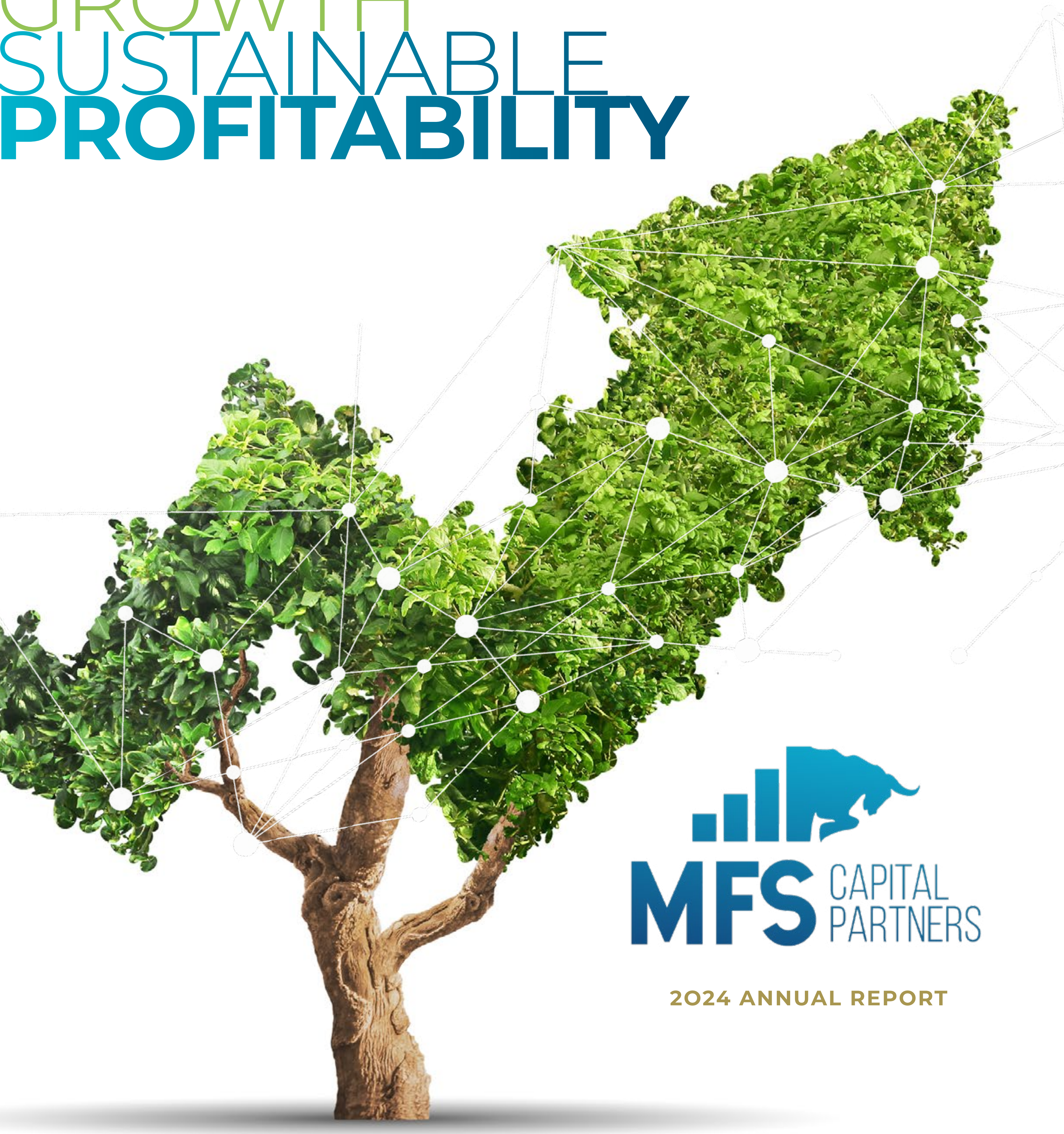
STRATEGIC GROWTH SUSTAINABLE PROFITABILITY



MFS CAPITAL PARTNERS

2024 ANNUAL REPORT

CORE VALUES

Customer Centric
Understanding the needs of each customer and providing a package for their needs.

Culture of Integrity
Operating with the highest level of integrity to ensure trust and confidence of all stakeholders.

Compliance with Regulations
Ensuring strict compliance with all regulatory guidelines.

Superior Service Standards
Focused on providing a service which exceeds client/stakeholders' expectations.

Employee Engagement
Providing not only adequate compensation, but ensuring our employees feel a sense of belonging while creating an engaged high performing team.

VISION

To become a dominant player in our main markets while expanding our capital base, building brand recognition and brand equity by seizing opportunities that continuously enhance stakeholders' satisfaction with sustained growth and profitability.

MISSION

To provide our local and international portfolio companies with not only financial funding but the knowledge, expertise and strategy to grow their asset base and achieve profitability which will deliver above average returns to our internal and external stakeholders.

CONTENTS


Future Investments. Today.
MFS Capital Partners Limited is a Private Equity company poised to become one of the most dominant players in the Caribbean financial sector located in Kingston, Jamaica. Our primary strategic objectives is to acquire or purchase equity stake in mature companies, that show robust growth potential.
Investment Banking | Money Services | Real Estate
Contact us:
Suite 2, 14 Canberra Crescent, Kingston 6
Tel: (876)906-5558
Email: info@mfscapltd.com
MFS CAPITAL PARTNERS

NOTICE OF AGM

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of MFS Capital Partners Limited (hereinafter referred to as the Company) will be held as a hybrid meeting at a location to be decided on **Thursday, May 1, 2025**, at **10:00 am** to consider and, if thought fit, pass the following resolutions:

1. To receive the Audited Financial Statements of the Company for the year ended June 30, 2024, and the Reports of the Directors and Auditors thereon.

   Resolution No. 1: Audited Financial Statements, Directors and Auditors Reports

   THAT the Audited Financial Statements of the Company for the year ended June 30, 2024, AND the Reports of the Directors and Auditors be and are hereby received.

2. The Directors retiring by rotation pursuant to Article 108 of the Company's Articles of Incorporation are listed below and who, being eligible, they have offered themselves for re-election.

   Resolution No. 2 – Re-election of Retiring Directors

   (a) THAT being eligible, Mr Robert Barnes be re-elected a Director of the Company

   (b) THAT being eligible, Mrs Christine Johnson Spence be re-elected a Director of the Company

3. To re-appoint the retiring auditors:

   Resolution No. 3 – Re-appointment of Auditors

   THAT Baker Tilly, Chartered Accountants of 6 Collins Green Avenue, Kingston 5, having signified their willingness to serve, will continue in office as Auditors of the Company until the conclusion of the next Annual General Meeting and that their remuneration be agreed with the Directors.

4. To approve the remuneration of Directors:

   Resolution No. 4 – Directors' Remuneration

   THAT the total remuneration of all the Directors combined, other than the Executive Director, as shown in the Company's Audited Financial Statements for the year ended June 30, 2024, be and is hereby approved.

BY ORDER OF THE BOARD
31 March 2025

ASPIRESEC LIMITED
Secretary

Note: Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A proxy is prohibited to speak at the meeting unless he or she is also a member of the Company.

The attached proxy form must be completed, impressed with stamp duty of $100 (cancelled by the person signing the proxy for) and lodged at the offices of the Company's Registrar and Transfer Agents, the Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

COMPANY PROFILE

MFS Capital Partners Limited is a dynamic private equity firm with a strategic vision to lead in the investment banking and money services sectors while maintaining a strong presence in other key industries. Our mission is to drive growth by acquiring scalable companies across diverse sectors and leveraging our expertise to enhance operational efficiencies and financial performance.

Corporate Heritage & Growth

MFS Capital Partners is part of the MFS Group, which has been in operation since 2010, when its flagship company, Micro-Financing Solutions Limited, was launched. Since then, the MFS Group has experienced significant expansion, evidenced by substantial increases in revenue, profitability, and asset base. The seamless integration of Micro Financing Solutions Limited into MFS Capital Partners' operations has demonstrated measurable benefits, reinforcing our commitment to strategic acquisitions and operational excellence.

Investment Strategy & Business Approach

MFS Capital Partners employs a structured and disciplined approach to private equity. investment, guided by the proven building blocks that have driven the success of MFS Group:

1. Prudent business management – ensuring financial stability and sustainability through strategic oversight and risk management.
2. Sound investment decisions – optimising capital deployment to maximise returns and foster long-term value creation.
3. Strict cost control measures – establishing strong financial discipline to improve profitability and operational efficiency.

Our Commitment

At MFS Capital Partners, we are committed to nurturing growth, innovation, and value creation for our stakeholders. Our progressive investment strategy, paired with a robust governance framework, ensures that we stay at the forefront of private equity and financial services.

As we continue to expand, we remain dedicated to enhancing our portfolio, pursuing new opportunities, and providing exceptional returns for our investors and shareholders.

Milestones

On March 31, 2024, MFS Capital Partners successfully completed the acquisition of Micro-Financing Solutions Limited, enhancing its portfolio and market presence. The company was subsequently renamed to Monolith Financial Services Limited, to align with its evolution and current strategic focus.

Monolith Financial Services, a private money services company based in Kingston, offers a variety of financial solutions, including cambio trading, remittance and bill payment services, and private credit. Licensed by the Bank of Jamaica, the company began operations in 2010 as a microlender and became a licensed cambio in 2014. Over the years, it has expanded into remittance services, bill payments, and large-scale credit offerings while also securing equity positions in other entities. MFS Limited operates as a sub-agent for Lasco MoneyGram and Western Union.

This strategic acquisition has greatly strengthened MFS Capital Partners' equity position and overall profitability, reflecting our dedication to growth and value creation.

THE BOARD OF DIRECTORS' REPORT AND CHAIRMAN'S MESSAGE

Clide Leopold Nesbeth, Chairman

On behalf of the Board of Directors, management, and staff of MFS Capital Partners Limited, I sincerely thank you, our valued shareholders, for your unwavering support and confidence.

MFS Capital Partners has successfully completed its second full year of operations under the guidance of its new management team and Board. Following our first major acquisition of Micro-Financing Solutions Limited, we have taken decisive steps to finalise additional acquisitions from our pipeline. The Company remains highly active in the private credit sector, including receivables financing. The success of our initial acquisition has significantly strengthened our financial position, enhancing our ability to access capital markets for future funding. The Board is pleased with management's strategic direction and remains confident in the Company's trajectory.

The Company hosted a strategic management and Board retreat in July, where executives presented their plans for the upcoming financial year. The Board remains optimistic about the Company's growth prospects and is dedicated to maintaining the highest standards of corporate governance, emphasising transparency, accountability, and ethical conduct.

Looking ahead, MFS Capital Partners Limited will continue to pursue opportunities in the private equity space. The Company remains focused on acquiring significant, and where strategically beneficial, controlling equity positions in private entities, always with clearly defined exit strategies. Strengthening our capital base and enhancing financial performance remain key priorities as we explore sustainable avenues for growth and increased shareholder value.

With our expanding operations, the Board remains committed to upholding robust corporate governance frameworks, reinforced by prudent risk management measures. All board members have completed training and certification in corporate governance best practices from recognised institutions. Additionally, we have established new policies and procedures over the past year to improve operational efficiency and oversight. Our various board sub-committees have been actively involved, meeting regularly to fulfill their mandates effectively.

MFS Capital Partners reaffirms its commitment to sustainability, environmental responsibility, and making meaningful contributions to the wider community.

As we continue to build upon our Core Values, Mission, and Vision, we look forward to engaging with you at our Annual General Meeting, where we will share additional insights into our strategies and achievements. Once again, we extend our deepest appreciation to you, our shareholders, and to all stakeholders who contribute to our collective success. It is an honour to continue serving as your Chairman.

Sincerely,

Clide Leopold Nesbeth
Chairman


Invest In
Your Future With
Capital Solutions
Limited
Let us choose the right portfolio for you
Contact Us Today!
(876)-906-5558
Capitalsolutionsltd2015@gmail.com

CEO'S STATEMENT

...while we anticipate improved market conditions over the next 18 to 24 months, we remain committed to exploring alternative financing options in the near term.

Dino Hinds, CEO

I am pleased to present my contribution to our annual report for the financial year ending June 2024. The past year was marked by notable economic shifts.

Both locally and internationally, inflationary conditions showed improvement, leading to a more favourable interest rate environment as the Bank of Jamaica and the Federal Reserve initiated their rate reduction policies. Despite these positive macroeconomic trends, the local equity market continued to underperform compared to indices in the United States and other developed markets. These conditions impacted our near-term plans to raise additional capital via the Jamaica Stock Exchange. However, while we anticipate improved market conditions over the next 18 to 24 months, we remain committed to exploring alternative financing options in the near term.

Strategic Developments

A major milestone for MFS Capital Partners this year was the completion of our first aquisition, Mico-Financing Solutions Limited. This acquisition exposed us to three distinct revenue streams: money services, investment banking, and real estate. The company was subsequently renamed to Monolith Financial Services Limited.

Monolith has been a strong, fast-growing entity in the local financial sector for the past 15 years, building a well-diversified balance sheet that includes a shovel-ready real estate development and a strategic stake in a licensed securities dealer. Moving forward, we will focus on unlocking the full value of Monolith's assets by:

- Completing a real estate development project within the next 24 months.
- Strengthening the capital base of the securities dealer and introducing new investment products that will complement our current suite of products to better serve our customers.

These initiatives will generate significant long-term value for the company and for our stakeholders.

Financial Performance

For the financial year ending June 30, 2024, the Group reported a net loss of $52.4 million, compared to a net profit of $8.7 million in the previous year. Total revenues for the year stood at $37.1 million, which includes one-quarter of revenues from the newly acquired Monolith.

Revenue was generated across the Group from:

- Foreign exchange trading
- Fee income
- Interest income

Notably a significant portion of our reported expenses during the period were one-off costs related to the transaction to acquire. Similar expenses may arise following future acquisitions, as we continue to execute our expansion strategy.

The Group recorded earnings per share of negative $0.12, compared to $0.02 in the prior financial year.

Outlook & Future Growth

As part of our strategic vision, we aim to achieve annual revenues of $1 billion within the next two years. Both organic expansion and strategic acquisitions will drive our growth strategy. Our investments are now concentrated in financial services and real estate, but we plan to diversify further to build a strong, resilient company.

A key aspect of our organic growth strategy is transforming Monolith into a full-service financial institution. Through our associate company, we will introduce a diverse portfolio of alternative credit and investment products, leading to a more balanced revenue mix with a greater emphasis on interest income and fees.

Currently, Monolith operates primarily in Kingston. As we scale, we will expand our branch network to 10 locations across Jamaica within the next 24 months, further cementing our position as a significant player in the local market.

Acquisitions & Governance

We continue to assess a strong pipeline of potential acquisitions at various stages of the due diligence process. Before onboarding new companies, we ensure they meet critical standards, including:

- Robust accounting and auditing practices
- Strong corporate governance frameworks

As we expand, we are committed to ensuring that MFS Capital Partners remains well-governed and fully compliant with all regulatory requirements. To this end, we have already strengthened our Audit Committee and financial control team. Additionally, we will prioritise early and frequent engagement with our audit partners and strategically time future acquisitions to minimise any disruptions to our financial reporting process.

Appreciation

I would like to take this opportunity to express my sincere gratitude to the dedicated team at MFS Capital Partners, the Board of Directors and our management and staff. To you, our valued shareholders, and other stakeholders, thank you for your unwavering support and confidence in our vision. We remain committed to building a financially strong, resilient, and compliant organisation that delivers long-term value to all of our partners.

Thanks to our outgoing CFO

KCLH Full Business Solutions - Dr Kesha Christie PhD (UK), MBA, ACCA, FCCA, CPA

We sincerely thank KCLH for their dedicated service as Chief Financial Officer over the past year, especially for their expertise in taxation. Our collaboration was primarily supported by Dr. Kesha Christie, who leads a team that specialises in auditing, taxation, accounting, and business development services.

Welcome

Welcome our incoming Chief Financial Officer - Kamille Martin

Kamille Martin served as the Vice President of Finance at MFS Capital Partners Limited until March 2023. With extensive experience in managing the company's financial operations, she possesses a deep understanding of both her role and the broader workings of the Group. She brings over 16 years of expertise in auditing and accounting, including more than 13 years at supervisory and management levels, spanning her tenure in the insurance sector within the GraceKennedy Group. Kamille played a pivotal role in the transition from previous management to the current leadership team at MFS Capital Partners, and we are delighted to welcome her back.

Dino Hinds

Chief Executive Officer

BOARD OF DIRECTORS

Clide Leopold Nesbeth

Non-Executive Chairman and Independent Director

Clide Leopold Nesbeth is a seasoned management professional with over 30 years of experience in administration, sales, and marketing management, including 25 years at the senior and general management levels.

In addition to his extensive corporate experience, Mr. Nesbeth is a trained educator with over four years of teaching experience, specialising in the training and development of students in these disciplines.

His academic and professional qualifications include a Chartered Institute of Marketing Diploma in Marketing Management, a Postgraduate Diploma in Education, and a Master of Commerce degree in Marketing from the University of Strathclyde, Scotland.

Anika N Jengelley

Independent, Non-Executive Director

Anika Jengelley is the founder and CEO of Red Elephant Communications, a strategic communications and marketing consultancy. With over 20 years of experience, she has led corporate communications, brand strategy, and marketing initiatives across various industries, both locally and internationally, in markets including New York City, Mexico City, and Paris.

Before launching Red Elephant Communications, Anika held senior leadership roles in marketing and corporate communications, where she was responsible for brand development, stakeholder engagement, and strategic growth initiatives. She has also served in key positions within private sector organisations, focusing on corporate relationship management and advocacy.

As a consultant, Anika has effectively developed and implemented brand management, corporate communications, and marketing strategies for companies in sectors such as fintech, energy, technology, and banking.

Anika holds a Master's degree in French Studies and International Business from the University of Wisconsin-Madison and a Bachelor's degree in French Language and Literature from the University of the West Indies, Mona.

She is passionate about helping brands create compelling narratives, build meaningful connections, and drive impactful engagement in an ever-changing business landscape.

Christine E Johnson Spence

Independent, Non-Executive Director

Christine E Johnson Spence is a highly respected attorney known for her unwavering integrity, professionalism, and commitment to service excellence. As a dynamic leader, she possesses strong administrative skills and a passion for mentorship, coaching, team building, and continuous improvement in legal practice and corporate governance.

With extensive expertise across multiple legal disciplines, Christine specialises in company and contract law, litigation, conveyancing, financial crimes, intellectual property, probate, family law, and labour relations. She also has a strong background in legal policy management, research, office administration, customer relations, service audits, and industrial dispute resolution.

Christine is a gazetted Parish Court Mediator and holds a Postgraduate Diploma in Corporate Governance as well as a Professional Certificate in Industrial Relations. Her diverse skill set and strategic approach to legal and corporate issues make her a valued advisor and advocate in both the legal and business communities.

Dino Hinds

Chief Executive Officer and Executive Director

With over 30 years of experience in investment and commercial banking, Dino Hinds is a seasoned financial executive with a proven track record in the Jamaican financial sector. He has held several senior leadership positions, including Senior Vice President of Treasury, Trading, and Asset Management at Mayberry Investments and Acting Head of Treasury and Investments at First Global Bank.

Dino has extensive expertise in foreign exchange and bond trading, asset and liability management, equity trading, and pension fund management. His experience spans back-office operations and revenue-generating divisions, allowing him to navigate both strategic financial planning and operational execution. He has also played a role in key industry committees, including the Asset and Liability Committee and the Revenue Committee.

In addition to his leadership at the MFS Group, Dino is a board member of Century Business Machines and Hickey Grant Property Masters.

Dino holds a Certificate in Management Studies from the University of the West Indies and an MBA in Business Administration from the University College of the Caribbean.

Robert A Barnes

Chief Operating Officer and Executive Director

Robert is a seasoned professional in banking and finance, with over 30 years of experience in enterprise risk management, operations, and financial strategy across various industries, including banking, investments, renewable energy, real estate, and hospitality and tourism. His expertise spans several international markets, including Jamaica, the United States, Canada, Guyana, and Grenada.

He possesses extensive knowledge in essential financial disciplines, including banking operations, lending, banking law, statistical methods, and corporate governance. His professional training encompasses Corporate Governance for Directors of Financial Institutions (USAID), Risk Management, and Operational Risk Management Audits.

Robert has also received specialised training in Anti-Money Laundering (AML), Corporate Governance for Public Bodies, and Financial Institution Directors Training. Additionally, he has completed leadership and management programs such as CrestCom Bullet-Proof Leadership, Skills for Smart Supervision, Conflict Resolution, Team Building, and Project Management Professional (PMP) Training.

As a dedicated expert in risk, audit, and operations management, Robert has successfully completed several Euromoney-certified courses in these fields, further enhancing his ability to drive strategic financial oversight and achieve operational excellence.

SENIOR MANAGEMENT

Kamille Martin
Chief Financial Officer
MFS Capital Partners

Tamar Webley
Chief Execuitve Officer
Monolith Financial Services
(formerly Micro-Financing Solutions)

Lavern Hinds
Compliance Officer
Monolith Financial Services
(formerly Micro-Financing Solutions)

CORPORATE GOVERNANCE

Our Board of Directors is committed to effective corporate governance, promoting long-term sustainability, fostering trust, and increasing value for both shareholders and stakeholders. The Board provides strategic leadership, oversight, and guidance to the senior management team, maintaining the highest standards of governance across the Company's operations.

To reinforce this commitment, the Board has implemented several key initiatives:

Corporate Governance Policy Update

The Board has implemented an updated Corporate Governance Policy, aligned with best practices and guided by the standards of the Financial Services Commission (FSC) and the Bank of Jamaica (BOJ). Although adherence to these standards is not mandatory, the Board acknowledges the importance of incorporating robust regulatory and corporate governance principles into its framework.

Ongoing Board Training

Directors have received further training in corporate governance to strengthen their ability to uphold industry best practices and ensure regulatory compliance.

Mentorship & Advisory Support

In compliance with the Jamaica Stock Exchange (JSE) Junior Market Rules, the Board continues to receive mentorship from Mr Herbert Hall, who was formally engaged on March 10, 2023. His role involves advising the Board on developing effective procedures, systems, and controls to ensure adherence to corporate governance standards.

Endorsement of Ethical Business Practices

The Board fully endorses the Company's Code of Conduct, Business Ethics, and Whistleblower Policies, which reinforce a culture of integrity, transparency, and accountability.

Regulatory Framework

MFS Capital Partners Limited was established under the Companies Act of Jamaica and operates under the regulatory oversight of the Jamaica Stock Exchange (JSE) in accordance with its Junior Market Rules. Additionally, the company's directors and officers adhere to Section 51 of the Securities Act and the supplemental provisions outlined in the JSE Model Code. Through these ongoing initiatives, the Board ensures that corporate governance remains at the core of the Company's operations, fostering long-term growth and stakeholder confidence.

Board Diversity

Our Board of Directors possesses a range of diverse skills, experiences, and backgrounds, including both local and international expertise in general management, finance, risk management, and marketing.

Directors	General Management	Risk Management	Legal	Strategy	Finance	Sales & Marketing	Corporate Governance
Clide Leopold Nesbeth	X			X	X	X	
Dino Hinds	X			X	X		
Robert Barnes	X	X		X	X		X
Anika Jengelley	X			X	X	X	X
Christine Johnson Spence	X		X				X

As of June 30, 2024, the Board consists of five directors, the majority of whom are independent, non-executive members.

According to the Company's governance policies—rooted in both local and international best practices—a director is deemed not independent if he or she:

(a) Has been employed by the Company within the past five years;

(b) Has served as an employee or executive officer of the Company within the last three years;

(c) Receives or has received additional remuneration from the Company beyond directors' fees, participates in the Company's share option plan or performance-based compensation scheme, or is a member of the Company's pension plan;

(d) Has close family ties with any of the Company's advisors, directors, or senior employees; or

(e) Represents a significant shareholder.

Collectively, the Board brings a wealth of expertise and experience from both past and present involvement in local and international business environments. The directors possess a diverse skill set that enhances their capacity to fulfill their collective and individual responsibilities to the Company.

The Board plays a critical role in ensuring that:

(i) The Company possesses the necessary resources to achieve its objectives and evaluate its performance effectively;

(ii) Prudent and effective controls are in place to identify, evaluate, and manage risks;

(iii) Workforce policies and practices should align with the Company's values to drive long-term success.

Board Responsibility

The Company's management is responsible for the day-to-day operations; however, the Board of Directors ultimately remains accountable to stakeholders for the Company's overall performance, compliance with applicable laws, and adherence to sound business practices.

The Board offers strategic oversight for the Company and its portfolio companies, including:

Strategic Planning & Financial Oversight:

- Approving and monitoring strategic plans
- Reviewing and approving annual performance targets, budgets, quarterly financial statements, and audited financial reports
- Authorising acquisitions and major capital expenditures

Operational Oversight & Performance Management:

- Overseeing the operations of the parent company and its portfolio companies
- Evaluating company performance against established financial and operational targets
- Monitoring the performance of the CEO and senior management against agreed-upon metrics

Governance & Risk Management:

- Determining the remuneration of senior management
- Reviewing and monitoring risk management frameworks, internal controls, and regulatory compliance
- Ensuring adherence to the Company's Code of Conduct
- Overseeing corporate disclosures and communications with external stakeholders
- Selecting and appointing qualified directors to the Board

To effectively fulfill its responsibilities, the Board has access to independent professional advice at the Company's expense when necessary. This includes the appointment of legal counsel for representation and advisory services.

Board Meeting Attendance Record

Directors	28-07-2023	29-09-2023	15-11-2023	17-01-2024	27-02-2024	22-05-2024	TOTAL
Clide Leopold Nesbeth	X	X	X	X	X	X	6
Dino Hinds	X	X	X	X	X	X	6
Robert Barnes	X	X	X	X	X	X	6
Anika Jengelley	X	X	X	X	X	X	6
Christine Johnson Spence	X	X	X	X	X	X	6

Board Performance Evaluation

An evaluation of the Board's performance, including its committees, the chair, and individual directors, is conducted every two years to assess the composition, diversity, and contributions of each director as well as the collective efforts to effectively achieve the Company's objectives. This evaluation is conducted externally, and the results are utilised to address any identified weaknesses.

Board Committees

The Board has established three standing committees, each assigned specific responsibilities by the Board. The Board appoints the Chairperson of each committee. These committees are:

1. Finance and Audit Committee
2. Corporate Governance Committee
3. Compensation/Remuneration Committee

All three committees convened quarterly throughout the financial year.

The Corporate Governance Policy can be accessed on the Company's website at: www.mfscapltd.com

or on the website of the Jamaica Stock Exchange: www.jamstockex.com

1. Finance and Audit Committee *- Chaired by Anika Jengelley*

The Finance and Audit Committee oversees the integrity of the Company's financial reporting, risk management, and internal controls. Its key functions include:

1. Financial Oversight – monitoring the integrity of the Company's financial statements and reviewing significant financial reporting judgments.
2. Advisory Role – providing guidance on whether the annual report and accounts, taken as a whole, are fair, balanced, and understandable, enabling shareholders to assess the Company's position, performance, business model, and strategy.
3. Risk and Internal Controls – reviewing the Company's financial controls and risk management systems, as well as evaluating the effectiveness of the internal audit function (or recommending the establishment of one if necessary).
4. External Audit Oversight – managing the selection, appointment, reappointment, and removal of external auditors; approving their remuneration and terms of engagement; and ensuring their independence and objectivity.
5. Non-Audit Services – developing and implementing policies for engaging external auditors for non-audit services, ensuring compliance with relevant regulations and ethical guidelines.
6. Reporting to the Board – providing updates on the discharge of its responsibilities.

Committee Members:

Independent directors Anika Jengelley, Christine Johnson Spence, and Clide Leopold Nesbeth. Executive director, Robert Barnes also sits on the Committee.

Finance & Audit Committee Attendance

Directors	15-Sep-23	11-Aug-23	16-Jan-24	14-May-24	TOTAL
Anika Jengelley	X	X	X	X	4
Robert Barnes	X	X	X	X	4
Clide Leopold Nesbeth	X	X	X	X	4
Christine Johnson Spence				X	1

2. Corporate Governance Committee *- Chaired by Christine Johnson Spence*

The Corporate Governance Committee primarily ensures effective governance practices within the Company. Its key functions include:

- Ensuring there is an up to date Corporate Governance Policy that is strictly adhered to.
- Continuing training of Board Members in Corporate Governance.
- Ensuring that integrity, transparency, and accountability are pillars of the Company.

Committee Members: Independent directors Christine Johnson Spence, Clide Leopold Nesbeth, and Anika Jengelley. Executive director, Robert Barnes also sits on the Committee.

Corporate Governance Committee Attendance

Directors	19-Jul-23	10-Jan-24	23-Apr-24	20-Aug-24	TOTAL
Christine Johnson Spence	X	X	X	X	4
Anika Jengelley	X	X	X	X	4
Clide Leopold Nesbeth			X	X	2
Robert Barnes	X	X	X	X	4

3. Compensation/Remuneration Committee *- Chaired by Christine Johnson Spence*

The Compensation/Remuneration Committee develops and oversees the Company's executive compensation framework. Its key functions include:

- Establishing the Company's remuneration policy.
- Determining individual compensation packages for executive directors and key management personnel.
- Ensuring that reward structures attract and motivate executives while aligning with the long-term interests of shareholders.

Committee Members: Independent directors Christine Johnson Spence, Clide Leoplod Nesbeth, and Anika Jengelley. Executive director, Dino Hinds sits on the Committee.

Remuneration Committee Attendance

Directors	19-Jul-23	10-Jan-24	23-Apr-24	20-Aug-24	TOTAL
Christine Johnson Spence	X	X	X	X	4
Anika Jengelley	X	X	X	X	4
Dino Hinds	X	X	X	X	4
Clide Leopold Nesbeth			X	X	2

CORPORATE DATA

Board of Directors

The Members of the Board of Directors as at June 30, 2024 are:

Clide Leopold Nesbeth
Chairman & Independent Director

Dino Hinds
Chief Executive Officer

Robert Barnes
Chief Operating Officer

Anika Jengelley
Independent Director

Christine Johnson Spence
Independent Director

Aspiresec Limited
Company Secretary

Registered Office

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Jamaica
Tel: 876-906-5558
Email: info@mfscapltd.com
Website: www.mfscapltd.com

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Jamaica

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St. Andrew
Jamaica
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Jamaica

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Jamaica
Tel: 876-967-3271
Fax: 876-924-9090
www.jamstockex.com

SHAREHOLDERS' INFORMATION

Top 10 Shareholders

Shareholders	Shareholding	% of Issued Shares
MFS Acquisition	475,633,656	72.02%
Pomgrana Agro Processing Limited	32,917,392	4.98%
Kris Astaphan	20,000,000	3.03%
Coppelia Consultants Limited	8,000,000	1.21%
Gerald Wight	6,000,000	0.91%
Nkrumah Oneil Wilson	5,009,074	0.76%
Geraldine Thelwell-Adams	4,545,455	0.69%
Stephen Dawkins	4,151,771	0.63%
Stocks and Securities	3,756,000	0.57%
Derek Wilkie	3,694,412	0.56%
TOTAL ACCOUNT HOLDERS	**563,707,760**	**85.36%**

JCSD Register: 886

Directors' Interests/Ownership

Executive Directors	Total	Direct	Connected Parties
Dino Hinds	475,633,656	NIL	475,633,656
Robert Barnes	32,917,392	NIL	32,917,392

Non-Executive Directors			
Clide Leopold Nesbeth	NIL	NIL	NIL
Christine Johnson Spence	NIL	NIL	NIL
Anika Jengelley	NIL	NIL	NIL

Senior Managers' Interests/Ownership

Executive	Total	Direct	Connected Parties
Dino Hinds	475,633,656	NIL	475,633,656
Robert Barnes	32,917,392	NIL	32,917,392
Dr. Kesha Christie	NIL	NIL	NIL

The Group has strengthened its governance and financial management framework, which will serve as a foundation for its anticipated growth and profitability. Moving forward, the company will focus on implementing its next planned acquisition while actively pursuing additional capital to support its expansion initiatives.

CONSOLIDATED REVENUE

$28.5M

TOTAL ASSETS

$821M

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis (MD&A) should be read alongside the consolidated audited financial statements of MFS Capital Partners Limited and the accompanying notes.

Management prepared this report to offer shareholders additional insights into the company's operations and financial performance.

MFS Capital Partners Consolidated Group

During the period under review, the Group successfully completed its first major acquisition on March 31, 2024. Prior to this, the Group had no active operating subsidiary. The fees related to the acquisition, including legal, accounting, and other professional services, were the main contributors to the reported loss for the period. These expenses were essential for facilitating the smooth execution of the transaction.

Revenue for the period was primarily generated from receivables financing, consulting services, and the three-month operational contribution from Monolith Financial Services (formerly Micro-Financing Solutions Limited). The Group upheld strong governance and financial management practices, positioning itself to capitalise on future investment opportunities.

GROSS PROFIT

$16M

TOTAL SHAREHOLDERS' EQUITY

$168M

	Audited June 2024	Audited June 2023
	$	$
Revenue	**28,536,352**	**-**
Cost of sales	(12,463,331)	-
Gross profit / (loss)	**16,073,021**	**-**
Other operating income	8,568,458	32,901,138
Operating and administrative expenses	(70,073,754)	(23,096,813)
Share if results of associate	262,683	-
Operating profit / (loss)	**(45,169,592)**	**9,804,325**
Finance costs, net	(636,528)	(238,215)
Profit/(Loss) before taxation	**(45,806,120)**	**9,566,110**
Taxation	(6,277,010)	(823,170)
Profit/(Loss) after taxation	**(52,083,130)**	**8,742,940**
Unrealised loss on securities	(329,739)	-
	(52,412,869)	**8,742,940**
Net loss attributable to:		
Stockholders of the Company	(49,888,574)	8,792,083
Non-controlling interests	(2,524,295)	(49,143)
	(52,412,869)	**8,742,940**
Loss per stock unit	**(0.12)**	**0.02**

Operating results

For the financial year ended June 30, 2024 (FYE 2024), MFS Capital Partners Limited reported consolidated revenue of $28.5 million, a significant increase from the previous period, which recorded no revenue. This growth was primarily driven by the newly acquired subsidiary, Monolith Financial Services Limited, formerly Micro-Financing Solutions.

The Group reported a net loss of $52.4 million for the period, compared to an operating profit of $8.7 million in the previous year. This decline was largely due to the substantial costs associated with the acquisition. Notably, in prior periods, the Group operated without active subsidiaries, which resulted in lower operational expenses. However, in 2024, the financials included three months of operational costs from the newly acquired subsidiary.

Despite the current financial snapshot, the Group expects steady and sustainable revenue growth in the coming years. Earnings per share (EPS) fell to negative 0.12 cents, compared to 0.02 cents in the prior year.

Total operating expenses

Total operating expenses increased by $46.9 million, reaching $70.1 million for the 2024 financial year. This reflected a 203 percent rise from the $23.1 million recorded in the 2023 financial year. This surge was primarily due to acquisition-related costs and the operational expenses of the new subsidiary.

Management acknowledges the factors contributing to the high costs and is committed to implementing effective cost-containment strategies to enhance operational efficiency.

	Audited June 2024	Audited June 2023	Change
	$	$	
Legal & Professional Fees	6,700,000	50,000	6,650,000
Management Remuneration	11,400,000	1,100,000	10,300,000
Rent	5,242,780	962,685	4,280,000
Utilities	1,001,311	116,054	885,257
Penalties	8,156,217	-	8,156,217
Staff Costs	6,620,615	4,621,404	1,999,211
Accounting Fees	3,611,250	1,060,000	2,551,250
Office Expenses	7,946,941	1,169,550	6,777,391

	Audited June 2024	Audited June 2023
	$	$
ASSETS		
Non-current assets		
Property, plant and equipment	2,617,859	1,825,687
Investment property	405,000,000	-
Investment in associate	61,043,861	-
Investment securities	23,557,650	-
Goodwill	66,978,349	-
Due from related companies	171,347,799	26,443,900
Deferred income taxes	58,713	-
	730,604,231	**28,269,587**
Current assets		
Receivables	22,754,613	31,305,241
Taxation recoverable	4,755,175	3,932,005
Cash at bank and in hand	62,982,889	2,135,291
	90,492,677	37,372,537
TOTAL ASSETS	**821,096,908**	**65,642,124**
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	372,280,297	111,880,297
Fair value reserves	(329,739)	-
Accumulated deficit	(188,258,547)	(138,699,712)
	183,692,011	**(26,819,415)**
Non-controlling interest	(15,616,871)	(13,092,576)
	168,075,140	**(39,911,991)**
Non-current liabilities		
Due to related companies	373,575,961	47,072,380
Long term loans	9,500,000	-
	383,075,961	**47,072,380**
Current liabilities		
Payables	162,842,330	56,095,124
Current portion of long-term loans	57,016,847	1,113,192
Directors account	1,124,675	697,110
Taxation payable	48,961,955	576,309
	269,945,807	**58,481,735**
TOTAL EQUITY AND LIABILITIES	**821,096,908**	**65,642,124**

Statement of Financial Position

The Group's financial position improved significantly over the reporting period. Total assets increased by $755 million, while shareholders' equity rose by $207 million, compared to a negative equity position of $39.9 million in the previous year.

Total Liabilities

At the end of the financial year, total liabilities amounted to $653 million, compared to $105.6 million in the previous year. This increase was primarily due to a related-party payable of $326.5 million to MFS Acquisition, directly tied to the purchase of the subsidiary.

Shareholders' equity

As of June 30, 2024, total shareholders' equity increased to $168 million, reflecting a 521% improvement over the prior period.

Strategy and Outlook

Looking ahead, the Group's strategic focus includes monetising its development property in Whitehouse, Westmoreland, which is recorded as a $405 million investment property on the balance sheet. Additionally, the Group aims to expand its presence in the local and regional private equity and private credit markets.

The Group has strengthened its governance and financial management framework, which will serve as a foundation for its anticipated growth and profitability. Moving forward, the company will focus on implementing its next planned acquisition while actively pursuing additional capital to support its expansion initiatives.

Management thanks its valued shareholders, the Board of Directors, and staff for their ongoing support and commitment to the Group's success.

RESPONSIBILITY TO STAKEHOLDERS

INNOVATION

We are committed to executing our mandate seamlessly and efficiently. By being solutions-driven and responsive to the evolving needs of our shareholders, subsidiaries, and stakeholders, we implement tailored strategies that yield optimal results.

PERFORMANCE

We strive to exceed expectations and deliver sustainable growth in shareholder value. To maintain a high-performance standard, we conduct both self-assessments and independent evaluations annually. Our approach to risk is measured, strategic, and calculated.

ACCOUNTABILITY

We prioritise our fiduciary responsibilities. We consult independent advisors when necessary to maintain objectivity and prevent conflicts of interest, ensuring transparency and effective decision-making.

COMMITMENT

We are committed to being responsive, collaborative, prudent, efficient, responsible, impartial, and consistent in all our operations.

RISK MANAGEMENT POLICY

The Company's risk management objective is to effectively identify, measure, and monitor the risks associated with its operations while strictly adhering to established policies and procedures designed to mitigate potential threats.

A comprehensive risk management framework has been established to identify key risks that could affect the Company's sustainability. This framework includes clearly defined risk mitigation processes, policies, and procedures. Additionally, the Company's risk management approach aligns with best practices to proactively address any actual or perceived conflicts of interest that may arise in its operations and management.

Finance and Audit Committee

The Company's Risk Management Policy (RMP) is governed by the Finance and Audit Committee, which is a sub-committee of the Board. The RMP is implemented in conjunction with the Investment and Credit Policy, while the Audit Committee oversees the overall investment and credit risk management of the Company, including risk assessment and monitoring.

The Committee consists of four members, three of whom are independent directors, including the Board Chairman. Its responsibilities involve reviewing and approving major investment decisions and determining the terms and conditions governing each investment.

Private Credit Risk Management

Considering the Company's involvement in **private credit investments**, as well as mergers and acquisitions, it faces various risks, including **credit risk, market risk, liquidity risk,** and **operational risk**.

1. CREDIT RISK

Credit risk refers to the potential financial loss that may occur if a counterparty fails to fulfill its obligations under a financial contract. The Company's primary credit exposures consist of private credit investments, bank balances, securities bought under resale agreements, and other receivables.

To mitigate credit risk, the Company employs the following mechanisms:

- **Approval process:** the Company invests exclusively in portfolio companies that align with its investment criteria. Each investment goes through a thorough due diligence and approval process.
- **Concentration limits:** investment exposure is restricted for each portfolio company and each sector/industry to minimise risk. The size of individual transactions is also restricted to mitigate concentration risk.
- **Decision-making process:** investment decisions are separated from deal origination. The Finance and Audit Committee approves all private credit transactions based on merit and strategic alignment.
- **Ongoing monitoring:** investments are continuously assessed for financial performance and changes in credit profiles. In some cases, this monitoring includes board observation rights or board representation.
- **Delinquency and recovery management:** the Compliance Unit implements structured policies for handling delinquencies and recoveries, involving third-party engagements when necessary.

2. MARKET RISK

Market risk arises from fluctuations in market prices, interest rates, and foreign exchange rates, which can affect the value of financial instruments and their cash flows. The Investment Committee is tasked with reviewing and assessing exposure to market risk.

<u>Key market risk elements include:</u>

- **Foreign currency risk:** managing exposure to exchange rate fluctuations, especially for non-USD transactions, is achieved by:
    - o Using a value-at-risk tool to monitor the FX impact on the portfolio.
    - o Incorporating depreciation reserves into non-USD investments.
    - o Restricting exposure to non-USD investments in portfolio companies.

- **Interest rate risk:** exposure to changes in market interest rates is reduced by:
  - o Daily tracking of interest rate movements.
  - o Investing mainly in instruments valued at amortised cost to reduce the impact of market volatility.
  - o Maintaining an appropriate investment mix based on market conditions.

3. OPERATIONAL RISK

Operational risk stems from internal processes, systems, personnel, and external events. The Company actively mitigates this risk through well-defined operational procedures and oversight mechanisms.

Key operational risks include:

- **Internal fraud:** preventing the misappropriation of assets, tax evasion, and bribery.
- **External fraud:** safeguarding against hacking, data breaches, and forgery.
- **Business practices:** ensuring adherence to antitrust laws, fiduciary obligations, and fair market practices.
- **Business disruption & system failures:** managing risks associated with utility disruptions, software/hardware failures, and cybersecurity threats.
- **Process & compliance management:** enforcing rigorous data entry, accounting, and regulatory reporting standards. Operational risks are mitigated through delegated authority and structured operational procedures, with the support of investment managers, advisors, and consultants as necessary.

4. LIQUIDITY RISK

Liquidity risk occurs when the Company cannot quickly sell an asset at fair value or encounters difficulties in obtaining funding for operational commitments.

Since the Company primarily invests in private companies and financial instruments issued by these companies, these investments are inherently less liquid than publicly traded securities.

To mitigate liquidity risk, the company:

- Is not subject to external liquidity requirements
- Ensures that an adequate portion of financial assets remains in liquid form to meet obligations.

Oversight & Governance

The Board of Directors is ultimately responsible for the Company's risk management policies. Through structured governance, rigorous oversight, and adherence to industry best practices, the Company is committed to maintaining financial stability, operational efficiency, and shareholder value.

CYBERSECURITY AND DATA PROTECTION POLICY

At MFS Capital Partners, we recognise the critical importance of cybersecurity in safeguarding our systems, data, and stakeholder interests. As a financial institution operating in an increasingly digital landscape, we are committed to implementing robust security measures to protect against cyber threats, unauthorised access, and data breaches.

This Cybersecurity Policy outlines our approach to risk management, incident response, and compliance with industry best practices and regulatory requirements. Through continuous monitoring, employee awareness, and advanced security protocols, we strive to uphold the integrity, confidentiality, and availability of our information systems, ensuring the trust and confidence of our clients, partners, and shareholders.

1. Introduction

1.1 PURPOSE

MFS Capital Partners is committed to safeguarding its information assets and technology systems against cyber threats and vulnerabilities. This Cybersecurity Policy outlines guidelines, procedures, and best practices to maintain a secure digital environment.

1.2 SCOPE

This policy applies to all employees, contractors, partners, and third-party service providers who have access to the Company's information assets and technology systems.

2. Information Security Governance

2.1 ROLES AND RESPONSIBILITIES

This section outlines the key individuals and departments responsible for cybersecurity oversight, including senior management, IT teams, cybersecurity personnel, and end-users.

Senior Management

Senior management plays a crucial role in establishing and upholding a strong cybersecurity posture by:

Setting strategy: defining the organsation's cybersecurity vision, priorities, and objectives while allocating sufficient resources.

Risk management: collaborating with cybersecurity experts and the Chief Risk Officer to evaluate and mitigate cyber risks.

Governance and oversight: ensuring cybersecurity policies align with industry best practices and regulatory requirements through periodic reviews and updates.

Budget allocation: approving cybersecurity initiatives and designating necessary funds for technology, training, and personnel.

Communication and awareness: fostering a cybersecurity awareness culture throughout all organisation levels.

Vendor and third-party management: evaluating third-party cybersecurity practices to ensure due diligence prior to engagements.

Regulatory compliance: upholding compliance with evolving cybersecurity regulations and standards.

Board reporting: delivering regular updates on the Company's cybersecurity posture and risk landscape.

Continuous improvement: promoting ongoing evaluation and enhancement of cybersecurity measures.

Leading by example: committing to cybersecurity best practices and nurturing a security-conscious environment culture..

Data Protection Officer (DPO)

The DPO is responsible for ensuring compliance with data protection regulations and strengthening cybersecurity within the organisation.

Key responsibilities include:

- Regulatory compliance: ensuring compliance with privacy laws such as the Data Protection Act (DPA) and specific industry regulations.
- Policy development and implementation: collaborating with IT, legal, and other departments to develop cybersecurity and data protection policies.
- Risk management: conducting risk assessments to identify vulnerabilities and recommending mitigation strategies.
- Incident response and breach notification: coordinating the response to data breaches, assessing impact, and ensuring timely notifications.
- Employee training and awareness: conducting workshops and campaigns to enhance data protection knowledge.
- Privacy impact assessments (DPIAs): evaluating the privacy implications of new projects and recommending risk minimisation strategies.
- Vendor and third-party oversight: ensuring that external partners adhere to contractual data protection requirements.

3. Information Classification

MFS Capital Partners classifies its information assets based on sensitivity and criticality. This classification guides security controls, access permissions, and protection measures:

- **Confidential:** highly sensitive data accessible only to authorised personnel. Unauthorised disclosure could result in significant financial, legal, or reputational damage.
- **Internal Use Only:** restricted to internal employees, with moderate risk if exposed externally.
- **Public:** information that can be freely shared without risk.

4. Data Protection Framework

MFS Capital Partners has implemented a robust data protection framework that addresses key security concerns:

4.1 RISK ASSESSMENT

A comprehensive risk assessment identifies potential threats and vulnerabilities, guiding the implementation of suitable security measures.

4.2 ACCESS CONTROLS AND AUTHENTICATION

- Implement role-based access controls (RBAC) to limit access based on job functions.
- Implement multi-factor authentication (MFA) and strong password policies.

4.3 DATA ENCRYPTION

- Encrypt sensitive data both at rest and in transit to prevent unauthorised access.

4.4 DATA BACKUP AND RECOVERY

- Regular automated backups with secure offsite storage.
- Periodic recovery tests to ensure data integrity and availability.

4.5 EMPLOYEE TRAINING AND AWARENESS

- Mandatory training on cybersecurity awareness for all employees.
- Simulations for phishing and reinforcement of best practices to reduce social engineering.

4.6 SECURITY MONITORING AND INCIDENT RESPONSE

- Implementing real-time monitoring tools to identify anomalies and cyber threats.
- Incident response plans that outline escalation procedures and recovery protocols.

4.7 REGULATORY COMPLIANCE

- Ensuring compliance with global and local data protection laws, including GDPR, CCPA, and relevant industry standards.

4.8 PHYSICAL SECURITY

- Access to servers, data centres, and sensitive data infrastructure is restricted.
- Surveillance, biometric access control, and secure storage practices.

4.9 REGULAR AUDITS AND ASSESSMENTS

- Performing periodic security audits, penetration testing, and vulnerability assessments.
- Implementing corrective measures based on audit findings.

5. Conclusion

MFS Capital Partners remains committed to cybersecurity and data protection as essential pillars of its operations. Through ongoing monitoring, risk assessment, employee training, and strict regulatory compliance, MFS Capital Partners ensures its data assets' security, integrity, and confidentiality. This policy will be reviewed and updated regularly to align with evolving cyber threats and regulatory requirements.

HIGHLIGHTS

MFS in the Community

At MFS Capital Partners, we remain dedicated to making a positive impact in our communities through meaningful outreach. This year, we proudly supported the Sandhurst Early Childhood Centre and Citizens Advice Bureau Basic School, contributing to their Reading Week, Fun Days, and various other school activities.

Here, our COO, Robert Barnes, shares a moment with the wonderful students and teachers at the Citizens Advice Bureau Basic School on Reading Day—an event that inspires young minds and fosters a love for learning.

Corporate Mingle

On June 20, 2024, we hosted the MFS Corporate Mingle at the Liguanea Club—an evening filled with great conversations, strategic insights, and new opportunities. Clients, prospects, and partners joined us for cocktails as we shared key updates on our business and future plans.

A heartfelt thank you to our CEO, Dino Hinds, for his inspiring address, and to all our guests for being part of this journey. Here's to continued growth and success!

Annual General Meeting

On February 29, 2024, we held our Annual General Meeting at The Summit in Kingston, where we reviewed our performance from the 2022/2023 financial year and outlined our strategic direction for the upcoming year.

Focusing on growth, innovation, and value creation, we remain committed to delivering strong results for our shareholders and stakeholders. We appreciate our team, board, and investors for their continued support as we advance MFS Capital Partners.

MFS CAPITAL PARTNERS

AUDITED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Members of
MFS Capital Partners Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of MFS Capital Partners Limited ("the Company") and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 30 June 2024, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 30 June 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the Company statement of financial position as at 30 June 2024;
- the Company statement of comprehensive income for the year then ended;
- the Company statement of changes in equity for the year then ended;
- the Company statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
MFS Capital Partners Limited
Page 2

Report on the audit of the consolidated and stand-alone financial statements (continued)

Material Uncertainty Related to Going Concern

We draw attention to Note 3(b) in the financial statements, which indicates that the Group and the Company incurred a net loss of $52,412,869 and $42,578,969, respectively, during the year ended 30 June 2024 and, as of that date, had accumulated deficit of $188,258,547 (2023: $138,699,712) and $152,336,007 (2023: $109,757,038) respectively. However, the Group and the Company shareholders' equity had improved from deficits of $26,819,415 and small surplus of $2,123,259, respectively in 2023, to surpluses of $183,692,011 and $219,944,290, respectively, this year, mainly as a result of a $260,400,000 capital injection during the year. Also, as at 30 June 2024, the Group's and the Company's current liabilities exceeded its current assets by $179,453,130 and $3,676,436, respectively. As stated in Note 3(b), these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

Our 2024 audit was planned and executed having regard to the fact that the operations of the Group remain largely unchanged from the prior year.

The Group's businesses are organised into four primary segments being Management Services, Retail and Distribution, Marketing and Advertising, Micro-financing and Cambio Services. These entities maintain their own accounting records and report to the Group through the completion of consolidation packages.

In establishing the overall Group audit strategy and plan, we determined the type of work that was needed to be performed at the components by the Group engagement team and component auditors.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters are selected from the matters communicated with those charged with governance but are not intended to represent all matters that were discussed with them. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matters
Goodwill On March 27, 2024, the Group acquired 100% of the share capital of Micro-Financing Solutions (MFS) Limited. Management assessed that the acquisition qualified as a business combination resulting in recognition of goodwill amounting to $66,978,349. Valuation of identified net assets acquired were performed as part of the Purchase Price Allocation (PPA). We focused on this area due to the significance of the intangible assets identified and due to the nature of the business combinations, the requirements of which can be complex and require management to exercise judgement in determining certain estimates. The most significant is the determination of the PPA. Management engaged external experts to assist with the determination of the PPA which encompass identifying and estimating the fair value of intangible assets acquired. The determination of fair value involves significant areas of judgement which is based on the inputs and assumptions in the model such as growth rate, future margins and discounts rates.	Our approach to address the matter, with the assistance of our specialist, involved the following procedures: - ➢ Read the share purchase agreement and evaluated the appropriateness of the accounting for the acquisition as a business acquisition as business combination against management accounting policies and the applicable accounting standards. ➢ Held discussions with management to understand and evaluate their basis for determining assumptions. ➢ Evaluate the applicability of the valuation methodologies utilized to derive the fair value of the identified assets. ➢ Tested the reasonableness of valuation assumptions and inputs by:- • Corroborating the key variables, being the business growth rates, attrition rate, future margins, commission paid and discount rates to history and prospective financial, industry and economic information taking into consideration our knowledge of the group. • Where relevant, considered changes in the market conditions, third party sources and challenged management's future revenue estimates. • Assessed the competence and capability of managements' valuation experts. • Performed scenario analysis testing the varying growth rates and the associated discounted cash flow model as it relates to the agreement. • Recalculated the goodwill being the difference between the total net consideration paid and the fair value of the net assets acquired for mathematical accuracy. Based on the audit procedures performed, management's accounting and judgements and estimates relating to the valuation of intangibles were not unreasonable.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Key Audit Matters (continued)

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>Goodwill impairment assessment (Group) refer to notes 3(f), 5(iv) and 12 to the financial statement disclosures of related accounting policies and balances

On an annual basis, or when events or changes in circumstances indicate the carrying value may be impaired, management tests whether goodwill is subject to impairment. The recoverable amounts of cash generating units have been determined using value-in-use calculations. Management's impairment assessment resulted in no impairment provision being recorded in relation to the new business acquisition.

We focused on this area as the annual impairment assessment requires management's judgement, particularly in relation to the estimation of future cash flows from the business, taking into consideration the following key assumptions used in the Group's impairment model:
• Revenue growth rate;
• EBITDA to revenue;
• Capital expenditure to revenue; and
• Discount rate.</td><td>Our approach to address the matter, with the assistance of our specialist, involved the following procedures: -

➢ Evaluated management's future cash flow forecasts, and the process by which they were drawn up, including testing the underlying calculations and comparing them to the latest Board approved budgets.
➢ Compared previous forecasts to actual results to assess the performance of the business and the accuracy of management's forecasting.
➢ Compared long term revenue growth rate to historical results and economic and industry forecasts.
➢ Compared the key assumptions to externally derived data where available, including market expectations of investment return, projected economic growth and interest rates.
➢ Applied sensitivities in evaluating management's assessment of the planned growth rate used in the estimation of future cash flows.
➢ Evaluated the discount rate by recomputing the cost of capital of the Group.
➢ Tested management's impairment model calculations for mathematical accuracy.

Based on the audit procedures performed, management's accounting and judgements for assessing goodwill impairment were not unreasonable.</td></tr>
</table>

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described above to be the key audit matters to be communicated in our report.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and stand-alone financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report. Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

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MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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MFS Capital Partners Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examinations of those records, and the financial statements, which are in agreement therewith give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditors' opinion is Emile Lafayette.

Baker Tilly

Chartered Accountants
Kingston, Jamaica
19 February 2025

MFS Capital Partners Limited

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024	2023
		$	$
ASSETS			
Non-current assets			
Property, plant and equipment	6	2,617,859	1,825,687
Intangible assets	7	-	-
Investment property	8	405,000,000	-
Investment in associate	9	61,043,861	-
Investment securities	10	23,557,650	-
Goodwill	12	66,978,349	-
Deferred income tax	13	58,713	-
Due from related companies	15	171,347,799	26,443,900
		730,604,231	28,269,587
Current assets			
Receivables	14	22,754,613	31,305,241
Taxation recoverable		4,755,175	3,932,005
Cash and bank	16	62,982,889	2,135,291
		90,492,677	37,372,537
TOTAL ASSETS		821,096,908	65,642,124
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	17	372,280,297	111,880,297
Fair value reserves		(329,739)	-
Accumulated deficit		(188,258,547)	(138,699,712)
		183,692,011	(26,819,415)
Non-controlling interest	18	(15,616,871)	(13,092,576)
		168,075,140	(39,911,991)
Non-current liabilities			
Due to related companies	15	373,575,961	47,072,380
Long-term loans	20	9,500,000	-
		383,075,961	47,072,380
Current liabilities			
Payables	19	162,842,330	56,095,124
Current portion of long-term loans	20	57,016,847	1,113,192
Directors' account	21	1,124,675	697,110
Taxation payable		48,961,955	576,309
		269,945,807	58,481,735
TOTAL EQUITY AND LIABILITIES		821,096,908	65,642,124

Approved for issue by the Board of Directors on 19 February 2025 and signed on its behalf by:

Director
Clide Leopold Nesbeth

Director
Dino Hinds

Consolidated Statement of Comprehensive Income

Year ended 30 June 2024

	Note	2024	2023
		$	$
Revenue	22	28,536,352	-
Other income	23	8,568,458	32,901,138
Operating and administrative expenses	24	(82,537,085)	(23,096,813)
Share of results of associate	9	262,683	-
Operating (loss)/profit	25	(45,169,592)	9,804,325
Finance costs, net	27	(636,528)	(238,215)
(Loss)/profit before taxation		(45,806,120)	9,566,110
Taxation	28	(6,277,010)	(823,170)
(Loss)/profit after taxation		(52,083,130)	8,742,940
Net (loss)/profit attributable to:			
Stockholders of the Company		(49,558,835)	8,792,083
Non-controlling interest		(2,524,295)	(49,143)
		(52,083,130)	8,742,940
Other comprehensive income			
Unrealised loss on securities fair valued though other comprehensive income		(329,739)	-
Total comprehensive (loss)/income		(52,412,869)	8,742,940
Total comprehensive (loss)/income attributable to:			
Stockholders of the Company		(49,888,574)	8,792,083
Non-controlling interest		(2,524,295)	(49,143)
		(52,412,869)	8,742,940
(Loss)/earnings per ordinary stock unit attributable to shareholders of the Company	29	(0.12)	0.02

Consolidated Statement of Changes in Equity

Year ended 30 June 2024

	Number of Shares	Share Capital	Fair Value Reserves	Accumulated Deficit	Total	Non-Controlling Interest	Total Equity
		Equity Attributable to Stockholders of the Company					
		$	$	$	$	$	$
Balance at 1 July 2022	400,000,000	111,880,297	-	(147,491,795)	(35,611,498)	(13,043,433)	(48,654,931)
Total comprehensive income:							
Net profit	-	-	-	8,792,083	8,792,083	(49,143)	8,742,940
Balance at 30 June 2023	400,000,000	111,880,297	-	(138,699,712)	(26,819,415)	(13,092,576)	(39,911,991)
Total comprehensive income:							
Net loss	-	-	-	(49,558,835)	(49,558,835)	(2,524,295)	(52,083,130)
Other comprehensive income							
Decrease in fair value of investments classified as fair value through other comprehensive income	-	-	(329,739)	-	(329,739)	-	(329,739)
	-	-	(329,739)	(49,558,835)	(49,888,574)	(2,524,295)	(52,412,869)
Transaction with owners:							
Issue of shares	260,400,000	260,400,000	-	-	260,400,000	-	260,400,000
Balance at 30 June 2024	660,400,000	372,280,297	(329,739)	(188,258,547)	183,692,011	(15,616,871)	168,075,140

MFS Capital Partners Limited

Consolidated Statement of Cash Flows

Year ended 30 June 2024

	2024	2023
	$	$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
(Loss)/profit before taxation	(45,806,120)	9,566,110
Adjustments for:		
Amortisation and depreciation	652,719	753,034
Foreign exchange (gains)/losses	(1,056,377)	2,675
Loss on disposal of property, plant and equipment	-	340,102
Interest expense	1,875,011	253,245
Interest income	(182,106)	(17,705)
	(44,516,873)	10,897,461
Changes in operating assets and liabilities:		
Decrease/(increase) in receivables	19,266,762	(29,014,926)
(Decrease)/increase in payables	(13,313,996)	348,553
Decrease in inventories	-	26,146
Directors' accounts, net	(6,269,631)	697,110
Cash used in operating activities	(44,833,738)	(17,045,656)
Taxes paid	(4,283,950)	-
Interest paid	(1,875,011)	(253,245)
Interest received	182,106	17,705
Net cash used in operating activities	(50,810,593)	(17,281,196)
Investing Activities		
Investment in subsidiary	(406,771,702)	-
Proceeds from disposal of property, plant and equipment	-	20,000
Purchase of property, plant and equipment	(65,000)	(266,735)
Net cash used in investing activities	(406,836,702)	(246,735)
Financing Activities		
Proceeds from shares issued	260,400,000	-
Long term loans, net	(427,565)	(443,865)
Related parties, net	257,466,081	15,628,480
Net cash provided by financing activities	517,438,516	15,184,615
Net increase/(decrease) in cash and cash equivalents	59,791,221	(2,343,316)
Effect of changes in exchange rates on cash and cash quivalents	1,056,377	(2,675)
Cash and cash equivalents at beginning of year	2,135,291	4,481,282
CASH AND CASH EQUIVALENTS AT END OF YEAR	62,982,889	2,135,291
Represented by:		
Cash and bank	62,982,889	2,135,291

MFS Capital Partners Limited

Company Statement of Financial Position

As at 30 June 2024

	Note	2024	2023
		$	$
ASSETS			
Non-current assets			
Property, plant and equipment	6	507,482	628,718
Intangible assets	7	-	-
Investment in subsidiaries	11	500,000,000	-
Due from related companies	15	50,461,582	26,443,900
		550,969,064	27,072,618
Current assets			
Receivables	14	12,677,378	31,305,241
Taxation recoverable		4,755,175	3,932,005
Cash and short-term deposits	16	595,897	2,135,291
		18,028,450	37,372,537
TOTAL ASSETS		568,997,514	64,445,155
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	17	372,280,297	111,880,297
Accumulated deficit		(152,336,007)	(109,757,038)
		219,944,290	2,123,259
Non-current liabilities			
Due to related companies	15	327,348,338	47,072,380
Current liabilities			
Payables	19	18,344,886	15,249,516
Due to related companies	15	3,360,000	-
		21,704,886	15,249,516
TOTAL EQUITY AND LIABILITIES		568,997,514	64,445,155

Approved for issue by the Board of Directors on 19 February 2025 and signed on its behalf by:

_______________ Director
Clide Leopold Nesbeth

_______________ Director
Dino Hinds

Company Statement of Comprehensive Income

As at 30 June 2024

	Note	2024	2023
		$	$
Revenue	23	-	-
Other income	24	8,551,450	30,265,796
Operating and administrative expenses	25	(51,106,024)	(20,984,369)
Impairment losses on financial assets	4(a)	-	-
Operating (loss)/profit	26	(42,554,574)	9,281,427
Finance (costs)/income, net	27	(24,395)	15,030
(Loss)/profit before taxation		(42,578,969)	9,296,457
Taxation	28	-	(823,170)
(Loss)/profit after taxation, being total comprehensive income		(42,578,969)	8,473,287

Company Statement of Changes In Equity

As at 30 June 2024

	Number of Shares	Share Capital	Accumulated Deficit	Total
		$	$	$
Balance at 1 July 2022	400,000,000	111,880,297	(118,230,325)	(6,350,028)
Total comprehensive income:				
Net profit	-	-	8,473,287	8,473,287
Balance at 30 June 2023	400,000,000	111,880,297	(109,757,038)	2,123,259
Total comprehensive loss:				
Net loss		-	(42,578,969)	(42,578,969)
Transaction with owners:				
Issue of shares	260,400,000	260,400,000	-	260,400,000
	260,400,000	260,400,000	(42,578,969)	217,821,031
Balance at 30 June 2024	660,400,000	372,280,297	(152,336,007)	219,944,290

Company Statement of Cash Flows

Year ended 30 June 2024

	2024	2023
	$	$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
(Loss)/profit before taxation	(42,578,969)	9,296,457
Adjustments for:		
Amortisation and depreciation	121,236	142,387
Loss on disposal of property, plant and equipment	-	340,102
Foreign exchange losses	54,373	2,675
Interest expense	4,687	-
Interest income	(34,665)	(17,705)
	(42,433,338)	9,763,916
Changes in operating assets and liabilities:		
Decrease/(increase) in receivables	18,627,863	(29,014,927)
Increase in payables	3,095,370	1,508,245
Related parties, net	259,618,276	15,628,480
Cash provided by/(used in) operating activities	238,908,171	(2,114,286)
Taxation paid	(823,170)	-
Interest received	34,665	17,705
Interest paid	(4,687)	-
Net cash provided by/(used in) operating activities	238,114,979	(2,096,581)
Investing Activities		
Proceeds from disposal of property, plant and equipment	-	20,000
Purchase of property, plant and equipment	-	(266,735)
Investment in subsidiary company	(500,000,000)	-
Net cash used in investing activities	(500,000,000)	(246,735)
Financing Activity		
Proceeds from shares issued	260,400,000	-
Net cash provided by financing activity	260,400,000	-
Net decrease in cash and cash equivalents	(1,485,021)	(2,343,316)
Effect of changes in exchange rates on cash and cash equivalents	(54,373)	(2,675)
Cash and cash equivalents at beginning of year	2,135,291	4,481,282
CASH AND CASH EQUIVALENTS AT END OF YEAR	595,897	2,135,291
Represented by:		
Cash and bank	595,897	2,135,291

1. Identification and principal activities

MFS Capital Partners Limited ("the Company"), is a limited liability company that was incorporated under the Companies Act of Jamaica on 24 November 2011. The Company is a subsidiary of MFS Acquisition Limited, which is also incorporated and domiciled in Jamica, and which currently owns 53.52% of the issued shares of the Company. The registered office and principal place of business is located at Suite 2, 14 Canberra Crescent, Kingston 6. The Company has been listed on the Junior Market of the Jamaica Stock Exchange (JSE) since 29 May 2012.

The business model of the Company has not changed significantly as they will continue specializing in investing in equity of small to medium sized companies that show great potential for growth and profits.

The Company's subsidiaries, together with the Company are referred to as "the Group"; the subsidiaries are as follows:

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by Company
July 2, 2018	Bar Central Limited	Distribution and provision of branding services	75% (2023:75%)
July 20, 2018	Muse 360 Integrated Limited	Marketing and commercial solutions	51% (2023:51%)
March 27, 2024	Micro-Financing Solutions (MFS) Limited	Micro-financing and cambio services	100% (2023: Nil)

All of the Company's subsidiaries are incorporated and domiciled in Jamaica.

Bar Central Limited ceased operational activities as of December 31, 2019. Muse 360 Integrated Limited ceased operational activities as of August 31, 2019. Management has yet to decide on the future operation of Muse 360 Integrated Limited and Bar Central Limited.

In March 2024 the Group acquired 100% of the shares of Micro-Financing Solutions (MFS) Limited. Micro-Financing Solutions (MFS) Limited's main activities are the buying and selling of foreign currency and the management of loans to micro entreprises operating in Jamaica.

The consolidated financial statements include the financial statements for the Company and its subsidiaries. These financial statements are presented in Jamaican dollars, which is the functional currency.

The group has a 35% shareholding in an associated company Capital Solutions Limited; this arose as a direct result of the 100% acquisition of Micro-Financing Solutions (MFS) Limited (a subsidiary, as noted above), See Note 9.

2. Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board and have been prepared under the historical cost convention, as modified by the valuation of certain items. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes.

The preparation of financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgement in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in note 5.

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

Standards and amendments to published standards effective in the current year that are relevant to the Group's operations

The following standards have been adopted by the Group for the first time which have been issued and are effective for mandatory adoption for the financial year beginning on or after 1 January 2023:

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8, (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Effective July 1, 2023, the Group adopted the amendments to IAS 1, which resulted in the Group disclosing material accounting policies, rather than significant accounting policies, based on the following definition from the amended standard:

"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements".

Deferred Tax related to assets and liabilities (Amendments to IAS 12 Income Taxes) (effective for annual periods beginning on or after 1 January 2023). These amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37), (effective for annual periods beginning on or after 1 January 2023) specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Except for Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8, The other amendments did not result in any material effect on the group's financial statements.

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the Group

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretation to existing standards have been issued which are not yet effective, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

The amendments in Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective for annual periods beginning on or after 1 January 2024) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Supplier Finance Arrangements (Amendment to IAS 7 and IFRS 7) (effective for annual periods beginning on or after 1 January 2024). These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

Leases on sale and leaseback (Amendments to IFRS 16) (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the Group (continued)

Lack of Exchangeability Amendments to IAS 21 (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the Group.

3. Material accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2024. A subsidiary is an entity controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee, if and only if, the Group has:

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

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3. Material accounting policies (continued)

(b) Going concern

The preparation of the financial statements in accordance with IFRS assumes that the Group and the Company will continue in business for the foreseeable future. This means, in part, that the statement of financial position and the statement of comprehensive income assume no intention or necessity to liquidate or curtail the scale of operations. This is commonly referred to as the going concern basis.

The Group and the Company reported as at 30 June 2024, accumulated deficit of $188,258,547 (2023: $138,699,712) and $152,336,007 (2023: $109,757,038) respectively. Further, as at 30 June 2024, the Group's current liabilities exceeded its current assets by $179,453,130 (2023: $21,109,198). This indicates the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The ability of the Group and the Company to sustain profitability and to generate the incremental cash flows to meet its significant debt service obligations and other costs is therefore dependent on its ability to successfully minimise costs and increase revenue from Cambio, remittances and sale of goods and services.

The ultimate parent company, MFS Acquisition Limited has demonstrated its intent to continue to provide financial support to the Group and the Company for the foreseeable future.

The Board of Directors of the Group and the Company has made the financial stability of the Group and the Company a priority and will continue the strategic plan that was successful over the last two years to achieve this objective. The group's management has prepared a new budget which represents a continuation of the strategic plans to make the Group and the Company profitable, including generating sufficient cash flow to meet its liabilities.

However, the company owns development property (currently carried at $405,000,000) with a fully approved subdivision plan that will be executed in short order. Below are further details on this new project:

3. Material accounting policies (continued)

(b) Going concern (continued)

New Project

The Southsea Whitehouse Development project is an approved 'Serviced Lots' sub-division of 90 lots sitting on over 27 acres of land – part of a larger land parcel of over 100 acres that has been further divided into smaller parcels for developments. The property is adjacent to Paradiso Whitehouse, Westmoreland and is less than 1 mile east of the recent Whitehouse Beach Club Development. It is surrounded by residential solutions and is within close proximity of the many social amenities provided by Whitehouse (resorts, beaches, shopping, Police Station, schools, restaurants, etc.) and those of other neighbouring towns. The Paradiso Lots which vary in sizes from 10,000 sq. ft to 14,000 sq. ft and sells for between $15M and $25M. Serviced Lots in Albion, Little London of size 3000 sq. ft sell for $6M to $6.5M. The size of our lots at Whitehouse gives the owner real value for money as they are generally much larger lots and can potentially be further developed as multi-family apartments or town houses or retain the space for private amenities.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

(d) Property, plant and equipment

(i) Owned assets:

Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

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

3. Material accounting policies (continued)

(d) Property, plant and equipment (continued)

(ii) Depreciation

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see below). Depreciation is calculated on a straight-line basis at rates to write off the carrying value of the assets over their period of expected useful lives. The annual depreciation rates are as follows:

Computer equipment	25%
Furniture and fixtures	10%
Leasehold improvements	10%
Motor vehicles	20%
Office equipment	10%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Repairs and maintenances are charged to the statement of comprehensive income during the financial period in which they are incurred.

3. Material accounting policies (continued)

(e) Financial instruments

Classification

The Group and Company classify its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in OCI or in profit or loss. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group and Company reclassify debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group and Company commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group and Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. **Material accounting policies (continued)**

(e) Financial instruments (continued)

Debt instruments
Subsequent measurement of debt instruments depends on the Group's and Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and Company classify its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment
The Group and Company assess on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3. Material accounting policies (continued)

(f) Intangible assets

(i) Computer software

Items of intangible assets represent purchased computer software not integral to computer hardware, with finite useful lives that are acquired separately and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life of three years.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the acquisition date. Goodwill on acquisition of subsidiaries is included in intangible assets. Separately recognised goodwill is tested for impairment annually and carried at cost less accumulated impairment. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

An excess of the identifiable net assets acquired over the acquisition cost is treated as negative goodwill. Negative goodwill related to expected post-acquisition losses is taken to profit or loss during the period the future losses are recognised. Negative goodwill which does not relate to expected future losses is recognised as income immediately.

For the purposes of impairment testing, goodwill acquired in a business combination is assigned to cash generating units that is expected to benefit from the synergies of the combination.

(g) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash-generating units).

(h) Inventories

Inventories are stated at the lower of cost and net realizable value, cost being determined on a first in first out basis. Net realizable value is the estimate of the selling price in the ordinary course of the business, less selling expenses.

3. Material accounting policies (continued)

(i) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. For trade receivables impairment provisions, the Group and Company apply the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

Under the simplified approach within IFRS 9, the impairment provision is assessed using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within operating profit in the consolidated and stand-alone statement of comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

(j) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, short term deposits and bank overdraft.

(k) Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

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

(l) Interest bearing loans and borrowings

Borrowings are stated initially at cost, being the fair value of the consideration received, net of issue costs associated with the borrowings. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds and the redemption value is recognized in the statement of comprehensive income over the period of the borrowings.

3. Material accounting policies (continued)

(m) Payables

Payables, including provisions, are stated at their nominal value. A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

(n) Fair value of financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial assets carried on the statement of financial position include cash and cash equivalents, due from related parties, directors' accounts and receivables. Financial liabilities consist of payables, long term loans, directors' accounts, short term loans and due to related parties.

Generally financial instruments are recognized on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

The fair values of the financial instruments are discussed in Note 4(d).

(o) Related party transactions

Related parties:

A party is related to the Group, if:

(i) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group (this includes parents, subsidiaries and fellow subsidiaries); has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
(ii) the party is an associate of the Group;
(iii) the party is a joint venture in which the Group is a venturer;
(iv) the party is a member of the key management personnel of the Group or its parent;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);
(vi) the party is the entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
(vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any Company that is a related party of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

3. Material accounting policies (continued)

(p) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable of goods and customer acceptance or performance of service. Revenue is shown net of General Consumption Tax, returns, rebates and discounts. Revenue is recognized as follows:

i) Sales of goods

Sales of goods are recognized upon the delivery of goods and acceptance or performance of services.

ii) Interest income

Interest income is recognized in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective yield method based on the actual purchase price.

(q) Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Current and deferred taxes are recognized as income tax expense or benefit in the statement of comprehensive income except, where they relate to items recorded in shareholders' equity, they are also charged or credited to shareholders' equity.

(i) Current taxation

Current tax is the expected taxation payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable and tax losses in respect of previous years.

(ii) Deferred income taxes

Deferred tax liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognized for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realized or the liability will be settled based on enacted rates.

Current and deferred tax assets and liabilities are offset when the legal right of offset exists.

3. Material accounting policies (continued)

(r) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated into Jamaican dollars at the exchange rate prevailing at the statement of financial position date; that is, in the case of each currency, the Bank of Jamaica weighted average buying and selling rates at that date. Gains or losses arising from fluctuations in the exchange rates are reflected in the statement of comprehensive income.

4. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as outstanding receivables from credit sales.

Risk management

Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by management.

4. Financial risk management (continued)

(a) Credit risk (continued)

Risk management (continued)
Management determines concentrations of credit risk by monitoring the credit-worthiness rating of existing customers and through a monthly review of the trade receivables ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval.

Security
The Group does not hold any collateral as security.

Impairment of financial assets
The Group has two types of financial assets that are subject to the expected credit loss model:
- trade receivables
- other receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables
The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2024 or 30 June 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and Company have identified the GDP, inflation and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

4. Financial risk management (continued)

(a) Credit risk (continued)

On that basis, the loss allowance as at 30 June 2024 and 30 June 2023 was determined as follows for trade receivables:

The Group:

30 June 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	100%	32%
Gross carrying amount – trade receivables	3,246,203	940,980	3,433,506	3,542,726	11,163,415
Loss allowance	-	-	-	3,542,726	3,542,726

30 June 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	100%	100%
Gross carrying amount – trade receivables	-	-	-	3,542,726	3,542,726
Loss allowance	-	-	-	3,542,726	3,542,726

The closing loss allowances for trade receivables as at 30 June 2024 and 30 June 2023 reconcile to the opening loss allowances as follows:

	The Group	
	Trade receivables	Trade receivables
	2024	2023
	$	$
Balance at beginning and end of year	3,542,726	3,542,726

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and Company, and a failure to make contractual payments for a period of greater than 90 days past due.

4. Financial risk management (continued)

(a) Credit risk (continued)

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

As at 30 June 2024 trade receivables had lifetime expected credit losses of $3,542,726 (2023: $3,542,726).

Other receivables

The loss allowances for other receivables as at 30 June 2024 and 30 June 2023 were determined as follows:

The Group:

30 June 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount – other receivables	5,177,378	2,456,546	-	7,500,000	15,133,924
Loss allowance	-	-	-	-	-

30 June 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	90%	41%
Gross carrying amount – other receivables	29,014,927	-	-	24,463,958	53,478,885
Loss allowance	-	-	-	22,173,644	22,173,644

4. Financial risk management (continued)

(a) Credit risk (continued)

The Company:

30 June 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount – other receivables	5,177,378	-	-	7,500,000	12,677,378
Loss allowance	-	-	-	-	-

30 June 2023	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	91%	41%
Gross carrying amount – other receivables	29,014,927	-	-	24,463,958	53,478,885
Loss allowance	-	-	-	22,173,644	22,173,644

4. Financial risk management (continued)

(a) Credit risk (continued)

The closing loss allowances for other receivables as at 30 June 2024 and 30 June 2023 reconcile to the opening loss allowances as follows:

	Other receivables 2024 $	Other receivables 2023 $
Opening loss allowance as at 1 July	22,173,644	22,173,644
Write-off of receivables against ECL provision during the year	(22,173,644)	-
Closing balance at end of year	-	22,173,644

As at 30 June 2024 other receivables had lifetime expected credit losses of $Nil (2023: $22,173,644).

The closing loss allowances for trade and other receivables as at 30 June 2024 and 30 June 2023 are as follows:

	The Group		The Company	
	2024 $	2023 $	2024 $	2023 $
Closing balance at end of year				
Trade receivables	3,542,726	3,542,726	-	-
Other receivables	-	22,173,644	-	22,173,644
Total loss allowances on financial assets	3,542,726	25,716,370	-	22,173,644

Net impairment losses on financial assets recognised in profit or loss

During the year, the following reversal/(losses) were recognised in profit or loss in relation to impaired financial assets:

	The Group & Company	
	2024 $	2023 $
Impairment losses		
- movement in loss allowance for other receivables	-	-
Net impairment losses on financial assets	-	-

4. Financial risk management (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions at, or close to, its fair value.

Liquidity risk management process

The Group's liquidity management process includes:

(i) Monitoring future cash flows and liquidity on a daily basis;
(ii) Maintaining marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
(iii) Maintaining a committed line of credit;
(iv) Optimising cash returns on investment.

Undiscounted cash flows of financial liabilities

The maturity profile of the Group's financial liabilities at year end on contractual undiscounted payments was as follows:

The Group:

	1 to 3 months	3 to 12 months	1 to 5 Years	Contractual cashflows	Carrying amount
			2024		
	$	$	$	$	$
Long term loans	32,820,019	31,496,818	12,871,250	77,188,087	66,516,847
Payables	162,842,330	-	-	162,842,330	162,842,330
Directors' account	1,124,675	-	-	1,124,675	1,124,675
Due to related companies	-	-	373,575,961	373,575,961	373,575,961
	196,787,024	31,496,818	386,447,211	614,731,053	604,059,813
			2023		
Long term loans	197,194	1,049,581	-	1,246,775	1,113,192
Payables	56,095,124	-	-	56,095,124	56,095,124
Directors' account	697,110	-	-	697,110	697,110
Due to related companies	-	-	47,072,380	47,072,380	47,072,380
	56,989,428	1,049,581	47,072,380	105,111,389	104,977,806

Assets available to meet all of the liabilities and to cover financial liabilities include cash at bank and in hand and guarantee from the ultimate parent Company.

4. Financial risk management (continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities (continued)
The maturity profile of the Company's financial liabilities at year end on contractual undiscounted payments was as follows:

The Company:

	1 to 3 months	3 to 12 months	1 to 5 Years	Contractual cashflows	Carrying amount
			2024		
	$	$	$	$	$
Payables	18,344,886	-	-	18,344,886	18,344,886
Due to related companies	-	3,360,000	327,348,338	330,708,338	330,708,338
	18,344,886	3,360,000	327,348,338	349,053,224	349,053,224
			2023		
	$	$	$	$	$
Payables	15,249,516	-	-	15,249,516	15,249,516
Due to related companies	-	-	47,072,380	47,072,380	47,072,380
	15,249,516	-	47,072,380	62,321,896	62,321,896

Assets available to meet all of the liabilities and to cover financial liabilities include cash at bank and in hand and guarantee from the ultimate parent Company.

(c) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in interest rates (see 4(c)(ii)) and foreign currency exchange rates (see 4(c)(i)). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk exposures are measured using sensitivity analysis. There has been no significant change in exposure to market risks or the manner in which the Group manages and measures the risk.

4. Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from currency exposure primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group is primarily exposed to such risks arising from foreign currency translation in relation to cash at bank and in hand, payables and short-term loans.

The statement of financial position at 30 June 2024 includes net foreign liabilities of approximately $3,852,249 (2023: foreign assets - $410,668) for the Group and net foreign assets of $7,788 (2023: $410,668) for the Company, in respect of transactions arising in the ordinary course of business.

The following tables indicate the currency to which the Group and the Company had significant exposure on its monetary assets and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in the foreign exchange rate. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for changes in foreign currency rates as indicated in the table below. The sensitivity of the surplus was as a result of foreign exchange gains/losses on translation of US dollar denominated financial instruments. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in each variable; variables had to be on an individual basis. It should be noted that movements in these variables are non-linear.

	2024	**2024**	**2023**	**2023**
	$	**$**	**$**	**$**
	Effect on Profit and loss and equity			
	Revaluation 1%	Devaluation 4%	Revaluation 1%	Devaluation 4%
The Group				
Currency:				
JMD	38,522	(154,090)	(4,107)	16,427
The Company				
Currency:				
JMD	(78)	312	(4,107)	16,427

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk mainly arises from cash and cash equivalents and long-term loans. This risk is managed by analysing the economic environment and obtaining fixed rate loans when interest rates are expected to rise and floating rate loans when interest rates are expected to fall. It also manages the maturities of interest-bearing financial assets and interest-bearing financial liabilities. At 30 June 2024, the Group had no significant exposure to variable rate interest rate risk.

(iii) Equity price risk

Equity price risk arises from equity securities held by the Group as part of its investment portfolio. Management monitors the mix of debt and equity securities in its investment portfolio based on market expectations. The primary goal of the Group's investment strategy is to maximise investment returns.

An 8% (2023: 6%) increase in the market price at the reporting date would cause an increase in the Group's profit or loss and other comprehensive income of $1,884,612 (2023: Nil). An 2% (2023: 3%) decrease would cause a decrease in the Group's profit or loss and other comprehensive income of $471,153 (2023: Nil).

4. Financial risk management (continued)

(d) Fair value estimates

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as a recognized stock exchange) exists as it is the best evidence of the fair value of a financial instrument.

The amount included in the financial statements for cash and short-tern deposits, receivables and payables reflect their approximate fair values because of the short-term maturity of these instruments.

The fair value of long-term loans approximates amortised costs.

The fair values of directors' account and due from/(to) related companies could not be reasonably assessed as there are no set repayment terms.

5. Critical accounting estimates and judgments in applying accounting policies

The Group and Company make estimates, assumptions and judgements that affect the reported amounts of, and disclosures relating to, assets, liabilities, income and expenses reported in these financial statements. Amounts and disclosures based on these estimates assumptions and judgements may be different from actual outcomes, and these differences may be reported in the financial statements of the next financial year. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

(i) Impairment of financial assets

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

(ii) Income taxes

Estimates and judgements are required in determining the provision for income taxes. The tax liability or asset arising from certain transactions or events may be uncertain in the ordinary course of business. In cases of such uncertainty, the Group and Company recognise liabilities for possible additional taxes based on its judgement. Where, on the basis of a subsequent determination, the final tax outcome in relation to such matters is different from the amount that was initially recognised, the difference will impact the current and deferred income tax provisions in the period in which such determination is made.

(iii) Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Group and Company apply a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

(iv) Recognition and measurement of intangible assets

The recognition and measurement of intangible assets, other than goodwill, in a business combination, involve the utilization of valuation techniques. These intangibles may be market related, consumer related, contract based or technology based. For significant amounts of intangibles arising from a business combination, the Group and Company have utilized independent professional advisors to assist management in determining the recognition and measurement of these assets.

5. Critical accounting estimates and judgments in applying accounting policies (continued)

(iv) Recognition and measurement of intangible assets (continued)
The Group test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 3(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and the discount rate. Any changes in these variables would impact the value in use calculations.

(v) Valuation of financial instruments
Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group and Company determine fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates.

Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

6. Property, plant and equipment

The Group:

	Leasehold Improvements	Computer Equipment	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total
	$	$	$	$	$	$
Cost -						
1 July 2022	266,960	2,768,874	1,446,580	814,095	1,023,852	6,320,361
Additions	-	171,735	-	95,000	-	266,735
Disposals	(188,960)	-	-	(270,309)	-	(459,269)
30 June 2023	78,000	2,940,609	1,446,580	638,786	1,023,852	6,127,827
Additions	-	65,000	-	-	-	65,000
Business combination (Note 12)	-	153,793	964,276	261,822	-	1,379,891
30 June 2024	78,000	3,159,402	2,410,856	900,608	1,023,852	7,572,718
Depreciation -						
1 July 2022	79,344	2,075,210	302,507	167,360	1,023,852	3,648,273
Charge for the year	12,524	510,662	160,731	69,117	-	753,034
Relieved on disposals	(60,667)	-	-	(38,500)	-	(99,167)
30 June 2023	31,201	2,585,872	463,238	197,977	1,023,852	4,302,140
Charge for the year	7,800	328,118	144,658	172,143	-	652,719
30 June 2024	39,001	2,913,990	607,896	370,120	1,023,852	4,954,859
Net book value -						
30 June 2024	38,999	245,412	1,802,960	530,488	-	2,617,859
30 June 2023	46,799	354,737	983,342	440,809	-	1,825,687

6. Property, plant and equipment (continued)

The Company:

	Computer Equipment	Office Equipment	Leasehold Improvements	Total
	$	$	$	$
Cost -				
1 July 2022	85,559	814,094	266,960	1,166,613
Additions	171,735	95,000	-	266,735
Disposals	-	(270,309)	(188,960)	(459,269)
30 June 2023	257,294	638,785	78,000	974,079
Additions	-	-	-	-
30 June 2024	257,294	638,785	78,000	974,079
Depreciation -				
1 July 2022	55,437	167,360	79,344	302,141
Charge for the year	60,746	69,117	12,524	142,387
Relieved on disposals	-	(38,500)	(60,667)	(99,167)
30 June 2023	116,183	197,977	31,201	345,361
Charge for the year	47,830	65,606	7,800	121,236
30 June 2024	164,013	263,583	39,001	466,597
Net book value -				
30 June 2024	93,281	375,202	38,999	507,482
30 June 2023	141,111	440,808	46,799	628,718

7. Intangible assets

The Group:

	Computer Software	Total
	$	$
Cost -		
1 July 2022	2,219,403	2,219,403
Additions	-	-
30 June 2023 and 2024	2,219,403	2,219,403
Amortisation -		
1 July 2022	2,219,403	2,219,403
Charge for year	-	-
30 June 2023 and 2024	2,219,403	2,219,403
Net book value		
30 June 2024	-	-
30 June 2023	-	-

The Company:

	Computer Software	Total
	$	$
Cost -		
1 July 2022	2,404,184	2,404,184
Additions	-	-
30 June 2023 and 2024	2,404,184	2,404,184
Amortisation -		
1 July 2022	2,404,184	2,404,184
Charge for the year		
30 June 2019	-	-
30 June 2023 and 2024	2,404,184	2,404,184
Net book value -		
30 June 2024	-	-
30 June 2023	-	-

8. Investment property

	The Group	
	2024	2023
	$	$
At beginning of year	-	-
Business combination (Note 12)	405,000,000	-
Balance at the end of the year	405,000,000	-

The property was valued at current market value as at 23 October 2023, by V.B. Williams Realty Company Limited, qualified Property Appraisers and Auctioneers. The method used to determine the revaluation surplus is the market based approach.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market based approach: The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property that the cost of acquiring an existing comparable property, assuming no cost delay in making the substitution.	• Details of the sales of comparable properties. • Conditions influencing the sale of the comparable properties. • Comparability adjustment	The estimated fair value would increase/(decrease) if: • Sale values of comparable properties were higher/(lower) • Comparability adjustments were higher/(lower).
The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past. However, as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.		

9. Investment in associate

	The Group	
	2024	2023
	$	$
Balance at beginning of year	-	-
Business combination (Note 12)	60,781,178	-
Share of comprehensive income of associate	262,683	-
Balance at end of year	61,043,861	-

The assets, liabilities, revenue and results of the associates for the 12 months period ended 30 April 2024 are summarized as follows:-

	2024	2023
Current assets	56,925,504	-
Non-current assets	49,148,681	-
Current liabilities	(39,465,241)	-
Non-current liabilities	(3,109,715)	-
Net assets	63,499,229	
Revenue	19,757,355	-
Net Loss	(5,428,388)	-

See Note 1 for details of, and shareholding in associated company.

10. Investment securities

	The Group	
	2024	2023
	$	$
Investment securities at fair value through other comprehensive income -		
Jamaican quoted shares	23,557,650	-
Balance at beginning of year	-	
Business combination (Note 12)	19,828,392	-
Additions	4,414,476	
Disposals	(355,479)	-
Unrealised loss on securities	(329,739)	-
Balance at end of year	23,557,650	-

Included in investment securities are 242,000 shares held in Barita Investments Limited valued at $18,116,120 that were pledged as collateral against a loan facility with Barita Investments Limited (Note 20).

11. Investments in subsidiaries

		The Company	
		2024	2023
		$	$
Investments at cost at beginning of year:			
Muse 360 Integrated Limited	(a)	26,368,577	26,368,577
Bar Central Limited	(b)	5,997,000	5,997,000
		32,365,577	32,365,577
Additions during the year:			
MFS Limited (Note 12)	(c)	500,000,000	-
		500,000,000	-
Investments at cost at end of year:		532,365,577	32,365,577
Less: Impairment of investment in subsidiaries		(32,365,577)	(32,365,577)
		500,000,000	-

(a) Effective 20 July 2018, the Company acquired 51% of the issued share capital of Muse 360 Integrated Limited (MUSE). The principal activities of MUSE are marketing and commercial solutions.

(b) Effective 2 July 2018, the Company acquired 75% of the issued share capital of Bar Central Limited. The principal activities of Bar Central Limited are distribution and provision of branding services.

(c) Effective 27 March 2024, the Company acquired 100% of the issued share capital of Micro-Financing Solutions (MFS) Limited. The principal activities of Micro-Financing Solutions (MFS) Limited are the buying and selling of foreign currency and the management of loans to micro entreprises operating in Jamaica.

In 2021, the Group's investments in Bar Central Limited and Muse 360 Integrated Limited were tested for impairment. It was assessed by management that the investments were impaired and as a result a provision has been made. Both subsidiaries have ceased operational activities since 2019 and management has yet to decide on their future operations.

As at 30 September 2024, the investment in Micro-Financing Solutions (MFS) Limited was tested for impairment. After review, analysis and assessment, management is of the opinion, that there is no impairment on the investment, as the recoverable amount is higher than the carrying amount.

12. Goodwill

The Group:

	Muse 360 Integrated Limited	Bar Central Limited	Micro Financing Solutions (MFS) Limited	Total
	$	$		$
Goodwill:				
Balance as at 1 July 2022 and 30 June 2023	24,106,398	29,706,259	-	53,812,657
Addition - Business acquisition	-	-	66,978,349	66,978,349
	24,106,398	29,706,259	66,978,349	120,791,006
Less: Impairment provision as at 1 July 2022, June 30, 2023 and 30 June 2024	(24,106,398)	(29,706,259)	-	(53,812,657)
Closing balance as at 30 June 2024	-	-	66,978,349	66,978,349

During the year, the company acquired a subsidiary and voting shares as follows:

Date of Acquisition	Subsidiary	Principal activities	Portion of issued share capital held by company
March 27, 2024	Micro-Financing Solutions (MFS) Limited	Cambio services, bill remittances and private credit	100%

12. Goodwill (continued)

The fair value of the identifiable assets and liabilities of the subsidiary as at the date of acquisition were:

	Total
	$
Non-current assets	
Property, plant and equipment	1,379,891
Investment property	405,000,000
Investment in associate	60,781,178
Investment securities	19,828,392
Due from related companies	108,640,302
Deferred income tax assets	58,713
	595,688,476
Current assets	
Receivables	10,716,134
Due from related companies	11,910,761
Cash at bank and in hand	93,228,298
	115,855,193
Non-current liabilities	
Long-term loans	65,831,220
Due to related companies	43,118,875
	108,950,095
Current liabilities	
Payables	120,061,202
Directors' account	6,697,196
Taxation payable	42,813,525
	169,571,923
Fair value on net assets	433,021,651

12. Goodwill (continued)

Goodwill at acquisition:

	$
Purchase consideration	500,000,000
Less: Fair value of net assets acquired	(433,021,651)
Goodwill arising on the acquisition of subsidiary	66,978,349

Result for the six months ended 30 June 2024

	Micro-Financing Solutions (MFS) Limited
	$
Revenue	79,111,571
Net profit	16,874,718

Cash flow on acquisition:

		$
Total consideration		500,000,000
Less: cash, net transferred from subsidiary on acquisition		
Cash at bank and in hand	(93,228,298)	(93,228,298)
		406,771,702

13. Deferred income tax

Deferred income taxes are calculated in full on all temporary differences under the liability method using the appropriate tax rate.

Assets recognised on the statement of financial position are as follows:

	The Group	
	2024	2023
	$	$
Deferred income tax asset	58,713	-

The movement on the net deferred income tax balance is as follows:

	The Group	
	2024	2023
	$	$
Deferred tax asset at beginning of year	-	-
Business combination (Note 12)	58,713	-
Deferred tax asset at end of year	58,713	-

Deferred income tax assets are attributable to the following items:

	The Group	
	2024	2023
	$	$
Deferred income tax assets:		
Decelerated tax depreciation	58,713	-
Net assets at end of year	58,713	-

The amounts shown in the statement of financial position include the following:

	The Group	
	2024	2023
	$	$
Deferred tax assets to be recovered:		
- after more than 12 months	58,713	-
	58,713	-

14. Receivables

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Trade	11,163,415	3,542,726	-	-
Other	15,133,924	53,478,885	12,677,378	53,478,885
	26,297,339	57,021,611	12,677,378	53,478,885
Less: Impairment losses on financial assets (Note 4(a))	(3,542,726)	(25,716,370)	-	(22,173,644)
	22,754,613	31,305,241	12,677,378	31,305,241

15. Due from/(to) related companies

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Due from:-				
Micro-Financing Solutions (MFS) Limited	-	24,240,000	20,800,000	24,240,000
MFS Acquisition Limited	68,270,234	2,203,900	29,661,582	2,203,900
MFS Group Limited	7,770,989	-	-	-
Alpha & Omega Energy Company	95,306,576	-	-	-
	171,347,799	26,443,900	50,461,582	26,443,900
Due to – Non-current:-				
MFS Group Limited	46,067,624	47,072,380	-	47,072,380
MFS Acquisition Limited	327,508,337	-	327,348,338	-
	373,575,961	47,072,380	327,348,338	47,072,380
Due to – Current:				
MFS Group Limited	-	-	3,360,000	-
	373,575,961	47,072,380	330,708,338	47,072,380
	(202,228,162)	(20,628,480)	(280,246,756)	(20,628,480)

These companies are related by common shareholders and directors. The balances are unsecured and have no fixed payment/repayment terms.

16. Cash and bank

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Cash at bank	59,418,610	2,135,291	595,897	2,135,291
Cash in hand	3,564,279	-	-	-
	62,982,889	2,135,291	595,897	2,135,291

Cash at bank substantially comprise savings and operating accounts at licensed commercial banks in Jamaica. The rate of interest earned on the Group's and Company's savings accounts range from 0.05% - 0.07% for accounts that are denominated in United States Dollars, and 0.35% for those denominated in Jamaican Dollars.

17. Share capital

	2024	2023
	No. of shares	No. of shares
Authorised-		
Ordinary shares of no-par value	1,000,000,000	1,000,000,000

	2024	2023
	$	$
Issued and fully paid:		
Balance at beginning of year	111,880,297	111,880,297
Shares issued during the year	260,400,000	-
660,400,000 (2023:400,000,000) Ordinary shares of no par value	372,280,297	111,880,297

On 24 June 2024, the Board of Directors passed a resolution for the issue of shares of 260,400,000 ordinary shares at $1.00 per share.

18. Non-controlling interest

	The Group	
	2024	2023
	$	$
Balance at beginning of year	(13,092,576)	(13,043,433)
Share of loss for the year	(2,524,295)	(49,143)
Balance at end of year	(15,616,871)	(13,092,576)

19. Payables

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Trade payables	37,531,103	7,796,523	730,547	193,950
Accrued charges	22,249,644	16,572,952	10,985,612	6,751,120
Payroll liabilities	26,287,323	21,101,298	6,545,727	8,304,446
Other	76,774,260	10,624,351	83,000	-
	162,842,330	56,095,124	18,344,886	15,249,516

20. Long-term loans

		The Group	
		2024	2023
		$	$
Simpson Finance Jamaica Limited	(a)	685,627	1,113,192
Barita Investments Limited	(b)	8,500,000	-
Other loans	(c)	57,331,220	-
		66,516,847	1,113,192
Less: Current portion		(57,016,847)	(1,113,192)
		9,500,000	-

(a) This loan, which was received in November 2017, restructured in May 2020, attracts interest at 8.98% per annum and is repayable in 60 monthly instalments ending on 31 May 2026. The loan is substantially secured by Bill of sale over 2014 Suzuki APV motor van.

(b) This loan is for a 5-year period and was granted on November 21, 2023 at a fixed interest rate of 12.75% per annum. The loan is repayable by a bullet payment by November 16, 2028, which is the proposed end of the life of the loan.

(c) A subsidiary, Micro-Financing Solutions (MFS) Limited, has over a period of time, obtained funding from various investors under various "Preference Share Agreements" wherein the company agreed to issue to the subscribers, redeemable preference shares. The holders of those shares would have been entitled to a fixed rate of dividend ranging from 12% to 13.2% per annum for those denominated in Jamaica Dollars and 7% per annum for those denominated in United States Dollars. The preference shares would have been secured by shares of various related companies, and some holders would also participate in the profits of certain projects. The shares would have been initially for periods ranging from 1 to 3 years, with the maturity profile at year end as follows:

	JMD	USD
	$	$
Past due	50,700,000	37,018
Due 12 months after year end	-	-
Due 1 to 2 years after year end	1,000,000	-
	51,700,000	37,038

However, these preference shares were never formally issued, however, the investors continue to receive the agreed dividends in the form of interest, while those agreements that have expired have been verbally extended.

It is the intention of the company to instead issue to the investors, a series of "Fixed Rate Non-Convertible Loan Notes" at rates ranging from 12% to 13% with tenors ranging from 36 to 48 months and which will be secured by shares of various related companies.

21. Directors' account

This balance, which relates to amounts owed to Directors, is unsecured, interest free and has no fixed repayment terms.

22. Revenue

Revenue is comprised as follows:

	The Group	
	2024	2023
	$	$
Cambio income	28,311,448	-
Remittance service fees	224,904	-
	28,536,352	-

23. Other income

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Gain on financing of receivables	-	16,310,000	-	16,310,000
Consulting fees	-	6,000,000	-	6,000,000
Dividend income	17,008	-	-	-
Related party balances written-off	-	5,000,000	-	5,000,000
Payables written-off	-	2,635,342	-	-
Loan interest income	5,919,800	-	5,919,800	-
Other	2,631,650	2,955,796	2,613,650	2,955,796
	8,568,458	32,901,138	8,551,450	30,265,796

24. Expenses by nature

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Advertising and promotions	1,063,147	428.230	1,063,147	428,230
Accounting fee	3,611,250	1,060,000	3,110,000	1,060,000
Audit fee	4,198,496	3,280,998	2,184,996	1,805,348
Bank charges	250,304	52,512	76,855	52,512
Company secretary	994,630	320,010	994,630	320,010
Commission	12,463,331	-	-	-
Depreciation and amortisation	652,719	753,034	121,236	142,387
Directors' fees	2,430,000	2,095,000	2,430,000	2,095,000
Donations	100,000	-	-	-
Dues and subscriptions	125,655	224,223	125,655	224,223
Legal and professional fees	6,700,000	50,000	6,550,000	50,000
Loss on disposal of property, plant and equipment	-	340,102	-	340,102
Management remuneration	11,400,000	1,100,000	11,400,000	1,100,000
Management fees	2,688,000	-	-	-
Motor vehicle expenses	261,000	-		-
Office expenses	7,946,941	1,169,550	7,946,941	1,169,550
Other expenses	1,001,521	3,672,479	-	3,646,332
Penalties and interest	8,156,217	-	3,380,986	-
Printing and reproduction	567,536	27,817	392,782	27,817
Security	207,575	-	-	-
Staff costs (Note 26)	6,620,615	4,621,404	2,360,295	4,621,404
Rent	5,242,780	962,685	3,722,780	962,685
Registration fees	3,204,057	2,151,237	3,204,057	2,151,237
Repairs and maintenance	-	28,000	-	28,000
Travelling and meetings	1,650,000	643,478	1,500,000	643,478
Utilities	1,001,311	116,054	541,664	116,054
	82,537,085	23,096,813	51,106,024	20,984,369
Finance costs/(income), net (Note 27)	636,528	238,215	24,395	(15,030)
	83,173,613	23,335,028	51,130,419	20,969,340

25. Operating (loss)/profit

In arriving at the operating profit, the following have been charged. -

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Auditors' remuneration	4,198,496	3,280,998	2,184,996	1,805,348
Losses on disposal of property, plant and equipment	-	340,102	-	340,102
Depreciation and amortization	652,719	753,034	121,236	142,387
Directors' emoluments:				
- Fees	2,430,000	2,095,000	2,430,000	2,095,000
- Management remuneration	11,400,000	1,100,000	11,400,000	1,100,000
Staff costs (Note 26)	6,620,615	4,621,404	2,360,295	4,621,404

26. Staff costs

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Wages and salaries	6,201,133	4,167,048	2,100,000	4,167,048
Statutory contributions	419,482	454,356	260,295	454,356
	6,620,615	4,621,404	2,360,295	4,621,404

27. Finance costs/(income), net

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Foreign exchange gains	(1,056,377)	-	-	-
Interest income	(182,106)	(17,705)	(34,665)	(17,705)
	(1,238,483)	(17,705)	(34,665)	(17,705)
Interest expense	1,875,011	253,245	4,687	-
Foreign exchange losses	-	2,675	54,373	2,675
	1,875,011	255,920	59,060	2,675
	636,528	238,215	24,395	(15,030)

28. Taxation

Taxation is computed on the profit for the year adjusted for taxation purposes and comprises:

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Income tax at $33^1/_3\%$	6,277,010	-	-	-
Income tax at 25%	-	823,170	-	823,170
	6,277,010	823,170	-	823,170

Subject to agreement with the Commissioner General, Tax Administration Jamaica, the Group and the Company have tax losses of approximately $323,990,588 (2023: $282,266,701) and $203,518,763 (2023: $163,994,572) respectively that can be carried forward indefinitely; however, the amount that can be utilized in any one year is restricted to 50% of the current year's taxable profits.

The taxation charged in the statement of comprehensive income differs from the theoretical amount that would arise using the appropriate income tax rate:

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
(Loss)/profit before taxation	(45,806,120)	9,566,110	(42,578,969)	9,296,457
Tax calculated at the appropriate rate	(11,451,530)	2,391,528	(10,644,742)	2,324,114
Adjusted for the effects of: -				
Expenses not allowed for tax purposes	19,567,263	585,026	10,644,742	585,026
Tax credit	(375,000)	-	-	-
Other charges and allowances	(1,463,723)	(2,153,384)	-	(2,085,970)
	6,277,010	823,170	-	823,170

Deferred tax assets of approximately $80,997,648 (2023: $70,556,675) for the Group and $50,879,691 (2023: $40,998,643) for the Company in respect of tax losses has not been recognised in the financial statements, due to the uncertainty that future taxable profits will be generated within the foreseeable future against which the asset can be realized.

29. (Loss)/earnings per stock unit

Earnings per stock unit ("EPS") is computed by dividing the (loss)/earnings attributable to stockholders of the parent of ($49,888,574) (2023: $8,792,083) by the weighted average number of ordinary stock units in issue during the year, numbering 404,987,000 (2023: 400,000,000).

30. Segment financial information

	2024					
	Management Services	Retail and Distribution	Marketing and Advertising	Micro-financing and Cambio Services	Eliminations	Group
	$	$	$	$	$	$
Gross Revenue	-	-	-	28,536,352	-	28,536,352
Inter-segment revenue	-	-	-	-	-	-
Revenue from external customers	-	-	-	28,536,352	-	28,536,352
Segment (loss)/profit	(42,554,574)	(4,687,881)	(2,759,846)	4,832,709	-	(45,169,592)
Finance costs	(24,395)	-	-	(612,133)	-	(636,528)
(Loss)/profit before income tax	(42,578,969)	(4,687,881)	(2,759,846)	4,220,576	-	(45,806,120)
Taxation						(6,277,010)
Other comprehensive loss						(329,739)
Non-controlling interest						2,524,295
Loss attributable to equity holders of the parent						(49,888,574)
Total segment assets	568,997,514	838,953	-	711,482,092	(460,221,651)	821,096,908
Total segment liabilities	349,053,224	28,480,065	21,841,966	272,135,330	(18,488,817)	653,021,768
Depreciation	121,236	358,015	-	173,468	-	652,719

30. Segment financial information (continued)

	2023				
	Management Services	Retail and Distribution	Marketing and Advertising	Eliminations	Group
	$	$	$	$	$
Gross Revenue	-	-	-	-	-
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	-	-	-	-	-
Segment profit/(loss)	9,534,672	755,303	(485,650)	-	9,804,325
Finance costs	(238,215)	-	-	-	(238,215)
Profit/(loss) before income tax	9,296,457	755,303	(485,650)	-	9,566,110
Taxation					(823,170)
Non-controlling interest					49,143
Profit attributable to equity holders					8,792,083
Total segment assets	64,445,155	1,196,969	-	-	65,642,124
Total segment liabilities	62,321,896	24,150,119	19,082,100	-	105,554,115
Depreciation	142,387	610,647	-	-	753,034

31. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Related party transactions and balances are recognised and disclosed below for the following:

(a) Enterprises over which a substantial interest in the voting power is owned by a key management personnel, including directors and officers and close members of families; or

(b) Enterprises over which such a person, in (a) above, is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the Group and Company.

The following were charged/(credited) to the statement of comprehensive income:

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
Management fees	11,400,000	1,100,000	11,400,000	1,100,000
Directors' fees	2,430,000	2,095,000	2,430,000	2,095,000
Consulting fees	-	(6,000,000)	-	(6,000,000)

Related parties' balances written off by the following companies through the statement of comprehensive income (Note 23):

	The Group		The Company	
	2024	2023	2024	2023
	$	$	$	$
MFS Group Limited				
MFS Capital Partners Limited	-	(5,000,000)	-	(5,000,000)
	-	(5,000,000)	-	(5,000,000)

31. Related party transactions (continued)

As at the statement of financial position date the following balances were outstanding:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Due from:				
MFS Acquisition Limited	68,270,234	2,203,900	29,661,582	2,203,900
MFS Group	7,770,989	-	-	-
Alpha & Omega Energy Company	95,306,576	-	-	-
Micro-Finance Solutions (MFS) Limited	-	24,240,000	20,800,000	24,240,000
	171,347,799	26,443,900	50,461,582	26,443,900
Due to:				
Directors' account	(1,124,675)	(697,110)	-	-
MFS Acquisition Limited	(327,508,337)	-	(327,348,338)	-
MFS Group Limited	(46,067,624)	(47,072,380)	(3,360,000)	(47,072,380)
	(374,700,636)	(47,769,490)	(330,708,338)	(47,072,380)
	(203,352,837)	(21,325,590)	(280,246,756)	(20,628,480)

MFS CAPITAL PARTNERS

PROXY FORM

I/WE ____

of ____

being a member(s) of MFS Capital Partners Limited hereby appoint

____

____

of ____

____

Or failing him/her
of
____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on **Thursday May 1, 2025** at **10:00 am** in an online format using the Zoom platform and at any adjournment thereof.

Signed this ______________ day of ________________________________2025

______________________________ ______________________________
Signature Signature

To be valid:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
- If executed by a corporation, this proxy must be sealed. A corporate shareholder may appoint a representative in accordance with the Company's Articles of Incorporation, instead of appointing a proxy.
- This Form of Proxy must be received by the Company's Registrar and Transfer Agents, The Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, Jamaica, not less than 48 hours before the time of the meeting.
- This Form of Proxy should bear stamp duty of $100.00. Adhesive stamps are to be cancelled by the person signing the proxy.

Notes

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