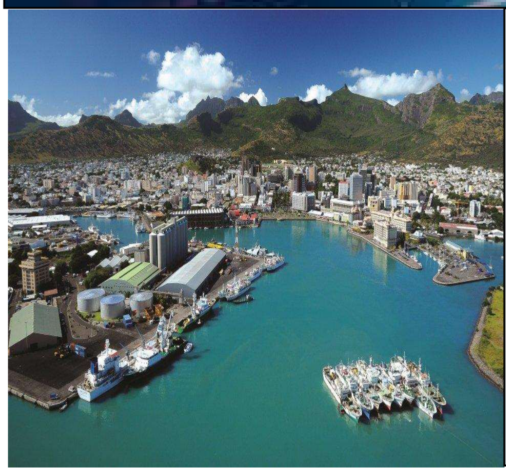
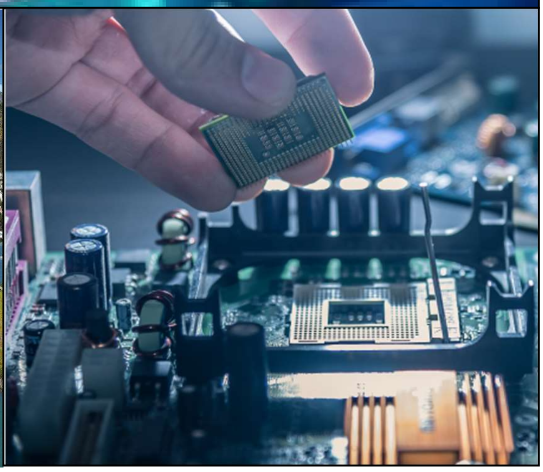
Stock Exchange of Mauritius: Newsletter

02 February 2025





INSIDE THIS ISSUE:

1. EXCHANGE INSIGHT:

Extension of Trading Hours and Shortening of Settlement Cycle at SEM and CDS

Introduction:

The Stock Exchange of Mauritius Ltd and the Central Depository & Settlement Co. Ltd announce the extension of trading hours in April 2026 and the planned shortening of the settlement cycle to T+2 within one year, to align with global market trends.

The Stock Exchange of Mauritius Ltd (SEM) and the Central Depository & Settlement Co. Ltd (CDS) announced at start-February 2026 the extension of trading hours in April 2026 and the planned shortening of the settlement cycle to T+2 within one year, to align with global market trends.

The proposed extension of trading hours will enable investors in different time zones globally to have extended real-time access to our platform, improve trading opportunities and as part of a broader effort potentially enhance liquidity. This initiative also constitutes an important step towards nurturing the conducive environment in future for longer trading hours to match global trends, driven by mobile trading, fostering retail investor participation, and demand for time-zone flexibility. As from April 2026 and subject to regulatory approval, the continuous trading session at SEM will therefore be extended by one hour, starting at 9:30 Hrs (GMT+4) and closing at 15:00 Hrs (GMT+4) instead of starting at 10:00 Hrs (GMT+4) and closing at 14:30 Hrs (GMT+4) as current practice. The objective of SEM and CDS is to eventually extend the continuous trading session to 15:30 Hrs (GMT+4) within 6 months.

The following reasons underpin the rationale behind the shortening of the settlement cycle at the global level:

- Global Alignment and Competitiveness
- Reduction of Counterparty Risk and Margin Requirements
- Improved Capital Efficiency
- Operational Efficiencies
- Improve Cash and Securities Liquidity

It should be noted that at the level of the CDS, counterparty risk is well managed with measures such as settlement limits, the Guarantee Fund and capital adequacy requirements. There has never been any failed trade since the start of operations. Margin requirements are relatively low with the Guarantee Fund mechanism and the fact that capital surpluses of investment dealers significantly contribute to increase their settlement limits.

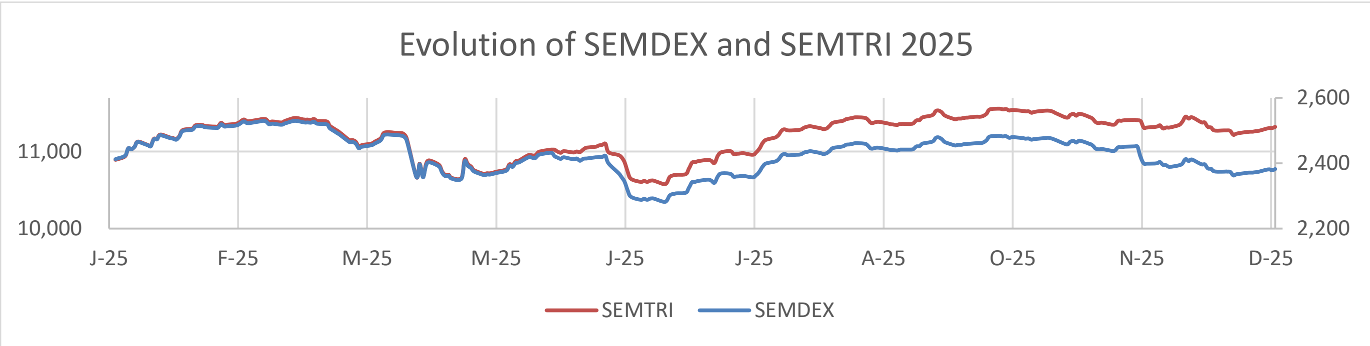
Similarly, to improve liquidity the CDS has already implemented turnaround trading (the ability of an investor to sell shares purchased earlier during a trading session), enabling securities purchased to be sold sooner.

However, it becomes important for the SEM and CDS to shorten the settlement cycle, as investors increasingly gravitate toward venues offering faster settlement. A move from T+3 to T+2 represents an incremental pathway to move fast to a shorter settlement for the SEM and the CDS. This option primarily involves tightening existing processes while still allowing ample buffers for trade affirmation, funding, and settlement. With the implementation of T+2, custodians will have to confirm trades allocated to their clients by 14:00 Hrs (GMT+4) on T+1. This will require careful coordination among investors, investment dealers (local and foreign), global custodians and local custodian banks, to avoid potential trade failures. Investors will also be required to make payment to their investment dealers in a prompt and efficient manner to ensure that funds are available in the latter's account by 10:30 Hrs (GMT+4) on T+2 at latest. SEM and CDS count on the collaboration of all parties to maintain the clean record of zero failed trades in the Mauritian market.

These two-pronged market announcements fit with the array of transformative changes brought by the SEM and the CDS over time to our operational framework to internationalise our platform, and move up the value chain of services offered to our stakeholders namely investors, investment dealers, market-makers, custodians, data distributors and index providers.

2. TRADING DASHBOARD:

Market Performance



As of December 31, 2025, the equity market closed the year with mixed signals. The benchmark SEMDEX finished at 2,381.78, reflecting a quarterly decline of 3.23% and a slight year-to-date contraction of 0.89%. Similarly, SEM-10, which tracks the ten largest capitalized companies, fell by 3.64% during the last quarter of 2025. The total return index, the SEMTRI, posted a positive year-to-date return of +4.48% backed by solid dividend payouts by various listed issuers.

		Return (%)	
Index	31 December 2025	Q4 2025	YTD
SEMDEX	2,381.78	-3.23	-0.89
SEMTRI	11,324.69	-1.13	4.48
SEM-10	445.34	-3.64	-0.73
SEMSI	125.94	-3.66	-2.27

The Official Market wrapped up Quarter 4, 2025, with a Market Capitalisation of Rs 375.86 billion. A total volume of 90.59 million shares exchanged during the last quarter and the Market Turnover for the period amounted to Rs 3.31 billion, resulting in an average daily turnover of Rs 51.78 million. As at 31 December 2025, the market Price Earnings Ratio stood at 7.26 alongside a Dividend Yield of 4.77%.

Official Market Highlights	Quarter 4, 2025
Market Capitalisation (Rs Bn)	375.86
Market Turnover (Rs Bn)	3.31
Volume Traded (Million)	90.59
Average Daily Turnover (Rs Million)	51.78
Price Earnings Ratio	7.26
Dividend Yield (%)	4.77

On a Year-to-Date basis, NewGold ETF emerged as the clear market leader, delivering a remarkable return of 60.33%. SBM Holdings Ltd followed with a solid gain of 28.96%, while Vivo Energy Mauritius Limited secured the third spot with 25.21%. Rounding out the top five performers were Africa Eats Ltd and Elite Meat Processors Limited, which posted returns of 23.11% and 21.62% respectively.