

AFRINEX Limited
Annual Report for the financial year 2025



ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2025

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Corporate Data

Board of Directors

Sr. No.	Name	Category	Date of Appointment	Date of Cessation
1.	Mr. Arun Tiwari	Non-Executive Non-Independent Director (Chairman)	14.12.2019	-
2.	Prof. Sanjay Banerji	Non-Executive Independent Director	10.09.2020	01.12.2025
3.	Mr. Rajendra Bhatt	Non-Executive Independent Director	10.09.2020	-
4.	Dr. Sunil Chadda	Non-Executive- Non-Independent Director	24.04.2018	-
5.	Mr. Moses Newling Harding John	Non-Executive- Non-Independent Director	17.06.2021	-
6.	Ms. Krishna Gangopadhyay	Executive Director, Managing Director and CEO	30.03.2018	07.08.2025
7.	Mr. Somnath Adhya	Non-Executive- Non-Independent Director	06.02.2023	23.05.2025
8.	Mr. Subhash Manohar Kelkar	Non-Executive- Non-Independent Director	29.11.2023	16.09.2025
9.	Mr. Vasudevrao Mosalkanti	Non-Executive Independent Director*	12.08.2024	-
10.	Mr. Prashant Kumar Babhale	Non-Executive- Non-Independent Director	29.08.2025	-

* Refer to statement of compliance on Pg 32.

Committees of the Board: Audit Committee	1. Mr. Moses Harding Newling John-Member 2. Mr. Rajendra Bhatt - Member 3. Mr. Vasudevrao Mosalkanti - Member
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Company Secretary	Mr. Yash Hegde, from 21 st March 2025 till date.	Mr. Vamshi Krishna Javvadi, from 10 th June 2024 till 03 rd April 2025.
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Registered Office	Office A11-01, Level 11, Tower A, 1 Exchange Square, Wall Street, Ebène 72201, Mauritius.
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Statutory Auditors	KPMG KPMG Centre, 31, Cybercity, Ebène, Mauritius.
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Internal Auditors	Dalal Doctor & Associates Chartered Accountants, 224-225, T.V. Estate, S.K. Ahire Marg, Worli, Mumbai -400030.
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Bankers

SBI (Mauritius) Limited 7 th Floor, SBI Tower, Mindspace, Bhumi Park, 45, Ebène, Cybercity, Mauritius.	AfrAsia Bank Limited 3 rd Floor, Nexteracom Tower III, Ebène, Mauritius.	SBM Bank (Mauritius) Limited SBM Tower 1, Queen Elizabeth II Avenue, Port Louis, Mauritius.
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Business Registration Number	C18154381	Website	www.afrinexexchange.com
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DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST DECEMBER 2025

The Board of Directors is pleased to present the Eighth (08th) Annual Report of AFRINEX Limited (the "Company"/the "Exchange / AFRINEX") consolidated and standalone for the financial year ended on 31st December 2025. The Annual Report comprises of the consolidated and separate audited financial statements of the Group and the Company and the Directors' Report which includes the Corporate Governance Report and other statutory disclosures under the Mauritius Companies Act 2001.

ABOUT AFRINEX

AFRINEX is an International Stock Exchange having Pan-Africa focus providing state of the art electronic platforms. It has multi-asset multi-currency listing, depository, trading, & settlement and has an exclusive platform to raise capital through private placements of debt/equity. AFRINEX Clearing House Ltd (ACHL) is the subsidiary of AFRINEX and offers depository, clearing and settlement services to AFRINEX.

AFRINEX Limited (the "Company"/the "Exchange") has been set up with encouragement from Government of Mauritius along with technology and skill partnership from BSE's subsidiaries and group companies. AFRINEX Clearing House Ltd. is a subsidiary of AFRINEX Limited. The Exchange is regulated by Financial Services Commission (FSC), Mauritius and holds a Securities Exchange License and a Trading Securities System License as issued by the Financial Services Commission (FSC).

The principal activity of the subsidiary (AFRINEX Clearing House Ltd) is to provide depository, clearing and settlement services to the Exchange, its shareholder, a fully electronic, multicurrency and multi-asset trading platform offering listing and trading of securities. The Clearing House is also regulated by Financial Services Commission (FSC), Mauritius.

Results and dividends

The results for the year are shown in consolidated and separate financial statements and related notes.

FINANCIAL HIGHLIGHTS

Particulars	(in USD)			
	2025		2024	
	Group	Company	Group	Company
Total Income	103,485	60,263	96,574	47,030
Total Expenses	(1,146,909)	(958,478)	(1,273,075)	(1,085,418)
Loss before income tax expense	(1,019,785)	(870,596)	(1,018,210)	(889,531)
Income tax expense	-	-	-	-
Loss after income tax expense	(1,019,785)	(870,596)	(1,018,210)	(889,531)
Other Comprehensive Income	-	-	-	-

Directors

The membership of the Board is set out on page 11.

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2025

Statement of directors' responsibilities in respect of the consolidated and separate financial statements

The Company law requires the directors to prepare consolidated and separate financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Group and the Company. In preparing those consolidated and separate financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS® Accounting Standards as issued by International Accounting Standards Board ("IFRS Accounting Standards") have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the consolidated and separate financial statements.

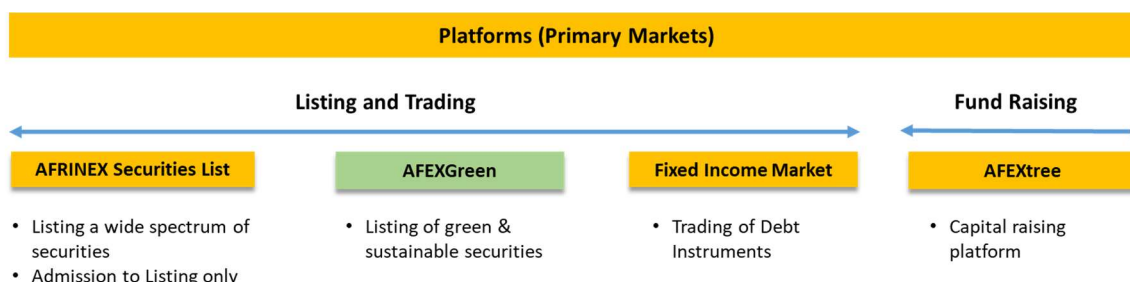
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the consolidated and separate financial statements comply with IFRS Accounting Standards and the requirements of the Mauritius Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Group's and the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead. Refer to going concern disclosure in Note 24 of the Consolidated and Separate Financial Statement.

Pursuant to Section 190(2) of the Mauritius Companies Act, the Company shall maintain a register of interest.

OPERATIONAL OVERVIEW 2025

The Exchange was launched on 25th October 2021. Currently, the Exchange operates multiple markets/ platforms for listing of wide spectrum of securities and capital raising for global entities. The year 2025 witnessed increased activities on the platforms giving a further boost to these platforms demonstrating the value add for growth companies and our commitment to contribute towards development of capital markets in the region. As of 31st December 2025, the total market capitalization of securities listed on AFRINEX Securities List stands at USD 14.4 plus billion.



AFRINEX Securities List

AFRINEX Securities List (“ASL”) is a primary market listing platform offering admission to listing without trading. The year 2025 saw listing of FCCBs with market capitalization of US\$ 1048M.

Fixed Income Market

Fixed Income Market (“FIM”) is a securities market of AFRINEX Limited (“Exchange”) aimed at Issuers of non-equity securities. FIM is a listing and trading platform operated by the Exchange and approved by the Financial Services Commission, Mauritius (“FSC”).

AFEXGreen

AFEXGreen is a dedicated green platform launched in February 2023 to mark listings of green and sustainable securities listed on AFRINEX with aim to promote ESG and Sustainable financing. Sustainable Bonds worth USD 1.5 Billion listed on AFRINEX are also recorded under AFEXGreen.

AFEXtree

AFEXtree is the state-of-the-art electronic capital raising platform from AFRINEX Exchange launched on August 21, 2023. The platform offers a digital marketplace connecting capital seekers and providers with an objective to facilitate multi-asset multi-currency fund raising and reporting of funds raised through private placement of securities in an efficient and transparent manner.

The platform enables pre-qualified capital seeking companies to connect with a wide array of investors and arrangers across the globe. Participants on AFEXtree include eligible Issuers, banks, financial institutions, investment dealers/ stockbrokers, merchant bankers, investment banks, collective investment schemes, alternative investment funds, asset managers, etc.

AFEXtree saw increased activities in terms of participation on the platform by Capital seekers as well as Investors/Arrangers alike from geographies across the globe. AFEXtree assisted capital seekers from various sectors (Agri & Agri-processing, travel-tech, financial services etc.) in connecting to the capital providers to facilitate capital raising.

OPERATIONAL OVERVIEW 2025 (CONTINUED)

EVENTS BY THE COMPANY DURING THE YEAR 2025

AFRINEX hosted the Confederation of Indian Industry (CII) Business Delegation to Mauritius at AFRINEX Limited office on 14th February 2025.

The business meet was attended by business delegates from India representing various sectors including Technology, Financial Services, Manufacturing, Tourism etc. looking to expand towards Africa and participants from Mauritius representing key institutions.

Several key areas of collaboration were identified and discussed including potential partnerships & innovative solutions.



Picture: Delegates representing organizations from India & Mauritius

KEY REGULATORY DEVELOPMENTS

The Financial Services Commission (FSC), the unified regulator for the non-bank financial sector and global business, strives towards the sustained development of Mauritius as a sound and competitive Financial Services Centre. This is realized through development and regulation of financial products, services, and institutions in Mauritius.

For the year 2025, FSC continued its efforts to refine and enhance the regulatory framework governing various financial activities within Mauritius. This includes updates to regulations related to insurance, capital markets, and other financial services. This regulatory section of the annual report aims to provide updates of the key regulatory developments especially related to capital markets in the last financial year (i.e., FY 2025) to promote ease of doing business in Mauritius and provide world class regulatory environment. They are as follows:

➤ **Mauritius climbs 10 places in the Global Green Finance Index 15 (GGFI)**

Mauritius has improved its ranking by 10 places in the latest edition of the GGFI 15. Mauritius' significant rise in the index is a testament of the country's strategic efforts to position itself as a trusted and forward-looking green finance hub for Africa and the Indian Ocean region.

This progress is underpinned by several key initiatives:

- the implementation of sustainable finance guidelines for financial institutions;
- enhanced regulatory frameworks to support climate risk disclosure, ESG reporting, and issuance of green bonds, and
- strong public-private collaboration in capacity building and innovation in sustainable finance.

➤ **Appointment of Désiré Vencatachellum as Chief Executive**

The Financial Services Commission, Mauritius (FSC) has appointed Mr. Désiré Vencatachellum as new Chief Executive with effect from 16th September 2025. The FSC is confident that under the leadership of Mr. Vencatachellum Mauritius will significantly contribute to positioning as a globally competitive, resilient and innovative financial centre.

➤ **Guidance Notes on the Responsible Use of Artificial Intelligence (AI) in financial services**

The FSC has issued Guidance Notes on the Responsible Use of Artificial Intelligence (AI) in financial services with effect from 19th September 2025. This Guidance Note will guide the licensees on use of Artificial Intelligence. This will help Financial Service Sector in terms of:

1. Improved regulatory compliance
2. Improved revenue and value
3. Improved decision-making
4. Develop training/ knowledge

➤ **The Disclosure and Reporting Guidelines for ESG Funds**

The FSC has issued the "Disclosure and Reporting Guidelines for ESG Funds" on 10th March 2025. The Guidelines provide for the general principles, to be adopted by Investment Funds with embedded ESG strategies/ objectives aligned with the United Nations Sustainable Development Goals or other widely accepted goals.

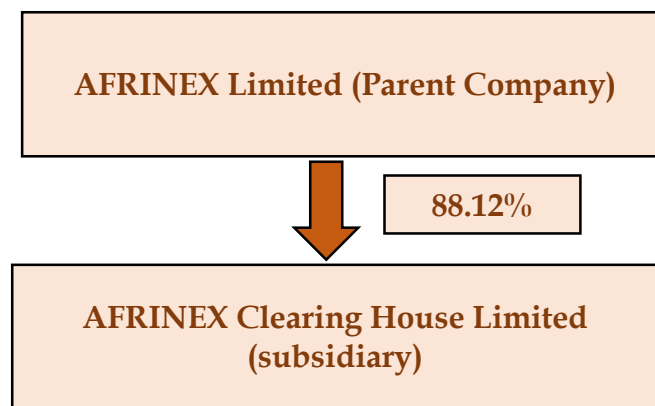
CORPORATE GOVERNANCE REPORT

PRINCIPLE 1 - GOVERNANCE STRUCTURE

"All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified."

Structure of the AFRINEX

The Company, being a public company, was incorporated on 09th March 2018 under the Mauritius Companies Act and holds a Securities Exchange License and a Trading Securities System License, as issued by the Financial Services Commission of Mauritius ("FSC"). AFRINEX Clearing House Ltd, being a subsidiary of the Company is a company incorporated in Mauritius on 12th September 2018 and holds a Clearing and Settlement Facility License, as issued by the FSC.



Governance Framework and Role of the Board

The Company's Board has the overall responsibility for leading and providing effective Corporate Governance over the Company and its activities and ensures compliance with all applicable legal and regulatory requirements. The management team of the Company is responsible for the day-to-day operations and functions of the Company and reports to the Board on the operational and functional performance of the Company. The Board approves all the key guiding documents and policies of the Company and affirms each key governance role.

The managing director performs the following primary functions as may be empowered to exercise or required to perform by the Board:

- (a) The management of the whole of the business of the Company and of all its affairs;
- (b) To exercise all powers and perform all duties and in relation to management of the affairs;
- (c) To lead the management team;
- (d) To make recommendations to the Board regarding strategic issues;
- (e) To be responsible for overall operations, cost control, risk management and development of the Company;
- (f) To manage legal and regulatory issues;
- (g) To be responsible for the implementation of Board decisions and policies; and
- (h) To promote the Company on the international scene.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES

"The Board should contain independently minded directors. It should include an appropriate combination of executive directors, independent directors, and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the Board's decision taking. The Board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate Board committees may be set up to assist the Board in the effective performance of its duties."

Size and Composition of the Board

The Board has the right balance in its composition which includes an appropriate combination of executive director, non-executive independent directors and non-independent non-executive directors. The Company has a unitary Board which has an appropriate mix of experience, diversity and skills which complement with each other in forming appropriate judgements in Board's decisions. Out of 6 directors, 33.33% directors are Independent Directors and 66.66% directors are Non-Executive Non-Independent Directors serving on the Board of the Company as on 31st December 2025.

As at date of reporting, the Board of Directors consists of a total of six (6) non-executive directors. The six (6) non-executive directors include Chairman, two (2) independent directors who are independent of the management of the Company and three (3) non-executive non-independent directors who represent shareholders of the Company.

Director's details are as follows:

Name	Category	Appointment Date	Residency
Mr. Arun Tiwari	Non-Executive Non-Independent Director (Chairman)	14 th December 2019	India
Mr. Rajendra Bhatt	Non-Executive Independent Director	10 th September 2020	United Kingdom
Mr. Vasudevrao Mosalkanti	Non-Executive Independent Director*	12 th August 2024	India
Dr. Sunil Chadda	Non-Executive Non-Independent Director	24 th April 2018	India
Mr. Moses Harding Newling John	Non-Executive Non-Independent Director	17 th June 2021	Mauritius
Mr. Prashant Kumar Babhale	Non-Executive Non-Independent Director	29 th August 2025	Mauritius

* Refer to statement of compliance on Pg 32.

The Board of the Company functions as an authoritative decision-making body and meets regularly as required. All the Directors possess expertise and experience in relevant areas such as

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Finance, Risk Management, Banking, Economics, and Product Development. The Board and Directors individually adhere to highest ethical standards. The Board acts independently from management.

The Board considers that its current size and composition of the Board is appropriate for effective discharge of the Board's responsibilities. The Board adopted Board Charter on 10th March 2025.

Profiles of the Board of Directors

The profile of each member of Board of Directors is as follows:

Mr. Arun Tiwari (Chairman)



A career banker with over thirty-nine years of experience across various sectors including strategic planning, project finance, risk management, HR, IT, credit operations. Mr. Arun Tiwari served as CMD of Union Bank of India from December 2013 to June 2017. Prior to that he was an Executive Director of Allahabad Bank. At his parent organization - Bank of Baroda, he has worked for 33 years at various centers in India and abroad, across various functions.

Currently, he also serves as Director on the Board of Acuité Ratings & Research Limited, Chairman India Infrastructure Limited.

Mr. Tiwari has also served as Chairman and Non-Executive Director on the Board of Union Asset Management Company and Star Union Dai-ichi Life Insurance Company Limited. In his long career, he has been appointed to the Boards of New India Assurance Co. Ltd., General Insurance Corporation Ltd and Export Credit Guarantee Corporation Ltd. and as a Deputy Chairman of Indian Banks' Association. Mr. Tiwari has also served on some National Level Committees, like Chairman of FICCI Banking and Financial Institution committee, Co-chairperson, CII's Committee on Banking & Finance etc.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Profiles of the Board of Directors (Continued)

Mr. Vasudevrao Mosalkanti (Independent Director)



Vasudev Rao is a lawyer with nearly 3 decades of diverse experience in Governance, Legal Policy Framework, Capital Markets and Financial Regulation, Mergers and Acquisitions, Enterprise Legal Risk Management, State Engagement (including with Regulators & Enforcement Agencies), Dispute management, Inquiries and Investigations, Forensic Audit, Regulatory proceedings and Compliance.

He is presently associated with the Hinduja Group Limited as Group General Counsel and was earlier associated with National Stock Exchange of India Limited as its Group General Counsel and Head CSR and Bennett Coleman and Co. Limited (The Times of India Group) as Associate Vice President, Group Legal.

He is a Commerce graduate, holds an LLB degree, is a Fellow member of Institute of Company Secretaries of India and has completed certification in Global Corporate Counsel from Harvard Law School. He is also a member, National Committee of Legal and Regulatory affairs of Confederation of Indian Industry.

Mr. Rajendra Bhatt (Independent Director)



Mr. Rajendra Bhatt has over three decades of senior management experience working in complex and multi-cultural organizations in seven different locations spread over three continents. He has an outstanding track record in financial re-engineering, including restructuring, mergers and acquisitions and also in raising equity and debt in international markets. He is a member of the Institute of Chartered Accountants of India and also a member of the Institute of Company Secretaries of India in addition to being a corporate finance representative registered with the FCA.

Mr. Rajendra Bhatt founded Elara Capital Plc ("Elara") in 2002 and is currently the founder and vice-chairman of the group. Elara was established primarily as a capital markets business, raising funds for Indian corporates through GDRs, FCCBs and the London AIM market.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Profiles of the Board of Directors (Continued)

Mr. Moses Harding Newling John (Non-Executive Non-Independent Director)



Mr. Moses Harding John is a banking professional with 39 years of experience in specialised domains around Banking and Financial services across Wholesale Banking, International Banking, Global Markets, Wealth & Asset Management and Investment Banking. He possesses overseas experience in the field of Asset & Wealth Management handling Ultra-High Net Worth Individuals (UHNWI) and entities across asset classes covering Fixed Income, Commodities, Currencies, Equities and Structured Investments. He held strategic leadership positions since 1999 at top management level in Private sector banks post the strong junior and middle level foundation in State Bank of India during his initial 13 years of professional career since 1981 in specialised areas of Corporate Banking, International Business, Treasury and Global Markets with hands-on exposure on pre and post liberalization era of 1991 with the No.1 Bank of India with market share of over 70%. His area of specialisation includes economic and social infrastructure financing and investments with systemic important NBFC focussed on financing and project investments. He is also a specialist in start-up and building scale in business leading to best-in-class productivity, profitability and efficiency. He has proven expertise in building process and system driven model leading to an auto-pilot mode to ensure business continuity and sustainability through team building at strategic, tactical and execution levels believing in collection excellence over individual brilliance Apart from AFRINEX Clearing House Limited, Mr. Moses Harding John also holds Directorship in IndusInd International Holdings Limited, Sterling Bank & Trust Limited, Reliance Capital Limited and AFRINEX Limited.

Mr. Moses is married with a daughter & 2 granddaughters and is an avid cricket supporter.

Dr. Sunil Chadda (Non-Executive Non-Independent Director)



Dr. S. K. Chadda is an international strategic adviser and economist with more than 25 years of experience in the fields of International Economics, Relationship Management, Private banking and Financial Engineering, International Project Management and Merger and Acquisitions.

Dr. S.K. Chadda holds an M.B.A. from Institute of Alternative Development and Research, Open University, Oslo, Norway in the field of Strategic & Project Management. He has been awarded Honorary Doctorate by Montreux Business University, Switzerland for his contribution in the fields of 'Economics and International Relationship'. He has received the Best Strategic Adviser Award in November 2018 at House of Lords, United Kingdom, from European Business and Economic Forum.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Profiles of the Board of Directors (Continued)

Mr. Prashant Kumar Babhale (Non-Executive Non-Independent Director)



With over 25 years of rich and diverse experience in the banking sector, Mr. Prashant Kumar Babhale is a seasoned banker who has joined as MD & CEO(Designate), SBI Mauritius Ltd.

Prior to this appointment, Mr. Babhale served as Deputy General Manager & Relationship Manager (Corporate Banking) at the State Bank of India, Delhi, where he was responsible for managing high value corporate credit relationships, delivering customised financial solutions, ensuring profitability, and maintaining regulatory compliance.

Having joined the State Bank of India in 2000 as Probationary Officer in the Mumbai Circle, Mr. Babhale has held various strategic positions across retail banking, corporate credit, and international banking. His professional journey includes a significant international stint as Vice President Accounts at SBI Canada Bank (Vancouver), where he oversaw branch operations and compliance. He also served as Team Leader in the Project Finance Business Unit, of State Bank of India, Mumbai leading the appraisal and structuring of large - scale infrastructure projects.

In addition, Mr. Babhale has led trade finance operations, with a specific focus on export finance, offering tailored trade solutions, managing transaction risks, ensuring regulatory compliance, and cultivating strong client relationships to support international business growth. His extensive experience also includes leadership in risk management and regulatory compliance, particularly in areas such as AML, CFT, and Basel III frameworks.

Mr. Babhale holds a Master's degree in Science, and is certified in key banking and financial disciplines, including CAIIB, CICC(Moody's), along with certifications in Artificial Intelligence, Business Analytics, and Leadership.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Board Committees

Audit Committee:

The Audit Committee acts as an interface between the statutory auditors, internal auditors, the management, and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's established system and processes for internal financial controls and governance and reviews the Company's statutory and internal audit processes.

The Audit Committee's charter provides that Committee shall comprise of three (3) non-executive directors appointed by the Board of which, at least one (1) shall be independent non-executive directors.

As at the date of reporting, the Audit Committee is comprised of three (3) directors, two (2) of whom are Independent Directors. The composition of Audit Committee is as follows:

Name	Category	Role In Audit Committee	Residency
Mr. Moses Harding Newling John	Non-Executive Non-Independent Director	Member	Mauritius
Mr. Rajendra Bhatt	Non-Executive Independent Director	Member	United Kingdom
Mr. Vasudevrao Mosalkanti	Non-Executive Independent Director*	Member	India
Company Secretary		Secretary/Convenor	-

* Refer to statement of compliance on Pg 32.

As per the Audit Committee Charter, the roles and responsibilities of the Committee are as follows:

- Critically review and examine the quality and integrity of audited financial statements of the Exchange prior to submission and approval of the Board.
- Review critical accounting issues and internal control.
- Review the objective and findings of the Internal Audit--Make recommendations to the Board for the appointment, re-appointment, and retention of auditors.
- Get assurance from the external auditors on the appropriateness of the accounting policies applied and whether they are prudent and consistent with prior practice and comply with regulatory and legal requirements.
- Granting and monitoring of omnibus approval for Related party transactions and monitoring the same.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

Reporting and Accountability of the Audit Committee:

The Audit Committee, through its chairperson, is accountable to the Board for its activities and makes recommendations to the Board on matters falling under its responsibility.

The Audit Committee did not identify any significant issues with accounting principles in relation to the financial statements. The Audit Committee met three (3) times during the year 2025.

In line with its terms of reference, the scope of work of the Committee includes the following (not exhaustive):

- Review of Unaudited Financial Statements
- Review of Internal Audit Report
- Review of Budget
- Review of Related Party Transactions
- Review and recommendation to the Board for appointment of Internal & External auditors.
- Review of risk assessment

Company Secretary

The Company Secretary is appointed by the Board in accordance with the provisions of the Company's Constitution. Mr. Yash Hegde is the Company Secretary w.e.f. 21st March 2025.

Meetings:

Board & Committee Meetings

From 01st January - 31st December 2025, the Company convened 5 (five) Board meetings as follows:

Name of Directors	Number of Meetings held	Number of Meetings attended
Mr. Arun Tiwari	5	5
Professor Sanjay Banerji ¹	5	3
Mr. Rajendra Bhatt	5	4
Dr. Sunil Chadda	5	3
Mr. Moses Harding Newling John	5	5
Ms. Krishna Gangopadhyay ²	5	3
Mr. Somnath Adhya ³	5	1
Mr. Subhash Manohar Kelkar ⁴	5	3
Mr. Vasudevrao Mosalkanti	5	5
Mr. Prashant Kumar Babhale ⁵	5	2

¹Prof Sanjay Banerji has ceased to be a Non-Executive Independent Director to the Board of the Company w.e.f. 01st December 2025.

²Ms. Krishna Gangopadhyay ceased to be Managing Director and CEO of the Company w.e.f. 07th August 2025.

³Mr. Somnath Adhya ceased to be a Non-Executive Non-Independent Director to the Board of the Company w.e.f. 23rd May 2025

⁴Mr. Subhash Manohar Kelkar ceased to be a Non-Executive Non-Independent Director to the Board of the Company w.e.f. 16th September 2025.

⁵Mr. Prashant Kumar Babhale has been appointed on 29th August 2025 as Non-Executive Non-Independent Director to the Board of the Company.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 2 - STRUCTURE OF THE BOARD AND ITS COMMITTEES (Continued)

From 01st January - 31st December 2025, the Company convened 3 (three) Audit Committee meetings. Details are as follows:

Name of Directors	Number of Meetings held	Number of Meetings attended
Professor Sanjay Banerji ¹	3	2
Mr. Rajendra Bhatt	3	1
Mr. Moses Harding Newling John	3	3
Mr. Vasudevrao Mosalkanti ²	3	3

¹Prof Sanjay Banerji has ceased to be a Non-Executive Independent Director to the Board of the Company w.e.f. 01st December 2025.

² Refer to statement of compliance on Pg 32.

PRINCIPLE 3 - DIRECTOR APPOINTMENT PROCEDURES

“There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors. The search for Board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the Board, including gender). The Board should ensure that a formal, rigorous and transparent procedure be in place for planning the succession of all key officeholders.”

The Board assumes responsibility for succession planning of the key officeholders and for the appointment and induction of new directors to the Board. The non-executive directors are appointed for such terms as determined in the resolution passed by the Board for such appointment or are re-elected each year at the Annual Meeting, pursuant to the provisions of the Constitution of the Company. All the non-executive Directors will submit themselves for re-election at the Company’s forthcoming Annual Meeting.

The Board aims to foster a culture that encourages new directors to participate fully and effectively in Board meetings, upon their appointment.

Appointment of Directors

Mr. Prashant Kumar Babhale has been appointed on 29th August 2025 as Non-Executive Non-Independent Director to the Board of the Company.

Professional Development of Directors

The Board ensures that all Directors maintain or improve their skills and continue to deepen their understanding.

In this regard, the Company Secretary communicates to all Directors about various training as and when organized by training institutions.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

“Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Conflicts of interest should be disclosed and managed. The Board is responsible for the governance of the organisation’s information, information technology and information security. The Board, committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards. The Board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders. The Board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives.”

Board Charter

In order to assist the directors in the discharge of their duties, the Company has adopted a Board Charter. The Board Charter embodies the rules of conduct of the Directors of the Board and their commitment to ensure that the Company’s governance processes and structures comply with the new principles of the Mauritius Code of Corporate Governance.

Board Procedures

Board papers are prepared by management under the supervision of the Chief Executive Officer to provide relevant facts, analysis and recommendations to enable informed decision-making by the Board. The agenda and papers for meetings are submitted to Directors and Board Committee members well in advance, to enable them to prepare for these meetings.

During meetings, the Chair of the meeting encourages constructive and effective debates and Directors are given the chance to freely express their views or share information with their peers during deliberation as a participative Board. Any Director who has a direct or deemed interest in the subject matter to be deliberated, declares his/her interest and abstains from deliberation and voting on the same during the meeting.

The Company Secretary ensures that there is a quorum for all meetings and that such meetings are convened in accordance with the relevant terms of reference. The minutes are prepared by the Company Secretary for all the board meetings, including the tabling of pertinent issues and the decisions made. In doing so, the Company Secretary internalises the governance principles in the Company and keeps the Board updated on the follow-up action arising from the Board’s decisions and/or requests at subsequent meetings. This allows the Board to perform its fiduciary duties and fulfil its oversight role towards instituting a culture of transparency and accountability in the Company.

Supply of and Access to Information

The Directors have individual and independent access to seek any advice from the management of the Company as may be required, on issues under their respective purview. No restrictions were placed over the right of access to information.

Legal Duties

All the Directors on the Board are fully apprised of their legal duties as laid out under the applicable laws, including the Mauritius Companies Act.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

(Continued)

Code of Ethics for Directors, Senior Management and Employees of the Company

As a matter of holding high standards of corporate governance, the Company has adopted a Code of Ethics, in line with the principles of the National Code of Corporate Governance for Mauritius (2016), for its directors, senior management and employees for observance of good governance and corporate practices in the Company. The Board regularly monitors and evaluates compliance with its code of ethics.

Information Security

With a view to ensuring information security and confidentiality, as a first step, the Company has devised Sharing of Information policy to ensure security, confidentiality and non-disclosure of Company's information, assets, information technology systems and sensitive data and documents. Further, the company has adopted Information Security policy from December 2024. The objective of the policy is to ensure that the information assets of the Company are appropriately protected against the breach of confidentiality, failures of integrity and/ or interruptions to their availability. Information security not only deals with information in various channels like spoken, written, printed, electronic or any other medium but also information handling in terms of creation, viewing, transportation, storage or destruction. The Information Security Policy provides management direction and support towards information security.

Information Security Policy is applicable to all information assets of AFRINEX Ltd. that are electronically created, stored, processed, documented, transmitted, printed and / or faxed. The policy applies to all employees and vendor, Technology Partner which are in scope of AFRINEX Ltd.

The Policy deals with inter alia –

1. IT Management
2. Management of Hardware, Software and Licenses
3. Backup and Recovery
4. Business Continuity
5. Physical and Environmental Security
6. Application Security
7. Network Security
8. Internet and Intranet Security
9. Security Breach Enforcement
10. Cybersecurity

Board Evaluation

The Board is in the process of putting in place a formal and regular evaluation of its own performance and that of the Board Committees.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE (Continued)

IT Governance

The Board is responsible for the governance of the Company's information strategy, information technology and information security. Any significant technology procurement is evaluated for its purpose, value addition, expenditure and timelines. Any software enhancements, modifications and additions are subject to thorough testing before its implementation in the live environment. Companies Information Security Policy ensures that the information assets of the Company are appropriately protected against the breach of confidentiality, failures of integrity and/or interruptions to their availability.

Directors' Remuneration

The Board has reviewed the adequacy of Directors' Remuneration and the form of that remuneration. For the year ended 31st December 2025, the sitting fees paid to Independent Directors were as follows:

Independent Directors

Name of Directors	No. of Board meetings attended in 2025	No. of Audit Committee meetings attended in 2025	Sitting fees USD
Mr. Rajendra Bhatt	4	1	3,500
Prof. Sanjay Banerji	3	2	3,250
Mr. Vasudevrao Mosalkanti*	5	3	5,250

* Refer to statement of compliance on Pg 32.

Executive Director- Ms. Krishna Gangopadhyay

Particulars	Salary and benefits	Bonus	Other benefits
Amounts (USD)	125,841	3,613*	-
Proportions	96%	4%	-

* As per End of Year Gratuity Act, 2001 which is yet to be paid

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

(Continued)

Conflict of Interest

The Directors make best efforts to avoid any potential conflict of interest or situations where others might reasonably perceive there to be a conflict of interest. Where a conflict of interest arises or may arise, Directors ensure disclosure of the conflict or potential conflict to the Board. The Directors of the Company shall be required to declare the nature of their interest(s), in the following circumstances:

- (a) at the meeting of the Directors at which the question of entering into any contract or arrangement is first taken into consideration.
- (b) if the Director is not at the date of the meeting interested in the proposed contract or arrangement, then at the next meeting held after he becomes interested; or
- (c) in a case where the Directors becomes interested in a contract or arrangement after it is made, then at the first meeting of the Directors held after he becomes so interested.

The Code of Ethics also addresses the requirements on avoidance of conflicts of interest or situations where others might reasonably perceive a conflict. In any instances of an actual or potential conflict of interest, the Directors concerned are not present as part of the meeting in which the conflict or potential conflict is discussed and also do not participate in the debate or vote on the matter in any Board meeting.

Directorship in other Companies

The number of other Directorships which the Directors hold in listed Companies and the no. of shares held by them, both directly and indirectly, are disclosed in table 1 below:

Table 1: Directorship in listed Companies

Name of Director	No. of Directorship in listed Companies	No. of shares held directly in listed Companies	No. of shares held indirectly in listed Companies
Mr. Arun Tiwari	Nil	Nil	Nil
Mr. Vasudevrao Mosalkanti	1	Nil	Nil
Mr. Rajendra Bhatt	Nil	Nil	Nil
Dr. Sunil Chadda	Nil	Nil	Nil
Mr. Moses Newling Harding John	Nil	Nil	Nil
Mr. Prashant Kumar Babhale	Nil	Nil	Nil

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

(Continued)

Table 2: Directorship in other Companies

Name of Director	Directorship in Other Companies	Category
Arun Tiwari	1. Reliance Capital Limited	Non-Executive Director
	2. India Infradebt Limited	
	3. Indusind Nippon Life Insurance Company Limited	
	4. Indusind General Insurance Company Limited	
Vasudevrao Mosalkanti	GOCL Corporation Limited	Non-Executive Director
	Indusind Securities Limited	Independent Director
Dr. Sunil Chadda	1. PSA Advisors Ltd.	Executive Director
	2. PSA Consultants Private Ltd	Non-Executive Director
Mr. Moses Newling Harding John	1. IndusInd International Holdings Ltd	Executive Director
	2. IndusInd Ltd	Non-Executive Director
	3. IndusInd Finance Ltd	
	4. IIHL Capital Limited	
	5. IIHL AMC Holdings Limited	
	6. IIHL AMC Limited	
	7. IIHL BFSI Holdings Limited	
	8. IIHL BFSI(India) Limited	
	9. Indusind Bank & Trust Limited	
	10. Reliance Capital Limited	
	11. Reliance Nippon Life Insurance Company Limited	
	12. AFRINEX Clearing House Limited	
	13. Invesco Trustee Private Limited	
Mr. Prashant Babhale	1. SBI (Mauritius) Limited	Executive Director
	2. Mauritius Bankers Association	Non-Executive Director

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

(Continued)

Table 2: Directorship in other Companies (Continued)

Name of Director	Directorship in Other Companies	Category
Mr. Rajendra Bhatt	1. Elara Finance (India) Private Limited	Non-Executive Director
	2. Elara Capital (India) Private Limited	
	3. Elara Securities (India) Private Limited	
	4. Elara India Opportunities Fund Ltd. (Mauritius)	
	5. Elara Capital (Singapore) Pte. Ltd	
	6. Elara Capital Inc. (USA)	
	7. Elara Securities Inc. (USA)	
	8. Elara Capital (Mauritius) Ltd	
	9. Elara Asset Management Limited (Mauritius)	
	10. Elara Capital (Asia) Pte Limited	
	11. Elara Diversified Income Fund PCC (Mauritius)	
	12. Elara Capital Plc. (UK)	
	13. Myton Enterprises Limited (UK)	
	14. Reliance Business Consultants Limited (UK)	
	15. Elara Properties Development Limited (UK)	
	16. Elara Wealth Limited (UK)	

A register of interests is also maintained and updated on regular basis. The register of interest is placed before the Board and any Related Party Transactions are placed before the Board for approval. The Register of interests is also available to the shareholders of the Company upon written request to the Secretary of the Company.

Dealing in shares by the Directors

There was no dealing in shares of the Company by the Directors during the year under review.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 4 - DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

(Continued)

Related Party Transactions

The Board of Directors has established a policy on Conflict of Interest and Related Party Transactions and has put in place suitable procedures to ensure that any Board member with identified conflict of interest is excluded from approval process of related party transactions.

Further the Audit Committee and the Board have granted omnibus approval for Related Party Transactions during 01st January 2025 to 31st December 2025 at their meeting held on 10th March 2025.

Wherever applicable the Company enters into a written agreement with the concerned related parties for any such related party transactions and requisite approvals from the Audit Committee/ Board are obtained in accordance with the policy on Conflict of Interest and Related Party Transactions.

During the year under review, the Company has entered transactions with related parties, the details of which are provided in Note 22 of the consolidated and separate financial statements of the group and the Company.

PRINCIPLE 5 - RISK GOVERNANCE AND INTERNAL CONTROL

"The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The Board should ensure the maintenance of a sound internal control system."

The Board of Directors has the overall and ultimate responsibility for the Company's system of internal control and risk management and for reviewing the adequacy and integrity of the system. The Board determines the nature and extent of the principal risks it is willing to take in achieving the Company's objectives.

Risk Management Mechanism

Oversight of the Company's risk management process and internal control system is delegated to the Audit Committee. Risk management refers to the process of identification, measurement, monitoring and mitigating various risks the Exchange is exposed to.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Several risks can impact the achievement of a particular business objective. Similarly, a single risk can impact the achievement of several business objectives. The focus of risk management is to assess risks, deploy mitigation measures and review them, including the risk management policy on a periodic basis. This is done through periodic review meetings.

Further, the Company carries out Business Risk Assessment (BRA) and Customer Risk Assessment (CRA) from Anti Money Laundering/ Combatting the Financing of Terrorism (AML/CFT) perspective.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 5 - RISK GOVERNANCE AND INTERNAL CONTROL (Continued)

Risk Management Mechanism (Continued)

The Company's risk in relation to internal control over financial recording and reporting is reviewed by the Board. The Company has implemented few applications in house that enables internal control. The Company's internal control systems for 2025 are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely reviewed by Systems Auditors and Internal Auditors. The Board reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's financial risk management policies and systems.

The risk that the organization carries regarding the threat to its information is the result of a combination of factors. Change to any of these factors will alter the risk profile. Reviewing of Information Security on a regular basis is vital to ensure that the safeguards employed continue to offer the appropriate level of protection. In 2025, the Company initiated Information Security Management framework with the objective of Systems Audit and Cybersecurity Audit for the systems as of 2023. The risk management framework determines the probability and magnitude of harm that could come to an information system and ultimately the Company itself in the event of a security breach. By determining the magnitude of risk that exists, the Company will be in a better position to determine how much of that risk should be mitigated and what controls should be used to achieve that mitigation. The scope of risk management pertains to any information system of the Company and it applies to various assets like Information Technology, IT assets, Business and operation's process or procedure and or legal, regulatory and contractual requirements by which these assets are administered and/or maintained. Towards this, the Board has appointed auditors to assess Systems and Cybersecurity practices as was prevalent in 2023 to adopt and identify improvement opportunities thereof.

For each risk identified, Risk reduction can be achieved through the implementation of a managed system architecture that includes the following components:

- Technical
- Financial
- Informational
- Operational
- Procedural
- Physical
- Personnel
- Cyber

The Risk Assessment & Treatment Plan is reviewed once every year or in the event of any major changes brought about within the organization or any of its internal/external functional processes and also in the event a security incident takes place which could have an impact on the Risk Profile.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 5 - RISK GOVERNANCE AND INTERNAL CONTROL (Continued)

One of the major risks to which the Company is exposed is financial risk. Please refer to Note no. 21 of the consolidated and separate financial statements for the measures devised to manage those risks.

Internal Financial Controls and its adequacy

The Board of Directors affirms its overall responsibility for the Company's system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system of internal control covers inter alia, governance, risk management, financial, organizational, operational and compliance control.

These includes policies and procedures –

- a. Pertaining to the maintenance of records that is reasonably detailed, accurately and fairly reflects the transactions and dispositions of the assets of the Company,
- b. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS as amended from time to time, and
- c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material impact on the financial statements. Such internal financial controls over financial reporting were operating effectively as of December 31, 2025.

The Internal Audit provides assurance to the Board through the Audit Committee regarding the adequacy and effectiveness of the internal control systems. Internal Audit reports specifying significant issues along with the management responses are put up to the Audit Committee and Board to address the observations.

The Company has an Internal Control function to mitigate the financial risks.

The Audit Committee has been established with the following terms of reference:

- To review the effectiveness of internal audit function, activities, resources and organizational structure and ensure that it has appropriate standing within the Company;
- To approve appointment of internal auditor;
- To review and assess internal audit work plan;
- To review internal audit report;
- To review and monitor management's responses to the internal auditor's filing & recommendations;
- To safeguard organisation's assets against unauthorized use or disposal;
- To recommend the appointment of external Auditors to the Board;
- To examine and review the financial statements and ensure they comply with the accounting standards and with legal requirements;
- To monitor and review the risk management framework.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 5 - RISK GOVERNANCE AND INTERNAL CONTROL (Continued)

Whistle Blowing Mechanisms

Considering the size and nature of the Company in the year under consideration, the Company had not adopted a Whistle Blowing Policy and all matters and concerns, if any, were addressed by the Board of Directors. The Company proposes to adopt a suitable whistle blowing policy in future if the need arises.

PRINCIPLE 6 - REPORTING WITH INTEGRITY

“The Board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report and on its website.”

The Board of Directors affirms its responsibility for the preparation of consolidated and separate financial statements which give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year and of the profit and loss and cash flow for the financial year.

Directors acknowledge and understand their responsibilities for:

- (a) adequate accounting records and maintenance of effective internal control systems;
- (b) the preparation of consolidated and separate financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with IFRS Accounting Standards; and
- (c) the use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

In observation of their responsibilities towards preparation of financial statements, the Directors have ensured that appropriate accounting policies are used, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed.

The Directors have ensured that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company enabling them to ensure that the financial statements comply with the Mauritius Companies Act.

The Directors have taken such steps as they are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Human Resource Policies

The Company has adopted several HR policies which include Equal Opportunity Policy, Leave and Attendance policy, Anti-Sexual Harassment Policy, in line with the applicable laws including the Equal Opportunities Act 2008 and Workers Rights Act, 2019. During the year ended 31st December 2025, no complaints pertaining to the aforesaid matters have been received. The laid down HR policies make benefits and compensation more transparent and employee friendly.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 6 - REPORTING WITH INTEGRITY (Continued)

The Company has adopted several additional and suitable Human Resources policies for the growth and welfare of its workforce and will continue to do so on an ongoing basis. The Company complies with the provisions of the Occupational Safety and Health Act 2005 regarding the safety and health of its employees. There was no complaint on this matter for the year under review.

Training courses are being provided to employees based on need and merit to enhance their skills.

Political donations

No political donation was made by the Company during the Financial Year 2025.

Website

The annual report of the Company for the year ended 2024 is published on the website www.afrinexexchange.com.

Health and Safety practices

The Company is fully committed to bring about a health and safety culture. The Company maintains a very conducive working environment within its premises for higher productivity and wellbeing of its employees which includes medical insurance, personal accident insurance cover. The Company's objectives are to identify, remove, reduce or control material risks relating to fires and accidents or injuries to employees.

Assessment of the Company's financial, environmental, social and governance position, performance, and outlook

Given the current scale of operations of the Company, there is no significant impact on the environmental and social position, performance and outlook of the Company. The Company has not generated profit during the year hence there was no Corporate Social Responsibility tax incurred by the Company.

The Company has always been sensitive to environmental considerations and has implemented the following actions to contribute to the protection of the environment -

1. Minimizing use of paper by sending any statements of accounts by electronic mail
2. To implement online applications for claiming any internal reimbursements.
3. To implement online system for Board and Committee meetings and sending all Board and Committee papers through application.
4. To avoid, unnecessary in-house printing.
5. To reduce/avoid single use paper consumption within office.
6. To avoid single use plastic consumption within office.
7. To avoid water or electricity wastage within office.

Having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, we are satisfied that the annual report and accounts taken as a whole are fair, balanced and understandable.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 7 – AUDIT

“Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation’s internal and external auditors.”

External Audit

The external auditor evaluates the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation. After evaluating the independence and effectiveness of the external auditors, KPMG was re-appointed as the statutory auditors for the financial year ended 31st December 2025 at the Audit Committee and Board's meeting held on 10th March 2025. The Audit Committee has discussed the accounting principles and policies with the auditors at its meeting held on 07th March 2025.

The total duration of the audit assignment is for a period of one year with the possibility of reappointment subject to approval at the annual meeting of the members of the Company.

Audit fees

Fees payable to the external auditors for audit services for the year are as follows:

Year	2025	2024
External Auditor Name	KPMG	KPMG
AFRINEX Limited Audit Fees	USD 16,215	USD 15,410

Internal Audit

The Company has appointed an external party as internal auditor. Internal Auditors will carry out the evaluation as and when required and report to the Board. The Company has also set-up an in-house internal control department to mitigate financial risk.

The internal audit reports and irregularities identified during audits are presented to the Board of Directors on a half yearly basis. The internal audit reports also include a timeframe within which corrective action must be taken for any residual issue.

The Internal Auditors report observations relating to the deficiencies/ non-compliances of various audit areas and give suggestions/recommendations and control directives to mitigate the shortcomings and make the process, procedure, system and functions more robust, accountable, reliable and compliant.

The Internal Auditors performed verification of various audit areas such as finance, procurement, information technology, membership, banking, secretarial, human resource, operations, compliance for the financial year 2025 and had access to all necessary information and personnel. The Internal Audit Report is being placed regularly before the Audit Committee and the Board.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 7 – AUDIT (Continued)

IT Systems and Cyber-Security Audit for FY 2024

An IT audit is an evaluation of an organization's information technology infrastructure, policies, and procedures. It is designed to ensure that IT systems are functioning properly and securely. IT audit helps in re-validating the corporate objectives of securing corporate assets, data and information, identify potential inefficiencies in the existing IT system / processes and take steps to mitigate them, maintain an adequate level of security compliance measures and adopt to the evolving cyber-security needs and standards.

In view of the above Independent Auditor was appointed to undertake IT Systems and Cyber Security Audits for the FY 2024.

As of the reporting date, the IT systems Audit Report and Cyber Security Audit Report for FY 2024 was placed before the Board and IT and cyber security gaps that existed in 2024 are being evaluated for both the Company and its subsidiary.

Non-Audit Services

KPMG has not provided any non-audit services to the Company, as of date.

PRINCIPLE 8 – RELATIONS WITH THE MEMBER AND OTHER KEY STAKEHOLDERS

“The Board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The Board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.”

Shareholders’ Agreement

The Company has entered into a shareholders’ agreement with its Shareholders and has a licensing agreement with BSE Technologies Private Limited. The Company has not entered into any management agreement with any third parties.

General Meetings

Annual meetings are held within three (3) months from the end of the financial year and the notice of the Annual Meeting is sent to the shareholders of the Company at least twenty-one (21) days before the meeting. The notice clearly explains the procedures on proxy voting and includes the deadline for receiving proxies.

Shareholders and the Percentage Shareholdings

As at 31st December 2025, the stated capital of the Company is comprised of 846,398 ordinary shares. The table below summarizes the list of shareholders of the Company and the relative number of ordinary shares held by them as of 31st December 2025:

AFRINEX Limited
Annual Report for the financial year 2025



CORPORATE GOVERNANCE REPORT (CONTINUED)

PRINCIPLE 8 – RELATIONS WITH THE MEMBER AND OTHER KEY STAKEHOLDERS
(continued)

Name of Shareholders	No. of Shares	%
BSE Technologies Private Limited (Formerly known as Marketplace Technologies Private Limited)	111,798	13.22
Hinduja Capital Limited	100,000	11.81
Royalty Corporation	100,000	11.81
IndusInd International Holdings Ltd	100,000	11.81
Proden Investments Limited	100,000	11.81
SBM (NBFC) Holdings Ltd	100,000	11.81
SBI (Mauritius) Ltd	84,600	10.00
PSA Advisers Ltd	50,000	5.91
The State Investment Corporation Limited	50,000	5.91
KGK Precious (HK) Limited	50,000	5.91
TOTAL	846,398	100

Dividend Payment

No dividend has been declared and paid during the financial year ended 31st December 2025.

Annual General Meeting

The previous Annual General Meeting of the Shareholders of the Company was held on 24th March 2025.

Auditors

The auditor, **KPMG**, was appointed for the financial year ended 31st December 2025.

In accordance with Section 221(1)(h) of the Mauritius Companies Act, the remuneration of the Auditors is as follows:

Year	2025	2024
External Auditor Name	KPMG	KPMG
AFRINEX Limited Audit Fees	USD 16,215	USD 15,410

For and on Behalf of the Board

Director
Arun Tiwari

Date: 31.03.2026

Director
Moses Newling Harding John

AFRINEX Limited
Annual Report for the financial year 2025



STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 31st DECEMBER 2025

We, the Directors of AFRINEX Limited, confirm to our best knowledge that the Company has complied with its obligations and requirements under the National Code of Corporate Governance for Mauritius (2016).

For and on Behalf of the Board

A handwritten signature in blue ink, appearing to read 'Arun Tiwari', with a horizontal line underneath.

**Director
Arun Tiwari**

Date: 31.03.2026

A handwritten signature in black ink, appearing to read 'Moses Newling Harding John', with a horizontal line underneath.

**Director
Moses Newling Harding John**

AFRINEX Limited
Annual Report for the financial year 2025



Secretary's Certificate to the member of AFRINEX Limited under Section 166 (d) of the Mauritius Companies Act

I certify, to the best of my knowledge and belief, that I have filed with the Registrar of Companies all such returns as are required of "**AFRINEX Limited**" under Section 166(d) of the Mauritius Companies Act during the financial year ended 31st December 2025.

A handwritten signature in blue ink that reads 'Yash' followed by a stylized flourish.

Yash Hegde
Company Secretary
Date: 31.03.2026



KPMG
KPMG Centre
31, Cybercity
Ebène
Mauritius
Telephone +230 406 9999
Telefax +230 406 9988
BRN No. F07000189
Website www.kpmg.mu

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AFRINEX LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of AFRINEX Limited (the Group and Company), which comprise the consolidated and separate statement of financial position as at 31 December 2025 and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information, as set out on pages 38 to 90.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of AFRINEX Limited as at 31 December 2025, 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 (IFRS Accounting Standards) and in compliance with the requirements of the Mauritius Companies Act.

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 *Auditors' 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)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Corporate Data, Directors' Report, Operational Overview 2025, Key Regulatory Developments, Corporate Governance Report and Secretary's Certificate, but does not include the consolidated and separate financial statements and our auditors' report thereon.



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AFRINEX LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Other Information (continued)

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 Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the requirements of the Mauritius Companies Act, 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/or company or to cease operations, or have no realistic alternative but to do so.

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



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AFRINEX LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the group and/or 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 group 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.

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.



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AFRINEX LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Use of our Report

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

Report on other Legal and Regulatory Requirements

Mauritius Companies Act


We have no relationship with or interests in the Company other than in our capacity as auditors.

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 Services Act Circular letter CL281021

Our responsibility under the Financial Services Act Circular letter CL281021 is to report on the compliance with the Code of Corporate Governance ("the Code") disclosed in the Corporate Governance 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 Corporate Governance Report, the Company has complied with the requirements of the Code.

Initial


KPMG
Ebène, Mauritius

Date: 31 March 2026

Signed by:

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Imtiaz Ajeda
Licensed by FRC

AFRINEX Limited
Annual Report for the financial year 2025



CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	<u>Notes</u>	2025		2024	
		Group USD	Company USD	Group USD	Company USD
ASSETS					
Non-current assets					
Right-of-use assets	12	360,615	288,492	416,259	333,007
Investment in subsidiary	5	-	889,460	-	889,460
Property, plant and equipment	13	38,388	29,004	107,815	81,793
Intangible assets	14	3,166	2,375	13,766	10,407
Capital work in progress	15	200,000	200,000	200,000	200,000
Total non-current assets		602,170	1,409,332	737,840	1,514,667
Current assets					
Trade and other receivables	16	60,446	96,497	70,053	64,735
Cash and cash equivalents	17(a)	1,448,446	887,942	1,467,008	999,829
Investment in term deposit	17(b)	2,001,748	2,001,748	2,831,923	2,655,888
Total current assets		3,510,640	2,986,187	4,368,984	3,720,451
Total assets		4,112,810	4,395,518	5,106,824	5,235,118
EQUITY					
Stated capital	18a	8,585,298	8,585,298	8,585,298	8,585,298
Share application money	18a	241,100	-	241,100	-
Accumulated losses		(5,935,800)	(5,211,287)	(4,933,742)	(4,340,691)
Non-controlling interest	18b	84,252	-	101,979	-
Total equity		2,974,850	3,374,011	3,994,635	4,244,607
LIABILITIES					
Non-current liabilities					
Lease liabilities	12	281,473	225,179	334,850	267,880
Contract liabilities	20	41,270	35,280	38,067	38,067
Total non-current liabilities		322,743	260,458	372,917	305,947
Current liabilities					
Contract liabilities	20	26,283	20,284	15,750	15,750
Trade and other payables	19	729,326	693,078	668,867	625,090
Lease liabilities	12	59,608	47,686	54,655	43,724
Total current liabilities		815,217	761,049	739,272	684,564
Total liabilities		1,137,960	1,021,507	1,112,189	990,511
Total equity and liabilities		4,112,810	4,395,518	5,106,824	5,235,118

These consolidated and separate financial statements have been approved and authorised for issue by the Board of directors on 31.03.2026 and signed on its behalf by:

Director
Arun Tiwari

Director
Moses Newling Harding John

The notes on pages 43 to 90 form an integral part of these consolidated and separate financial statements.

AFRINEX Limited
Annual Report for the financial year 2025



**CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025**

	<u>Notes</u>	2025		2024	
		<u>Group USD</u>	<u>Company USD</u>	<u>Group USD</u>	<u>Company USD</u>
Income					
Revenue	6	102,285	59,063	95,996	46,545
Other income	7	1,200	1,200	578	485
Total income		<u>103,485</u>	<u>60,263</u>	<u>96,574</u>	<u>47,030</u>
Expenses					
Cost of revenue	8(a)	(2,953)	(2,953)	(2,327)	(2,327)
General and administrative expenses	8(b)	(1,136,373)	(952,775)	(1,263,123)	(1,075,466)
Impairment loss from Trade, other receivable	9	(7,583)	(2,750)	(7,625)	(7,625)
Total operating expenses		<u>(1,146,909)</u>	<u>(958,478)</u>	<u>(1,273,075)</u>	<u>(1,085,418)</u>
Total operating loss		<u>(1,043,424)</u>	<u>(898,215)</u>	<u>(1,176,501)</u>	<u>(1,038,388)</u>
Finance income/(cost)					
Finance cost	10(a)	(36,692)	(29,715)	(40,315)	(30,643)
Finance income	10(b)	60,331	57,334	198,606	179,500
Net finance cost		<u>23,639</u>	<u>27,619</u>	<u>158,291</u>	<u>148,857</u>
Loss before income tax expense		<u>(1,019,785)</u>	<u>(870,596)</u>	<u>(1,018,210)</u>	<u>(889,531)</u>
Income tax expense	11	-	-	-	-
Loss for the year		<u>(1,019,785)</u>	<u>(870,596)</u>	<u>(1,018,210)</u>	<u>(889,531)</u>
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		<u>(1,019,785)</u>	<u>(870,596)</u>	<u>(1,018,210)</u>	<u>(889,531)</u>
Loss attributable to:					
Owners of the company		(1,002,058)	-	(1,001,693)	-
Non- Controlling Interest	18(b)	(17,727)	-	(16,517)	-

The notes on pages 43 to 90 form an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

Group

	<u>Notes</u>	<u>Stated capital</u> USD	<u>Share application money</u> USD	<u>Accumulated losses</u> USD	<u>Non-controlling interest</u> USD	<u>Total</u> USD
Balance as at 1 January 2024		6,902,598	241,100	(3,932,049)	118,496	3,330,145
Total comprehensive income for the year						
Loss for the year		-	-	(1,001,693)	(16,517)	(1,018,210)
Total comprehensive income		-	-	(1,001,693)	(16,517)	(1,018,210)
Transactions with owners recorded directly in equity						
Issue of ordinary shares	18(a)	1,682,700	-	-	-	1,682,700
		1,682,700	-	-	-	1,682,700
Balance as at 31 December 2024		8,585,298	241,100	(4,933,742)	101,979	3,994,635
Balance as at 1 January 2025		8,585,298	241,100	(4,933,742)	101,979	3,994,635
Total comprehensive income for the year						
Loss for the year		-	-	(1,002,058)	(17,727)	(1,019,785)
Total comprehensive income		-	-	(1,002,058)	(17,727)	(1,019,785)
Balance as at 31 December 2025		8,585,298	241,100	(5,935,800)	84,252	2,974,850

The notes on pages 43 to 90 form an integral part of these consolidated and separate financial statements.

AFRINEX Limited
Annual Report for the financial year 2025



CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

<u>Company</u>	<u>Notes</u>	<u>Stated capital</u> USD	<u>Accumulated</u> <u>losses</u> USD	<u>Total</u> USD
Balance as at 1 January 2024		6,902,598	(3,451,160)	3,451,438
Total comprehensive income for the year				
Loss for the year		-	(889,531)	(889,531)
Total comprehensive income		-	(889,531)	(889,531)
Transactions with owners recorded directly in equity				
<i>Contributions</i>				
Issue of ordinary shares	18(a)	1,682,700	-	1,682,700
		1,682,700	-	1,682,700
Balance as at 31 December 2024		8,585,298	(4,340,691)	4,244,607
Balance as at 1 January 2025		8,585,298	(4,340,691)	4,244,607
Total comprehensive income for the year				
Loss for the year		-	(870,596)	(870,596)
Total comprehensive income		-	(870,596)	(870,596)
Balance as at 31 December 2025		8,585,298	(5,211,287)	3,374,011

The notes on pages 43 to 90 form an integral part of these consolidated and separate financial statements

AFRINEX Limited
Annual Report for the financial year 2025



CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025		2024	
		Group USD	Company USD	Group USD	Company USD
Cash flows from operating activities					
Loss for the year		(1,019,785)	(870,596)	(1,018,210)	(889,531)
<i>Adjustments for:</i>					
Depreciation and amortisation	8b	135,670	105,335	145,717	112,991
Gain on disposal of property, plant and equipment	7	-	-	(372)	(279)
Accrued interest in term deposits	17b	(1,748)	(1,748)	(67,953)	(66,558)
Impairment loss	9	7,583	2,750	7,625	7,625
Finance cost	10a	33,908	27,998	36,743	28,274
Finance income	10a	-	-	(35,794)	(28,965)
		<u>(844,372)</u>	<u>(734,261)</u>	<u>(932,244)</u>	<u>(836,443)</u>
<i>Changes in working capital:</i>					
Change in trade and other receivables*		2,024	(34,502)	(2,574)	7,401
Change in trade and other payables, including contract liabilities		74,195	69,735	237,789	228,204
Interest income received	17b	54,441	52,640	72,041	67,954
		<u>(713,712)</u>	<u>(648,388)</u>	<u>(624,988)</u>	<u>(532,884)</u>
Net cash outflow from operating activities					
Cash flows from investing activities					
Proceeds for disposal of property, plant and equipment	13	-	-	372	279
Investment in subsidiary*	5	-	-	-	(90,260)
Investment in term deposit	17b	(2,700,000)	(2,600,000)	(5,521,358)	(5,026,358)
Proceeds from redemption of term deposit	17b	3,477,483	3,203,248	4,666,670	4,350,757
		<u>777,488</u>	<u>603,248</u>	<u>(854,316)</u>	<u>(765,582)</u>
Net cash inflow/ (used in) from investing activities					
Cash flows from financing activities					
Issue of ordinary shares	18a, 18b	-	-	1,682,700	1,682,700
Payment of lease liabilities	12	(80,971)	(64,747)	(77,896)	(62,317)
		<u>(80,971)</u>	<u>(64,747)</u>	<u>1,604,804</u>	<u>1,620,383</u>
Net cash inflow/ (used in) from financing activities					
Net movement in cash and cash equivalents					
Cash and cash equivalents at start of year		1,467,008	999,829	1,340,418	676,072
Effect of exchange rate on cash and cash equivalents		(1,367)	(2,000)	(1,090)	1,840
		<u>1,448,446</u>	<u>887,942</u>	<u>1,467,008</u>	<u>999,829</u>
Cash and cash equivalents at end of year					

* During the previous year, the Company acquired additional shares amounting to USD 160,130 in the subsidiary, out of which USD 69,870 was a non-cash settlement against outstanding receivable balances.

The notes on pages 43 to 90 form an integral part of these consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1 GENERAL INFORMATION

AFRINEX Limited (the "Company") was incorporated in Mauritius under the Mauritius Companies Act 2001 on 09 March 2018 as a private company with liability limited by shares. The Company changed its legal regime to a public company on 27 March 2018. It holds a Securities Exchange Licence and a Trading Securities System Licence as issued by the Financial Services Commission in Mauritius. The address of the Company's registered office is at Office A11-01, Level 11, Tower A, 1 Exchange Square, Wall Street, Ebène 72201.

The principal activity of the Company is to operate and maintain a securities exchange in accordance with the law and provide the facilities for the trading of securities and derivatives. The Company holds investment in a subsidiary, AFRINEX Clearing House Ltd (the "Subsidiary"), a company incorporated in Mauritius, the principal activity of which is to operate as a clearing and settlement house for its shareholder, AFRINEX Limited.

The consolidated financial statements consist of the consolidated results of the Company and the subsidiary (together forming the "Group") as at and for the year ended 31 December 2025. The separate financial statements refer to the Company's financial statements on a stand-alone basis. The consolidated and separate financial statements of the Group and the Company are expressed in United States Dollar ("USD") which is the Group and the Company's functional and presentation currency. The consolidated and separate financial statements throughout this report are with reference to the Group and the Company respectively.

2 BASIS OF PREPARATION

(a) *Statement of compliance*

The consolidated and separate financial statements of the Group and Company have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and in compliance with the requirements of the Mauritius Companies Act.

(b) *Basis of measurement*

The consolidated and separate financial statements have been prepared using the going concern principle under the historical cost basis.

(c) *Functional and presentation currency*

These consolidated and separate financial statements have been presented in USD, which is the Group and the Company's functional and presentation currency. All financial information presented in USD have been rounded to the nearest dollar unless otherwise stated.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2 BASIS OF PREPARATION (CONTINUED)

(d) *Use of estimates and judgements*

The preparation of the consolidated and separate financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, as well as critical judgements in applying accounting policies that have the most material effect on the amounts recognised in the consolidated and separate financial statements are provided in Note 4.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the consolidated and separate financial statements except if mentioned otherwise.

(a) *Basis of consolidation*

The consolidated and separate financial statements include the financial statements of the Company and its subsidiary, AFRINEX Clearing House Ltd, a company incorporated in Mauritius.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of the subsidiary are included in the consolidated financial statements from the date on which control commences until the date that control ceases. In preparing the consolidated financial statements, intercompany transactions and balances are eliminated.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of entity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising on intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non- controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

(b) Foreign currency transactions

The consolidated and separate financial statements are presented in United States Dollar ("USD"). The financial statements of the subsidiary is also presented in USD. Transactions in foreign currencies are retranslated at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss account and presented within 'finance costs' or 'finance income'.

(c) Expenses

Expenses are accounted in profit or loss on an accrual basis. Cost of revenue is the variable direct cost incurred in relation to the sales of the Group and the Company. General and administrative expenses are the expenses which are not directly attributable to providing cost of revenue. There is a cost sharing agreement between AFRINEX Limited and AFRINEX Clearing House Ltd. Clause 1.4 of the agreement provides the basis of the cost sharing apportionment between the two parties.

(d) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) *Long-term employee benefits*

Long-term employee benefits are the amount of future benefits that employees have earned in return for their service in the current and prior period. There are no accruals for the current reporting period as it is not material to the Group and the Company.

(f) *Finance income and finance costs*

The Group's and the Company's finance income and finance costs include:

- Bank charges;
- Lease interest expenses; and
- Foreign currency gain or loss.

Interest expense is recognised using the effective interest method. Dividend income is recognised in profit and loss on the date on which the companies right to receive payment is established. Bank charges and lease interest expense are recorded in the profit and loss on an accrual basis.

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 gross carrying amount on the financial asset; or
- The amortised cost of the financial liability.

In calculating interest expense, the effective interest is applied to the amortised cost of the liability.

(g) *Revenue*

The Group and the Company recognise revenue from contracts with customers based on a five-step model as set out in 'IFRS 15 - Revenue from Contracts with Customers' as follows:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and set out the criteria for every contract that must be met. Income from operations include listing fees, AFEXtree charges, depository services and annual maintenance fees. The Group and the Company consider the application processing form and listing agreement (applicable for the Company) as the customer agreements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) *Revenue (continued)*

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Below are the performance obligations for the main revenue streams:

- 1) Listing fees (applicable for the Company) - Listing fees are recognised at a point in time, that is, at the time the application form is approved and legal entity is listed on the official market.
- 2) AFEXtree charges (applicable for the Company) - AFEXtree charges are recognised at point in time for providing access to AFEXtree platform and services availed.
- 3) Depository services - Depository services include off-market settlements, Debit/Credit transaction charges and corporate actions which are recognised at one point in time. Further, depository services include safekeeping fee which is recognised over time.
- 4) Annual maintenance fee - Annual maintenance fee is recognised over time from date of onboarding of issuers (for the Company) or depository participants and registrar and transfer agents (for the subsidiary). Revenue from annual maintenance fees is thus recognised over the period for which the service is being performed.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Transaction price are determined per the internal approved rate memorandum. Acceptance of transaction price is provided by the customer by signing the customer agreement and application form as enumerated in Step 1.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group and the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when performance obligation is satisfied: The revenue streams as enumerated in step 2, have only one single performance obligation. Once the performance obligations are met, the revenue is recognised as per the transaction price agreed with the customer and the invoice is accordingly issued to the customer.

(h) **Contract liabilities related to contract with customers**

A contract liability is the obligation to transfer services to a customer for which the Group and the Company have received full or partial consideration from the customer. In cases where the customer pays consideration before the Group and the Company transfer services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the Group and the Company perform the obligation under the contract.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Leases

At inception of a contract, the Group and Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains lease component, the Group and Company allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group and Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group and the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group and Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over its useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group and Company's incremental borrowing rates. Generally, the Group and Company use their incremental borrowing rates as the discount rate.

Lease payments included in the measurements of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group and the Company are reasonably certain to exercise, lease payments in an optional renewal period if the Group and the Company are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and the Company are reasonably certain not to terminate early.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) *Leases (continued)*

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate if there is a change in the Group and the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Group and the Company change their assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(j) *Income tax expense*

Income tax expense comprises current income tax and deferred tax. Current income tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior periods. Current tax payable also includes any tax liability arising from dividends.

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 to the extent that the Company 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.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) *Income tax expense (continued)*

Deferred tax assets and liabilities are offset 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 authority 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.

A deferred tax asset is recognised for unused tax losses, 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 utilised. 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 realized.

(k) *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group and the Company have the following non-derivative financial assets: Trade and other receivables, cash and cash equivalents and investment in term deposits.

(i) *Recognition and initial measurement*

Financial assets and liabilities are recognised initially on the trade date at which the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

(ii) *Financial assets: classification and subsequent measurement*

On initial recognition, the Group and the Company classify financial assets as measured at amortised cost. The Group and the Company do not have financial assets at fair value through profit or loss ("FVTPL") and fair value through other comprehensive income ("FVOCI").

Financial assets are not reclassified subsequent to their initial recognition unless the Group and the Company changes their business model for managing financial assets, in which case all affected financial assets would be 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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial assets: classification and subsequent measurement (continued)

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

The Group and the Company have determined that they have one business model:

- Held-to-collect business model: this includes trade and other receivables, cash and cash equivalents and investments in term deposits. These financial assets are held to collect contractual cash flow.

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

For the purpose 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 profit margin.

In assessing whether the contractual cash flows are SPPI, the Group and the Company consider 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 the assessment, the Group and the Company consider:

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

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

(ii) Financial assets: classification and subsequent measurement (continued)

At the reporting date, the Group and the Company's financial assets were classified as follows:

- At amortised cost.

Financial assets: Subsequent measurement

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

(iii) Financial liabilities: Classification and subsequent measurement

Financial liabilities are recognised initially on the trade date, which is the date that the Group and the Company become a party to the contractual provisions of the instrument.

At the reporting date, the Group and the Company have the following financial liabilities: Trade and other payables, lease liabilities which are classified as financial liabilities at amortised cost.

These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iv) Derecognition

Financial assets

The Group and the Company derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or they transfer 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 and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and they do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss account. Any interest in such transferred financial assets that is created or retained by the Group and the Company is recognised as a separate asset or liability.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) *Financial instruments (continued)*

(iv) Derecognition (continued)

Financial liabilities

The Group and the Company derecognise a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group and the Company also derecognise a financial liability when their 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.

(v) 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 and the Company have a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(l) *Property, plant and equipment*

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) *Property, plant and equipment (continued)*

(iii) *Depreciation*

Depreciation is based on the cost of items of property, plant and equipment less their estimated residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Property, Plant and Equipment	3 to 5 years
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Depreciation methods estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate, at each financial period end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in profit or loss in the year the asset is derecognised.

(m) *Intangible asset*

Intangible assets that are acquired by the Group and Company are stated at cost less accumulated amortisation and impairment losses. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss when incurred. Amortisation is charged to profit or loss on a straight-line basis over the useful lives of the individual intangible assets.

Computer software

The estimated useful life of the intangible asset is:

Computer software	5 years
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Amortisation methods estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate at each financial period end.

(n) *Capital work in progress*

The Group and the Company classify assets which are work in progress or assets which have not been put to use during the year under consideration as Capital work in progress. Such assets are transferred to Property, plant and equipment / Intangible assets upon successful commissioning/installation/completion of work and depreciation is charged to profit on loss account on a straight-line basis over the useful lives of the individual assets from the date of capitalisation.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, bank balances, and highly liquid short-term investments with original maturities of three months or less. These assets are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(p) *Investment in term deposit*

Investments in term deposits refer to fixed deposits placed with financial institutions. Term deposits with maturities of less than three months at the time of placement are classified as cash equivalents and included in the cash flow statement under cash and cash equivalents. Refer to Note 17 for Investment in term deposit.

Interest earned on fixed deposits is classified as finance income, as it does not arise from the Group's and Company's core operations. The investment in term deposits is a use of excess cash rather than a financing activity. Therefore, interest income is reported as other income rather than as revenue or finance income.

(q) *Impairment*

(i) *Non-derivative financial assets*

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

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

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

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

The Group and the Company assume that the credit risk on a financial asset has increased significantly if its repayment terms have lapsed.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Impairment (continued)

(i) Non-derivative financial assets (continued)

The Group and the Company consider a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group and Company in full, without recourse by the Group and Company to actions such as realising security (if any held).

The Group and the Company consider a financial asset to have a low risk when the amount receivable is with related parties.

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 and the Company are exposed to credit risk.

The Group and the Company measure the loss allowance for the financial assets by applying 'general approach' which is prescribed by IFRS 9. These dictate the estimate of expected credit losses should reflect:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information about past events, current conditions and forecasts of future economic conditions that is available without undue cost or effort at the reporting date.

Expected credit losses under the 'general approach' is described using the following formula: Probability of Default (PD) x Loss given Default (LGD) x Exposure at Default. Under this approach, a forward looking scenario will effectively develop an expected credit loss using this formula and probability weight the outcomes.

The Group and the Company consider a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realising security (if any held) or the financial asset is more than 90 days past due.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Impairment (continued)

(i) Non-derivative financial assets (continued)

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 and the Company expect to receive).

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

Credit impaired financial assets

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs 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 and the Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(ii) Non-financial assets

At each reporting date, the Group and the Company review the carrying amount of their non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Impairment (continued)

(ii) Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets that cannot be tested individually 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 CGU.

The Group and the Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU (group of CGUs) on a pro rata basis.

(r) Investment in subsidiary

In the separate financial statements, investment in subsidiary is carried at cost. The carrying amount is reduced to recognise any impairment in the value of the investment.

(s) Stated capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Share application money

Share application money represents funds received from investors who have applied to purchase shares in the Company but have not yet been allotted those shares. Share application money is recognised under equity section in the financial statements upon receipt, pending the issuance of shares or the revocation of the application. Upon the issuance of shares, the share application money pertaining to those shares is reclassified as share capital, in accordance with the Company's capital structure and legal requirements.

(t) Comparatives

Where necessary, the comparative figures have been amended to confirm with changes in presentation in the current year.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(u) *New standards, interpretations and amendments adopted during the year*

The Group and the Company have considered all amendments that became effective for the current reporting period. Management has assessed the potential impact of these newly effective standards and amendments on the consolidated and separate financial statements.

Based on this assessment, none of the newly effective standards or amendments have had a material impact on the amounts reported in the consolidated and separate financial statements or the Group or the company's accounting policies. Accordingly, no changes have been made to the Group or the company's accounting policies.

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

The following new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2025 and early adoption is permitted. The Group and the Company have not early adopted any of the forthcoming new or amended standards in preparing the financial statements.

Standard/Interpretation		Effective date Periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 promotes a more structured income statement, in particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories being, operating, investing and financing activities, based on a company's main business activities. However, the company's net profit will not change.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

IFRS 18 also requires the disclosure of Management Performance Indicators ("MPMs") which are subject to audit. They are designed to capture some but not all 'non-GAAP' measures. The standard requires MPMs to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(w) *Presentation and Disclosure in Financial Statements (IFRS 18) (continued)*

For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciled to an amount determined under IFRS Accounting Standards. Furthermore, a company must state that it provides management's view of financial performance and is not necessarily comparable to those of other companies. Any changes or new MPMs must also be explained.

This standard applies for annual reporting periods beginning on or after January 01, 2027. The Group and the Company are still assessing the impact of this standard on the consolidated and separate financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated and separate financial statements in accordance with IFRS Accounting Standards requires the directors and management to exercise judgements in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in consolidated and separate financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition, therefore, often differ from the related accounting estimates.

Where applicable, the notes to the consolidated and separate financial statements set out areas where management has applied a higher degree of judgements that have a material effect on the amounts recognised in the consolidated and separate financial statements, or estimations 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Critical judgement areas

Determination of functional currency

'Functional currency' is the currency of the primary economic environment in which the Group and the Company operate. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

Accordingly, management has to exercise significant judgement in determining the functional currency.

AFRINEX Limited, the Company, and AFRINEX Clearing House Ltd, the Company's subsidiary operates as an exchange and a clearing and settlement house respectively offering a platform to traders and brokers across the globe. It offers listing of various types of securities and financial instruments. The United States dollar (USD) is a currency which is more suitable for such an exchange and a clearing house as they will have access to worldwide investors to list their securities, commodities, and other financial instruments on the AFRINEX exchange. Therefore, the USD has been concluded as being the functional currency as it is aligned with its future business strategy.

Going concern

The directors are of the opinion that the Group and the Company have adequate resources to continue operations for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing consolidated and separate financial statements. The directors have satisfied themselves that the Group and the Company are in a sound financial position and that they have access to sufficient funding facilities to meet their foreseeable cash requirements. Refer note 24 for further details.

Lease term

The directors are of the opinion that it is probable that the Group and the Company will exercise extension of the lease for office premises upon completion of the contractual lease term of 5 years.

Estimated recoverable value of investment in subsidiary

The carrying value of the investment in subsidiary is tested for impairment whenever there is objective evidence or indication that the investment may be impaired. In accordance with IFRS Accounting Standards, management has exercised critical accounting judgments in determining the recoverable amount, which is the higher of fair value less costs of disposal (FVLCD) and value in use (VIU).

Under the FVLCD approach, the valuation is subject to inherent uncertainties and relies on key assumptions, including future market conditions, potential changes in economic factors, and the success of future strategic initiatives. The recoverable value under this method is contingent on the accuracy of these assumptions, and variations in such factors may impact the ultimate determination.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Critical judgement areas (continued)

Estimated recoverable value of investment in subsidiary (continued)

Alternatively, the VIU approach is based on estimating future cash flows expected to be derived from the subsidiary and discounting them to present value using an appropriate discount rate. This method requires management to make significant judgments regarding revenue growth, operational performance, cost structures, and discount rates. The reliability of this valuation depends on the reasonableness of these assumptions, and any deviation from expectations may lead to changes in the impairment assessment.

Since the recoverable amount is determined as the higher of FVLCD and VIU, any changes in the assumptions underlying these methodologies could materially affect the impairment conclusions.

5 INVESTMENT IN SUBSIDIARY

	2025	2024
	USD	USD
	<u>Company</u>	<u>Company</u>
At cost		
Equity investments at cost	889,460	729,330
Additions during the year	-	160,130
	-----	-----
Carrying amount	889,460	889,460
	=====	=====

Details of the significant subsidiary are as follows:

Name of subsidiary	Type of shares	Principal place of business	Percentage of equity held	
			2025	2024
AFRINEX Clearing House Ltd	Equity	Mauritius	88.12%	88.12%

The directors are of the opinion that the investment in subsidiary has not suffered any impairment at the reporting date.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

5 INVESTMENT IN SUBSIDIARY (CONTINUED)

The recoverable amount of the investment in the subsidiary was determined based on **Fair Value Less Costs of Disposal (FVLCOB)**. This is a Level 3 fair value measurement under IFRS 13.

Valuation Methodology

The Company employed a market approach using a comparable companies valuation technique. A **Price-to-Book (P/B) multiple** was selected as the primary valuation metric. The base multiple of **2.625x** was adjusted for a **16.2% liquidity discount**, resulting in an effective multiple of **2.2x** applied to the subsidiary's book value.

Key Unobservable Inputs and Sensitivity

The table below details the range of unobservable inputs used and their sensitivity. A change in these inputs would result in a corresponding change in the recoverable amount.

Unobservable Input	Range	Sensitivity Analysis
P/B Multiple	2.0x - 2.50x	A 5% change in multiple impacts valuation by +/- USD 52,848
Liquidity Discount	15% - 20%	A 5% change in discount impact valuation by -/+ valuation by USD 10,216

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

6 REVENUE

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Listing fees	27,500	27,500	19,650	19,650
AFEXtree charges	4,000	4,000	5,000	5,000
Depository services	19,689	-	26,936	-
Annual maintenance fees	46,409	25,776	39,265	21,895
Others	4,688	1,788	5,145	-
Total revenue	102,285	59,063	95,996	46,545

Listing fee includes application fees and listing fees. AFEXtree charges include platform registration fees. Others include revenue from corporate accounts, membership fees and ISIN fees.

7 OTHER INCOME

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Gain on disposal of property, plant and	-	-	372	279
Others	1,200	1,200	206	206
Total other income	1,200	1,200	578	485

8(a) COST OF REVENUE

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Cost of revenue	2,953	2,953	2,327	2,327
Total revenue	2,953	2,953	2,327	2,327

Cost of revenue for the year includes revenue sharing with BSE Technologies Private Limited under the Software License and Technology Services Agreement in relation to the revenue of the company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

8(b) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses include network and information technology-related operational expenditures, office-related operational costs, and other expenses such as salaries and benefits, audit fees, and license fees. AFRINEX Limited and AFRINEX Clearing House Ltd have entered into a cost sharing agreement. Clause 4.1 of the agreement lays the basis of the cost sharing between the two entities. Common IT-related expenses for shared use, operation or deployment incurred by the Company will be allocated between the Company and the subsidiary in a 75:25 ratio. Similarly, shared office-related operational expenditures will be allocated in an 80:20 ratio.

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Salaries and benefits**	456,394	399,004	567,158	518,204
Travel and accommodation	31,822	31,822	69,029	68,014
Professional and consultancy fees	123,404	94,167	86,481	45,792
Licences*	199,962	181,447	199,677	181,020
Audit fees****	42,246	25,668	40,175	24,210
Depreciation of property, plant and equipment (Note 13)	69,427	52,789	79,851	60,740
Amortisation of intangible assets (Note 14)	10,600	8,032	10,630	8,062
Depreciation on right-of-use asset (Note 12)	55,643	44,515	55,236	44,189
VAT on rent	12,140	9,713	11,685	9,348
Others***	134,735	105,118	143,201	115,887
	-----	-----	-----	-----
Total general and administrative expenses	1,136,373	952,775	1,263,123	1,075,466
	=====	=====	=====	=====

* Licences include Licence fee to BSE Technologies Private Limited amounting to **USD 150,000** (2024: USD 150,000). Refer to Note 22.

** Short-term benefits included within salaries and benefits for key management personnel amount to **USD 129,454** (2024: USD 225,354). Refer to Note 22.

*** These include expenses relating to IT service provider charges and other miscellaneous expenses amounting to **USD 11,574** (2024: USD 12,435). These are paid by BSE Technologies Private Limited on behalf of the Company. Refer to Note 22.

**** Audit fees include statutory audit fees of **USD 16,215** (2024: USD 15,410). The remaining relates to internal audit fees, cybersecurity audit fees and systems audit fees.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

9 IMPAIRMENT LOSS FROM TRADE AND OTHER RECEIVABLE

In the previous financial year, certain trade receivables were identified as having experienced a significant increase in credit risk, and an impairment provision was recognised accordingly. During the current financial year, management reassessed receivables arising from transactions with these counterparties and recognised additional impairment provisions where the recoverability of the outstanding balances is considered uncertain.

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Opening balance	(7,625)	(7,625)	-	-
Impairment for the year	(7,583)	(2,750)	(7,625)	(7,625)
	-----	-----	-----	-----
Closing balance	(15,208)	(10,375)	(7,625)	(7,625)
	=====	=====	=====	=====

10 (a) FINANCE COST

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Bank charges	2,784	1,717	3,572	2,369
Interest expense on lease liabilities (Note 12)	25,586	20,469	28,948	23,158
Foreign exchange loss	8,322	7,529	7,795	5,116
	-----	-----	-----	-----
Total finance costs	36,692	29,715	40,315	30,643
	=====	=====	=====	=====

10 (b) FINANCE INCOME

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Foreign exchange gain	-	-	35,794	28,965
Interest income from term deposit	58,167	55,170	94,835	83,594
Accrued interest on term deposit	2,164	2,164	67,977	66,941
	-----	-----	-----	-----
Net foreign exchange gain	60,331	57,334	198,606	179,500
	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

11 INCOME TAX EXPENSE

Income Tax

Under the applicable laws, the Group and the Company are liable to income tax in Mauritius on its chargeable income at the rate of 15%. The Company is also liable to 2% Corporate Social Responsibility (CSR) tax on previous year's chargeable income.

Capital Gains Tax

No Mauritian capital gains tax is payable on profits arising from sale of securities, and any dividends and redemption proceeds paid by the Group and the Company to its shareholder will be exempt in Mauritius from any withholding tax.

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Tax charge for the year	-	-	-	-
	=====	=====	=====	=====

A reconciliation of the actual income tax based on accounting profit and the actual income tax expense is as follows:

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Current tax expense	-	-	-	-
	=====	=====	=====	=====
Loss before income tax expense	(1,019,785)	(870,596)	(1,018,210)	(889,531)
	=====	=====	=====	=====
Income tax using tax rate of 15%	(152,968)	(130,587)	(152,732)	(133,430)
Unrealised foreign exchange gain	1,248	1,129	(4,200)	(3,577)
Depreciation and amortisation	20,351	15,800	21,858	16,949
Deferred tax not recognised for tax purposes (Refer note below)	131,369	113,658	135,074	120,058
	-----	-----	-----	-----
Tax charge for the year	-	-	-	-
	=====	=====	=====	=====

The Group and the Company were not liable to CSR charge as they have not generated any chargeable income (2024: no chargeable income).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

11 INCOME TAX EXPENSE (CONTINUED)

There was no capital gain tax for the year ended 2025 and 2024. The Group and the Company have not recognised deferred tax asset amounting to **USD 131,369** (2024: USD 135,074) and **USD 113,658** (2024: USD 120,058) respectively in respect of tax losses carried forward since the Group and the Company have not fully launched their operations. There is no certainty that taxable profits will be available in the foreseeable future against which losses of the group and the company may be recognised.

Chargeable income of the Group and the Company is as follows:

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Loss before income tax expense	(1,019,785)	(870,596)	(1,018,210)	(889,531)
Adjustments:				
Depreciation on PPE and ROU	135,670	105,336	145,717	112,992
Unrealised gain	8,322	7,529	(27,999)	(23,849)
Tax losses for the year	<u>(875,793)</u>	<u>(757,731)</u>	<u>(900,492)</u>	<u>(800,388)</u>
	=====	=====	=====	=====

12 LEASES

The Group and the Company lease office space and the office space facilities. The leases typically run for a period of 5 years, with an option to renew the lease after that date for another 5 years. The lease has been renewed in October 2025. As a result, the Right-of-use asset is being depreciated over 10 years.

Information about leases for which the Group and the Company are lessee are presented below:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

12 LEASES (CONTINUED)

Right-of-use assets

Office space	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
At the beginning of the year	416,259	333,007	471,495	377,196
Depreciation charge for the year	(55,643)	(44,515)	(55,236)	(44,189)
	-----	-----	-----	-----
	360,615	288,492	416,259	333,007
	=====	=====	=====	=====

Lease liabilities

Maturity analysis – contractual undiscounted cash flows

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Less than one year	81,123	64,899	79,641	63,713
One to five years	329,462	263,258	318,566	254,853
More than five years	-	-	77,500	62,000
	-----	-----	-----	-----
Total undiscounted lease liabilities at 31 December 2025	410,585	328,157	475,707	380,566
	=====	=====	=====	=====

Lease liabilities included in the consolidated and separate statements of financial position at 31 December as per below:

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Current	59,608	47,686	54,655	43,724
Non-current	281,473	225,179	334,850	267,880
	-----	-----	-----	-----
Balance at 31 December 2025	341,081	272,865	389,505	311,604
	=====	=====	=====	=====

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

12 LEASES (CONTINUED)

Amount recognised in profit or loss

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Interest expense on lease liability (Note 10(a))	25,586	20,469	28,948	23,158

Amount recognised in the statement of cash flows

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Total cash outflow for leases	(80,971)	(64,747)	(77,896)	(62,317)
	=====	=====	=====	=====

The Group's and the Company's leases have been valued and accounted for based on the lease agreements. There were no indicators of impairment, as the right-of-use assets are being amortised over the lease term.

13 PROPERTY PLANT AND EQUIPMENT

	2025		2024	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<i>Cost</i>				
At 01 January	481,533	365,164	481,969	365,491
Additions during the year	-	-	-	-
Disposals during the year	-	-	(436)	(327)
At 31 December	481,533	365,164	481,533	365,164
<i>Accumulated depreciation</i>				
At 01 January	373,718	283,371	294,303	222,958
Charge for the year	69,427	52,789	79,851	60,740
Disposals during the year	-	-	(436)	(327)
At 31 December	443,145	336,160	373,718	283,371
<i>Carrying amounts</i>				
At 31 December	38,388	29,004	107,815	81,793

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

13 PROPERTY PLANT AND EQUIPMENT (CONTINUED)

There were no indicators of obsolescence or damage to the Group's and the Company's plant and equipment items. Normal wear and tear was accounted for through depreciation.

Property, plant and equipment are depreciated over a period of 3 to 5 years.

During the year ended 31 December 2024, the Group and the Company disposed of property, plant, and equipment with a nil carrying amount, receiving disposal proceeds of **USD 372** and **USD 279**, respectively. No property, plant and equipment were disposed in the current year.

14 INTANGIBLE ASSETS

	Group	Company	Group	Company
	Computer Software 2025		Computer Software 2024	
	USD	USD	USD	USD
<i>Cost</i>				
At 01 January	53,150	40,311	53,150	40,311
Additions during the year	-	-	-	-
At 31 December	53,150	40,311	53,150	40,311
<i>Accumulated amortisation</i>				
At 01 January	39,384	29,904	28,754	21,842
Charge for the year	10,600	8,032	10,630	8,062
At 31 December	49,984	37,937	39,384	29,904
<i>Carrying amounts</i>				
At 31 December	3,166	2,375	13,766	10,407

Intangible assets represent IT Software's - MS Licenses. This software is amortised over a period of 5 years.

15 CAPITAL WORK IN PROGRESS ("CWIP")

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Trading Platform installation	200,000	200,000	200,000	200,000
	-----	-----	-----	-----
	200,000	200,000	200,000	200,000
	=====	=====	=====	=====

Capital work in progress include Trading platforms used for secondary operations and further development of AFEXtree platform. The amount will be capitalised when all the features of the platform are put to production along with replica.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

16 TRADE AND OTHER RECEIVABLES

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Trade receivables	21,758	10,375	21,255	10,250
Receivables from related party (Refer note 22)	-	60,783	-	22,364
Prepayments	36,051	21,471	30,413	17,338
Other receivables	17,845	14,243	26,010	22,408
Less: Allowances for expected credit loss (Refer note 9)	(15,208)	(10,375)	(7,625)	(7,625)
	-----	-----	-----	-----
	60,446	96,497	70,053	64,735
	=====	=====	=====	=====

Receivable outstanding for more than 12 months are deemed to have experienced a significant increase in credit risk. For these credit-impaired receivables, a full lifetime expected credit loss is recognised. As on 31 December 2025, the allowance for expected credit losses amounted to **USD 15,208** (2024: USD 7,625). The receivable balance amounting to **USD 60,783** (2024: USD 22,364) from related party is interest free, unsecured and repayable on demand. Refer to note 22 for further details.

17(a) CASH AND CASH EQUIVALENTS

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Bank balances	948,030	387,526	1,089,594	622,415
Deposit with maturity less than three months (cash equivalent)	500,416	500,416	377,414	377,414
	-----	-----	-----	-----
	1,448,446	887,942	1,467,008	999,829
	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

17(b) INVESTMENTS IN TERM DEPOSIT

Group

	2025		2024	
	USD	USD	USD	USD
	Less than 3 months	3 months or more	Less than 3 months	3 months or more
Opening balance	377,414	2,831,923	521,477	1,981,683
Investment in term deposits	1,115,000	2,700,000	3,445,000	5,521,358
Proceeds from redemption of term deposits	(988,689)	(3,477,483)	(3,566,652)	(4,666,670)
Accrued interest	416	1,748	383	67,593
Interest income	(3,725)	(54,441)	(22,794)	(72,041)
	500,416	2,001,748	377,414	2,831,923

Company

	2025		2024	
	USD	USD	USD	USD
	Less than 3 months	3 months or more	Less than 3 months	3 months or more
Opening balance	377,414	2,655,888	301,139	1,981,683
Investment in term deposits	895,000	2,600,000	2,520,000	5,026,358
Proceeds from redemption of term deposits	(769,884)	(3,203,248)	(2,428,468)	(4,350,757)
Accrued interest	416	1,748	383	66,558
Interest income	(2,530)	(52,640)	(15,640)	(67,954)
	500,416	2,001,748	377,414	2,655,888

The deposits are not subject to any restrictions. The amount can be withdrawn at any time from the bank without penalty.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

18(a) STATED CAPITAL AND RESERVES

Ordinary shares

	No. of shares	2025		2024	
		<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
		<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
<i>Authorised, issued and fully paid up</i>					
At start of the year	846,398	8,585,298	8,585,298	6,902,598	6,902,598
Issued during the year	-	-	-	1,682,700	1,682,700
At the end of the year	846,398	8,585,298	8,585,298	8,585,298	8,585,298

Share application money

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Share application money				
At start of the year	241,100	-	241,100	-
Received during the year	-	-	-	-
Refunded during the year	-	-	-	-
	241,100	-	241,100	-

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group and the Company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

18 (b) NON- CONTROLLING INTERESTS (“NCI”)

A third-party investor acquired a stake in the subsidiary in December 2023.

The following table summarizes the information relating to the Group’s subsidiary that has non-controlling interest.

	Afrinex Clearing House Ltd	Afrinex Clearing House Ltd
	As at 31 December 2025	As at 31 December 2024
NCI Percentage	11.88%	11.88%
Non-current assets	82,299	112,633
Current assets	524,452	670,897
Non-current liabilities	(64,197)	(66,970)
Current liabilities	(52,256)	(76,750)
Net assets	490,298	639,810
Loss	(149,189)	(128,679)
OCI	-	-
Total comprehensive Loss	(149,189)	(128,679)
Loss allocated to NCI	(17,727)	(16,517)
OCI allocated to NCI	-	-

The below table explains the movement in NCI value:

	2025	2024
	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Group</u>
Opening balance	101,979	118,496
Loss allocated in the current year	(17,727)	(16,517)
Closing balance	84,252	101,979

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

19 TRADE AND OTHER PAYABLES

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
License fee payable (Refer to Note 22)	619,167	619,167	469,167	469,167
Expense paid on behalf of the group (Refer to Note 22)	10,591	10,591	7,638	7,638
Trade payables	48,875	36,655	136,599	116,650
Other payables and accruals (Refer to Note 22)	4,888	2,975	7,013	3,825
Audit fees payables	45,805	23,690	48,450	27,810
	<u>729,326</u>	<u>693,078</u>	<u>668,867</u>	<u>625,090</u>

Payable to related parties include director sitting fee payable to Independent Non-Executive Directors and to BSE Technologies Private Limited amounting to USD 639,740 and USD 637,827 for the Group and the company respectively. The payables to related parties are interest free, unsecured and repayable on demand.

Balances outstanding to BSE Technologies Private Limited are not yet settled as the Company's trading platform is not yet operational due to pending integration with clearing corporation systems, including back-office, risk management, and the depository system under development. As a result, planned services have not commenced and expected revenues have not been generated. These are repayable on demand. Integration is in progress and the platform is expected to become operational upon completion.

20 CONTRACT LIABILITIES

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Opening balance	53,817	53,817	28,087	28,087
Advances received in the year*	30,619	2,880	49,274	49,274
Revenue recognised in the year	(16,883)	(1,133)	(23,544)	(23,544)
	<u>67,553</u>	<u>55,564</u>	<u>53,817</u>	<u>53,817</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

20 CONTRACT LIABILITIES (CONTINUED)

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Current	26,283	20,284	15,750	15,750
Non-current	41,270	35,280	38,067	38,067
	-----	-----	-----	-----
	67,553	55,564	53,817	53,817
	=====	=====	=====	=====

* Advance received include billing made to customers for Listing fees. Refer to Note 3 (h) for the accounting policy.

21 FINANCIAL RISK MANAGEMENT

The Group and the Company have exposure to the following risks during the course of their normal business:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's and the Company's exposure to each of the above risks, the Group's and the Company's objectives, policies and processes for measuring and managing risk, and the Group's and the Company's management of capital. Further quantitative disclosures are included throughout these consolidated and separate financial statements.

The Board of directors has overall responsibility for the establishment and oversight of the Group's and the Company's risk management framework.

The Group's and the Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's and the Company's activities. The Board of directors oversees how management monitors compliance with the Group's and the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group and the Company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Categories of financial instruments

The tables below set out the comparison by category and class of carrying amounts of all of the financial assets and liabilities. The carrying amounts of the financial assets and liabilities approximate their fair values.

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Financial assets at amortised cost				
Trade receivables*	6,550	-	13,630	2,625
Other receivables	17,845	75,026	26,010	44,772
Cash and cash equivalents	1,448,446	887,942	1,467,008	999,829
Investment in term deposit	2,001,748	2,001,748	2,831,923	2,655,888
	-----	-----	-----	-----
	3,474,589	2,964,716	4,338,571	3,703,114
	=====	=====	=====	=====

* ECL allowance on trade receivables for the group and the company is **USD 15,208 and USD 10,375 respectively** (2024: USD 7,625 and USD 7,625) has been excluded from trade receivables.

Prepayments for the group and the company is **USD 36,051 and USD 21,471** respectively (2024: USD 30,413 and USD 2024: 17,338) have not been included in financial assets.

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Financial liabilities at amortised cost				
Payable to related parties	634,646	632,733	483,818	480,630
Trade and other payables	94,680	60,345	185,049	144,460
Lease liabilities	341,081	272,865	389,505	311,604
	-----	-----	-----	-----
	1,070,407	965,943	1,058,372	936,694
	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating risk of financial loss from defaults. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Group and the Company limit their exposure to credit risk by investing through reputable institutions.

Financial assets that potentially expose the Group and the Company to credit risk consist principally of cash and cash equivalents, investments in term deposits and trade and other receivables.

Credit risk on cash and cash equivalents and investments in term deposits

The Group and Company's exposure to credit risk arising from cash and cash equivalents and investments in term deposits are limited because the Group and the Company transacts with reputable banking institutions. On 31 December 2025, the credit exposure on cash and cash equivalents and term deposits were placed with SBI (Mauritius) Ltd and SBM Bank (Mauritius) Ltd. SBI (Mauritius) Ltd is **Baa3** credit rated (2024: Baa3) while SBM (Mauritius) Ltd is **Baa3** credit rated (2024: Baa3) by Moody's and are considered to be reputed banks. No significant expected credit loss allowance determined on cash and cash equivalents and investment in term deposits.

Trade and other receivables

The Group's and Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's and Company's customer base, including the default risk of the industry in which the customers operate, have a material influence on credit risk. The Group and Company have established their accounting policies on expected credit losses as enumerated in note 3(q)(i). The Group and Company establish an allowance for impairment that represents their estimate of expected credit losses in respect of trade and receivables.

Receivable from Related parties

The Company manages its credit risk on receivables from related parties by monitoring the financial performance and position of the related parties. The Company also considers the economic condition of the place of business of the related party in its credit risk assessment. No ECL allowance is recognized as the subsidiary's liquid assets and Group's financial support to its subsidiary ensures negligible default risk.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Receivable from Related parties (Continued)

Receivables amounting to USD 60,783 (2024: 22,364) are receivables from the subsidiary. Due to the subsidiary's current liquidity position, the Company has determined the expected credit loss to be insignificant.

A. Methodology and Assumptions

The Company applies the **IFRS 9 General Approach** to measure Expected Credit Losses (ECL) for trade receivables. The Company calculates ECL by multiplying the **Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD)**. Management incorporates forward-looking information by adjusting PDs based on forecasted economic indicators relevant to the financial services sector.

B. Credit Quality and Exposure

The table below displays the credit quality of trade and other receivables based on the Company's internal credit rating system and IFRS 9 stages:

Group

Particulars	Stage 1 (<90 days)	Stage 2 (>90 days<365 days)	Stage 3 (Credit Impaired >365 days)	Total
Gross Carrying Amount	24,395	7,583	7,625	24,395
Loss Allowance (Note 9)	-	(7,583)	(7,625)	(15,208)
Net Carrying Amount	24,395	-	-	24,395

Company

Particulars	Stage 1 (<90 days)	Stage 2 (>90 days<365 days)	Stage 3 (Credit Impaired >365 days)	Total
Gross Carrying Amount	14,243	2,750	7,625	24,618
Loss Allowance (Note 9)	-	(2,750)	(7,625)	(10,375)
Net Carrying Amount	14,243	-	-	14,243

The Group and Company seek to limit their credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables.

As at 31 December 2025, an allowance for credit loss of **USD 15,208** (2024: USD 7,625) was made in respect of credit-impaired trade receivables. Management does not expect any other losses from non-performance of trade receivables.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

The maximum exposure to credit risk at end of the reporting period was:

	2025		2024	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Trade and other receivables	24,395	75,026	39,640	47,397
Cash and cash equivalents	1,448,446	887,942	1,467,008	999,829
Investment in term deposit	2,001,748	2,001,748	2,831,923	2,655,888
	-----	-----	-----	-----
	3,474,589	2,964,716	4,338,571	3,703,114
	=====	=====	=====	=====

Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities when they become due without incurring unacceptable losses or risking damage to the Group's and the Company's reputation.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted payments:

<u>Group</u>	Contractual cash flows					Total carrying amount USD
	Repayable on demand	Within one year	One to five years	More than five years	Total amount USD	
	USD	USD	USD	USD	USD	
2025						
Payable to related parties (Refer Note below)	629,758	4,888	-	-	634,646	634,646
Trade and other payables	-	94,680	-	-	94,680	94,680
Lease liabilities	-	81,123	329,462	-	410,585	341,081
	-----	-----	-----	-----	-----	-----
	639,740	180,691	329,462	-	1,139,911	1,070,407
	=====	=====	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Payable to BSE Technologies Private Limited amounting to USD 629,758 (2024: USD 476,805) is not yet settled as the Company’s trading platform is not yet operational due to pending integration with clearing corporation systems, including back-office, risk management, and the depository system under development. As a result, planned services have not commenced and expected revenues have not been generated. These are repayable on demand. Integration is in progress and the platform is expected to become operational upon completion.

Liquidity risk (Continued)

Group	Contractual cash flows					Total carrying amount
	Repayable on demand	Within one year	One to five years	More than five years	Total Amount	
	USD	USD	USD	USD	USD	USD
2024						
Payable to related parties	476,805	7,013	-	-	483,818	483,818
Trade and other payables	-	185,049	-	-	185,049	185,049
Lease liabilities	-	79,641	318,566	77,500	475,707	389,505
	-----	-----	-----	-----	-----	-----
	476,805	271,703	318,566	77,500	1,144,574	1,058,372
	=====	=====	=====	=====	=====	=====

Contractual cash flows

Company

	Repayable on demand	Within one year	One to five years	More than five years	Total amount	Total carrying amount
	USD	USD	USD	USD	USD	USD
2025						
Payable to related parties	629,758	2,975	-	-	632,733	632,733
Trade and other payables	-	60,345	-	-	60,345	60,345
Lease liabilities	-	64,899	263,258	-	328,157	272,865
	-----	-----	-----	-----	-----	-----
	629,758	128,219	263,258	-	1,021,235	965,943
	=====	=====	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

2024	Contractual cash flows					Total amount USD	Total amount USD
	Repayable on demand USD	Within one year USD	One to five years USD	More than five years USD	Total amount USD		
Payable to related parties	476,805	3,825	-	-	480,630	480,630	
Trade and other payables	-	144,460	-	-	144,460	144,460	
Lease liabilities	-	63,713	254,853	62,000	380,566	311,604	
	-----	-----	-----	-----	-----	-----	
	469,167	211,998	254,853	62,000	998,018	936,694	
	=====	=====	=====	=====	=====	=====	

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's and the Company's income or the value of their holdings of financial instruments. The Group's and the Company's exposure to market risk is determined by a number of factors, including interest rates and foreign currency exchange rates.

The Board of directors has overall responsibility for the establishment and oversight of the Group's and the Company's risk management framework. The Group's and the Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate measures and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Group's and the Company's activities. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's and the Company's exposure to the various types of risks associated to its activity and financial instruments are detailed below.

(i) Currency risk

The Group and the Company have entered into transactions denominated in currencies other than its functional currency. Consequently, the Group and the Company are exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's and the Company's assets or liabilities denominated in currencies other than USD.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

The currency profile of the Group's and the Company's financial assets and liabilities are as follows:

Group

	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	2025	2025	2024	2024
	USD	USD	USD	USD
Mauritian Rupees (MUR)	97,750	341,081	52,712	389,505
United States Dollar (USD)	3,376,839	729,326	4,293,484	665,739
Great British Pound (GBP)	-	-	-	3,128
	-----	-----	-----	-----
	3,474,589	1,070,407	4,338,571	1,058,372
	=====	=====	=====	=====

Company

	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	2025	2025	2024	2024
	USD	USD	USD	USD
Mauritian Rupees (MUR)	86,595	272,865	39,193	311,604
United States Dollar (USD)	2,878,121	693,078	3,663,921	621,962
Great British Pound (GBP)	-	-	-	3,128
	-----	-----	-----	-----
	2,964,716	965,943	3,703,114	936,694
	=====	=====	=====	=====

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

The following table indicates the approximate change in the Group's and the Company's loss in response to reasonable possible changes in the foreign exchange rates to which the Group and the Company have significant exposure at the reporting date. The Group and the Company are mainly exposed to MUR and GBP.

A **2%** increase or decrease in MUR against USD (2024: 6%) is the sensitivity rate used when assessing the reasonable possible change in foreign exchange rates.

A **6%** increase or decrease in GBP against USD (2024: 1%) is the sensitivity rate used when assessing the reasonable possible change in foreign exchange rates.

Group

	Increase / (decrease) in foreign exchange rate		Effect on profit or loss/ equity	
	2025	2024	2025	2024
	%	%	USD	USD
MUR	2% (2%)	6% (6%)	4,867 (4,867)	20,208 (20,208)
GBP	1% (1%)	1% (1%)	- -	31 (31)

Company

	Increase / (decrease) in foreign exchange rate		Effect on profit or loss/ equity	
	2025	2024	2025	2024
	%	%	USD	USD
MUR	2% (2%)	6% (6%)	3,725 (3,725)	16,345 (16,345)
GBP	1% (1%)	1% (1%)	- -	- -

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the reporting date and had been applied to the Group's and the Company's exposure to currency risk for financial instruments in existence at that date, and that all other variables remain constant.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

21 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (Continued)

(i) Currency risk (Continued)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent the effects on the Group's and the Company's profit or loss and retained earnings for any changes in the foreign exchange rate.

The following significant exchange rate has been applied.

	2025		2024	
	Year-end rate		Year-end rate	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
Mauritian Rupee	46.22	46.22	47.08	47.08
GBP	1.35	1.35	1.27	1.27

Interest rate risk

The Group and Company's operations are subject to the risk of interest rate fluctuations. Interest income or expense may fluctuate in amount, in particular due to changes in interest rates. Interest earned on bank balances are not material. The Group and the Company holds fixed-rate term deposits, which are classified as financial assets at amortised cost. These deposits are not exposed to cash flow interest rate risk since the interest income remains fixed throughout the term. Additionally, given that these deposits are held to maturity and their carrying amounts approximate their fair values due to short-term maturities, the impact of interest rate fluctuations are not considered to be material. Hence, the Group and the Company is not materially exposed to fluctuation of interest rates on financial assets or financial liabilities.

Capital risk management

The Group and the Company manage their capital to ensure that they will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

As part of its capital risk management policies, the Group and the Company review the capital structure to ensure that they have an appropriate sportion of net debt to equity ratio. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amounts of dividends paid to shareholders, issue new shares to reduce debt. In the event that the Group and the Company require additional capital, the shareholder will provide the appropriate financial support to the Group and the Company. The capital structure of the Group and the Company consist of stated capital and retained earnings/ accumulated losses.

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22 RELATED PARTY DISCLOSURES

During the year ended 31 December 2025, the Group and the Company transacted with related entities. Details of the nature, volume of transactions and balances with the related entities are as follows:

Group

Name of Related Party	Relationship	Nature of Transaction	Volume of Transaction	Volume of Transaction	Receivable/ (Payable) as at 31 Dec 2025	Receivable/ (Payable) as at 31 Dec 2024
			2025	2024		
			USD	USD	USD	USD
<i>BSE Technologies Private Limited (formerly known as "Marketplace Technologies Private Limited")</i>	Shareholder	License fee (refer to note 8(b) and 19)	150,000	150,000	(619,167)	(469,167)
<i>BSE Technologies Private Limited (formerly known as "Marketplace Technologies Private Limited")</i>	Shareholder	Expenses paid on behalf of the Group (refer to note 8(b) and 19)	11,574	12,435	(10,591)	(7,638)

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22 RELATED PARTY DISCLOSURES (CONTINUED)

<u>Company</u>						
Name of Related Party	Relationship	Nature of Transaction	Volume of Transaction 2025	Volume of Transactions 2024	Receivable/ (Payable) as at 31 Dec 2025	Receivable/ (Payable) as at 31 Dec 2024
			USD	USD	USD	USD
<i>BSE Technologies Private Limited (formerly known as "Marketplace Technologies Private Limited")</i>	Shareholder	Licence fee (refer to note 8(b) and 19)	150,000	150,000	(619,167)	(469,167)
<i>BSE Technologies Private Limited (formerly known as "Marketplace Technologies Private Limited")</i>	Shareholder	Expenses paid on behalf of the Company (refer to note 8(b) and 19)	11,574	12,435	(10,591)	(7,638)
<i>AFRINEX Clearing House Ltd ('ACHL')</i>	Subsidiary company	Acquisition of additional share capital (refer to note 5)	-	(160,130)	-	-
<i>AFRINEX Clearing House Ltd ('ACHL')</i>	Subsidiary company	Expenses paid by the Company on behalf of subsidiary (refer to note 16)	38,419	47,739	60,783	22,364

Outstanding balances at year-end are unsecured, interest free and repayable on demand.

There has been no guarantee given or provided for any outstanding balance.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

22 RELATED PARTY DISCLOSURES (CONTINUED)

Total Directors sitting fee for the year 2025 for the Group is **USD 18,000** (2024: USD 18,250) and for the Company is **USD 12,000** (2024: USD 11,500) and the outstanding balance towards sitting fee to directors as at the year ended 2025 for the Group is **USD 4,888** (2024: USD 7,013) and **USD 2,975** (2024: USD 3,825) for the Company.

Transaction with key management personnel

Key management personnel compensation comprised the following:

	2025		2024	
	<u>Group</u>	<u>Company</u>	<u>Group</u>	<u>Company</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Short-term employee benefits	129,454	129,454	225,354	225,354
	=====	=====	=====	=====

23 CONTINGENT LIABILITIES

License Fee Dispute – BSE Technologies Private Limited

The Company operates under a License Agreement with BSE Technologies Private Limited (“BTPL”), pursuant to which BTPL provides the technology infrastructure required for the Company’s exchange operations. In consideration thereof, the Company is contractually obligated to pay an annual license fee. For the prior financial years, the Company did not pay license fees on account of operational challenges experienced in relation to the technology services provided during those periods. BTPL has intention to raise claims aggregating to USD 1,112,925/ but no invoices raised till date. The Company has formally communicated these concerns to BTPL and does not, at this stage, intend to settle this amount pending resolution of the underlying service quality issues. Based on the Management’s assessment of services rendered, the Company has recognised a payable of USD 629,758/-. The amount of the contingent liability as at 31 December 2025 is USD 483,167/- . The timing and ultimate outcome of this matter are uncertain and will depend on the resolution of discussions between the Company and BTPL.

24 GOING CONCERN

The Group incurred a net loss of **USD 1,019,785** (2024: USD 1,018,210) for the year ended 31 December of 2025 and as of that date its current assets exceeded its current liabilities by **USD 2,695,423** (2024: USD 3,629,712) and its total assets exceeded its total liabilities by **USD 2,974,850** (2024: USD 3,994,635). The Group has accumulated losses of **USD 5,935,800** (2024: USD 4,933,742).

The Company incurred a net loss of **USD 870,596** (2024: USD 889,531) for the year ended 31 December of 2025 and as of that date its current assets exceeded its current liabilities by **USD 2,225,138** (2024: USD 3,035,887) and its total assets exceeded its total liabilities by **USD 3,374,012** (2024: USD 4,244,607). The Company has accumulated losses of **USD 5,211,287** (2024: USD 4,340,691).

The Group and the Company have sufficient current assets which mainly consists of short-term assets by way of cash and cash equivalents and investment in term deposits totalling to **USD 3,450,194** (2024: USD 4,298,931) for the Group and **USD 2,889,690** (2024: USD 3,655,717) for the Company.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

24 GOING CONCERN (CONTINUED)

Based on this evaluation, the directors made an assessment of the Group and the Company's ability to continue as a going concern taking into account all available information about the future which is at least, but not limited to, twelve months from the end of the consolidated and separate financial statement approval date, confirmed that there are no material uncertainties related to events or conditions that may cast significant doubt upon the Group and the Company's ability to continue as a going concern.

Accordingly, the directors have prepared the consolidated and separate financial statements on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

25 EVENTS AFTER REPORTING DATE

APPOINTMENT OF MR. THAPELO TSHEOLE

Mr. Thapelo Tsheole has been appointed as the Chief Executive Officer (CEO) of the company effective from 5th March 2026.

IMPACT OF GEOPOLITICAL CONFLICTS IN THE MIDDLE EAST

As at the date of the approval of these Consolidated and Separate financial statements, the directors are aware of the recent geopolitical tensions and armed conflicts in the Middle East and do not underestimate the seriousness of these events and the impact this will have on the global economy. Currently there is no direct impact on the Group and the Company as it does not have any transactions with countries in the affected regions. Accordingly, the directors have determined that the matter does not have a material impact on the Consolidated and Separate financial statements.

Nevertheless, due to the uncertainty surrounding the duration and extent of the conflict and the potential for broader economic impacts, Management will continue to monitor the situation closely.

Except for the above, there were no material events after the reporting date, which would require disclosure or adjustments to the consolidated and separate financial statements for the year ended 31 December 2025.