1	Ordinary	June 30,	889	98.50	1.50	Kenya	Freight forwarding
Gencargo Transport Limited holds the following subsidiaries:							
General Cargo Services Ltd 1	Ordinary	June 30,	1,422	98.50	1.50	Kenya	Port services
Rongai Workshops & Transport Limited 1	Ordinary	June 30,	3,605	98.50	1.50	Kenya	Transport Services
General Cargo Services Ltd holds the following subsidiary:							
Tansafrica Trade Chain Limited 1 & 6 & 8	Ordinary	December 31,	173	90.00	10.00	Tanzania	Freight forwarding

1 The non-controlling interest are not material to the entity.

2 During the year, the Company changed its name from Rogers Logistics Services Company Limited to Velogic Logistics Services Company Limited on September 17, 2025 and subsequently to Express Logistics and Supply Chain Solutions Limited on November 28, 2025.

3 On September 22, 2025, Rogers Shipping Ltd amalgamated with Southern Marine & Co Ltd. Co Ltd, the surviving company being Southern Marine & Co Ltd.

4 On July 15, 2024, Velogic Ltd acquired 100% shareholding of MC Easy Freight Co. Ltd (note 34(a)). On December 31, 2025, MC Easy Freight Co. Ltd amalgamated with Velogic Ltd, the surviving company being Velogic Ltd.

5 On July 1, 2025, Rogers Shipping (Mauritius) Pte Ltd (RSMPL) was incorporated and acquired 100% of the issued share capital of Rogers Shipping Pte Ltd (RSPL) through a share-for-share exchange with its shareholders.

6 The companies having as year end March 31, 2026 and December 31, 2025 have been consolidated for the 12 months up to June 30, 2026, to be coterminous with the financial year end of the Group.

7 Papol Holding Limited holds 80% of P.A.P.O.L.C.S Limited and the indirect ownership interest of Velogic Holding Company Limited is 48%.

8 On July 1, 2024, General Cargo Services Ltd, acquired 90% of Tansafrica Trade Chain Limited (note 34(a)).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

9. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

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

	THE GROUP	
	2026	2025
Level 3	**Rs'000**	Rs'000
At July 1,	**3,372**	3,362
(Decrease)/increase in fair value credited to other comprehensive income	**(23)**	10
At June 30,	**3,349**	3,372

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

	THE GROUP	
	2026	2025
Unquoted:	**Rs'000**	Rs'000
Mexa (Mtius) Investment Ltd	**723**	723
Les Lycees Associes Ltee	**848**	871
Prokid	**1,139**	1,139
Others	**639**	639
	3,349	3,372

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

(d) The table below sets out information about significant unobservable inputs used in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

	Valuation technique				
Name of investee	**2026**	2025	**Unobservable inputs**	**Range**	**Sensitivity to changes in significant unobservable inputs**
Mexa (Mtius) Investment Ltd	**NAV**	NAV	N/A	N/A	N/A
Les Lycees Associes Ltee	**NAV**	NAV	N/A	N/A	N/A
Prokid	**NAV**	NAV	N/A	N/A	N/A

NAV - Net assets value, N/A - Not applicable

(e) Other financial assets at fair value through other comprehensive income are denominated in Mauritian rupees.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

10. LOANS AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Non-current	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Loan to Rogers Logistics International Ltd (interest rate: 7.15% p.a)	**1,687**	-	**96,061**	120,069
Current				
Loan to Rogers Logistics International Ltd (interest rate: 7.15% p.a)	**-**	-	**24,014**	24,014
Loan to Velogic Ltd (interest rate: 4.25%-4.65% p.a)	**-**	-	**44,000**	44,818
Loan to Associated Container Services Ltd (interest rate: 4.25% p.a)	**-**	-	**17,000**	17,718
Other receivables	**50,329**	14,213	**5,790**	966
	50,329	14,213	**90,804**	87,516
External parties				
Other receivables	**134,646**	136,290	**-**	-
	184,975	150,503	**90,804**	87,516
Total	**186,662**	150,503	**186,865**	207,585

(a) *Other receivables*

These amounts generally arise from transactions outside the usual operating activities of the Group. It includes inter alia disbursements made on behalf of customers, loan to employees, deposits with suppliers and loans to corporate entities. Collateral is not normally obtained.

(b) The long term loan receivable from Rogers Logistics International Ltd (a subsidiary) is unsecured, carries interest at the rate of 7.15% (2025: 7.15%) p.a, repayable twice yearly and will be fully repaid in January 2031. Loan to Velogic Ltd and other short term loans are unsecured and are repayable within 12 months.

(c) *Fair values of loans and other receivables*

Due to the nature of loans and other receivables, their carrying amounts are considered to approximate their fair values.

(d) *Impairment and risk exposure*

Loans and other receivables did not include any loss allowance at June 30, 2026 (2025: Nil). Other receivables include items which are aged less than three months.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

10. LOANS AND OTHER RECEIVABLES (CONT'D)

(e) The carrying amounts of the loans and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rupee	**79,416**	63,867	**186,865**	207,585
Euro	**3,399**	3,441	**-**	-
US Dollar	**18,163**	6,584	**-**	-
Great Britain Pound	**-**	143	**-**	-
Kenya Shilling	**67,678**	33,438	**-**	-
Indian Rupee	**-**	32,996	**-**	-
Malagasy Ariary	**17,256**	6,683	**-**	-
Tanzanian Shilling	**750**	3,351	**-**	-
	186,662	150,503	**186,865**	207,585

11. DEFERRED INCOME TAX

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

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity.

The following amounts are shown in the statements of financial position:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Deferred tax assets	**37,067**	33,092
Deferred tax liabilities	**(139,200)**	(106,125)
	(102,133)	(73,033)

(b) The movement on the deferred income tax account is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**(73,033)**	(62,405)
Acquisition through business combination (note 34(a))	**-**	(1,165)
Charged to profit or loss (note 16(b))	**(2,683)**	(3,543)
Charged to other comprehensive income	**(26,546)**	(5,746)
Exchange differences	**129**	(174)
At June 30,	**(102,133)**	(73,033)

The impact of the Fair Share Contribution (FSC) on the measurement of deferred tax balances was assessed. Based on the assessment performed, the resulting effect was not material to the financial statements.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

11. DEFERRED INCOME TAX (CONT'D)

(c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

(i) Deferred tax assets

	THE GROUP					
	Retirement benefit obligations	Right-of-use assets	Tax losses	Provision	ECL on financial assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2024	9,147	3,846	-	795	5,845	19,633
Acquisition through business combination (note 34(a))	1,056	-	-	-	2,013	3,069
Credited to profit or loss	804	2,163	6,623	22	1,005	10,617
Charged to other comprehensive income	(97)	-	-	-	-	(97)
Exchange differences	-	(8)	-	-	(122)	(130)
At June 30, 2025	10,910	6,001	6,623	817	8,741	33,092
(Charged)/credited to profit or loss	**(1,169)**	**1,064**	**(395)**	**737**	**742**	**979**
Credited to other comprehensive income	**2,751**	**-**	**-**	**-**	**-**	**2,751**
Exchange differences	**-**	**8**	**-**	**-**	**237**	**245**
At June 30, 2026	**12,492**	**7,073**	**6,228**	**1,554**	**9,720**	**37,067**

(ii) Deferred tax liabilities

	THE GROUP			
	Accelerated tax depreciation	Revaluation of assets	Concession rights	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2024	(14,116)	(51,881)	(16,041)	(82,038)
Acquisition through business combination (note 34(a))	(4,234)	-	-	(4,234)
(Charged)/credited to profit or loss	(14,670)	-	510	(14,160)
Charged to other comprehensive income	-	(5,649)	-	(5,649)
Exchange differences	185	(229)	-	(44)
At June 30, 2025	(32,835)	(57,759)	(15,531)	(106,125)
(Charged)/credited to profit or loss	**(13,763)**	**9,531**	**570**	**(3,662)**
Charged to other comprehensive income	**-**	**(29,297)**	**-**	**(29,297)**
Exchange differences	**(597)**	**481**	**-**	**(116)**
At June 30, 2026	**(47,195)**	**(77,044)**	**(14,961)**	**(139,200)**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

11. DEFERRED INCOME TAX (CONT'D)

(d) Deferred tax assets are recognised only to the extent that the related tax benefit is probable. At the end of the reporting year, the Group had unused tax losses of Rs 59.6 million (2025: Rs 94.2 million) available to offset against future profits. Deferred tax assets of Rs 6.2 million (2025: Rs 6.6 million) have been recognised on losses of Rs 32.8 million (2025: Rs 34.7 million). Deferred tax assets have also been recognised on accelerated tax depreciation and provisions given that they can be carried forward indefinitely. Based on an internally approved five-year cash flow forecast, the Group concluded that it has sufficient taxable profit to offset against the deductible temporary differences.

(e) *Tax losses*

The tax losses expire as follows:	THE GROUP	
	2026	2025
	Rs'000	Rs'000
2026	**-**	13,629
2027	**13,099**	13,099
2028	**13,902**	13,902
2029	**12,991**	49,183
2030	**13,440**	4,025
2031	**6,158**	-
Tax losses which do not expire	**-**	350
Unused tax losses available to offset against future profits	**59,590**	94,188

Tax losses expire on a rolling basis over 5 years. Tax losses on capital allowance do not expire.

12. INVENTORIES

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
(a) Raw material	**17,466**	11,731
Spare parts and consumables	**35,250**	34,770
Containers	**16,546**	27,685
	69,262	74,186

(b) All inventories are stated at the lower of cost and net realisable value. There was an inventory write down of Rs 0.3 million during the year ended June 30, 2026 (2025: Rs 1.0 million).

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs 464.2 million (2025: Rs 392.8 million) for the Group.

(d) Inventories with a carrying amount of Rs 44.1 million (2025: Rs 34.1 million) have been pledged as security for certain of the Group's borrowings (note 19).

13. TRADE RECEIVABLES

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Trade receivables	**1,100,938**	1,106,343
Expected credit loss allowance	**(123,812)**	(121,463)
Trade receivables - net	**977,126**	984,880

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

13. TRADE RECEIVABLES (CONT'D)

(a) *Impairment of trade receivables*

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

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based in the payment profiles of sales over a period of 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomics factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP to be the most relevant factor, and accordingly adjusts the historical rates based on expected changes in these factors. The gross domestic product used for 2026 is 0.9% to 7.0% (2025: 0.6% to 6.2%) and is based on jurisdiction. The forward-looking overlay for 2027 is 0.4% to 18.6% (2025: forward looking overlay for 2026: 0.5% to 27.5%). The loss rates differ from the prior year due to the change in the macroeconomic variable factor (GDP percentage change) as per the IMF World Economic Outlook.

This has been used to reflect differences between economic conditions during the period over which the historical data have been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The measurement of expected credit losses excludes trade receivables which are insured and/or are based on internal or external ratings.

The carrying value of trade receivables have been analysed as follows:

	THE GROUP			
Number of days carrying value of trade receivables have been past due	Estimated total gross ECL Rate	Less carrying amount	ECL Allowance	Trade net of ECL
	(%)	Rs'000	Rs'000	Rs'000
2026				
Not yet been past due	4.51%	**556,248**	**(25,106)**	**531,142**
Less than 30 days	2.02%	**222,591**	**(4,503)**	**218,088**
Between 30 to 60 days	2.83%	**96,645**	**(2,738)**	**93,907**
Between 60 to 90 days	3.81%	**56,088**	**(2,135)**	**53,953**
Between 90 to 180 days	7.79%	**43,183**	**(3,362)**	**39,821**
Between 180 to 360 days	35.93%	**29,633**	**(10,646)**	**18,987**
More than 360 days	78.01%	**96,550**	**(75,322)**	**21,228**
		1,100,938	**(123,812)**	**977,126**
2025				
Not yet been past due	3.06%	470,373	(14,393)	455,980
Less than 30 days	2.30%	302,587	(6,971)	295,616
Between 30 to 60 days	2.53%	139,079	(3,517)	135,562
Between 60 to 90 days	14.91%	55,685	(8,301)	47,384
Between 90 to 180 days	18.57%	39,758	(7,383)	32,375
Between 180 to 360 days	43.04%	19,471	(8,381)	11,090
More than 360 days	91.34%	79,390	(72,517)	6,873
		1,106,343	(121,463)	984,880

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

13. TRADE RECEIVABLES (CONT'D)

(a) *Impairment of trade receivables (cont'd)*

The closing loss allowances for trade receivables reconcile to the opening loss allowances as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**121,463**	113,468
Acquisition through business combination	**-**	4,031
Loss allowance recognised in profit or loss	**20**	7,716
Receivable written off during the year as uncollectible	**(1,193)**	(1,036)
Exchange differences	**3,522**	(2,716)
At June 30,	**123,812**	121,463

The closing loss allowances for trade receivables increased from Rs 121.463 million at July 1, 2025 to Rs 123.812 million at June 30, 2026. The increase was primarily attributable to exchange differences of Rs 3.522 million, partly offset by receivables written off during the year of Rs 1.193 million. A loss allowance of Rs 0.020 million was recognised in profit or loss during the year. Additional disclosures about the credit risk relating to trade receivables are provided in note 3.1(b).

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

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Rupee	**183,797**	188,902
Euro	**198,539**	244,351
US Dollar	**140,939**	168,692
Great Britain Pound	**25,763**	27,398
Kenya Shilling	**314,015**	268,578
Indian Rupee	**36,230**	13,214
Malagasy Ariary	**76,408**	63,322
Tanzanian Shilling	**1,435**	10,423
	977,126	984,880

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

14. CONTRACT ASSETS

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**55,259**	59,826
Transfers in the period from contract assets to trade receivables	**(55,259)**	(59,826)
Excess of revenue recognised over cash (or rights to cash) being recognised during the year	**70,731**	55,259
At June 30,	**70,731**	55,259

(a) Contract assets relate to revenue recognised from freight forwarding services which have not yet been invoiced. As such, the balances of this account vary and depend on the number of ongoing services at the end of the year.

(b) Items included in contract assets are aged less than 90 days at June 30, 2026 (2025: less than 90 days). The Group did not recognise any expected credit loss at June 30, 2026 (2025: Nil).

15. OTHER ASSETS

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Prepayments (note 15(a))	**73,273**	46,419	**67**	27
Dividend receivable	**-**	-	**-**	84,549
	73,273	46,419	**67**	84,576

(a) Prepayments consists of expenses prepaid for inter alia road taxes, software licences, insurances, bank guarantees fees, subscriptions fees, rentals and other advance payments.

16. TAXATION

		THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
		Rs'000	Rs'000	**Rs'000**	Rs'000
(a)	Statements of financial position				
	At July 1,	**29,981**	35,400	**(63)**	(63)
	Acquisition through business combination (note 34(a))	**-**	(659)	**-**	-
	Current tax on the adjusted results for the year - 19% (2025: 19%)	**(66,552)**	(78,979)	**-**	-
	Over/(under) provision in previous years	**992**	(556)	**-**	-
	Withholding tax	**(8,414)**	(7,536)	**-**	-
	Exchange differences	**3,286**	(1,686)	**-**	-
	Tax paid	**87,635**	83,997	**-**	-
	At June 30,	**46,928**	29,981	**(63)**	(63)
	Disclosed as:				
	Current tax assets	**66,719**	49,029	**-**	-
	Current tax liabilities	**(19,791)**	(19,048)	**(63)**	(63)
		46,928	29,981	**(63)**	(63)

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

16. TAXATION (CONT'D)

(b) Statements of profit or loss	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current tax on the adjusted results for the year - 19% (2025: 19%)	**66,552**	78,979	**-**	-
(Over)/under provision in previous years	**(992)**	556	**-**	-
Withholding tax	**8,414**	7,536	**-**	-
	73,974	87,071	**-**	-
Deferred tax charge (note 11(b))	**2,683**	3,543	**-**	-
Tax charge	**76,657**	90,614	**-**	-

(c) The tax on the Group's and the Company's profit before tax differs from the theoretical amount that would arise using the basis tax rate of the Company as follows:

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit before taxation	**281,497**	323,444	**146,436**	141,397
Tax calculated at 19% (2025: 19%)	**53,484**	61,454	**27,823**	26,865
Effect of change in deferred tax rate*	**-**	3,604	**-**	-
Effect of different tax rate**	**(2,012)**	11,338	**-**	-
Income not subject to tax (note (i))	**(28,503)**	(26,725)	**(28,742)**	(27,985)
Expenses not deductible for tax purposes (note (ii))	**53,354**	35,414	**923**	1,041
Tax losses for which no deferred income tax was recognised	**717**	1,241	**-**	79
Utilisation of previously unrecognised tax losses	**(5,502)**	(1,222)	**(4)**	-
(Over)/under provision in previous years	**(992)**	556	**-**	-
Withholding tax	**8,414**	7,536	**-**	-
Foreign tax credit	**(2,303)**	(2,582)	**-**	-
Tax charge	**76,657**	90,614	**-**	-
Effective tax rate	**27%**	28%	**0%**	0%

* This related to the amount of deferred tax expense for the Group in 2025 relating to changes in tax rates following the introduction of the CCRL (2%). There was no CCRL (2%) for the Company since it did not have a yearly turnover exceeding Rs 50 million.

** This includes income tax charged on foreign companies, which are subject to different tax rates. It also includes income tax charged following the introduction of FSC (5%).

(i) Income not subject to tax includes annual allowances, balancing allowance, foreign exchange gain on bank balance and lease rental payments.

(ii) Expenses not deductible for tax purposes include interest on leases, bad debts written off and provision for impairment losses.

17. SHARE CAPITAL

THE GROUP AND THE COMPANY	**2026** **Number of shares**	2025 Number of shares	**2026** **Amount Rs'000**	2025 Amount Rs'000
Authorised, issued and fully paid - No Par Value Shares				
As at June 30, 2025 and June 30, 2026	**93,515,565**	93,515,565	**1,019,294**	1,019,294

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

18. OTHER RESERVES

(a) THE GROUP

		Attributable to the equity holders of the parent			
		Revaluation surplus	Translation reserves	Actuarial gains	Total
		Rs'000	Rs'000	Rs'000	Rs'000
(i)	2026				
	At July 1, 2025	**321,531**	**(103,120)**	**8,986**	**227,397**
	Other comprehensive income/(loss) for the year	**122,907**	**45,396**	**(8,160)**	**160,143**
	Transfer	**5,082**	**-**	**-**	**5,082**
	At June 30, 2026	**449,520**	**(57,724)**	**826**	**392,622**
(ii)	2025				
	At July 1, 2024	327,180	(88,810)	9,771	248,141
	Other comprehensive loss for the year	(5,649)	(14,383)	(785)	(20,817)
	Transfer	-	73	-	73
	At June 30, 2025	321,531	(103,120)	8,986	227,397

(b) THE COMPANY

		Investment fair value reserve	Amalgamation reserve	Total
		Rs'000	Rs'000	Rs'000
(i)	2026			
	At July 1, 2025	**2,347,486**	**(58,047)**	**2,289,439**
	Change in fair value of investment in subsidiaries (note 8(a))	**331,000**	**-**	**331,000**
	At June 30, 2026	**2,678,486**	**(58,047)**	**2,620,439**
(ii)	2025			
	At July 1, 2024	2,084,086	(58,047)	2,026,039
	Change in fair value of investment in subsidiaries (note 8(a))	263,400	-	263,400
	At June 30, 2025	2,347,486	(58,047)	2,289,439

Financial assets at FVOCI reserve

Gains/losses arising on other financial assets at fair value through other comprehensive income.

Revaluation surplus

The revaluation surplus arises on the revaluation of land and building.

Translation reserves

The translation reserve comprise all foreign currency differences arising from the translation of the financial statements of foreign operations.

Actuarial gains

The actuarial gains reserve represents the cumulative remeasurement of defined benefit obligation recognised.

Investment fair value reserve

Gains/losses arising on investment in subsidiaries at fair value through other comprehensive income.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

19. BORROWINGS

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Non-current				
Bank loans	**346,020**	295,054	**88,000**	110,000
Loan from related parties (note 33)	**-**	-	**23,413**	27,758
Other loans	**3,004**	2,971	**-**	-
	349,024	298,025	**111,413**	137,758
Current				
Bank overdrafts	**91,611**	41,012	**-**	-
Bank loans	**83,525**	98,669	**25,026**	25,595
Loan from related parties (note 33)	**-**	-	**65,345**	79,346
	175,136	139,681	**90,371**	104,941
Total borrowings	**524,160**	437,706	**201,784**	242,699

(a) The borrowings include secured liabilities (bank loans and borrowings with other financial institutions) amounting to Rs 521.8 million (2025: Rs 434.7 million) for the Group and Rs 113.7 million for the Company (2025: Rs 135.6 million). The bank borrowings are secured by fixed and floating charges on the assets of the Group including property, plant and equipment, investments and inventories (note 5, note 8 and note 12).

Other loans comprise mainly of loans from minority shareholders of subsidiaries. The loans are unsecured and interest free (2025: Nil).

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

THE GROUP	2 months or less	2-12 months	1-5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2026					
Total borrowings	**112,141**	**62,995**	**293,653**	**55,371**	**524,160**
At June 30, 2025					
Total borrowings	64,126	75,555	229,880	68,145	437,706

THE COMPANY	2 months or less	2-12 months	1-5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2026					
Total borrowings	**77,199**	**13,172**	**105,386**	**6,027**	**201,784**
At June 30, 2025					
Total borrowings	91,769	13,172	105,386	32,372	242,699

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

19. BORROWINGS (CONT'D)

(c) The maturity of borrowings is as follows:

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Non-current:				
1-2 years	**165,746**	131,815	**26,346**	26,346
2-5 years	**127,907**	98,065	**79,040**	79,040
More than five years	**55,371**	68,145	**6,027**	32,372
	349,024	298,025	**111,413**	137,758
Current:				
2 months or less	**112,141**	64,126	**77,199**	91,769
2-12 months	**62,995**	75,555	**13,172**	13,172
	175,136	139,681	**90,371**	104,941
Total borrowings	**524,160**	437,706	**201,784**	242,699

(d) Loan from related parties are unsecured, bear an interest of 4.75%-6.90% (2025: 4.25%-4.65%) p.a and have maturity dates varying from 2026-2035.

(e) The effective interest rates at the end of reporting period were as follows:

	2026	2025
	%	%
Bank loans - MUR	**5.90-6.90**	1.50-6.65
Bank loans - Kenya Shilling	**10.75-11.46**	15.02-17.46
Bank loans - Indian rupee	**12.08**	12.08
Loans from related companies	**4.75-6.90**	4.25-4.65
Bank overdrafts	**6.90-10.24**	6.90-15.30

(f) The carrying amounts of the Group's and the Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Rupee	**406,782**	372,396	**201,784**	242,699
Kenya Shilling	**93,331**	38,743	**-**	-
Indian Rupee	**24,047**	26,567	**-**	-
	524,160	437,706	**201,784**	242,699

(g) The carrying amounts of borrowings are not materially different from the fair value.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS

Amount recognised in the statements of financial position as non-current liabilities:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Defined pension benefits (note 20(a)(ii))	**36,949**	34,261
Other post retirement benefits (note 20(b)(i))	**35,290**	37,432
	72,239	71,693
Amount charged to profit or loss:		
Defined pension benefits (note 20(a)(iii))	**2,628**	2,495
Other post retirement benefits (note 20(b)(v))	**5,084**	4,731
	7,712	7,226

Amount charged to other comprehensive income:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Defined pension benefits (note 20(a)(vii))	**7,740**	(54)
Other post retirement benefits (note 20(b)(vi))	**52**	2,295
	7,792	2,241

(a) **Defined pension benefits**

(i) The Group contributes a defined contribution plan, the Rogers Pension Fund (RPF) which is governed by the employment laws of Mauritius, to which have been transferred the pension benefits of all employees who were members of a self-administered defined benefit superannuation fund (DBSF). These employees contributing regularly to the RPF, have been given the guarantee by their respective employers that their benefits at the age of sixty, under the RPF would not be less than the benefits provided under the ex DBSF. The potential liability under the above guarantee is funded by additional employers' contributions and has been included in the provision made for retirement benefit obligations. The provision also includes the pension liability relating to unfunded pensioners (former employees not covered under any pension plan), for whom the net present value of pension payable, as per the terms of their contractual agreements, is determined by a qualified actuary.

In addition to the above, three subsidiaries have defined benefit plans which are funded and where the plan assets are held by Swan Life Ltd.

The most recent actuarial valuations of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2026 by Swan Actuarial Services Ltd (Actuarial Valuer). The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) The amounts recognised in the statements of financial position are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Present value of defined benefit obligations	**51,831**	44,842
Fair value of plan assets	**(14,882)**	(10,581)
Liability in the statements of financial position	**36,949**	34,261

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) **Defined pension benefits (cont'd)**

(iii) The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**34,261**	34,899
Charged to profit or loss	**2,628**	2,495
Charged/(credited) to other comprehensive income	**7,740**	(54)
Employer contributions	**(7,680)**	(3,079)
At June 30,	**36,949**	34,261

(iv) The movement in the defined benefit obligations over the year is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**44,842**	43,810
Current service cost	**753**	761
Interest expense	**2,481**	2,225
Benefits paid	**(4,150)**	(2,058)
Liability experience loss	**4,657**	3,904
Liability loss/(gain) due to change in financial assumptions	**3,248**	(3,800)
At June 30,	**51,831**	44,842

(v) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**10,581**	8,911
Interest income	**678**	491
Scheme expenses	**(58)**	-
Cost of insuring risk benefits	**(14)**	-
Employer contributions	**5,617**	1,050
Benefits paid	**(2,087)**	(29)
Return on plan assets	**165**	158
At June 30,	**14,882**	10,581

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) **Defined pension benefits (cont'd)**

(vi) The amounts recognised in profit or loss are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Current service cost	**753**	761
Scheme expenses	**58**	-
Cost of insuring risk benefits	**14**	-
Net interest on net defined benefit liability	**1,803**	1,734
Total included in "employee benefit expense" (note 27)	**2,628**	2,495
Actual return on plan assets	**843**	649

(vii) The amounts recognised in other comprehensive income are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Return on plan assets above excluding interest income	**(165)**	(158)
Liability experience loss	**4,657**	3,904
Liability loss/(gain) due to change in financial assumptions	**3,248**	(3,800)
Total included in other comprehensive income	**7,740**	(54)

(viii) The allocation of plan assets at the end of the reporting period for each category, is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Equity - overseas quoted	**4,474**	2,509
Equity - local quoted	**4,625**	2,509
Debt - overseas unquoted	**1,477**	1,613
Debt - local quoted	**668**	-
Debt - local unquoted	**2,766**	1,523
Property - local	**82**	179
Cash and other	**790**	2,248
Total	**14,882**	10,581

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) **Defined pension benefits (cont'd)**

(ix) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

	THE GROUP	
	2026	2025
Discount rate	**4.30%-5.50%**	5.44%-6.26%
Future salary increases	**0%-3.5%**	0%-3.5%
Average retirement age (ARA)	**60 years**	60-65 years
Average life expectancy for:		
-Male at ARA (years)	**16.5-19.5**	16.5-19.5
-Female at ARA (years)	**17.3-24.2**	17.3-24.2

(x) Sensitivity analysis on defined benefit obligations at the end of the reporting date:

	THE GROUP			
	2026		2025	
	Increase	**Decrease**	Increase	Decrease
	Rs'000	**Rs'000**	Rs'000	Rs'000
Discount rate (1% movement)	**8,231**	**9,548**	**4,419**	**3,910**

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xi) The defined benefit pension plan exposes the Group to actuarial risks such as investment risk, interest risk, longevity risk and salary risks.

Investment risk

The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) **Defined pension benefits (cont'd)**

(xi) The defined benefit pension plan exposes the Group to actuarial risks such as investment risk, interest risk, longevity risk and salary risks. (cont'd)

Longevity risk

The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk

The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

(xii) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan. The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

(xiii) Expected contributions to post-employment benefit plans for the next financial year are Rs 4.0 million (2025: Rs 4.9 million) for the Group.

(xiv) The weighted average duration of the defined benefit obligation ranges between 1-8 years at the end of the reporting period.

(b) **Other post retirement benefits**

Other post retirement benefits comprise of gratuity on retirement payable under The Workers' Rights Act 2019.

(i) The amounts recognised in the statements of financial position are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Present value of other post retirement benefits	**40,374**	41,388
Fair value of plan assets	**(5,084)**	(3,956)
Liability in the statements of financial position	**35,290**	37,432

(ii) The reconciliation of the opening balances to the closing balances is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**37,432**	30,633
Acquisition through business combination (note 34(a))	**-**	5,199
Charged to profit or loss	**5,084**	4,731
Charged to other comprehensive income	**52**	2,295
Employer contributions	**(7,278)**	(5,426)
At June 30,	**35,290**	37,432

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) **Other post retirement benefits (cont'd)**

(iii) The movement in the defined benefit obligations over the year is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**41,388**	33,296
Acquisition through business combination (note 34(a))	**-**	5,199
Current service cost	**3,227**	3,508
Interest expense	**2,108**	1,865
Past service cost	**-**	(472)
Liability experience (gain)/loss	**(629)**	11,924
Liability experience gain due to change in demographic assumptions	**-**	(7,923)
Liability loss/(gain) due to change in financial assumptions	**395**	(1,876)
Benefits paid	**(6,115)**	(4,133)
At June 30,	**40,374**	41,388

(iv) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**3,956**	2,663
Interest income	**251**	170
Employer contributions	**6,330**	3,278
Benefits paid	**(5,167)**	(1,985)
Return on plan assets excluding interest income	**(286)**	(170)
At June 30,	**5,084**	3,956

(v) The amounts recognised in profit or loss are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Current service cost	**3,227**	3,508
Past service cost	**-**	(472)
Net Interest expense	**1,857**	1,695
Total included in "employee benefit expense" (note 27)	**5,084**	4,731

(vi) The amounts recognised in other comprehensive income are as follows:

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Return on plan assets excluding interest income	**286**	170
Liability experience (gain)/loss	**(629)**	11,924
Liability experience gain due to change in demographic assumptions	**-**	(7,923)
Liability loss/(gain) due to change in financial assumptions	**395**	(1,876)
Total included in other comprehensive income	**52**	2,295

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

20. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) **Other post retirement benefits (cont'd)**

(vii) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

	THE GROUP	
	2026	2025
Discount rate	**4.80%-5.90%**	5.3%-6.3%
Future salary increases (staff/workers)	**3.5%**	3.5%
Average retirement age (ARA)	**65 years**	65 years
Average life expectancy for:		
-Male at ARA (years)	**15.0-19.5**	15.9-19.5
-Female at ARA (years)	**17.6-24.2**	17.6-24.2

(viii) Sensitivity analysis on defined benefit obligations at the end of the reporting date:

	THE GROUP			
	2026		2025	
	Increase	**Decrease**	Increase	Decrease
	Rs'000	**Rs'000**	Rs'000	Rs'000
Discount rate (1% movement)	**2,028**	**2,039**	3,270	2,815

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on the retirement gratuity at the end of the reporting period.

The sensitivity above has been determined based on a method that extrapolates the impact on the retirement gratuity as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the retirement gratuity has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the retirement gratuity as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(ix) Other post-retirement benefits expose the Group to actuarial risks such as investment risk, interest risk, longevity risk and salary risks. The risks have been disclosed in note (a)(xi) above.

(x) The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries. Expected contributions to post-employment benefit plans for the next financial year are Rs 7.0 million (2025: Rs 6.4 million) for the Group.

(xi) The weighted average duration of the retirement gratuity ranges between 3-20 years at the end of the reporting period.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

21. PROVISIONS

The provision for vacation leave comprises mainly of amount payable under Section 47 of The Workers' Rights Act 2019.

Provision for vacation leaves	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**6,741**	8,522
Increase/(decrease) in provision during the year (note 27)	**1,380**	(1,781)
At June 30,	**8,121**	6,741

The principal assumptions used for the purpose of computing the provision were as follows:

	THE GROUP	
	2026	2025
Discount rate	**4.29%-5.20%**	5.23%-5.59%
Retention rate	**80%-100%**	80%-100%

An increase/decrease of 1% in principal assumptions would not have a material impact on the provision at the end of the reporting period.

22. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade payables	**465,263**	362,619	**-**	-
Accruals	**233,437**	214,993	**4,788**	5,312
Other payables	**207,395**	159,867	**-**	15
Amount payable on purchase of subsidiary (note 34(a)(iv))	**1,913**	1,992	**-**	-
Amounts due to related parties (note 33)	**2,229**	16,323	**1,520**	281
	910,237	755,794	**6,308**	5,608

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

(b) Amount due to related parties are unsecured, free of interest and repayable on demand.

(c) Accruals and other payables include provision for end of year bonus, performance bonus and professional fees.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

23. CONTRACT LIABILITIES

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
At July 1,	**29,320**	34,678
Amounts included in contract liabilities that was recognised as revenue during the year	**(29,320)**	(34,678)
Cash received in advance of performance and not recognised as revenue during the year	**47,360**	29,320
At June 30,	**47,360**	29,320

Contract liabilities include advances received for port services, packing, shipping and freight forwarding services for which performance obligations were not yet satisfied at end of the reporting period. The outstanding balances of these accounts increased as at June 2026 as more advances were received from customers.

24. DIVIDENDS

(a) The movement in the statements of financial position is as follows:

(i) 2026

	Equity holders	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000
Balance at July 1, 2025	**74,812**	**3,510**	**78,322**
Dividend declared during the year	**124,375**	**14,357**	**138,732**
Dividend paid	**(199,187)**	**(17,867)**	**(217,054)**
Balance at June 30, 2026	**-**	**-**	**-**

(ii) 2025

	Equity holders	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000
Balance at July 1, 2024	54,239	3,956	58,195
Dividend declared during the year	126,245	17,040	143,285
Dividend paid	(105,672)	(17,486)	(123,158)
Balance at June 30, 2025	74,812	3,510	78,322

(b) Amounts recognised as distributions to equity holders in the year:

	THE GROUP AND THE COMPANY	
	2026	2025
	Rs'000	Rs'000
Interim dividend for the year ended June 30, 2026 of Rs 0.60 per share (2025: Rs 0.55)	**56,109**	51,433
Final dividend for the year ended June 30, 2026 of Rs 0.73 (2025: Rs 0.80) per share	**68,266**	74,812
	124,375	126,245

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

25. REVENUE FROM CONTRACT WITH CUSTOMERS

(a) Disaggregation of revenue (note 32(c))

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Sale of services:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Cross-border logistics	**2,301,371**	2,571,730	**-**	-
Landside logistics	**1,454,758**	1,336,295	**-**	-
Packing & shipping	**239,170**	198,447	**-**	-
	3,995,299	4,106,472	**-**	-
Sale of goods:				
Containers	**21,121**	25,255	**-**	-
Revenue from contract with external customers	**4,016,420**	4,131,727	**-**	-

(b) Timing of revenue recognition

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
At a point in time	**3,999,325**	4,109,689	**-**	-
Over time	**17,095**	22,038	**-**	-
	4,016,420	4,131,727	**-**	-

26. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cost of services rendered	**1,939,105**	2,120,210	**-**	-
Raw materials and consumables used	**464,232**	392,728	**-**	-
Total direct costs	**2,403,337**	2,512,938	**-**	-
IT expenses	**9,440**	13,271	**-**	-
Telecommunication expenses	**10,012**	10,709	**-**	-
Advertising and promotion	**6,810**	6,652	**978**	1,828
Professional fees	**34,623**	44,924	**3,770**	4,055
Rental expense (note 6(d))	**6,570**	5,768	**-**	-
Rates, taxes and licences	**12,786**	11,875	**453**	566
Insurance	**17,798**	18,862	**-**	-
Office supplies	**9,903**	10,209	**-**	-
Overseas travelling - Business	**7,130**	10,768	**-**	-
Commissions payable	**3,367**	2,486	**-**	-
Irrecoverable VAT	**3,087**	3,516	**114**	141
Utilities	**5,856**	6,986	**-**	-
Repairs and maintenance	**5,487**	6,853	**-**	-
Subscriptions	**5,458**	5,399	**-**	-
Management fees	**38,436**	34,480	**-**	-
Miscellaneous expenses	**60,410**	55,802	**19**	140
Total direct costs and other expenses	**2,640,510**	2,761,498	**5,334**	6,730
Analysed as follows:				
Direct costs	**2,403,337**	2,512,938	**-**	-
Other expenses	**237,173**	248,560	**5,334**	6,730
Total direct costs and other expenses	**2,640,510**	2,761,498	**5,334**	6,730

27. EMPLOYEE BENEFIT EXPENSE

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Wages and salaries	**878,713**	859,223	**967**	1,095
Termination benefits	**817**	-	**-**	-
Pension costs - defined contribution plans	**30,108**	28,341	**-**	-
Pension costs - defined benefit plans (note 20(a)(vi))	**2,628**	2,495	**-**	-
Pension costs - other post retirement benefits (note 20(b)(v))	**5,084**	4,731	**-**	-
Increase/(decrease) in provision for Vacation leave (note 21)	**1,380**	(1,781)	**-**	-
	918,730	893,009	**967**	1,095

28. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Finance costs recognised using the effective interest method:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
- Bank overdraft	**(5,745)**	(6,064)	**-**	-
- Loan from subsidiary companies	**-**	-	**(4,653)**	(3,952)
- Bank loans repayable by instalments	**(31,312)**	(27,996)	**(7,804)**	(9,105)
	(37,057)	(34,060)	**(12,457)**	(13,057)
Other finance costs:				
Interest on leases (note 6(d))	**(21,712)**	(19,167)	**-**	-
	(58,769)	(53,227)	**(12,457)**	(13,057)

29. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
Profit before taxation is arrived at after:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Crediting:				
Profit on disposal of: property, plant and equipment	**9,201**	12,658	**-**	-
and charging:				
Expected credit losses (note 13(a))	**20**	7,716	**-**	-
Lease rentals (note 6(d))	**6,570**	5,768	**-**	-
Loss on disposal of intangible assets	**321**	779	**-**	-
Depreciation on:				
- property, plant and equipment (note 5(a))	**124,139**	104,808	**-**	-
- right-of-use assets (note 6(a))	**78,413**	77,499	**-**	-
Amortisation of intangible assets (note 7(a))	**7,438**	8,299	**-**	-
Employee benefit expense (note 27)	**918,730**	893,009	**967**	1,095

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

30. EARNINGS PER SHARE

	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Profit attributable to the equity holders of the parent	**187,458**	214,586
Weighted average number of shares in issue	**93,515,565**	93,515,565
Earnings per share	**2.00**	2.29

There are no dilutive instruments at June 30, 2026 (2025: none).

31. NOTES TO THE STATEMENTS OF CASH FLOWS

		THE GROUP		THE COMPANY	
		2026	2025	**2026**	2025
		Rs'000	Rs'000	**Rs'000**	Rs'000
(a)	**Cash generated from/(absorbed in) operations**				
	Profit before taxation	**281,497**	323,444	**146,436**	141,397
	Adjustments for:				
	Depreciation on property, plant and equipment (note 5(a))	**124,139**	104,808	**-**	-
	Profit on disposal of property, plant and equipment	**(9,201)**	(12,658)	**-**	-
	Depreciation on right-of-use assets (note 6(a))	**78,413**	77,499	**-**	-
	Gain on terminated leases	**(3,696)**	(331)	**-**	-
	Effect of modification to lease terms	**(206)**	-	**-**	-
	Amortisation of intangible assets (note 7)	**7,438**	8,299	**-**	-
	Impairment of goodwill (note 7)	**3,314**	-		
	Loss on disposal of intangible assets	**321**	779	**-**	-
	Retirement benefit obligations	**(7,246)**	(1,279)	**-**	-
	Provision for vacation leave (note 21)	**1,380**	(1,781)	**-**	-
	Dividend income	**-**	-	**(152,449)**	(148,660)
	Expected credit losses (note 13(a))	**20**	7,716	**-**	-
	Effect of foreign exchange rate changes	**37,614**	(12,087)	**(790)**	(439)
	Interest income using the effective interest method	**(2,494)**	(4,394)	**(11,955)**	(12,265)
	Interest expense using the effective interest method (note 28)	**37,057**	34,060	**12,457**	13,057
	Interest on leases (note 6(d) and note 28)	**21,712**	19,167	**-**	-
		570,062	543,242	**(6,301)**	(6,910)
	Changes in working capital:				
	- decrease/(increase) in inventories	**5,987**	(25,426)	**-**	-
	- decrease/(increase) in trade receivables	**7,734**	(107,426)	**-**	-
	- (increase)/decrease in contract assets	**(15,472)**	4,567	**-**	-
	- (increase)/decrease in loans and other receivables	**(36,159)**	36,727	**-**	-
	- (increase)/decrease in prepayments	**(26,854)**	(8,418)	**(40)**	220
	- increase/(decrease) in trade and other payable	**154,522**	(2,653)	**700**	(2,899)
	- increase/(decrease) in contract liabilities	**18,040**	(5,358)	**-**	-
	Cash generated from/(absorbed in) operations	**677,860**	435,255	**(5,641)**	(9,589)

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

31. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(b) **Cash and cash equivalents**

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cash in hand and at bank	**425,245**	357,774	**17,166**	4,903

Cash and cash equivalents include the following for the purpose of the statements of cash flows.

	THE GROUP		THE COMPANY	
	2026	2025	**2026**	2025
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cash in hand and at bank	**425,245**	357,774	**17,166**	4,903
Bank overdrafts	**(91,611)**	(41,012)	**-**	-
	333,634	316,762	**17,166**	4,903

(c) **Reconciliation of liabilities arising from financing activities:**

	THE GROUP	**Bank and other loans**	**Lease liabilities**	**Total**
		Rs'000	**Rs'000**	**Rs'000**
(i)	2026			
	At July 1, 2025	**396,694**	**321,713**	**718,407**
	Cash flows - Proceeds	**158,871**	**-**	**158,871**
	Cash flows - Capital payments	**(124,422)**	**(66,548)**	**(190,970)**
	Cash flows - Interest payments	**(32,015)**	**(21,712)**	**(53,727)**
	Non-cash changes:			
	- additions (note 6(b)(i))	**-**	**64,628**	**64,628**
	- interest accrued (note 6(b)(i))	**31,312**	**21,712**	**53,024**
	- foreign exchange movements	**2,109**	**5,825**	**7,934**
	- terminated leases (note 6(b)(i))	**-**	**(40,618)**	**(40,618)**
	- effect of modification to lease terms (note 6(b)(i))	**-**	**47,301**	**47,301**
	At June 30, 2026	**432,549**	**332,301**	**764,850**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

31. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(c) **Reconciliation of liabilities arising from financing activities: (cont'd)**

	Bank and other loans	Lease liabilities	Total
	Rs'000	Rs'000	Rs'000
(ii) 2025			
At July 1, 2024	338,118	348,028	686,146
Cash flows - Proceeds	111,875	-	111,875
Cash flows - Capital payments	(87,058)	(70,669)	(157,727)
Cash flows - Interest payments	(28,879)	(19,167)	(48,046)
Non-cash changes:			
Acquisition through business combination (note 34(a))	36,223	2,475	38,698
- additions (note 6(b)(ii))	-	61,944	61,944
- interest accrued (note 6(b)(ii))	27,996	19,167	47,163
- foreign exchange movements	(1,581)	(2,106)	(3,687)
- terminated leases (note 6(b)(ii))	-	(19,685)	(19,685)
- effect of modification to lease terms (note 6(b)(ii))	-	1,726	1,726
At June 30, 2025	396,694	321,713	718,407

THE COMPANY	Bank and other loans	Loan from related parties	Total
	Rs'000	Rs'000	Rs'000
(iii) 2026			
At July 1, 2025	**135,595**	**107,104**	**242,699**
Cash flows - Proceeds	**-**	**5,000**	**5,000**
Cash flows - Capital payments	**(22,000)**	**(23,346)**	**(45,346)**
Cash flows - Interest payments	**(8,373)**	**-**	**(8,373)**
Non-cash changes:			
- interest accrued	**7,804**	**-**	**7,804**
At June 30, 2026	**113,026**	**88,758**	**201,784**

	Bank and other loans	Loan from related parties	Total
	Rs'000	Rs'000	Rs'000
(iv) 2025			
At July 1, 2024	158,300	86,450	244,750
Cash flows - Proceeds	-	32,000	32,000
Cash flows - Capital payments	(22,000)	(11,346)	(33,346)
Cash flows - Interest payments	(9,810)	-	(9,810)
Non-cash changes:			
- interest accrued	9,105	-	9,105
At June 30, 2025	135,595	107,104	242,699

(d) At June 30, 2026, the Group had Rs 169.5 million (2025: Rs 216.2 million) of undrawn committed borrowing facilities.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

32. BUSINESS SEGMENTS

Operating segments are components of the Group about which separate financial information is available. They are reported in a manner consistent with the internal reporting provided to the Chief Executive Officers, for both performance measuring and resource allocation.

Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included as management determined these segments are based on major product lines.

There are three main reportable segments:

- Cross-border logistics (previously disclosed as Freight forwarding) - freight forwarding services, custom brokerage and courier services;
- Landside logistics (previously disclosed Port services) - port related, transport services and warehousing; and
- Packing & shipping - packing of special sugars and shipping services.

Packing & shipping has been aggregated as they are considered by management to be immaterial individually and does not involve any judgement.

The Group evaluates performance on the basis of profit or loss and account for inter-segment sales and transfers as if the sales or transfer were to third parties, that is, at current market prices.

(a) 2026	Cross-border logistics	Landside logistics	Packing & shipping	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Total segment revenues	**2,435,243**	**1,889,854**	**255,393**	**4,580,490**
Inter-segment revenues	**(133,872)**	**(413,975)**	**(16,223)**	**(564,070)**
Revenues from contract with customers	**2,301,371**	**1,475,879**	**239,170**	**4,016,420**
Depreciation and amortisation	**(77,667)**	**(120,708)**	**(11,615)**	**(209,990)**
Finance costs using the effective interest method	**(19,125)**	**(17,932)**	**-**	**(37,057)**
Finance costs - leases	**(6,461)**	**(14,159)**	**(1,092)**	**(21,712)**
Taxation	**(50,116)**	**(17,413)**	**(9,128)**	**(76,657)**
Profit for the year	**104,253**	**49,569**	**51,018**	**204,840**
Assets	**1,996,366**	**2,119,326**	**189,477**	**4,305,169**
Liabilities	**1,201,519**	**713,515**	**138,375**	**2,053,409**
Capital expenditure:				
-property, plant and equipment	**18,260**	**292,224**	**17,392**	**327,876**
-intangible assets	**11,765**	**3,016**	**-**	**14,781**
Depreciation of:				
-property, plant and equipment	**42,890**	**78,333**	**2,916**	**124,139**
-right-of-use assets	**31,354**	**38,395**	**8,664**	**78,413**
Amortisation of intangible assets	**3,423**	**3,980**	**35**	**7,438**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

32. BUSINESS SEGMENTS (CONT'D)

	Cross-border logistics	Landside logistics	Packing & shipping	Total
	Rs'000	Rs'000	Rs'000	Rs'000
(b) 2025				
Total segment revenues	**2,669,547**	**1,844,064**	**217,759**	**4,731,370**
Inter-segment revenues	**(97,817)**	**(482,514)**	**(19,312)**	**(599,643)**
Revenues from contract with customers	**2,571,730**	**1,361,550**	**198,447**	**4,131,727**
Depreciation and amortisation	**(59,350)**	**(120,038)**	**(11,218)**	**(190,606)**
Finance costs using the effective interest method	**(19,950)**	**(14,110)**	**-**	**(34,060)**
Finance costs - leases	**(3,873)**	**(13,740)**	**(1,554)**	**(19,167)**
Taxation	**(49,782)**	**(33,283)**	**(7,549)**	**(90,614)**
Profit for the year	**111,860**	**73,728**	**47,242**	**232,830**
				-
Assets	**1,883,300**	**1,791,674**	**171,887**	**3,846,861**
Liabilities	**1,107,289**	**584,249**	**134,924**	**1,826,462**
Capital expenditure:				
-property, plant and equipment	**20,894**	**104,643**	**5,426**	**130,963**
-intangible assets	**2,024**	**3,910**	**-**	**5,934**
Depreciation of:				
-property, plant and equipment	**22,958**	**79,364**	**2,486**	**104,808**
-right-of-use assets	**31,340**	**37,462**	**8,697**	**77,499**
Amortisation of intangible assets	**5,052**	**3,212**	**35**	**8,299**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

32. BUSINESS SEGMENTS (CONT'D)

(c) **Geographical information**

	Revenue		Profit after tax*	
	2026	2025	**2026**	2025
Mauritius	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Cross-border logistics	**1,178,647**	1,316,481	**54,714**	35,446
Landside logistics	**725,794**	723,311	**32,769**	37,263
Packing & shipping	**239,170**	198,447	**48,734**	38,333
	2,143,611	2,238,239	**136,217**	111,042
Overseas				
Cross-border logistics	**1,122,724**	1,255,249	**49,539**	76,414
Landside logistics	**750,085**	638,239	**16,800**	36,465
Packing & shipping	**-**	-	**2,284**	8,909
	1,872,809	1,893,488	**68,623**	121,788
Total				
Cross-border logistics	**2,301,371**	2,571,730	**104,253**	111,860
Landside logistics	**1,475,879**	1,361,550	**49,569**	73,728
Packing & shipping	**239,170**	198,447	**51,018**	47,242
	4,016,420	4,131,727	**204,840**	232,830

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

33. RELATED PARTY TRANSACTIONS

(a) THE GROUP	Sale of goods or services	Purchases of goods or services	Management fees	Amount owed by related parties (note 10)	Amount owed to related parties (note 22)
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026 Trading transactions					
Holding company	**-**	**-**	**38,436**	**-**	**-**
Fellow subsidiaries	**146,208**	**8,672**	**-**	**50,329**	**2,229**
	146,208	**8,672**	**38,436**	**50,329**	**2,229**
(ii) 2025 Trading transactions					
Holding company	-	-	34,480	2,268	-
Fellow subsidiaries	115,880	4,351	-	11,945	16,323
	115,880	4,351	34,480	14,213	16,323

(b) THE COMPANY	Interest income	Dividend income	Finance costs (note 28)	Amount owed by related parties (note 10)	Amount owed to related parties (note 22)	Loan payable (note 19)
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2026 Trading transactions						
Subsidiary companies	**11,955**	**152,449**	**4,653**	**186,865**	**1,520**	**88,758**
	11,955	**152,449**	**4,653**	**186,865**	**1,520**	**88,758**
(ii) 2025 Trading transactions						
Subsidiary companies	12,265	148,660	3,952	207,585	281	107,104
	12,265	148,660	3,952	207,585	281	107,104

(c) During the year, amalgamations were completed between entities under common control. The transactions did not result in a change in ultimate control. There were no material outstanding balances or commitments arising from the transactions at the reporting date.

(d) **Key management personnel compensation**	THE GROUP	
	2026	2025
	Rs'000	Rs'000
Salaries and short term employee benefits	**175,541**	164,103
Post-employment benefits	**24,686**	22,057
	200,227	186,160

(e) For the year ended June 30, 2026, the Company has not recorded any impairment of receivable relating to amounts owed by related parties (2025: Nil). Further information has been disclosed in note 19(d) for loan payable to related parties.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

34. BUSINESS COMBINATION

(a) Acquisition of subsidiaries - 2025

MC Easy Freight Co. Ltd

On July 15, 2024, a fellow subsidiary, Velogic Ltd, acquired 100% shareholding of MC Easy Freight Co. Ltd, a freight forwarding company incorporated in Mauritius, for Rs 80m and obtained control of MC Easy Freight Co. Ltd. Velogic Holding Company Limited holds 100% in Velogic Ltd, thus effectively holding 100% in MC Easy Freight Co. Ltd. Velogic Ltd acquired MC Easy Freight Co. Ltd as part of a strategic push to consolidate and strengthen its logistics footprint in the Indian Ocean region especially Mauritius as well as across Africa. The acquisition resulted in the recognition of goodwill amounting to Rs 68.2 million, representing the excess of the purchase consideration over the fair value of the net identifiable assets acquired. This goodwill reflects expected synergies, future growth potential, and the benefits of integrating MC Easy Freight Co. Ltd operations into the Group's broader logistics operations.

Tansafrica Trade Chain Limited

On July 1, 2024, a fellow subsidiary, General Cargo Services Ltd, acquired 90% of Tansafrica Trade Chain Limited, a freight forwarding company incorporated in Tanzania. The transaction was accounted for as a business combination in accordance with IFRS 3 "Business Combinations".

(i) THE GROUP **Consideration**	MC Easy Freight Co. Ltd	Tansafrica Trade Chain Limited	Total
	Rs'000	Rs'000	Rs'000
Consideration - Cash	80,000	2,915	82,915
Consideration - payable	-	412	412
	80,000	3,327	83,327
(ii) **Recognised fair values of identifiable assets acquired and liabilities assumed**			
Property, plant and equipment (note 5)	41,103	-	41,103
Right-of-use assets (note 6(a))	2,234	-	2,234
Intangible assets (note 7)	1,567	-	1,567
Trade receivables*	61,468	-	61,468
Other receivables*	9,304	-	9,304
Current tax assets (note 16)	-	13	13
Cash and cash equivalents	12,778	-	12,778
Borrowings	(36,223)	-	(36,223)
Bank overdrafts	(5,889)	-	(5,889)
Lease liabilities (note 6 (b))	(2,475)	-	(2,475)
Retirement benefit obligations (note 20)	(5,199)	-	(5,199)
Deferred tax liabilities (note 11)	(1,165)	-	(1,165)
Trade and other payables	(61,695)	-	(61,695)
Current tax liabilities (note 16)	(672)	-	(672)
Total identifiable net assets	15,136	13	15,149
Goodwill	64,864	3,314	68,178

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

34. BUSINESS COMBINATION (CONT'D)

(a) ***Acquisition of subsidiaries - 2025 (cont'd)***

Receivables acquired*	Fair value	Gross contractual amount	Estimated uncollectible
	Rs'000	Rs'000	Rs'000
Trade receivables	61,468	65,499	(4,031)
Non-trade receivables	4,687	4,687	-
Current account receivable	2,250	2,250	-
Disbursement	1,235	1,235	-
Others	1,132	1,132	-
	9,304	9,304	-
Total	**70,772**	**74,803**	**(4,031)**

(iii) Net cash outflow on acquisition of subsidiaries

Net cash outflow on acquisition of the two above subsidiaries	MC Easy Freight Co. Ltd	Tansafrica Trade Chain Limited	Total
	Rs'000	Rs'000	Rs'000
Consideration paid in cash	80,000	2,915	82,915
Less: Cash and cash equivalent balances acquired	(12,778)	-	(12,778)
Add: Bank overdrafts	5,889	-	5,889
	73,111	2,915	76,026

Net cash outflow on acquisition of all the subsidiaries:	Rongai Workshops & Transport Limited	MC Easy Freight Co. Ltd	Tansafrica Trade Chain Limited	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Year 2026	**-**	**-**	**224**	**224**
Year 2025	18,064	73,111	2,915	94,090

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

34. BUSINESS COMBINATION (CONT'D)

(a) ***Acquisition of subsidiaries - 2025 (cont'd)***

(iv) **Consideration - payable**

	THE GROUP	
	2026	2025
MC Easy Freight Co. Ltd & Tansafrica Trade Chain Limited	**Rs'000**	Rs'000
At July 1,	**412**	-
Total consideration (note 34(a)(i))	**-**	83,327
Paid during the year	**(224)**	(82,915)
Exchange differences	**30**	-
At June 30,	**218**	412

	THE GROUP	
	2026	2025
Rongai Workshops & Transport Limited	**Rs'000**	Rs'000
At July 1,	**1,580**	20,314
Paid during the year	**-**	(18,064)
Exchange differences	**115**	(670)
At June 30,	**1,695**	1,580
Amounts due to related parties (note 22)	**1,913**	1,992

(v) Impact on profit or loss

From their respective acquisition dates to June 30, 2025, the two subsidiaries contributed:	2025
	Rs'000
- Revenue from contract with customers	433,589
- Profit for the year	7,236

If both acquisitions had occurred on July 1, 2024, the Group's total results for the year would have been:

	2025
	Rs'000
- Group revenue from contract with customers	4,153,638
- Group profit for the year	233,246

These figures are presented to show the impact of the acquisitions on the Group's financial performance during the reporting period.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2026

35. CONTINGENT LIABILITIES

The Group has contingent liabilities amounting to Rs 12.4 million (2025: Rs 12.9 million) in respect of claims made by some ex-employees. The Group is being sued by these ex-employees mainly for compensation for unfair dismissal. The outcome of these legal cases are still uncertain. The directors strongly believe that these claims made by these ex-employees are not justified and consequently, no provision has been made in the financial statements.

36. COMMITMENTS

(a) At June 30, 2026, the Group had commitments in respect of bank, share pledges and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities would arise. The Group has given guarantees in the ordinary course of business, amounting to Rs 407.7 million (2025: Rs 414.2 million) to third parties.

(b) Capital expenditure for property, plant and equipment contracted for at the end of the reporting period but not yet incurred for the Group was Rs 31.4 million (2025: Rs 2.1 million). The Company did not have any commitment at end of the reporting period (2025: Nil).

37. GOING CONCERN

For the year ended June 30, 2026, the Group and the Company reported profits of Rs 204.8 million and Rs 146.4 million, respectively (June 30, 2025: Rs 232.8 million and Rs 141.4 million). As of that date, their net assets stood at Rs 2.3 billion and Rs 3.7 billion, respectively (June 30, 2025: Rs 2.0 billion and Rs 3.4 billion).

As of June 30, 2026, the Company's current assets exceed its current liabilities by Rs 11.3 million (2025: current liabilities exceed its current assets by Rs 8.4 million). Notably, this includes an amount due to related parties of Rs 66.3 million (Rs 79.6 million in 2025), which is not expected to be recalled within the next financial year.

Moreover, the Group's current assets continue to exceed its current liabilities as of June 30, 2026. The Company primarily derives revenue from sustainable dividend income supported by the profitability of its subsidiaries. Additionally, the Company's expenses are not significant and it possesses resources to settle both current and future debts.

Based on a thorough evaluation, the directors confirm that, considering available information about the future (at least twelve months from the approval date of these financial statements), they have not identified events or conditions that significantly cast doubt on the Company's ability to continue as a going concern.

Cash flow and liquidity

The Group's debt-to-equity ratio was 19% at June 30, 2026 compared to 20% at June 30, 2025. The Group manages its cash flow and liquidity management through the following measures:

- Regular committee meetings ensure that the working capital is well managed, especially debtors' collection and creditors' payment due dates;
- The team of debt collectors monitor all the outstanding debts closely;
- Credit insurance is taken to protect from the non-recoverability of debtors; and
- The Group has well established procedures to grant credit facilities as well as a robust KYC and vetting process.

The above measures taken will reduce liquidity issues and increase resilience. They will help the Group invest in businesses for long term growth.

In addition, the Company operates a group treasury function which helps in managing its cost of debt by utilising the excess cash deposited by its subsidiaries on an at call basis.

38. EVENTS AFTER REPORTING DATE

There were no other material events after the reporting date to the date that these financial statements were authorised for issue that warrants adjustments or disclosures in these financial statements.

Pushing forward across the region

Our presence extends across key markets, connecting the Indian Ocean region to a wider global network. From Réunion and Madagascar to India and Kenya, we operate close to where our clients need us most. This regional footprint allows us to combine local expertise with international reach, ensuring seamless coordination, faster response times, and consistent service across borders. Wherever you operate, we are positioned to keep your operations moving forward.

Supplementary Information

GRI Content Index

Statement of use

For the FY26 Integrated Report, Velogic Holding Company Limited has used the GRI (Global Reporting Initiative) Standards as guidance, selectively adopting the disclosures considered most relevant to the Group's activities and reporting context for the period July 2025 to June 2026.

Each business unit reviewed the economic, social and environmental impacts of its activities from a sustainability standpoint (short and long-term), drawing on relevant GRI disclosures to guide what is reported.

GRI Standard	Disclosure	IR Section	Pages
GRI 2: General Disclosures 2021			
	2-1 Organizational details	About Velogic	pp.10–11
	2-2 Entities included in the organization's sustainability reporting	Shareholding Structure	pp.12–13
	2-3 Reporting period, frequency and contact point	Overview – About this report	pp.2–3
	2-4 Restatements of information	Sustainability & Inclusiveness Report	pp.56-61
	2-5 External assurance	Financial Performance Independent Auditor's Report	pp.123–126
	2-6 Activities, value chain and other business relationships	Our Vision; Shareholding Structure; Our Activities; In conversation with our Chairman; CEO's Message; CFIO's Report	pp.12–13, 18–19, 26–41
	2-7 Employees	Investing in Our People	pp.62–65
	2-8 Workers who are not employees	Investing in Our People	pp.62–65
	2-9 Governance structure and composition	Corporate Governance	pp.71–73, 88, 90–91
	2-10 Nomination and selection of the highest governance body	Corporate Governance	pp.93–94
	2-11 Chair of the highest governance body	Corporate Governance	p.82, pp.88, 90–91
	2-12 Role of the highest governance body in overseeing the management of impacts	Risk Management	pp.106–107
	2-13 Delegation of responsibility for managing impacts	Risk Management	pp.108–109
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance	pp.96–97
	2-15 Conflicts of interest	Corporate Governance	pp.94–95
	2-16 Communication of critical concerns	Corporate Governance	pp.70–71
	2-17 Collective knowledge of the highest governance body	Board of Directors' Profile	pp.82–87
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	pp.96–97
	2-19 Remuneration policies	Corporate Governance	pp.93–94
	2-20 Process to determine remuneration	Corporate Governance	pp.93–94
	2-22 Statement on sustainable development strategy	In conversation with our Chairman; CEO's Message	pp.28–33
	2-23 Policy commitments	Corporate Governance, Risk Management	pp.70–71, 105–106
	2-24 Embedding policy commitments	Risk Management	pp.105–106
	2-25 Processes to remediate negative impacts	CEO's Message, CFIO's Report, Value Creation Model, Financial Performance	pp.30–41, 46–49
	2-26 Mechanisms for seeking advice and raising concerns	Available on website www.velogic.net (Code of Ethics)	—
	2-28 Membership associations	About Velogic	pp.10–11
	2-29 Approach to stakeholder engagement	Engaging Our Stakeholders	pp.50–55
GRI 201: Economic Performance 2016			
	201-1 Direct economic value generated and distributed	CEO's Message, CFIO's Report	pp.30–41
	201-3 Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements (Note 20)	pp.195–201
	201-4 Financial assistance received from government	No assistance	—
GRI 302: Energy 2016			
	302-4 Reduction of energy consumption	Sustainability & Inclusiveness Report	pp.58–59
	302-5 Reductions in energy requirements of products and services	Sustainability & Inclusiveness Report	pp.58–59
GRI 305: Emissions 2016			
	305-5 Reduction of GHG emissions	Sustainability & Inclusiveness Report	pp.58–59
GRI 306: Waste 2020			
	306-1 Waste generation and significant waste-related impacts	Sustainability & Inclusiveness Report	pp.58–59
	306-2 Management of significant waste-related impacts	Sustainability & Inclusiveness Report	pp.58–59
	306-3 Waste generated	Sustainability & Inclusiveness Report	pp.58–59
	306-4 Waste diverted from disposal	Sustainability & Inclusiveness Report	pp.58–59
	306-5 Waste directed to disposal	Sustainability & Inclusiveness Report	pp.58–59
GRI 401: Employment 2016			
	401-1 New employee hires and employee turnover	Investing in Our People	pp.62–65
GRI 403: Occupational Health and Safety 2018			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Engaging Our Stakeholders, Investing in Our People	pp.50–51, 65
	403-5 Worker training on occupational health and safety	Investing in Our People	p.65
	403-6 Promotion of worker health	Sustainability & Inclusiveness Report, Investing in Our People	pp.60–61, 65
	403-8 Workers covered by an occupational health and safety management system	Engaging Our Stakeholders, Sustainability & Inclusiveness Report	pp.50–51, 60–61
GRI 404: Training and Education 2016			
	404-1 Average hours of training per year per employee	Sustainability & Inclusiveness Report, Investing in Our People	p.58, pp.62–65
	404-2 Programs for upgrading employee skills and transition assistance programs	Investing in Our People	pp.62–65
GRI 405: Diversity and Equal Opportunity 2016			
	405-1 Diversity of governance bodies and employees	Investing in Our People; Corporate Governance	pp.64–65, 88
	405-2 Ratio of basic salary and remuneration of women to men	No difference	—
GRI 406: Non-discrimination 2016			
	406-1 Incidents of discrimination and corrective actions taken	No incident	—
GRI 408: Child Labor 2016			
	408-1 Operations and suppliers at significant risk for incidents of child labor	No child labour	—
GRI 413: Local Communities 2016			
	413-1 Operations with local community engagement, impact assessments, and development programs	Engaging Our Stakeholders	pp.54–55
	413-2 Operations with significant actual and potential negative impacts on local communities	Risk Management	pp.114–115
GRI 415: Public Policy 2016			
	415-1 Political contributions	No contribution	—
GRI 417: Marketing and Labeling 2016			
	417-1 Requirements for product and service information and labeling	Available on website www.velogic.net	—
	417-2 Incidents of non-compliance concerning product and service information and labeling	No incident	—
	417-3 Incidents of non-compliance concerning marketing communications	*No incident*	—
GRI 418: Customer Privacy 2016			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	*No complaint*	—

S&I Data Scope, Methodology, Assumptions and Limitations

The information presented in this report has been compiled from data provided by the relevant Business Units and responsible persons for the reporting period 1 July 2025 to 30 June 2026 (FY2025/2026). Where complete data was not available within the reporting timeline, agreed assumptions, estimates or provisions were applied. The following table summarises the scope, methodology, assumptions and key limitations applicable to the reported data.

Definitions / Reporting Status

Applies to indicators and entities where data status varies. Reporting status was recorded according to the applicability and availability of information.

N.A. (Not Applicable): the indicator does not apply to the Business Unit.
N.E. (Not Estimated): the activity may exist, but emissions were not estimated. Not Calculated: the activity/emissions may exist but were not calculated for this reporting exercise.
Not Submitted: requested information was not received within the reporting timeline.

Indicator	Scope	Methodology	Assumptions & Limitations
Carbon Accounting Scope 1	Direct emissions from sources under the relevant operational control, including applicable fuel consumption and refrigerant emissions.	Calculated using activity data collected from the relevant Business Units and the Tennaxia carbon accounting platform.	Coverage depends on the completeness and accuracy of data submitted by Business Units.
Carbon Accounting Scope 2	Indirect emissions associated with purchased electricity for applicable reporting sites.	Electricity consumption data was collected from the relevant sites and assessed through Tennaxia.	Where utility data was unavailable within the reporting timeline, agreed estimates/provisions were used where applicable.
Carbon Accounting Scope 3	Applicable indirect emissions across Business Travel, Freight, Employee Commuting, Waste, Expenditure and relevant asset categories.	Activity-based and expenditure-based data was collected from Business Units and processed through Tennaxia.	Scope 3 coverage is dependent on the availability and quality of data from Business Units and external service providers. Certain categories may be N.A., N.E. or Not Calculated where applicable.
Reporting Boundary	Velogic Mauritius reporting entities/ sites included in the FY2025/2026 data collection exercise. INOVA was added to the reporting scope this year.	Data was collected from designated Business Units and responsible persons and consolidated for reporting purposes.	The reporting boundary may differ from other ER Group reporting exercises. Velogic Kenya was not consolidated within the Mauritius reporting boundary.
Business Travel – Air	Applicable employee business air travel during FY2025/2026.	Flight information was compiled from the relevant Business Units. Distances were calculated using the shortest direct/great-circle airport-to-airport distance. Where the exact routing was unavailable, the most common commercial route was used.	Calculations depend on the completeness of travel records and available routing information.
Freight Air, Sea and Land	Upstream and downstream freight movements by air, sea and land.	Emissions were calculated using shipment data received from relevant Business Units and freight providers. Records were reviewed and grouped to minimise duplicate movements. Actual routing was used where available.	FY2025/2026 includes expanded freight data coverage, including the addition of INOVA as a reporting site and the inclusion of UPS shipment and applicable inland freight emissions. Freight routing was affected by regional geopolitical disruptions and associated airspace restrictions from the end of February 2026 onwards, resulting in changes to certain routes and alternative routing arrangements. These routing changes occurred within FY2025/2026 and were reflected in the calculations where applicable. Where complete routing information was unavailable, the most representative available route was used.
Refrigerant Gases	Refrigerant gases used/replenished at applicable reporting sites.	Refrigerant emissions were estimated using an annual leakage rate of 4% applied to the relevant refrigerant charge.	The methodology is applied consistently across reporting entities. Actual leakage may differ from the assumed annual rate.
Assets – IT Equipment	New IT equipment acquired during FY2025/2026.	Data was collected based on new IT assets reported by the relevant Business Units.	Historical IT assets were not necessarily captured where only new acquisitions were reported.
Assets – Vehicles	New vehicles acquired during FY2025/2026.	Data was based on vehicles reported as newly purchased/acquired during the reporting period.	Where no new vehicles were reported, the corresponding activity was recorded as zero. This does not represent the complete historical vehicle fleet.
Assets – Surface Area	New office, warehouse, commercial building and parking areas acquired or constructed during FY2025/2026.	Information was collected from the relevant Business Units.	No new applicable surface area was reported for the reporting period.
Employee Commuting	Employee commuting by applicable means of transportation.	Data was collected from Business Units/HR and processed through Tennaxia.	Data availability varied between Business Units.
Waste	Waste generated and/or diverted from disposal by reporting Business Units.	Quantities were collected from Business Units and classified according to the relevant Tennaxia waste categories.	General waste was not quantified consistently across all Business Units and is therefore not quantified in this report. Reported quantities primarily relate to waste recycled, reused or otherwise diverted where data was available. Consequently, a total recycling rate could not be reliably calculated.
Tenant Waste	Waste generated by tenants operating within Velogic premises.	Not included in the reported Velogic waste figures.	Tenant waste was excluded from the reported Velogic waste data as it falls outside the defined reporting boundary and reliable, consistent tenant data was not available.
Expenditure	Applicable expenditure categories used for expenditure-based Scope 3 calculations.	Expenditure data was collected using the relevant questionnaires and latest available Management Accounts.	Figures used for the exercise do not necessarily represent final audited financial statements. Certain expenditure categories may overlap with activity-based emissions and could result in potential double accounting where the same activity is captured through another Scope 3 category.
Electricity & Water	Monthly electricity and water consumption for applicable reporting sites.	Monthly consumption and cost data was collected from the relevant Business Units.	Where invoices or monthly data were unavailable within the reporting timeline, provisions based on average monthly consumption/cost were applied using the agreed methodology.
Biomass / Fuel Consumption	Applicable monthly fuel or biomass consumption.	Consumption data was collected from the relevant Business Units and incorporated into the carbon accounting exercise.	Missing monthly data was provisioned using the agreed methodology. For FY2025/2026, applicable UPS inland freight emissions were also incorporated into the relevant data submission for Velogic Ltd.
Photovoltaic (PV) Generation	Electricity generated by the applicable PV installation at FOM Mer Rouge.	Monthly PV generation was compared with electricity consumption to determine electricity coverage.	Electricity generated in excess of site consumption was treated as excess generation and not as additional site consumption.
Biodiversity	Biodiversity-related initiatives undertaken during FY2025/2026.	Information was collected from designated responsible persons and Sustainability & Inclusiveness Champions.	Reporting is dependent on information provided by responsible persons and available supporting records.
Sustainability Initiatives	Relevant Sustainability & Inclusiveness initiatives implemented during FY2025/2026.	Information was collected from designated responsible persons and Sustainability & Inclusiveness Champions.	Initiatives reported are based on information available at the time of report preparation.
Customer Travel	Customer travel by air and land, where applicable.	Data was assessed based on the reporting scope and information available from the relevant Business Units.	Not applicable (N.A.) for Velogic Ltd where no relevant activity was identified within the reporting scope.

Data Quality & Validation

All sustainability and carbon-related indicators reported in the Integrated Report. Data was collected through standardised questionnaires/templates and reviewed with relevant Business Units and responsible persons before consolidation.
Data quality depends on the completeness, accuracy and consistency of information provided. Supporting documentation was not available for all data points. Estimates/provisions were used where necessary and identified assumptions were retained for traceability.

Directors of Subsidiary Companies

	Abraham Bertrand Denis	Bahal Ritu	Beard Timothy Mark	Bhatt Mehul Hiteshkumar	Bilal Mohd	Corry Joanne Louise	De Comarmond Marie Louis Maurice André	Dabydoyal Sanjaye	Driver Henry William Anthony	Elysee David	Espitalier-Noël Marie Edouard Gilbert	Espitalier-Noël Marie Hector Philippe	Espitalier-Noël Henri Jacques Thierry	Evans Vanessa Jane	Gobindram Shah Nawaz	Hugnin Thierry	Hung Han Yun Denis	Lagesse Marcel Ernest Clement	Marnet Jean Evenor Damien	Michaud Gulano Clarel Jean Marie	Mulloo Hansraz	Noel Alexandre Jospeth Raoul	Nunkoo Nayendranath	Sangeelee Naveen	Yue Chi Ming Tony	Manish Bansal	Martha Daud Lukeka	Hitesh Manilal Kara Harji	Priyeen Mohan Valji Jethwa
Associated Container Services Limited							X														X		X						
Cargo Express Madagascar SARL							X																		X				
Express Logistics and Supply Chain Solutions Limited	X						X										X				X		X						
Freeport Operations (Mauritius) Limited	X						X										X				X		X						
Gencargo (Transport) Limited (Kenya)				X																	X		X						
General Cargo Services Limited (Kenya)				X																	X		X						
Global Air Cargo Services Ltd																	X						X						
Logistics Solutions Ltd												X							X		X		X						
P.A.P.O.L.C.S. Limited								A	X									X			X		X						
Papol Holding Ltd									X	R											X		X						
Rogers Shipping (Mauritius) Pte Ltd												X									X	X	X						
Rogers Shipping PTE Ltd											X	X										X	X						
Rongai Workshop and Transport Limited		X		X										X							X		X						
Southern Marine & Co Ltd																		X			X		X						
Sukpak Ltd			X			Alt						X	X								Alt		X						
Tansafrica Trade Chain Limited				X																	X		X			X	X	X	X
Velogic Express Reunion SAS							X														X		X						
Velogic Haulage Services Ltd	X						X														X		X						
Velogic India Private Limited					X										X						X		X						
Velogic Logistics International Ltd (Formerly known as Rogers Logistics International Ltd)												X									X		X						
Velogic Ltd							X												A		X		X						
Velogic Madagascar (Formerly known as Rogers International Distribution Services Madagascar)							X																		X				
VK Logistics Ltd				X												X					X		X	X					
VSR (Velogic Reunion)							X																						

X - In Office **R** - Resigned **A** - Appointed **Alt** - Alternate

Carbon Accounting Methodology

		ASSOCIATED CONTAINER SERVICES LIMITED (ACS)	FREEPORT OPERATIONS (MAURITIUS) LTD (FOM)	P.A.P.O.L.C.S LIMITED	VELOGIC LTD	SUKPAK LTD	VELOGIC HAULAGE SERVICES LTD	VELOGIC KENYA	SOUTHERN MARINE & CO LTD
Scope 3	3-13 - Downstream leased assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.E.	N.A.
Scope 3	3-12 - End-of-life treatment of sold products	N.A.	N.A.	N.A.	N.A.	not calculated for this exercise	N.A.	N.E.	N.A.
Scope 3	3-11 - Use of sold products	N.A.	N.A.	N.A.	N.A.	not calculated for this exercise	N.A.	N.E.	N.A
Scope 3	3-7 - Employee commuting	Covered	Covered	Covered	Covered	Covered	Covered	N.E.	Covered
Scope 3	3-9 - Downstream transportation and distribution	Not calcu-lated.	Not calcu-lated.	Not calculated.	Covered	Not calculated.	Not calculated.	N.E.	Not calculated.
Scope 3	3-6 - Business travel	Not calcu-lated.	Not calcu-lated.	Not calculated.	Covered	Not calculated.	Not calculated.	N.E.	Not calculated.
Scope 3	3-5 - Waste generated in operations	Covered	Covered	Covered	Covered	Covered	Covered	Covered	Covered
Scope 3	3-3 - Fuel- and Energy- related activities (not Covered in scope 1 or scope 2)	Covered	Covered	Covered	Covered	Covered	Covered	N.E.	Covered
Scope 3	3-2 - Capital goods	Covered	Covered	Covered	Covered	Covered	Covered	N.E.	Covered
Scope 3	3-1 - Purchased services	Covered	Covered	Covered	Covered	Covered	Not calculated.	N.E.	Not calculated.
Scope 3	3-1 - Purchased goods	Covered	Covered	Covered	Covered	Covered	Covered	N.E.	Covered
Scope 2	2-1 - Indirect emissions linked to electricity consumption	Covered	Covered	Covered	Covered	Covered	Covered	Covered	Covered
Scope 1	1-5 - Direct emissions due to Land Use, Land-Use Change and Forestry (LULUCF)	N.E.	N.E.	N.E.	N.E.	N.E.	N.E.	N.E.	N.E.
Scope 1	1.4 - Direct fugitive emissions - Methane emissions from cattle	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Scope 1	1.4 - Direct fugitive emissions - Spreading of minerals and organic fertilizers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Scope 1	1.4 - Direct fugitive emissions - refrigerant	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.E.	N.A.
Scope 1	1.2 - Direct emissions from mobile combustion units	Covered	Covered	Covered	Covered	Covered	Covered	Covered	Covered
Scope 1	1.1 - Direct emissions from stationary combustion units	Covered	Covered	Covered	Covered	Covered	Covered	Covered	Covered

N.A. = non-applicable
N.E.. = non-estimated (emissions might be present or not).
Not Calculated = Emissions exist but were not estimated.

Notice of Annual Meeting

OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders ("AMS") of Velogic Holding Company Limited (the "Company") will be held at the Pod Building, Vivéa Business Park, Moka, Mauritius on **Wednesday 25 November 2026** at **14.00 hours** to transact the following business:

1. To consider the Integrated Annual Report for the year ended 30 June 2026.

2. To receive the report of Messrs Ernst & Young, the auditor of the Company.

3. To consider and approve the audited financial statements of the Company for the year ended 30 June 2026.

Ordinary Resolution I.

"Resolved that the audited financial statements of the Company for the year ended 30 June 2026 be hereby approved."

4. To re-elect the following persons[1] as Directors of the Company by way of separate ordinary resolutions: Messrs. Philippe Espitalier-Noël, Nayendranath (Vishal) Nunkoo, Mehul Bhatt, Gianduth (Alvin) Jeeawock, Damien Mamet, Mrs. Hanjali Permalloo-Le Roux, Mrs. Soorya Ramchurn-Oogarah, Mrs. Belinda Vacher, Mr Hansraz (Hans) Mulloo, Mrs. Marie-Aimée Dinan-Saldivar Moguel and Mrs. Charlotte Guiral.

Ordinary Resolutions II. to XII.

"Resolved that Mr./Mrs [*] be hereby re-elected as Director of the Company."

II. *Philippe Espitalier-Noël*

III. *Nayendranath (Vishal) Nunkoo*

IV. *Mehul Bhatt*

V. *Gianduth (Alvin) Jeeawock*

VI. *Damien Mamet*

VII. *Hanjali Permalloo-Le Roux*

VIII. *Soorya Ramchurn-Oogarah*

IX. *Belinda Vacher*

X. *Hansraz (Hans) Mulloo*

XI. *Marie-Aimée Dinan-Saldivar Moguel*

XII. *Charlotte Guiral*

5. To take note of the automatic reappointment of Ernst & Young as auditors for the year ending 30 June 2027 under Section 200 of The Companies Act 2001 and to authorise the Board to fix their remuneration.

Ordinary Resolution XIII.

"Resolved that the Board of Directors be authorised to fix the remuneration of Ernst & Young who are being automatically appointed as auditors of the Company under Section 200 of The Companies Act 2001."

6. Shareholders' question time.

By order of the Board

Koomaravallee Nagalingum, FCG

For ER Secretarial Services Limited

Company Secretary

21 September 2026

NOTES

- A shareholder of the Company entitled to attend and vote at this AMS may **either** appoint a proxy (in the case of an individual shareholder) **or** a representative (in the case of a corporate shareholder and by way of a corporate resolution), whether a shareholder or not, to attend and vote on his/her behalf. Any such appointment must be made in writing on the attached form, and the document deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Ltd, Raymond Lamusse Building, Sir William Newton Street, Port Louis, not less than twenty-four (24) hours before the meeting is due to take place.
- For the purpose of this AMS, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at **27 October 2026**.
- The AMS is an important day in the calendar as it enables the Board to engage with its shareholders on a range of matters concerning the business of the meeting. In addition, it provides a valuable forum for shareholders to ask questions. If it becomes necessary or appropriate to make further changes to the arrangements for the holding of the AMS, we will ensure that shareholders are given as much notice as possible. Please watch our website for any update or contact our Share Registry on + 230 202 5000.
- A copy of the Integrated Annual Report is available for inspection between 9.00 a.m. and 5.00 p.m. on working days at the registered office of the Company, ER House, Vivéa Business Park, Moka, Mauritius.

1 The profiles and categories of directors proposed for re-election are set out in the Integrated Annual Report 2026 of the Company.

For Individual Shareholder

I/We .....
(name of natural shareholder/s)

of .....
(address of natural shareholder/s)

being a shareholder/s of **VELOGIC HOLDING COMPANY LIMITED** ("the Company"), hereby appoint

.....
(name of proxy)

of .....
(address of proxy)

.....

or failing him/her

.....
(name of proxy)

of .....
(address of proxy)

as my/our proxy to vote for me/us at the Annual Meeting of Shareholders ("AMS") of the Company to be held at The Pod, Vivéa Business Park, Moka on **Wednesday 25 November 2026** commencing at **14.00 hours** and at any adjournment thereof. I/We direct my/our proxy to vote in the following manner:

RESOLUTIONS

(Please indicate with an **X** in the spaces below how you wish your votes to be cast)

ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2026 be hereby approved.			
II. Resolved that Mr. Philippe Espitalier-Noël be hereby re-elected as Director of the Company.			
III. Resolved that Mr. Nayendranath (Vishal) Nunkoo be hereby re-elected as Director of the Company.			
IV. Resolved that Mr. Mehul Bhatt be hereby re-elected as Director of the Company.			
V. Resolved that Mr. Gianduth (Alvin) Jeeawock be hereby re-elected as Director of the Company.			
VI. Resolved that Mr. Damien Mamet be hereby re-elected as Director of the Company.			
VII. Resolved that Mrs. Hanjali Permalloo-Le Roux be hereby re-elected as Director of the Company.			
VIII. Resolved that Mrs. Soorya Ramchurn-Oogarah be hereby re-elected as Director of the Company.			
IX. Resolved that Mrs. Belinda Vacher be hereby re-elected as Director of the Company.			
X. Resolved that Mr. Hansraz (Hans) Mulloo be hereby re-elected as Director of the Company.			
XI. Resolved that Mrs. Marie-Aimée Dinan-Saldivar Moguel be hereby re-elected as Director of the Company.			
XII. Resolved that Mrs. Charlotte Guiral be hereby re-elected as Director of the Company.			
XIII. Resolved that the Board of Directors be authorised to fix the remuneration of Ernst & Young who are being automatically appointed as auditors of the Company under Section 200 of The Companies Act 2001.			

Signed this .....day of 2026
Signature(s) .....Name(s) .....

NOTES

1. A shareholder of the Company entitled to attend and vote at this AMS may appoint a proxy, whether a shareholder or not, to attend and vote on his/her behalf.
2. Appointment of Proxy:

(a) To be valid, the **Proxy Form** must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, 1st Floor, Raymond Lamusse Building, Sir William Newton Street, Port Louis, Mauritius, not less than **24 hours** before the time fixed for holding the meeting or adjourned meeting.

(b) A shareholder may appoint a proxy of his/her own choice. Insert the name of the person appointed as proxy in the space provided.

(c) If this **Proxy Form** is returned, duly signed, without any indication of proxy, the shareholder will be deemed to have authorised the Company Secretary to designate any person including the Chairman of the AMS as proxy.

(d) If this **Proxy Form** is returned without any indication as to how the person appointed proxy shall vote, the person appointed proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.

3. Joint Shareholding:

(a) In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.

(b) However, in case one or more Proxy Form is received from the joint holders, the Proxy Form received from the shareholder whose name appears first on the register will be considered.

For Body Corporate

Form of Appointment of Representative by Body Corporate

I/We the undersigned being duly authorised to sign this form on behalf of .....
(name of Body Corporate)

of .....
(address of Body Corporate)

being the duly authorised shareholder of **VELOGIC HOLDING COMPANY LIMITED** ("the Company"), hereby appoint

.....
(name of representative)

of .....
(address of representative)

or failing him/her

.....
(name of representative)

of .....
(address of representative)

as representative to vote for the Body Corporate at the Annual Meeting of Shareholders ("AMS") of the Company to be held at The Pod, Vivéa Business Park, Moka on **Wednesday 25 November 2026** commencing at **14.00 hours** and at any adjournment thereof.
I/We direct my/our proxy to vote in the following manner:

RESOLUTIONS

(Please indicate with an **X** in the spaces below how you wish your votes to be cast)

ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2026 be hereby approved.			
II. Resolved that Mr. Philippe Espitalier-Noël be hereby re-elected as Director of the Company.			
III. Resolved that Mr. Nayendranath (Vishal) Nunkoo be hereby re-elected as Director of the Company.			
IV. Resolved that Mr. Mehul Bhatt be hereby re-elected as Director of the Company.			
V. Resolved that Mr. Gianduth (Alvin) Jeeawock be hereby re-elected as Director of the Company.			
VI. Resolved that Mr. Damien Mamet be hereby re-elected as Director of the Company.			
VII. Resolved that Mrs. Hanjali Permalloo-Le Roux be hereby re-elected as Director of the Company.			
VIII. Resolved that Mrs. Soorya Ramchurn-Oogarah be hereby re-elected as Director of the Company.			
IX. Resolved that Mrs. Belinda Vacher be hereby re-elected as Director of the Company.			
X. Resolved that Mr. Hansraz (Hans) Mulloo be hereby re-elected as Director of the Company.			
XI. Resolved that Mrs. Marie-Aimée Dinan-Saldivar Moguel be hereby re-elected as Director of the Company.			
XII. Resolved that Mrs. Charlotte Guiral be hereby re-elected as Director of the Company.			
XIII. Resolved that the Board of Directors be authorised to fix the remuneration of Ernst & Young who are being automatically appointed as auditors of the Company under Section 200 of The Companies Act 2001.			

Signed this .....day of 2026
Signature(s) .....Name(s) .....

who warrant that he/she is/they are duly mandated and authorised to sign the present form.

NOTES

1. A body corporate who is a shareholder of the Company entitled to attend and vote at this AMS may appoint a representative to attend and vote on its behalf.
2. Appointment of Representative:

(a) To be valid, the **Form of Appointment of Representative** must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, 1st Floor, Raymond Lamusse Building, Sir William Newton Street, Port Louis, Mauritius, not less than **24** hours before the time fixed for holding the meeting or adjourned meeting.

(b) A body corporate, who is a shareholder, may appoint a representative of its own choice. Insert the name of the person appointed as representative in the space provided.

(c) Where the appointor is a body corporate, this **Form of Appointment of Representative** must be under its common seal and under the hand of the officer/s or attorney duly authorised.

(d) If this **Form of Appointment of Representative** is returned, duly signed, without any indication of representative, the shareholder will be deemed to have authorised the Company Secretary to designate any person including the Chairman of the AMS as proxy.

(e) If this **Form of Appointment of Representative** is returned without any indication as to how the person appointed representative shall vote, he/she will exercise his discretion as to how he/she votes or whether he abstains from voting.

3. Joint Shareholding:

(a) In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.

(b) However, in case one or more Form of Appointment of Representative Form is received from the joint holders, the Form of Appointment of Representative Form received from the shareholder whose name appears first on the register will be considered.

Notes

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