FosRich
COMPANY LIMITED

ANNUAL REPORT 2025

CONNECTED COMMITTED WINNING

FosRich COMPANY LIMITED

MISSION

Improve people's lives through high-quality products.

VISION

We strive to make our customers' lives better through the offering of high-quality products. FosRich provides value through quality electrical, lighting, energy, and engineering solutions.

CORE VALUES

We hold a deep and abiding respect for each customer, every colleague, and our shareholders.

We commit to finding new, practical, and innovative ways to make the term "excellent customer service" more relevant to each customer - every day.

We commit to the relentless renewal of our enterprise through the constant training of our people at all levels.

In our merit-based culture, individual reward and recognition will be a result of measured performance.

We treat all competitors as noble, but we compete fairly and vigorously to win.

WHY INVEST IN FOSRICH

- Diversified product range and service offering providing sustainable earnings.
- Long-term relationship with Fortune 500 companies with premium brands
- Focused on meeting the needs of the local and export market with core products
- Strong balance sheet with a huge inventory of items required by the market.
- Strong capital position
- Vision and strategic plan to capitalize on growth opportunities.
- Committed and trained management team

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ANNUAL REPORT 2025

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS

The story of FosRich has always been one of growth, innovation, and resilience. Over more than three decades, the Company has evolved from a distributor of electrical products into a diversified enterprise serving the energy, manufacturing, and infrastructure sectors through multiple business lines and a growing national presence. This evolution reflects the vision, determination, and entrepreneurial spirit that have shaped FosRich's journey and continue to guide its future.

During 2025, that resilience was tested. Although the Company generated revenues of $2.856 billion across 12 revenue streams, a combination of operational disruptions and external events adversely affected profitability, resulting in a net loss of $506 million for the year. Cash flow constraints impacted the procurement of PVC raw materials, prolonged international shipping delays affected normal operations, and Hurricane Melissa severely disrupted our western operations, resulting in staff displacement, store closures and reduced operating capacity. These factors weighed heavily on the performance during the year.

The Board confronted these realities directly and remained focused on strengthening the Company's long-term prospects. To restore profitability, we have initiated a turnaround strategy that includes securing external funding, increasing PVC production, expanding the solar energy business, advancing the development of the FosRich Superstore, and establishing strategic agreements with major hardware suppliers to support the creation of a hardware hub in western Jamaica.

These initiatives are not merely corrective measures; they are strategic investments designed to improve operational efficiency, strengthen revenue generation, and position the Company for sustainable growth. While meaningful transformation takes time, the Board is confident that the actions now underway provide a clear and credible pathway to restoring profitability and enhancing shareholder value.

While completion of the FosRich Superstore has been impacted by factors beyond our immediate control, we look forward to its opening, which is projected for 2026. We expect this investment to make a meaningful contribution to future revenue growth and further strengthen our market position.

The Board is encouraged by the opportunities emerging within the sectors we serve. Rising energy costs continue to increase demand for alternative energy solutions, creating favourable conditions for the continued expansion of our solar energy business. FosRich is well-positioned to support customers seeking more efficient and cost-effective energy solutions. We also anticipate participating in national rebuilding efforts following Hurricane Melissa, with several of our product lines expected to play an important role in that initiative.

To support future growth, we have strengthened our supply chain through new partnerships with FoxESS and JA Solar and secured favourable credit arrangements that are expected to enhance supply chain stability and improve cash flow management. In keeping with our theme, Connected. Committed. Winning., these partnerships reflect

our commitment to building stronger relationships, enhancing operational resilience, and positioning FosRich to capitalize on future opportunities.

We are also focused on growing our transformer programme and expanding our repair and manufacturing capabilities with the objective of increasing market share by the end of 2026.

Our employees continue to be at the heart of our success. Throughout the year, we invested in staff development, training and enhanced benefits to support their growth and well-being. The Board remains grateful for the dedication, professionalism and resilience demonstrated by our team during a demanding year.

On behalf of the Board of Directors, I extend sincere appreciation to our employees, management team, suppliers, customers, shareholders and other stakeholders for your continued confidence and support. I also thank my fellow Directors for their wisdom, guidance and steadfast commitment to the long-term success of the Company.

As we look ahead, our priorities are clear: restoring profitability, strengthening operational performance and delivering sustainable long-term value for shareholders. While we anticipate further headwinds in the months ahead, we are encouraged by the progress already being made and believe the strategic initiatives now underway provide a credible pathway to improved performance and a return to profitability by 2026/2027. The Board remains firmly focused on disciplined execution and accountability as we pursue these objectives.

FosRich has built its reputation through resilience, innovation and an unwavering commitment to serving its customers. As we move forward, we remain Connected to our stakeholders, Committed to excellence and profitability, and focused on Winning through disciplined execution and sustainable growth. We therefore look to the future with confidence, determination and optimism as we continue building a stronger, more resilient and more profitable company for the benefit of all stakeholders.

M Foster

MARION FOSTER
Chair

CONNECTED COMMITTED WINNING

NOTICE OF HYBRID ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 Annual General Meeting of the shareholders of FosRich Company Limited ("the Company"), will be convened on Tuesday, 27th October 2026, at 79 Molynes Road, Kingston 10, Jamaica, and on Zoom, at 2:30 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive the Directors' Report, the Auditor's Report and the Audited Financial Statements of the Company for the financial year ended 31st December 2025.

   To consider and if thought fit pass Ordinary Resolution#1

   "That the Audited Financial Statements for year ended 31st December 2025, together with the Auditor's Report and the Report of the Directors of the Company be hereby received and adopted."

2. To retire one-third of the Directors by rotation and re-elect the retiring Directors as provided by Articles 97 - 99 of the Company's Articles of Incorporation and to elect Dr. Marlene Street Forrest having been appointed a Director, subsequent to the last Annual General Meeting and being eligible, is offering herself for election. The Director retiring in 2026 is Steadman Fuller and being eligible is offering himself for re-election.

   To consider and if thought fit pass Ordinary Resolution#2a.

   "That Steadman Fuller retires by rotation and being eligible is re-elected to continue to serve as Director of the Company for the ensuing year."

   To consider and if thought fit pass Ordinary Resolution#2b.

   "That Dr Marlene Street Forrest, having been appointed a Director, subsequent to the last Annual General Meeting and being eligible is elected to continue to serve as Director of the Company for the ensuing year."

3. To re-appoint the Auditors and authorize the Board of Directors to fix their remuneration.

   To consider and if thought fit pass Ordinary Resolution#3.

   "That Messrs. Baker Tilly, Chartered Accountants of, 6 Collins Green Avenue, Kingston 5, Jamaica, having agreed to continue in office as Auditor be and are hereby re-appointed to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

Dated 28th May 2026
BY ORDER OF THE BOARD

CUBE CORPORATE SUPPORT LTD

Corporate Secretary

Registered Office: 79 Molynes Road, Kingston 10, Jamaica
Registrar: Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston.

Notes:

1. A member entitled to attend and vote at this Annual General 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.
2. A Proxy Form is enclosed at the back of the annual report for your convenience.
3. Members can also download a proxy form from the company's website (www.fosrich.com).
4. A Director and the Company Secretary are required to sign the proxy form of a corporate member under the common seal of that company.
5. Amendments made to the proxy form must be initialled by the member(s) signing.
6. In the case of joint holders, any member may sign the proxy form to the exclusion of the other joint holder(s).
7. The completed form must be properly executed, stamped and together with the power of attorney or other documents appointing the proxy, must be deposited with the Secretary at the Registered Office of the company at 79 Molynes Road, Kingston 10, no later than 2:30 p.m. 23rd October 2026.
8. The Proxy Form shall bear stamp duty in the amount of $100.00 by way of postal adhesive stamp(s), which is to be cancelled by the person signing the form.
9. Voting virtually on the Zoom platform during the meeting will not be accommodated. Members attending virtually, and wishing to vote, must therefore submit a Proxy Form

MEETING ACCESS
Connection information for virtual access to the Hybrid Annual General Meeting is as follows:

FOSRICH ANNUAL GENERAL MEETING
27th October 2026 | 2:30 p.m.

Join Zoom Meeting
FosRich Limited is inviting you to a scheduled Zoom meeting.
Join Zoom Meeting
https://us02web.zoom.us/j/85496482195?pwd=nRXZUPSA09xGXlhxyiYMhGlh7s5Ecl.1

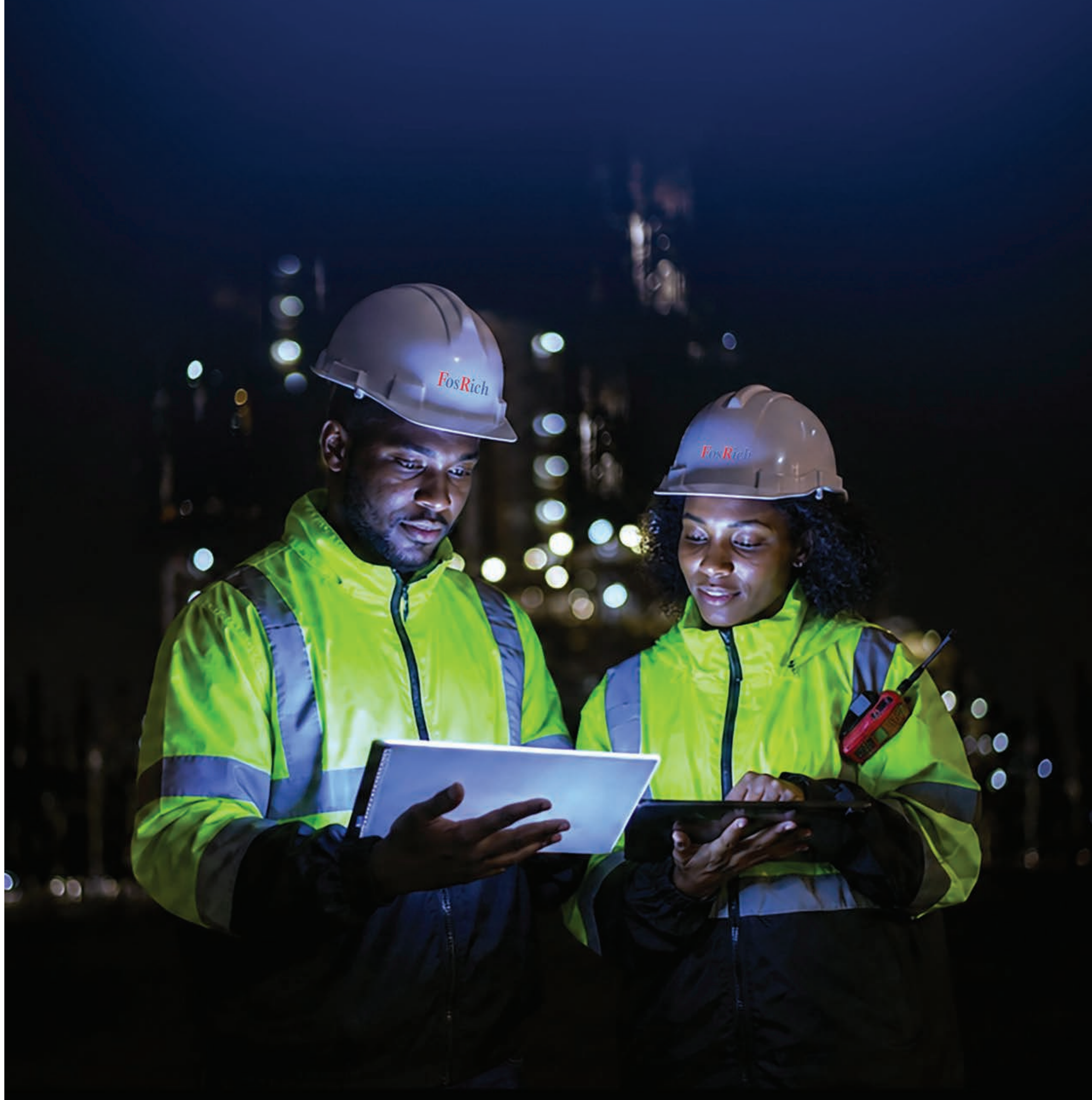
Meeting chat link
https://us02web.zoom.us/launch/jc/85496482195

Meeting ID: 854 9648 2195
Passcode: 105718

CONNECTED COMMITTED WINNING

TEN YEAR STATISTICAL SUMMARY

	2025 $M	2024 $M	2023 $M	2022 $M	2021 $M	2020 $M	2019 $M	2018 $M	2017 $M	2016 $M
Income Statement										
Revenue	2,856	3,680	3,697	3,373	2,351	1,896	1,612	1,293	1,046	1,156
Gross Profit	925	1,749	1,572	1,392	1,043	825	710	534	473	469
Expenses	1,624	1,711	1,308	1,061	888	723	644	490	456	451
EBITDA	(265)	404	519	613	424	320	281	168	137	114
Profit After Tax	(506)	35	235	341	211	134	116	90	55	30
Earnings per share	$(0.09)	$0.01	$0.05	$0.06	$0.04	$0.03	$0.02	$0.02	$0.01	$0.01
Balance Sheet										
Assets	6,542	7,277	5,679	5,299	3,767	3,056	2,450	2,053	1,294	1,120
Net Current Assets	114	1,012	767	808	1,423	1,349	1,162	1,350	566	285
Retained Earnings	433	940	981	853	588	441	363	256	165	114
Shareholders' Equity	1,493	1,999	2,042	1,785	1,017	869	800	693	605	399
Financing	2,922	3,248	1,871	1,734	1,565	1,291	1,125	1,005	318	335
Right-of-use Liability	534	558	622	583	540	378	201			
Ratios & Other										
Gross Profit %	32%	48%	43%	41%	44%	44%	44%	41%	45%	41%
Rate of stock turn per year	0.86	0.81	0.97	0.98	0.81	0.82	0.82	0.92	0.92	1.12
Days of sales in receivables	55	61	42	51	60	84	71	86	53	39
Current Ratio	1.05	1.43:1	1.39:1	1.40:1	2.73:1	3.33:1	4.09:1	4.16:1	2.71:1	1.60:1
Quick Ratio	0.27	0.32:1	0.32:1	0.28:1	0.56:1	0.81:1	0.98:1	1.12:1	0.82:1	0.29:1
Debt to Equity - Excluding Right-of-use Liability	1.96	1.63	0.92	0.97	1.54	1.49	1.41	1.45	0.53	0.75
Debt to Equity - Including Right-of-use Liability	2.32	1.90	1.22	1.30	2.07	1.92	1.66	1.45	0.53	0.75
Other										
Distribution Outlets	7	7	6	4	4	4	4	4	4	4
Average Team Size	215	240	175	161	165	132	138	92	77	105
No of shareholders	5,204	5,318	5,373	5,086	1,753	1,395	1,365	1,110	1,179	2



WINNING

CORPORATE INFORMATION

CORPORATE DATA
Registered Office
FosRich Company Limited
79 Molynes Road
Kingston 10, Jamaica W.I.
Tel: (876)937-5099
Fax: (876)758-5508
Email: info@fosrich.com
Website: www.fosrich.com

ATTORNEYS-AT-LAW
Tavares-Finson Adams
Suite No. 4
8 Hillcrest Avenue
Kingston 6, Jamaica W.I.

Patterson Mair Hamilton
Temple Court
85 Hope Road
Kingston 6, Jamaica W.I.

AUDITORS
Baker Tilly Jamaica
6 Collins Green Avenue
Kingston
Jamaica W.I.

BANKERS
First Global Bank
28-48 Barbados Avenue
Kingston 5, Jamaica W.I.

Sagicor Bank Jamaica Limited
17 Dominica Drive
Kingston 5, Jamaica W.I.

Bank Of Nova Scotia
86 Slipe Road
Kingston 5, Jamaica W.I.

National Commercial Bank
94 Halfway Tree Road
Kingston 10, Jamaica W.I.

JN Bank Limited
2-4 Constant Spring Road
Kingston 10, Jamaica W.I

FINANCIAL ADVISERS
Mayberry Investments Limited
1 ½ Oxford Road
Kingston 5, Jamaica W.I.

Barita Investments Limited
15 St. Lucia Way
Kingston 5

VM Wealth Management
Limited
53 Knutsford Boulevard
Kingston 5

REGISTRAR & TRANSFER AGENTS
Jamaica Central Securities
Depository
40 Harbour Street
Kingston, Jamaica W.I.

BOARD OF DIRECTORS
Executive Directors
Marion Foster, BSc.
Chairman

Cecil Foster
Managing Director

Peter Knibb, FCCA,
FCA, MBA, JP
Chief Financial Officer

Non-Executive Directors
Ian Kelly, MSc., BSc. CD

Steadman Fuller, LLB. PhD, CD

Marva Chang, FCCA., FCA.

Marlene Street Forrest,
OJ, CD, JP, BSc., MBA, PhD

Board Committee Members
Clive Nicholas, FCCA, FCA

COMPANY SECRETARY
Cube Corporate Support
Limited

SENIOR OFFICERS

Suzanne Donalds
Human Resource Director

Hector Mendoza
Commercial & Project Director

Warren Riley
Senior Accountant

Vincent Mitchell
Business Development
Manager, Wires & Cables

Kerry-Ann Gray
Marketing Manager

RETAIL OUTLETS
Kingston General
79 Molynes Road,
Kingston 10, Jamaica W.I.
Tel: (876) 937-2401
Fax: (876) 901-2438
Email: sales@fosrich.com
Email: lighting@fosrich.com

Kingston Industrial
76 Molynes Road,
Kingston 10, Jamaica W.I.
Tel: (876) 937-5099
Fax: (876) 901-2438
Email: sales@fosrich.com

Mandeville - Live Your Dream Store
35 Ward Avenue,
Mandeville, Manchester,
Jamaica W.I.
Tel: (876) 625-0250-2
Email: sales@fosrich.com
Email: lighting@fosrich.com

Montego Bay - Cottage Road - Better Homes Store
3 Cottage Road
Montego Bay, St. James,
Jamaica W.I.
Tel: (876) 971-9117
Email: sales@fosrich.com
Email: lighting@fosrich.com

Montego Bay - Fairview - Lighting World Store
Shop #18 Fairview
Montego Bay, St. James,
Jamaica W.I.
Tel: (876) 684-9431
Email: sales@fosrich.com
Email: lighting@fosrich.com

Montego Bay - Bayside
Lot 6 St. Clavers Avenue
Montego Bay, St. James,
Jamaica W.I
Tel: (876) 627-2375
Email: bayside@onsja.com

St. Ann - Drax Hall
Lot C6 Drax Hall, St. Ann's Bay
Tel: (876) 972-9161
Email:draxhall@fosrich.com

DIRECTORS' REPORT

The Directors hereby present their Report and the Audited Financial Statements for the year ended December 31, 2025.

Financial Results: Results for the year are set out in pages 32-109.

Highlights thereof are set out below:

	2025 $	2024 $
Turnover	**2,856,499,489**	**3,679,557,119**
Net Loss/Profit	**(506,195,527)**	**34,553,986**
Net Assets	**1,492,739,022**	**1,998,662,104**
Dividends Paid	**-**	**76,177,284**

The Board: The Directors who served the Company since the last Annual General Meeting are:

Mrs. Marion Foster - Chairman - Executive
Mr. Cecil Foster - Managing Director - Executive
Mr. Peter Knibb - Executive
Mr. Ian Kelly - Independent
Mr. Steadman Fuller - Independent
Mrs. Marva Chang - Independent
Dr. Marlene Street Forrest - Independent

The Directors retiring by rotation in accordance with Articles 97 - 99 of the Company's Articles of Incorporation are Steadman Fuller and Marlene Street Forrest, who being eligible for election or re-election as the case may be, offer themselves for re-election and election to the Board.

Auditors: Baker Tilly, Chartered Accountants, have signified their willingness to continue in office.

The Directors wish to express thanks to the management and staff for their continued commitment and hard work.

On behalf of the Directors
28th May 2026

M Foster

MARION FOSTER
Chair

BOARD OF DIRECTORS

MARION FOSTER

EXECUTIVE DIRECTOR & CHAIRMAN OF THE BOARD

Marion Foster, together with her husband Cecil Foster, is a Founder of the Company. Marion holds a BSc Degree in Management Studies from the University of the West Indies. She has been at the company full-time since 1996 and was initially in charge of the Accounting Department.

Mrs. Foster graduated from The Mico Teachers' College in 1987 and thereafter taught in Jamaica and the USA for 6 years.

CECIL FOSTER

EXECUTIVE DIRECTOR & MANAGING DIRECTOR

Cecil Foster is the Founder and Managing Director of FosRich Company Limited. Under his leadership, the company has evolved from a micro-enterprise at its incorporation in 1993 to one of Jamaica's leading importers and distributors of electrical and solar energy products, serving multiple sectors.

Mr. Foster pursued a Marketing degree from the University of Technology, Jamaica, with a focus on business development and marketing.

He currently serves as the Vice President of the Jamaica Manufacturers and Exporters Association Limited (JMEA) and is the President of the Adventist Laypersons and Services Industries (ASI JAMU). Additionally, he is a member of the King's House Foundation Board of Governors, where he chairs the Grounds, Security, and Maintenance Sub-Committee. He is also a member of the National Council on Technical and Vocational Education and Training and a member of the Northern Caribbean University Board of Governors.

A long-standing member of the Incorporated Master Builders Association of Jamaica, Mr. Foster is also the co-founder of the Good Samaritan Inn, which provides approximately 600 meals per week to individuals in Kingston's inner-city communities.

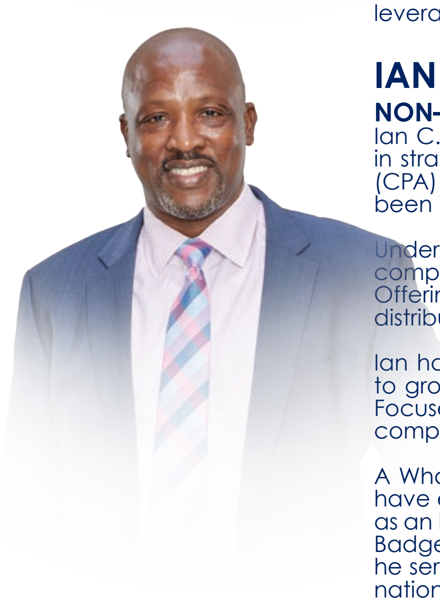
PETER KNIBB

EXECUTIVE DIRECTOR, BOARD MENTOR & CHIEF FINANCIAL OFFICER

Peter Knibb is an accomplished Chartered Accountant with 20 years of experience in corporate finance and 14 years in senior roles at two leading audit firms. He has spent two decades as the Chief Financial Officer of a highly regulated, publicly traded financial group, overseeing all financial operations and strategic initiatives.

Mr. Knibb has successfully led financial aspects of multiple mergers, acquisitions, and integrations, demonstrating strong project management skills. His expertise has been instrumental in strategic planning, where his deep understanding of both local and global business landscapes has added significant value.

With extensive training in taxation and management, Mr. Knibb has applied his expertise in senior leadership roles, ensuring compliance and operational efficiency. His background includes conducting external statutory audits and management control reviews across various industries, leveraging this experience to enhance corporate governance and financial performance.



IAN KELLY, CD

NON–EXECUTIVE DIRECTOR

Ian C. Kelly, CD, is the CEO of Derrimon Trading Company Ltd., bringing over 25 years of expertise in strategic finance, risk management, and corporate governance. A Certified Public Accountant (CPA) with a Bachelor's and Master's in Accounting from The University of the West Indies, he has been instrumental in Derrimon's growth since joining in 2011.

Under his leadership, Derrimon has expanded significantly, with key milestones including the company's IPO in 2013, multiple mergers and acquisitions, and a J$4.076 billion Additional Public Offering (APO) in 2021. His strategic vision has helped to position Derrimon as a leader in retail, distribution, manufacturing, and logistics locally and internationally.

Ian has held senior roles across Derrimon's subsidiaries and serves on multiple boards, contributing to growth and innovation. He chairs the Governor-General Jamaica Trust, TyDixon Primary School, Focused Ophthalmics, and Reggae Marathon and holds directorships across several major companies.

A Wharton Business School Executive Development Program alumnus, Ian's leadership and service have earned him the Order of Distinction, Commander Class (CD), a UWI Honoree, and recognition as an Honorary Fellow of Excelsior Community College. He has also received the Governor General's Badge of Honor and was pinned as an ambassador to the Governor General's IBI Initiative. In 2024, he served as Chef de Mission for Team Jamaica at the Paris Olympics, reflecting his commitment to national development.

STEADMAN FULLER, CD, PhD

NON–EXECUTIVE DIRECTOR

Steadman Fuller is the Chairman and Managing Director of the Kingston Bookshop. He is also an entrepreneur and philanthropist. Steadman graduated from The Mico Teachers' College (now The Mico University College). After two (2) years in the classroom, he took on the challenge of managing the Kingston Bookshop, moving the company from one retail store to seven stores across Kingston and Spanish Town including four locations in downtown Kingston.

Mr. Fuller completed a Bachelor of Law Degree (L.LB Hons) at the University of Huddersfield in the United Kingdom. He was the second recipient of the prestigious Trail Blazer Award from the Book Industry Association of Jamaica (BIAJ). He was installed as Custos Rotulorum for the Parish of Kingston on February 25, 2010.

MARVA CHANG

NON–EXECUTIVE DIRECTOR

Marva Chang is a resourceful Finance Executive with several years of experience in financial management across manufacturing, finance, facilities maintenance, and gaming industries for both publicly and privately held companies. Strong administrative and organizational skills as well as core finance functions of auditing and accounting, pension management, training, strategic planning, budgeting/forecasting, and relationship building.

Ms. Chang is a Chartered Accountant and is highly trained in accounting and human resources management and applies her knowledge in the senior management roles held. She has conducted many external statutory audits and management control reviews in various industries while employed at audit firms and integrated the knowledge into corporate activities.

MARLENE STREET FORREST, OJ, CD, JP, BSc, MBA, PhD

NON–EXECUTIVE DIRECTOR

Marlene Street Forrest joined the Board of Directors, effective January 9, 2026. Dr. Street Forrest recently retired from the Jamaica Stock Exchange where she served with distinction as its longest serving Managing Director. Throughout her tenure, she was instrumental in shaping the growth and development of the Exchange, including the expansion of Junior Market listings and the broadening of shareholder participation across the capital market.

In recognition of her outstanding contribution to national and capital market development, Dr. Street Forrest has been the recipient of several national and international honours, including the Order of Distinction (Commander Class) and, subsequently, the Order of Jamaica, for exceptional service.

The Board warmly welcomes Dr. Street Forrest and is confident that her extensive experience, leadership, and professional expertise will meaningfully contribute to the Board's effectiveness and support the Company's strategic direction and long-term growth objectives.

BOARD COMMITTEE MEMBER

CLIVE NICHOLAS, CD

BOARD COMMITTEE MEMBER

Clive Nicholas brings to the Board Committee over thirty (30) years of experience as a Senior Executive in the Jamaica Revenue Services, involved in all aspects of Tax Administration and Tax policy. Executive experience in transformation programs as Chairman of the Tax Administration Reform Project and the Customs Modernization Project. He was responsible for the implementation of the General Consumption Tax in Jamaica in 1991 and for organizing and directing the policies and programs during the initial nine (9) year period. He was the Executive Member and Country Representative for Jamaica to the Inter-American Centre of the Tax Administration. He has functioned as a moderator and presented papers on several occasions. He was the Team Leader and Tax Expert for U.W.I. Consulting Inc, a project to develop CARICOM Tax Database.

Mr. Nicholas also received National Honour in 2002 for Service to the Public Sector, Order of Distinction in the Rank of Commander Class and was a member of the Parliament (Integrity of Members) Commission.

He has been a Chartered Accountant since 1987 and an expert in local and international tax systems, including, certification from Harvard University International Tax Program.

JULIE THOMPSON-JAMES

CUBE CORPORATE SUPPORT LIMITED

COMPANY SECRETARY

CUBE CORPORATE SUPPORT LIMITED ("Cube") is a company incorporated under the laws of Jamaica and licensed by the Financial Services Commission as a Corporate Service Provider. Cube is the Board appointed Corporate Secretary of FosRich Company Limited which provides corporate secretarial support and corporate governance advisory.

CUBE has a strong team with over twenty-two (22) years' experience in corporate governance and corporate secretarial services within the public sector, the private sector, and across several industries locally and internationally. At CUBE we know that strong corporate secretarial support and corporate governance are critical to the long-term sustainability of the Company. We stand as a proud partner of FosRich for the benefit of all its stakeholders.

EXECUTIVE TEAM

CECIL FOSTER
EXECUTIVE DIRECTOR & MANAGING DIRECTOR

Cecil Foster is charged with the strategic direction and effective management of the Company. He is focused on growing the business through the expansion of product lines, retail outlets, supplier relationships, talent to support the growing product lines and the efficient distribution of new and innovative products to meet the diverse needs of FosRich customers.

Additional details are included in his Director profile on page 12

PETER KNIBB
EXECUTIVE DIRECTOR, BOARD MENTOR & CHIEF FINANCIAL OFFICER

Peter Knibb has general oversight of the financial management and strategy functions of the Company. He is also responsible for the oversight of the Financial Control Unit and for managing the Company's financial reporting to regulators and financiers.

Additional details are included in his Director profile on page 12.

HECTOR MENDOZA
COMMERCIAL & PROJECT DIRECTOR

Hector Mendoza is an entrepreneur and is the co-founder of Neo Digital Inc (2016). and Lighten (2023), which focuses on innovating service levels in lighting and Energy projects in Panama, El Salvador, and Jamaica. He has thirty (30) years of experience in regional management, possesses excellent interpersonal relations, and is able to build and work with multidisciplinary and multicultural teams. Hector is skilled in key customer management and specializes in key project negotiations.

Mr. Mendoza has an Electrical Engineering Degree from Universidad Centroamericana "José Simeón Cañas" from El Salvador and a Master's Degree in Renewable Energy Management from IL3 de la Universitat de Barcelona, Spain.

He has exceptional knowledge of the lighting and energy market. His main achievements were to triple the sales in five (5) years for Central America and Caribbean business, which became the most profitable business in the Latin America region, and to lead the restructuring process to improve the company's performance.

SUZANNE DONALDS
HUMAN RESOURCE DIRECTOR

Ms. Donalds is responsible for developing and implementing human resource (HR) strategies to support the achievement of overall business goals as well as leading and directing the routine functions of the HR department.

She joined the FosRich team in April 2023, bringing over twenty-five (25) years' experience in the areas of Recruitment and Selection, Leadership Development, Restructuring Support, Capability Development, and Training & Development.

Ms. Donalds has worked in both the private and public sectors, local and international companies, and with industries including manufacturing, financial, telecommunications, and health care.

She holds an M.A. in Counselling Psychology (Hons.), an MBA in Human Resource Management and Managerial Marketing, and a B. Sc. in Economics. She also holds a Human Resource Management Professional (HRMP) Certification.

VINCENT MITCHELL
BUSINESS DEVELOPMENT MANAGER, WIRES & CABLES

Mr. Vincent Mitchell has been employed at FosRich since January 2011 and has over thirty-five (35) years' experience in the sales field.

In his role as Business Development Manager, specifically for wires and cables, he has driven the growth and expansion of market presence within the construction and electrical industries. Mr. Mitchell has been involved in a combination of strategic planning, relationship building, market analysis, and sales execution to drive sustainable growth and success within the industry.

WARREN RILEY
SENIOR ACCOUNTANT

Warren Riley joined the company in January 2010. He is an accomplished accounting professional with over fifteen (15) years of progressive experience in the energy/utility industry. He has a CPA with a B.Sc. in Business Administration (Accounts) with hands-on experience in internal audit, financial analysis and reporting, Sarbanes-Oxley, internal control analysis, process documentation, and improvement. He also worked at Jamaica Public Service (JPS) for seventeen (17) years and at HEART TRUST for 1 year.

Mr. Riley is responsible for the overall running of that department - communicating with customers, conflict resolution and compliance on customer deliveries and revenue, reporting to the Managing Director providing regular input on all account activities including status and call reports on a weekly basis, among others.

KERRY-ANN GRAY
MARKETING MANAGER

Kerry-Ann Gray joined the FosRich team in October 2008 as Assistant to the Managing Director, and over time, has advanced through the ranks. In 2013, she was appointed Supervisor of Lighting, and by 2015, she was promoted to Division Head of Lighting. During her tenure, she led the build-out and renovation of the company's retail outlets in Kingston, Mandeville, and the two Montego Bay locations. After years of exploring various lighting showrooms, she remains enthusiastic about beautiful lighting. In October 2017, she was appointed Marketing Manager.

Ms. Gray holds a Bachelor of Science Degree in Management Studies with a focus on Marketing from the Northern Caribbean University (NCU), along with a postgraduate Certificate in Supervisory Management (Honors), UWI Open Campus and Project Management (Honors) from Humber College, Ontario, Canada. She is currently the Head of Marketing and Customer Relations and serves as a Justice of the Peace.

A fun-loving individual, Kerry-Ann takes great pride in creating "The" FosRich experience and ensuring every customer interaction is memorable.

EXECUTIVE TEAM EXPERTISE	Strategic Management	Lighting, Energy & Products	Supply Channel Management	Sales & Marketing	Technology	Financial Reporting & Audit	Accounting & Tax	Human Resources
Cecil Foster	√	√	√	√				√
Peter Knibb	√					√	√	√
Hector Mendoza	√	√	√	√				
Suzanne Donalds	√			√				√
Vincent Mitchell		√		√				
Warren Riley		√	√		√	√	√	√
Kerry-Ann Gray		√		√				

CONNECTED COMMITTED WINNING

DISCLOSURE OF SHAREHOLDINGS

31st December 2025

Top Ten Stockholders

	NAME	SHARES HELD NUMBER	PERCENTAGE
1	Cecil Foster & Marion Foster, Madison-Grace Foster	2,026,802,570	39.9%
2	Marion Foster	2,012,664,260	39.6%
3	Victoria Mutual Pensions Management Limited	145,676,551	2.9%
4	JCSD Trustee Services Ltd. - Barita Unit Trust Capital Growth Fund	128,991,344	2.5%
5	Barita Investment Ltd - Long A/C (Trading)	120,470,003	2.4%
6	Peter Knibb & Elizabeth Knibb, Janelle Knibb, Jenine Knibb, Brandon Knibb	111,187,192	2.2%
7	JCSD Trustee Services Ltd. - Sigma Global Ventures	47,042,690	0.9%
8	Jamaica Money Market Brokers Ltd	43,776,000	0.9%
9	Sagicor Select Fund Limited - Class C - Manufacturing & Distribution	40,289,600	0.8%
10	Rosalyn Campbell	20,000,000	0.4%
	Total of Top Ten	4,696,900,210	92.5%
	Others	381,584,987	7.5%
	Total Shares Allotted	5,078,485,197	100%
	Total Number Of Stockholders	5,204	

Stockholding of Directors, Board Committee Members & Connected Persons

	NAME	SHARES HELD
	DIRECTORS	
1	Cecil Foster & Marion Foster, Madison-Grace Foster	2,026,802,570
2	Marion Foster	2,012,664,260
3	Peter Knibb & Elizabeth Knibb, Janelle Knibb, Jenine Knibb, Brandon Knibb	111,187,192
4	Ian Kelly	2,666,667
5	Steadman Fuller	Nil
6	Marva Chang	Nil
	BOARD COMMITTEE MEMBERS	
7	Clive Nicholas	Nil

Stockholding of Senior Managers & Connected Persons

	NAME	SHARES HELD
1	Cecil Foster & Marion Foster, Madison-Grace Foster	2,026,802,570
2	Peter Knibb & Elizabeth Knibb, Janelle Knibb, Jenine Knibb, Brandon Knibb	111,187,192
3	Warren Riley & Cheryl Riley	1,715,337
4	Vincent Mitchell	74,840
5	Hector Mendoza	Nil

MANAGEMENT DISCUSSION & ANALYSIS

CECIL FOSTER
Managing Director

PETER KNIBB
Chief Financial Officer

OVERVIEW
The Board of Directors of FosRich Company Limited is pleased to present this analysis for the year ended December 31, 2025, and to report on the performance of the Company. The 2025 financial year brought many uncertainties and challenges, but we were determined to continue our expansion plans, and we were relentless in doing so.

FosRich has become an integrated company offering a wide range of products and solutions from several industries that make us stronger than we were eight years ago. While we previously distributed electrical, lighting, and solar energy products, we are now manufacturing PVC conduits and pipes, along with repairing pole-mount transformers for the Jamaica Public Service Company.

FosRich is primarily a distributor of electrical, lighting, and solar energy products. FosRich aims to differentiate itself from its competitors in the Jamaican marketplace by providing a quality, cost-effective service, and by collaborating with clients on technical solutions. FosRich partners with large global brands seeking local distribution, such as Fox ESS, JA Solar, Huawei, Philips Lighting, Victron Energy, Siemens, NEXANS, and General Electric. FosRich has a staff complement of two hundred and fifteen (215) people across ten (10) locations in Kingston, Clarendon, St. Ann, Mandeville, and Montego Bay. FosRich also has a team of energy and electrical engineers who offer technical advice and install solar energy systems, solar water heaters, and electrical panel boards.

Business Overview
Our turnover numbers continue to be affected by the substantial fall in solar panel costs on the world markets, which affects our business. With the continuing uncertainties in the USA market, our global partners, in seeking to broaden and deepen their relationships with their non-USA customers, have offered more favourable credit terms to us. This is providing measurable benefits.

Turnaround Plans
The plans that are being urgently undertaken to return the company to profitability include the following:

•Sale and lease-back of real estate:
We are currently engaged with our financial partners in a sale-and-lease-back transaction of our real estate properties. The proceeds of this transaction will be used to liquidate existing loans and provide cash needed to finance inventory purchases for operations.

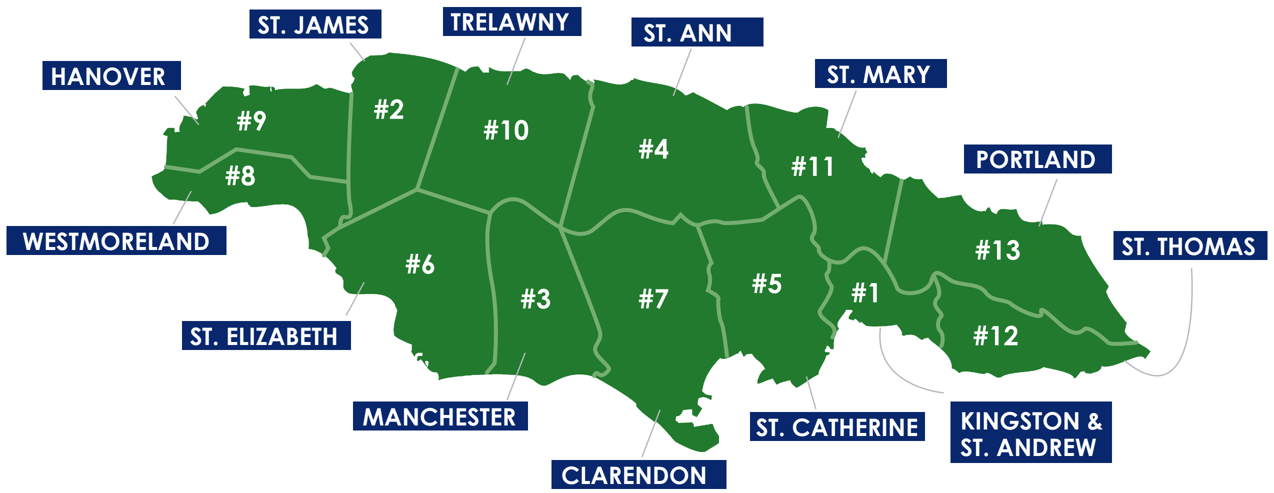
•Molynes superstore:
We anticipate commencing activities at our new superstore in 2026, which will contribute significantly to our top line and cash flows.

•Inventory rationalisation:
We have embarked on plans to further reduce stock items and to optimise our inventory levels. This is expected to bring some levels of cost reduction and improve efficiencies, while enabling the team to focus on high-performing products.

•Administration expenses:
While we have been very frugal in our approach to discretionary expenses, we continue to critically review each item before expenditures are approved.

•Vertical integration strategies:
We are pursuing opportunities and partnering with property developers, with a view to maximising the use of our products and services in real estate developments. We anticipate a significant increase in sales from this initiative.

PARISH SALES 2025 RANKING



REVENUES
Revenues were $2,856 million, compared to $3,680 million in the prior year.

Gross profit was $925 million, compared to the prior period's $1,749 million.

Net loss was $506 million, compared to the prior period's profit of $35 million.

Earnings per stock unit were ($0.09), compared to the prior period's $0.01.

PARISH SALES

During the year under review, St.Ann moved up from 5th to 4th position. St.Elizabeth moved up from 7th to 6th position. Hanover moved up from 10th to 9th and Trelawny moved from 11th to 10th position.

OUR PRODUCT LINES
The Solar product line had an increase of 71% and is now our top-performing line, outpacing Wires, which previously held the #1 spot for a number of years. The Hardware line increased by 6%. Sales for 2025 were below the level achieved in 2024. Ten product lines experienced a decline during the year.

OUR DISTRIBUTION CHANNELS
The Executive Team continues to seek new ways to grow the Company's customer base and takes pride in the slogan, "We serve you better." Listed below are the distribution channels we employ to connect with and serve our customers. Products and services are available via three direct marketing teams and seven retail outlets.

DIRECT MARKETING TEAMS
Direct Marketing Team's Revenues: $958 million, accounting for 34% of total sales, (Prior year: $1,167 million - 32% of total sales). Our Direct Marketing Team is structured as follows:

ROUTE SALES
Route Sales Revenues of $416 million, (Prior year: $589 million). A quick-response team of salesmen operating nationwide and servicing the needs of a network of customers. Clientele ranges from independent electrical contractors to hardware stores and large commercial and industrial operations.

INDUSTRIAL SALES
Industrial Sales - Revenues of $76 million, (Prior year: $58 million). A quick-response team focused on the needs of large commercial and industrial operations.

PREMIUM SALES SUPPORT
Premium Sales Support – (In-house Sales Team), Revenues of $466 million, (Prior year: $520 million). This is our foremost channel for connecting with customers. New products are offered by our in-house customer service teams, who make cold calls and repeat calls to prospects and existing clientele.

RETAIL OUTLETS
Revenues from our seven retail outlets: $1,899 million, accounted for 66% of total sales, (Prior year: $2,512 million - 68% of total sales).

Our retail outlets are as follows:

KINGSTON MAIN STORE
Revenues: $834 million - 29% of total sales. (Prior year: $1,272 million - 35% of total) Our Kingston headquarters is the central store for FosRich, and it produces the highest sales revenue compared to other distribution channels. It carries a wider range of energy, lighting, industrial, electrical, and hardware items than are available at the other locations. Over the years, this location has consistently outperformed all other distribution channels for all product lines.

MANDEVILLE - LIVE YOUR DREAM STORE
Revenues of $479 million - 17% of total sales. (Prior year: $603 million - 17% of total sales) The Live Your Dream Store showed a decrease in sales revenue when compared to the prior year. The sales of electrical items have consistently been its main source of revenue. Though there have been challenges for the store over the past year, measures have been taken to ensure continued growth. Electrical and energy goods have shown steady growth at this location.

COTTAGE ROAD - BETTER HOMES STORE
Cottage Road: $281 million - 10% of total sales. (Prior year: $394 million - 11% of total) Predominantly known as 'the hardware store,' Better Homes is being transitioned to offer more electrical items to meet the market demands of that segment in the Montego Bay community. Electrical and energy goods have shown steady growth at this location. There continues to be strong strategic management within the store and the organization to ensure increased future sales revenues.

FAIRVIEW - LIGHTING WORLD STORE
Revenue: $96 million, 3% of total sales. (Prior year: $108 million - 3% of total) Lighting, Energy products and LED items continue to dominate in this location. Montego Bay is one of our Distribution Hubs for the western region. From this Distribution Hub, we can deliver to our customers, increase efficiency, and facilitate premium customer service by cutting down on lead time.

BAYSIDE HARDWARE
Revenue: $100 million, 4% of total sales. (Prior year: $46 million - 1% of total) This location is a prime downtown location, with a focus on hardware products.

DRAX HALL STORE
Revenues: $78 million, 3% of total sales. (Prior year: $60 million - 2% of total) This location is a prime north coast location, with a focus on lighting products.

O'N'S MINI MART & ELECTRICAL SUPPLIES
Revenues: $31 million - 1% of total sales. (Prior-year: $29 million - 1% of total sales) O'N'S' Mini Mart & Electrical Supplies Limited is a 100% subsidiary of FosRich.

Income Statement
Income
During the year, FosRich generated income of $2,856 million, compared to $3,680 million for the prior year. Gross profit for the year was $925 million, compared to $1,749 million for the prior year. The product lines that had increases over the prior year were Solar and Hardware Products.

Administrative and Operating Expenses
Administrative and operating expenses for the year were $1,356 million, reflecting a reduction of $77 million on the prior reporting year's amount of $1,433 million. The savings came from reduced advertising, reduced professional fees, lower motor vehicle and related costs, savings on insurance renewal, and reduced staff-related costs. There were increases in rent and security costs.

Finance Cost
Net finance cost for the year was $261 million, compared to $240 million for the prior year, an increase of $21 million. This increase is tied to debt refinancing in a high-interest-rate environment and additional loan financing.

Net Profit
Net Loss generated for the year was $506 million, compared to the $35 million profit reported for the prior period.

Earnings Per Stock Unit
Earnings per stock unit were ($0.09), compared to $0.01 in the prior year.

Balance Sheet
Property, Plant and Equipment
Property, plant, and equipment reflect a decrease of $91 million. $97 million of this was related to depreciation charges during the year.

Inventories
With the tightness in supply, we have experienced a run-off in inventories amounting to $757 million. This impacted all our lines of business. The Company continues to proactively manage inventory balances and the supply-chain, with a view to ensuring that inventory balances being carried are optimised, relative to the pace of sales, the time between the orders being made and when goods become available for sale, to avoid both overstocking and stock-outs. Monitoring is both at the individual product level and by product categories. During the year we were able to negotiate more favourable terms of supply with our primary suppliers. We expect that the tightness in supply experienced for most of 2025 will be completely turned around by Q2, 2026.

Receivables
We continue to actively manage trade receivables with an emphasis being placed on balances in the over 180-day bucket. We have implemented strategies to collect these funds as well as to ensure that the other buckets are managed. We have re-evaluated all credit relationships. Where necessary, credit limits have been reduced and credit periods shortened. For some inventory items, we have instituted seven (7) day credit or cash.

Trade Payables
Our trade payables are categorized by foreign purchases, local purchases and other goods and services. While we have concentrated primarily on the foreign payables, as the bulk of our inventories are sourced from overseas. We continue to manage payables, for the most part, within the terms given by our suppliers.

Non-current Liabilities
Non-current liabilities have reduced by $269 million due to the amortisation of facilities.

Liquidity
At balance sheet date the excess of current assets over current liabilities amounted to $115 million, (2024 - $1,012 million). It is expected that FosRich will continue to be able to generate sufficient cash to meet obligations when they fall due. Liquidity is provided primarily by sales revenues and loan financing.

Shareholders' Equity
Shareholders' equity now stands at $1,493 million compared to $1,999 million on 31 December 2024. The movement arose as a result of the losses for the year amounting to $506 million.

We now have 5,204 shareholders, a decrease of 114 from the 5,318 on 31 December 2024.

Other Matters
New Activities
Our new FosRich Superstore & Corporate Offices at 76 Molynes Road is advanced, with completion date now projected to be in 2026.

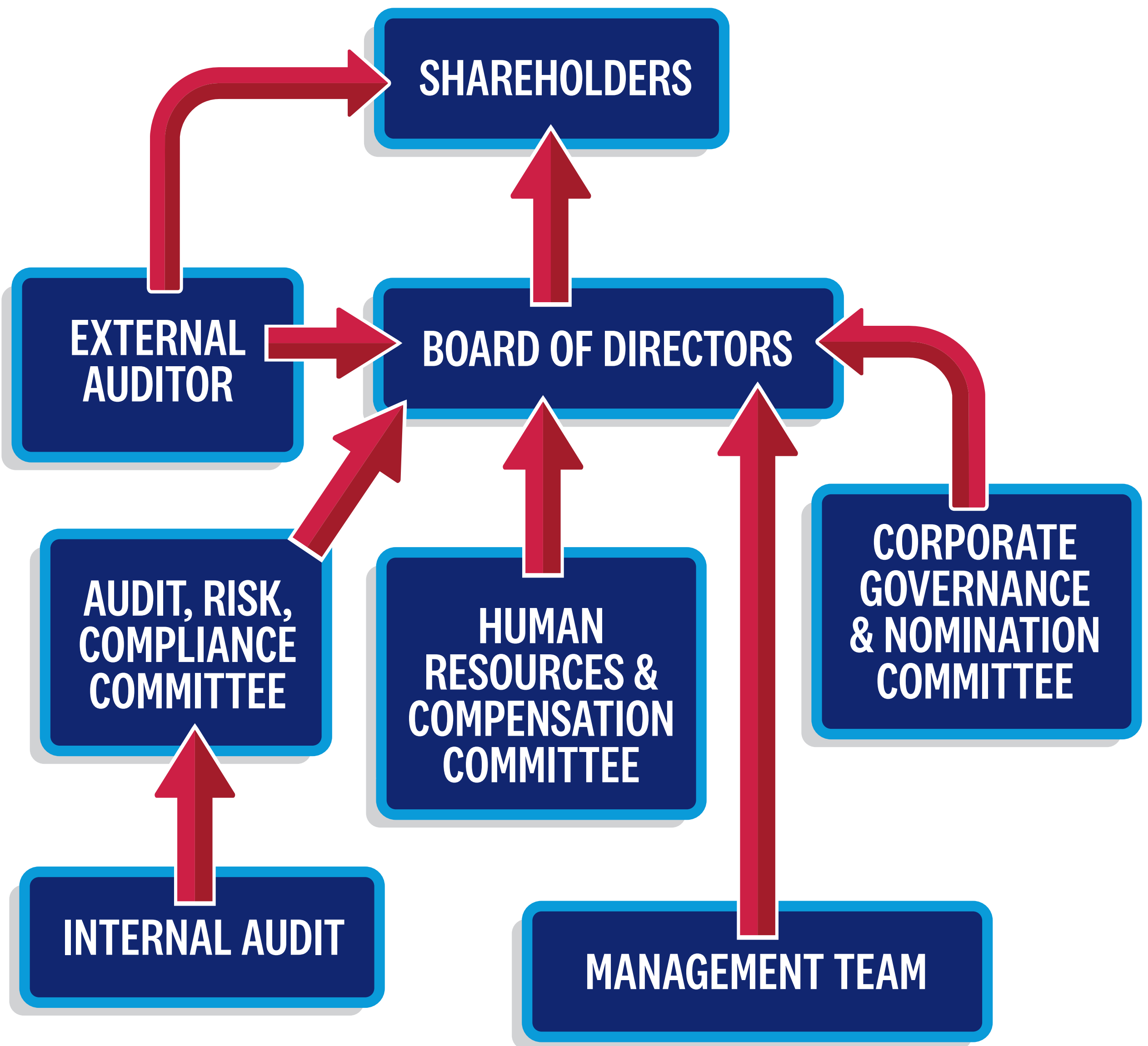
We are cognizant that despite the challenges ahead within our local operating space and the wider global space, we have the right talents and leadership to deliver on our plans for the ensuing period. We will continue to execute our plans to ensure that we remain competitive and deliver value solutions to our customers.

As we report on the performance of FosRich, we thank our shareholders, employees, customers, and other stakeholders for their support as we continue to expand our business and bring greater value to our various stakeholders.

Cecil Foster
Managing Director

Peter Knibb
Chief Financial Officer

CORPORATE GOVERNANCE STRUCTURE



FosRich is committed to good governance practices supported by robust systems and processes. We endeavor to instill and live by the values of integrity, effective leadership and governance, transparency, accountability and ethical behaviour in all our operations, as a responsible member of the business community. The Company continues to focus its resources, strengths and strategies to achieve its vision, while adhering to good governance policies.

The Board identifies the skills that it collectively needs to discharge its responsibilities effectively, and steps are taken to improve any weaknesses, where necessary.

During the year, the Board conducted a comprehensive internal evaluation of its performance. The insights gained will guide us in addressing any identified areas for improvement, to ensure continued effectiveness and strong governance.

We embed ESG principles into our core strategy by advancing environmental protection through our solar products, fostering a diverse and inclusive workplace and prioritizing safety for our employees (see policy on company's website). Our core policies, Board mandate, and Whistleblower procedures define and guide our approach to ethics and governance.

Recognitions received include, first-runner-up in the Corporate Governance category of the Jamaica Stock Exchange Best Practice Awards for the year 2024/2025. We received a Corporate Governance Index (CGI) Rating of BB, with a score of 230, out of a possible 275, and a CGI Rating Score of 74.69. This represents an improvement on the CGI Rating Score of 65.69, that we achieved in the 2023/2024 contest, and reflects our continued commitment to good corporate governance. We continue to strengthen our governance framework to foster improvement across all areas of FosRich.

As a Board, we remain committed to upholding the highest standards of governance, ensuring that our decisions continue to serve the best interests of all stakeholders.

On behalf of the Board, I would like to thank our leadership team, employees, and shareholders for their continued trust and support.

M.Foster

MARION FOSTER
Chair

COMMITMENT TO CORPORATE GOVERNANCE BEST PRACTICES & DISCLOSURE

FosRich's business and affairs are managed by our Executive Team, which is guided by the direction of our Board of Directors. The Board sets the tone for the highest ethical standard of performance for our entire workforce. They are also charged with promoting prudent management and integrity throughout the Company. Our corporate governance practices are designed to align the interests of the Board and Management with those of our Stockholders.

The Board is committed to transparency. Disclosure of significant matters and developments concerning the organisation will be accurate, timely, and balanced. This ensures that all investors have access to clear information concerning company affairs.

Each Director is expected to commit sufficient time to attending Board meetings, as well as those organised by its Committees, and, if applicable, those of the Independent Directors.

Thorough knowledge of the Company's business is vital. This practice helps our Directors to make informed and objective decisions. Management offers support by facilitating direct intervention and sharing reviews of business activities. Notwithstanding, Directors are encouraged to liaise with the executive team to cultivate a fulsome perspective of FosRich affairs.

BOARD EXPERTISE

Executive Team	Corporate Governance & Management	Human Resources & Compensation	Audit, Accounting & Tax	Financing	Industry	Engineering & Technical	Logistics, Supply Chain & Retail
DIRECTORS							
Marion Foster	√	√			√	√	√
Cecil Foster	√			√	√	√	√
Steadman Fuller	√		√				√
Ian Kelly	√	√	√	√			√
Peter Knibb	√	√	√	√			
Marva Chang	√	√	√	√			
Marlene Street Forrest	√	√		√			
COMMITTEE MEMBERS							
Clive Nicholas	√		√				

OUR BOARD'S ROLE AND ITS EXPERTISE

The Board's primary responsibilities revolve around oversight of the business and its strategy, whilst ensuring that these are framed within reasonable parameters. The Board is expected to support the management of the organisation through the appointment of Directors with the requisite knowledge to guide the institution's management. A core operational objective of each Director is to drive for increased sales and increased profits, thereby creating greater shareholder value through its incentive and other appropriate policies. The Board also plays an important role in engaging and communicating material information to our shareholders in a timely manner.

The Directors at FosRich are from varied backgrounds and bring broad experiences, high levels of professionalism, expertise, and candour to our deliberations. Everyone has been determined to be in alignment with the requirements of the Company and provide essential corporate governance.

All Directors have been in leadership roles and have successfully helped to guide, either as directors or executives, companies through difficult economic conditions. Some continue to do so in the present environment. Notwithstanding, during the current year, all Directors will participate in formal corporate governance training to further enhance their contributions and will also review our succession planning activity.

ADDITIONAL ATTENDEES TO THE MEETINGS

The Board encourages the Managing Director, who assists the Board in executing their responsibilities, to bring managers and other team members to present at board meetings, who: (a) can provide additional insight into the business or items being discussed because of responsibility for, or personal knowledge related to, these areas, and/or (b) are team members with future leadership potential who should be given exposure to Directors.

BOARD EVALUATION

The Board has recognised the importance of conducting annual board evaluation surveys, and has witnessed the value of those surveys in continued strengthening of the Company's corporate governance effectiveness. The survey is undertaken by our corporate secretarial provider, Cube Corporate Support Limited, and the feedback from the participants translated into actionable results.

CORPORATE GOVERNANCE POLICY

Our Corporate Governance Policy and other policies are available for viewing on our website: www.fosrich.com, under the Investor Relations tab.

BOARD COMMITTEES AND COMPOSITION

Our Corporate Governance Manual identifies the three relevant Committees. Each committee entails clearly defined terms of reference, procedures, responsibilities, powers, and structure. The membership and chairpersons are outlined below.

INDEPENDENT DIRECTOR

To be considered as an Independent Director, the Board must determine that the Director has no material relationship with FosRich Company Limited (direct or indirect). This means either as a stockholder, partner, director, or officer of an organization that has a material interest in the Company that would preclude the Director from being independent. The materiality test for shareholding is 2.5% of FosRich Company Limited's outstanding shares.

Additionally, an Independent Director is a Director who:

- Has not been employed by the Company within the last two years.
- Has not been an employee or affiliate of our External Auditors within the last three years.

Board Committees	Position (Executive/ Non-Executive/ Independent)	Audit, Compliance & Risk	Human Resources & Compensation	Corporate Governance & Nomination
DIRECTORS				
Ian Kelly	NE/I	Chairman	√	
Marva Chang	NE/I	√	Chairman	√
Steadman Fuller	NE/I		√	Chairman
Marlene Street Forrest	NE/I	√		√
Peter Knibb	E	√	√	√
Marion Foster	E		√	
Cecil Foster	E			
COMMITTEE MEMBERS				
Clive Nicholas	NE/I	√		

- Has not received any compensation other than director and committee fees within the last two years.
- Has not been employed by a Company of which an Executive Director/Officer has been a director within the last two years.
- Is not a member of the immediate family of an Executive Director/Officer, who would be defined as spouse, parent, child or sibling, in-law (mother, father, son, daughter, brother, sister) or anyone sharing the same home with any of the above.

THE BOARD'S REPORT CARD

During 2025, the Board and its Committees had fifteen (15) scheduled meetings to execute their various mandates. We reported to shareholders on the financial results; reviewed and approved policies; discussed strategy and its implementation; and took decisions given our discussions on the business and the economy.

The Board's Report Card	Board	Audit, Compliance & Risk	Human Resource & Compensation	Corporate Governance & Nomination	Annual General Meeting
NO. OF MEETINGS	3	3	4	4	1
BOARD MEMBERS					
Marion Foster	3 of 3		4 of 4		1 of 1
Cecil Foster	3 of 3				1 of 1
Peter Knibb	3 of 3	3 of 3	4 of 4	4 of 4	1 of 1
Ian Kelly	2 of 3	3 of 3	0 of 4		1 of 1
Steadman Fuller	3 of 3		4 of 4	4 of 4	1 of 1
Marva Chang	3 of 3	3 of 3	4 of 4	4 of 4	1 of 1
COMMITTEE MEMBERS					
Clive Nicholas		3 of 3			0 of 1

AUDIT, COMPLIANCE & RISK COMMITTEE
Committee members are Ian Kelly (Chairman), Marva Chang, Marlene Street Forrest, Clive Nicholas, and Peter Knibb.

This statutory Committee is responsible for ensuring:

•The quality and integrity of the Company's accounting and reporting practices and controls as well as the completeness and accuracy of its financial statements and disclosures.

•The Company's compliance with legal and regulatory requirements.

•The qualifications and independence of the external auditor and the appropriateness of his methodology and accounting approach.

•The quality of internal controls as reported by the internal audit function and independent auditors.

The Audit & Compliance Committee is mandated to meet at least quarterly within thirty days by the end of each quarter. They may convene in other instances upon request by any Committee member.

During 2025, the Audit, Compliance & Risk Committee held three (3) meetings.

HUMAN RESOURCES & COMPENSATION COMMITTEE
Committee members are Marva Chang (Chairman), Marion Foster, Steadman Fuller, Ian Kelly and Peter Knibb, a majority of non-executive Board members.

This Committee oversees:
- Senior management succession planning
- Identification and development of high-potential team members in the Company
- Senior management performance plans and evaluation
- Setting executive compensation
- Aggregate performance and motivation of the Company's employees
- Operation of the Company's pension plan

During 2025, the Human Resources & Compensation Committee held four (4) meetings.

CORPORATE GOVERNANCE & NOMINATION COMMITTEE
Committee members are Steadman Fuller (Chairman), Marva Chang, Marlene Street Forrest and Peter Knibb, a majority of non-executive Board members. In addition, FosRich Managing Director, Cecil Foster, attends meetings by invitation.

This Committee is responsible for establishing the framework of corporate governance principles, policies, and procedures for the Company. It is tasked with overseeing that the Company's practices are consistent with and in accordance with requirements. It will develop standards of performance for the Board, Directors, and Senior Officers, and will routinely evaluate performance against these standards.

The Committee is also responsible for developing policy and procedures as well as overseeing:
- Director nomination and re-appointment
- Director compensation
- Shareholder relations including evaluation of their proposals
- Committee structure, operation, and performance
- Communication processes between management and the board

During 2025, the Corporate Governance & Nomination Committee held four (4) meetings.

STAKEHOLDER ENGAGEMENT
We have reserved an email address for our shareholders so that we can hear from our shareholders. We wish to extend that form of communication to our stakeholders by inviting you to contact us by email at investorrelations@fosrich.com.

STAFF DEVELOPMENT & ENGAGEMENT

At FosRich, our employees are the driving force behind our achievements, and we remain committed to supporting their well-being, development, and resilience in both good times and challenging circumstances. Throughout the year, we continued to foster a culture of care and support, ensuring that team members felt valued and empowered despite the various external challenges affecting the business environment and wider communities.

During this period, like many other businesses across the island, FosRich was impacted by Hurricane Melissa, particularly at our Mandeville and Montego Bay locations. In response, the company provided care packages to team members at those locations. This initiative reflected FosRich's commitment to employee welfare during times of hardship and recovery.

Notwithstanding this setback, we continued to provide developmental opportunities for staff to connect with each other and the surrounding communities.

Leadership Development and Capacity Building
FosRich continued its strategic focus on building internal leadership capacity to mitigate against vacancy risks. With this in mind, we continued to focus on identifying and developing second-tier leadership through acting assignments and mentorship within the organization.

In addition, Store Supervisors participated in weekly team meetings focused not only on the performance of each store but also on providing personal and professional development guidance, thereby building skills in accountability, collaboration, and business acumen.

Training and development opportunities were not limited to the leadership team. General development opportunities were provided through:

1. Monthly learning moments through our staff meetings, in which a wide range of professional and development topics were shared. These included taking ownership, teamwork, and planning for retirement through pension contributions.

2. Customer service training, which was designed to reinforce FosRich's commitment to delivering exceptional service standards across all locations.

Employee Engagement
Employee engagement was encouraged through several initiatives during the year. Team members participated in activities such as the Sigma Run and Montego Bay Run, demonstrating the Company's commitment to promoting health, fitness, teamwork, and employee camaraderie.

The Company also hosted several engagement activities to build our team spirit while having fun and leveraging our highly competitive nature. These included:

•A Back-to-School Uniform Day, during which employees proudly wore their former school uniforms;

•A Staff School Challenge Quiz competition which promoted teamwork, friendly competition, and staff interaction; and

•Christmas socials were held at each location to celebrate the festive season and foster team bonding.

•The annual Christmas gift vouchers were distributed as tokens of appreciation from the Company.

Community Engagement Through Staff Participation
During Child's Month, team members from various FosRich store locations participated in outreach initiatives that benefited the Bethel Basic School in St. Ann and the Maxfield Park Home in Kingston. Employees contributed and donated a range of essential items, including fans, cleaning supplies, and back-to-school materials, demonstrating the Company's culture of compassion, teamwork, and social responsibility.

Through these initiatives, FosRich continued to strengthen employee engagement, invest in staff development, and foster a positive workplace culture that supports both professional growth and community involvement.



MoBay Night Run


Child's Month


2025 Sagicor / Sigma Run

Drax Hall Event

CONNECTED COMMITTED WINNING

CORPORATE SOCIAL RESPONSIBILITY

At FosRich Company Limited, corporate social responsibility is deeply embedded in our values and purpose. Through meaningful partnerships and sustained community outreach, we remain committed to improving lives and fostering hope among the most vulnerable in our society. Central to this commitment is our long-standing support of the Good Samaritan Inn (GSI), an organisation co-founded by our Managing Director, Cecil Foster.

During 2025, the Good Samaritan Inn continued to advance its mission of "Sharing Love – Giving Hope," positively impacting thousands of individuals and families across Jamaica.

Feeding Programme
A cornerstone of GSI's outreach is its feeding programme, which provided approximately 20,000 meals to those in need, 3 days per week, throughout the year:
Since March 2008, FosRich Company Limited has sponsored the feeding programme on Wednesdays as its long-term commitment to addressing food insecurity.

Social Support Services
Beyond meal distribution, GSI continued to restore dignity and improve quality of life by providing bathing, sanitation, and grooming services, distributing clothing and shoes, donating assistive aids such as wheelchairs, walkers, and canes, hosting health fairs, and supporting children and families through its annual back-to-school fair.

Special Initiatives and Emergency Response

In 2025, GSI's impact was further strengthened through two major initiatives:

Medical Mission Trip (July 15–16, 2025):
A dedicated team from the North Bronx SDA Church, including medical doctors, dentists, nutritionists, and counsellors, conducted a two-day medical mission. This initiative provided care and treatment to 225 individuals, expanding access to critical healthcare services.

Hurricane Relief Efforts (October 2025):
Following the passage of Hurricane Melissa, the Good Samaritan Inn was transformed into a major relief distribution centre. Through coordinated efforts with local and international donors, essential supplies were distributed to over 20,000 hurricane-affected individuals between October 25 and December 31, 2025.

Our Commitment
FosRich Company Limited remains steadfast in its commitment to social impact and nation-building. Through our ongoing support of the Good Samaritan Inn, we continue to extend compassion, deliver tangible assistance, and create opportunities for hope and resilience within our communities.

As we look ahead, we will continue to strengthen our corporate social responsibility initiatives, ensuring that our growth as a company is matched by our contribution to the well-being of the people we serve.

FOSRICH FOUNDATION

The FosRich Foundation continues to serve as an important vehicle through which FosRich Company Limited advances its commitment to community development and social responsibility across Jamaica. Through a range of outreach initiatives, the Foundation seeks to positively impact the lives of vulnerable individuals and families by providing meaningful support in critical areas of need.

During the period under review, the Foundation contributed approximately J$7 million towards several charitable and community-based initiatives. These contributions included educational assistance to students, medical support for individuals in need, and other welfare initiatives aimed at improving the well-being of underserved communities.

The Foundation remains committed to supporting educational development by assisting students with resources that help to foster learning and personal growth. In addition, medical assistance was provided to persons facing health-related challenges, helping to ease financial burdens and improve access to care.

Through its continued outreach efforts, the FosRich Foundation demonstrates the Company's dedication to making a positive and lasting contribution to national development, while reinforcing its values of compassion, service, and community partnership.

YEAR IN REVIEW

MARCH 2025
The Black River Elementary & Preschool in St. Elizabeth recently opened a Special Needs Student Learning and Socialization Resource Centre (SPLASH) with the aim to help special needs students who require more attention in the classroom. The room will cater to their needs and help them to develop and grow in an environment that will allow them to feel loved, appreciated and welcome. The room was outfitted with computers, books and educational games. FosRich played an integral role in this initiative by providing all the electrical items which were required. In the hand over of supplies, is our Mandeville Store Supervisor, Carren Lewis-Matthews".

APRIL 2025
Expo Jamaica 2025 is the premier trade show for Brand Jamaica, held April 3–6, 2025, in Kingston. The event, themed "Global Partnerships, Local Impact: Advancing Jamaica's Reach," highlights Jamaican manufacturers and exporters across manufacturing, agriculture, and services, featuring over 250 exhibitors. FosRich Company Limited was happy to be a part of the event showcasing its SOLD Brand of PVC pipes.

JUNE 2025
The FosRich & Partner Solar Energy Expo was hosted in collaboration with our international partners, JA Solar, Fox ESS Solar, and Huawei, and was specifically designed to sensitize Jamaica's manufacturing and commercial sectors to the cutting-edge solutions now available through FosRich. The objective was to present a full-solution offering that included high-performance solar products and financing options provided by First Global Bank and the Development Bank of Jamaica (DBJ).

DECEMBER 2025
The 21st Jamaica Stock Exchange (JSE) Best Practices Awards, held on December 3, 2025, honored top performers in corporate governance and investor relations. FosRich Company Limited was the 1st Runner Up - JSE/PSOJ Corporate Governance (Junior Market), and our Managing Director, Mr. Cecil Foster, received the President's Award for Director in Service 2025.

FosRich Company Limited

FINANCIALS

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INDEPENDENT AUDITORS' REPORT

To the Members of
FosRich Company 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 FosRich Company Limited ("the Company") and its subsidiary (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2025, 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

FosRich Company Limited consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- 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 31 December 2025;
- 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 material 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 consolidated and stand-alone 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.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 2

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (Continued)

Independence

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

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 industry in which the Group operates.

Our 2025 audit was planned and executed having regard to the fact that the operations of the Group remain largely unchanged from the prior year.

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.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 3

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 consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Valuation of receivables for the Group and the Company *Refer to notes 3(i) and 15 to the consolidated and stand-alone financial statements for disclosures of receivables.* The Group recognises expected credit losses (ECL) on financial assets measured at amortized cost. The determination of ECL is highly subjective and requires management to make significant judgements and estimates and the application of forward-looking information. The combination of significant management estimates and judgement increases the risk that management estimates could be materially misstated.	Our audit procedures in response to this matter included: ❖ Obtaining an understanding of the model used by management for the calculation of expected credit losses on accounts receivables. ❖ Testing the completeness and accuracy of the data used in the models to the underlying accounting records. ❖ Involving our financial risk modelling specialist, to review the ECL model, assess the appropriateness of the Company's impairment methodology, management's assumptions and compliance with the requirements of IFRS 9, Financial Instruments. ❖ Assessing the adequacy of the disclosures of the key assumptions and judgements for compliance with IFRS 9. ❖ Testing the accuracy of Group's ageing of accounts receivables. ❖ Testing the accuracy of the ECL calculation.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 4

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (Continued)

Key audit matters (Continued)

Key audit matters	How our audit addressed the key audit matters
Borrowings Refer to Notes 2(u), 19, 22 to the financial statements for management's disclosures of the related accounting policies, judgements and estimates relating to borrowings. As at 31 December 2025, long-term and short-term borrowings amounted to $2.92 billion (2024: $3.25 billion), representing 67% (2024: 62%) of the total equity and debt of the Group. For the Company, long-term and short-term borrowings amounted to $2.24 billion (2024: $2.55 billion), representing 60% (2024: 56%) of total equity and debt. The Group remains highly leveraged as debt financing continues to be a significant component of its capital structure.	The Parent Company remains highly leveraged as management continues to strategically use debt financing as the principal pillar to implement structured growth projects within the Group. During the year, management implemented strategies to improve its gross margins, thereby improving its cash flows and its ability to meet its financial obligations as they fall due. The Parent Company continues to examine its financing options within the context of its debt management strategy and review its choices based on the present improving market conditions as well as it's risk profile. Our audit procedures included: - • Reviewed the loan agreements and repayment schedules. We noted that all the loans were being serviced on a timely basis as per the contractual agreements, principally by predetermined monthly deductions from the Group's various bank accounts. • Confirmed the balances, reviewed the maturity schedule for repayment, tested the interest calculations and determined that the total borrowings represented obligations by the Group and the Group. • Tested the effectiveness of controls over the timely repayment of loans and other credit facilities and noted that they are compliant with the various agreements. We held discussions with senior management regarding the Group's growth and expansion strategy and the longer-term approach to managing and reducing debt levels. We considered the inherent liquidity risk that the performance of acquired cash-generating units may differ from expectations, which could impact the Group's ability to meet its obligations as they fall due. Management is mindful of this inherent liquidity risk and has implemented mitigating measures, including scenario analysis, alternative payment strategies in the event of cash flow challenges and direct monitoring of individual borrowings. We evaluated the performance of the borrowing portfolio subsequent to the reporting date to assess whether any adjustments were required or whether there were any defaults or breaches of financial covenants. No adverse matters were identified. We also reviewed legal and bank confirmations and related correspondence and did not identify any matters requiring adjustment at the date of approval of the financial statements.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 5

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (Continued)

Key audit matters (Continued)

Key audit matters	How our audit addressed the key audit matters
Recoverability of Related-Party balances secured by Pledged Shares The Group has significant balances due from related parties, including LCCM Investment Ventures Limited and B.C. Dundee Enterprise Limited, amounting to approximately $807.6 million (2024: $827.8 million) and $619.2 million (2024: $606.6 million), respectively, as at 31 December 2025. These balances comprise advances and accrued interest due from entities related through common shareholders and directors, but which are not members of the Group. Management assessed the recoverability of these balances in accordance with IFRS 9 – Financial Instruments. This assessment involved significant judgement, particularly in estimating expected credit losses, assessing counterparty credit risk and repayment capacity, determining the fair value, liquidity and marketability of pledged shares held as collateral, applying appropriate valuation haircuts, and evaluating the legal enforceability of the share pledge arrangements. As the recoverability of these balances is significantly dependent on the value of the pledged shares, and given the magnitude of the balances and the degree of judgement involved, this matter was considered to be a key audit matter.	During the year, the Group continued to monitor the outstanding balances due from LCCM Investment Ventures Limited and B.C. Dundee Enterprise Limited. In support of management's recoverability assessment, pledges over the Group's ordinary shares were obtained as collateral. Management's impairment assessment of these balances under IFRS 9 – Financial Instruments involved significant judgement, particularly in relation to credit risk, expected credit losses, and the valuation and enforceability of the pledged assets. Our audit procedures included, among others: • Obtaining and reviewing the related-party loan schedules and reconciling the year-end balances and accrued interest to the general ledger and the financial statements; • Involving our financial risk modelling specialist, to review the ECL model, assess the appropriateness of the Company's impairment methodology, management's assumptions and compliance with the new requirements of IFRS 9, Financial Instruments. • Obtaining and inspecting executed share pledge agreements in respect of the related-party balances and reviewing the underlying legal documentation for evidence of enforceability and control; • Evaluating the fair value, liquidity and marketability of the pledged shares with reference to quoted market prices at the reporting date and assessing the appropriateness of valuation haircuts applied by management; • Reviewing historical repayment activity and considering, where available, relevant financial information or forecasts of the related parties to support management's recoverability assessment; and • Evaluating the adequacy and clarity of the related-party and impairment disclosures in the financial statements for compliance with IFRS 9 and IAS 24 – Related Party Disclosures.

INDEPENDENT AUDITORS'S REPORT (continued)

To the Members of
FosRich Company 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 Annual Report (but does not include the consolidated and stand-alone financial statements and our auditors' report thereon), which 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 the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or 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 Company's financial reporting process.

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INDEPENDENT AUDITORS' REPORT (continued)

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and stand-alone 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 or Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 8

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 consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 and stand-alone 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 those charged with governance 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 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 consolidated and stand-alone 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 circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
FosRich Company Limited
Page 9

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 purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and 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' report is Wayne Strachan.

Baker Tilly

Chartered Accountants
Kingston, Jamaica
29 April 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025	2024
		$	$
ASSETS			
Non-current assets			
Property, plant and equipment	6	1,456,382,172	1,547,062,232
Right-of-use assets	7	564,388,793	588,115,276
Due from related parties	8	1,552,729,009	1,444,919,505
Investment securities	9	41,189,552	40,630,042
Investment in associate	11	202,754,275	211,567,318
Goodwill	12	63,040,000	63,040,000
Deferred tax assets	13	138,174,315	-
		4,018,658,116	3,895,334,373
Current assets			
Inventories	14	1,875,023,268	2,632,063,406
Receivables	15	434,143,337	617,854,328
Due from associate	11	96,156,734	7,966,280
Taxation recoverable		18,257,145	18,015,426
Cash and cash equivalents	16	100,013,426	105,592,401
		2,523,593,910	3,381,491,841
TOTAL ASSETS		6,542,252,026	7,276,826,214
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	17	488,536,944	488,536,944
Capital reserves	18	570,849,911	570,577,466
Retained earnings		433,352,167	939,547,694
		1,492,739,022	1,998,662,104
Non-current liabilities			
Lease liabilities	7	473,453,432	493,902,456
Long-term liabilities	19	2,142,161,557	2,366,429,441
Deferred tax liabilities	13	-	19,824,204
Directors' loans	20	24,698,791	28,537,173
		2,640,313,780	2,908,693,274
Current liabilities			
Payables	21	1,568,813,055	1,423,537,052
Short-term loans	22	201,920,438	306,710,118
Current portion of long-term liabilities	19	577,708,286	574,713,969
Current portion of lease liabilities	7	60,757,445	64,509,697
		2,409,199,224	2,369,470,836
TOTAL EQUITY AND LIABILITIES		6,542,252,026	7,276,826,214

Approved for issue by the Board of Directors on 29 April 2026 and signed on its behalf by:

M Foster Director
Marion Foster

Director
Peter Knibb

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		$	$
Turnover	23	2,856,499,489	3,679,557,119
Cost of sales	24	(1,931,725,812)	(1,931,017,288)
Gross profit		924,773,677	1,748,539,831
Other operating income	25	34,557,599	15,023,018
Administrative and operating expenses	26	(1,355,649,294)	(1,432,609,199)
Impairment reversal/(loss) on financial assets	4(a)	1,592,909	(24,506,547)
Share of results of associate	11	(8,813,043)	(14,432,682)
Operating (loss)/profit	27	(403,538,152)	292,014,421
Finance costs, net	29	(260,655,894)	(239,779,099)
(Loss)/profit before taxation		(664,194,046)	52,235,322
Taxation	30	157,998,519	(17,681,336)
Net (loss)/profit for the year		(506,195,527)	34,553,986
Other comprehensive income:			
Items that will not be reclassified to profit or loss-			
Fair value gains on investments	9	851,082	1,323,103
Unrealised fair value (losses)/gains on investments	9	(578,637)	152,387
Total comprehensive (loss)/income for the year		(505,923,082)	36,029,476
Earnings per ordinary stock unit attributable to the stockholders of the company	32	(0.09)	0.01

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2025

	Share Capital	Capital Reserves	Retained Earnings	Total
	$	$	$	$
Balance at 1 January 2024	491,293,055	569,101,976	981,170,992	2,041,566,023
Unrealised fair value gain on investments (Note 9)	-	152,387	-	152,387
Fair value adjustment to financial instruments(Note 9)	-	1,323,103	-	1,323,103
Net profit for the year	-	-	34,553,986	34,553,986
Transactions with owners				
Purchase of treasury shares (Note 17)	(2,756,111)	-	-	(2,756,111)
Dividend paid (Note 33)	-	-	(76,177,284)	(76,177,284)
Balance at 31 December 2024	488,536,944	570,577,466	939,547,694	1,998,662,104
Unrealised fair value loss on investments (Note 9)	-	(578,637)	-	(578,637)
Fair value adjustment to financial instruments (Note 9)	-	851,082	-	851,082
Net loss for the year	-	-	(506,195,527)	(506,195,527)
Balance at 31 December 2025	488,536,944	570,849,911	433,352,167	1,492,739,022

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2025

	2025	2024
	$	$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Cash Flows from Operating Activities		
(Loss)/profit before taxation	(664,194,046)	52,235,322
Items not affecting cash resources:		
Depreciation	96,568,125	79,651,953
Amortization of right-of-use assets	59,109,246	58,361,227
Interest on lease liabilities	19,030,345	14,900,316
Loss on disposal of property, plant and equipment	7,421,192	-
Interest income	(99,131,473)	(91,872,886)
Interest expense	323,202,102	290,697,992
Impairment (reversal)/losses on financial assets	(1,592,909)	24,506,547
Share of results of associate	8,813,043	14,432,682
Foreign exchange losses	7,256,001	4,256,138
	(243,518,374)	447,169,291
Changes in non-cash working capital components:		
Decrease/(increase) in inventories	757,040,138	(513,313,001)
Decrease/(increase) in receivables	176,767,689	(199,931,420)
Increase in payables	145,276,003	337,431,043
Increase in due from related parties	(99,273,293)	(296,812,508)
(Increase)/decrease in due from associate	(88,190,454)	125,235,920
Cash provided by/(used in) operating activities	648,101,709	(100,220,675)
Taxation paid	(241,719)	(35,293,065)
Interest paid	(310,329,560)	(279,374,285)
Interest received	99,131,473	62,306,957
Net cash provided by/(used in) operating activities	436,661,903	(352,581,068)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(13,309,257)	(740,583,289)
Purchase of goodwill	-	(63,040,000)
Purchase of investments	(287,065)	-
Net cash used in investing activities	(13,596,322)	(803,623,289)
Cash Flows from Financing Activities		
Directors' loans repaid	(3,838,382)	(8,774,859)
Loans received	-	3,039,137,427
Loans repaid	(234,146,109)	(1,667,067,290)
Short-term loans, net	(104,789,680)	(6,840,025)
Dividend paid	-	(76,177,284)
Lease paid	(86,011,684)	(78,888,405)
Purchase of treasury shares	-	(2,756,111)
Cash (used in)/provided by financing activities	(428,785,855)	1,198,633,453
Net (decrease)/increase in cash and cash equivalents	(5,720,274)	42,429,096

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

YEAR ENDED 31 DECEMBER 2025

	2025	2024
	$	$
Net (decrease)/increase in cash and cash equivalents brought forward	(5,720,274)	42,429,096
Effect of exchange losses on cash and cash equivalents	141,299	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	105,592,401	63,163,305
CASH AND CASH EQUIVALENTS AT END OF YEAR	100,013,426	105,592,401
Represented by:		
Cash and cash equivalents	100,013,426	105,592,401

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	2025 $	2024 $
ASSETS			
Non-current assets			
Property, plant, and equipment	6	830,431,196	900,681,553
Right-of-use assets	7	564,388,793	588,115,276
Due from related parties	8	1,552,729,009	1,444,919,505
Investment securities	9	41,189,552	40,630,042
Investment in subsidiary	10 (a)	10,307,145	10,307,145
Investment in associate	11	202,754,275	211,567,318
Goodwill	12	63,040,000	63,040,000
Deferred tax assets	13	112,739,648	-
		3,377,579,618	3,259,260,839
Current assets			
Inventories	14	1,841,518,192	2,596,999,340
Receivables	15	420,462,245	607,176,642
Due from subsidiary	10 (b)	84,279,837	10,826,130
Due from associate	11	96,156,734	7,966,280
Taxation recoverable		18,257,145	18,015,426
Cash and cash equivalents	16	95,132,821	102,518,807
		2,555,806,974	3,343,502,625
TOTAL ASSETS		5,933,386,592	6,602,763,464
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	17	488,536,944	488,536,944
Capital reserves	18	570,849,911	570,577,466
Retained earnings		521,033,158	973,100,799
		1,580,420,013	2,032,215,209
Non-current liabilities			
Lease liabilities	7	473,453,432	493,902,456
Long-term liabilities	19	1,466,630,690	1,702,857,270
Deferred tax liabilities	13	-	19,824,204
Directors' loans	20	24,698,791	28,537,173
		1,964,782,913	2,245,121,103
Current liabilities			
Payables	21	1,556,346,694	1,417,004,915
Short-term loans	22	201,920,438	306,710,118
Current portion of long-term liabilities	19	569,159,089	537,202,422
Current portion of lease liabilities	7	60,757,445	64,509,697
		2,388,183,666	2,325,427,152
TOTAL EQUITY AND LIABILITIES		5,933,386,592	6,602,763,464

Approved for issue by the Board of Directors on 29 April 2026 and signed on its behalf by:

MFoster Director
Marion Foster

Director
Peter Knibb

COMPANY STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2025

	Note	2025	2024
		$	$
Turnover	23	2,828,481,201	3,650,412,839
Cost of sales	24	(1,916,231,403)	(1,917,475,980)
Gross profit		912,249,798	1,732,936,859
Other operating income	25	20,174,119	11,874,637
Administrative and operating expenses	26	(1,322,367,143)	(1,403,918,550)
Impairment reversal/(losses) on financial assets	4(a)	1,592,909	(24,506,547)
Share of results of associate	11	(8,813,043)	(14,432,682)
Operating (loss)/profit	27	(397,163,360)	301,953,717
Finance costs, net	29	(187,468,133)	(223,409,681)
(Loss)/profit before taxation		(584,631,493)	78,544,036
Taxation	30	132,563,852	(17,681,336)
Net (loss)/profit for the year		(452,067,641)	60,862,700
Other comprehensive income:			
Items that will not be reclassified to profit or loss-			
Fair value gain on investments	9	851,082	1,323,103
Unrealised fair value (loss)/gain on investments	9	(578,637)	152,387
Total comprehensive (loss)/income for the year		(451,795,196)	62,338,190

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2025

	Share Capital	Capital Reserves	Retained Earnings	Total
	$	$	$	$
Balance at 1 January 2024	491,293,055	569,101,976	988,415,383	2,048,810,414
Unrealised fair value losses on investments (Note 9)	-	152,387	-	152,387
Fair value adjustment to financial instruments (Note 9)	-	1,323,103	-	1,323,103
Net profit for the year	-	-	60,862,700	60,862,700
Transactions with owners				
Purchase of treasury shares (Note 17)	(2,756,111)	-	-	(2,756,111)
Dividends (Note 34)	-	-	(76,177,284)	(76,177,284)
Balance at 31 December 2024	488,536,944	570,577,466	973,100,799	2,032,215,209
Unrealised fair value losses on investments (Note 9)	-	(578,637)	-	(578,637)
Fair value adjustment to financial instruments (Note 9)	-	851,082	-	851,082
Net loss for the year	-	-	(452,067,641)	(452,067,641)
Balance at 31 December 2025	488,536,944	570,849,911	521,033,158	1,580,420,013

COMPANY STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2025

	2025	2024
	$	$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Cash Flows from Operating Activities		
(Loss)/profit before taxation	(584,631,493)	78,544,036
Items not affecting cash resources:		
Depreciation	79,710,789	79,003,182
Amortization of right-of-use assets	59,109,246	58,361,227
Interest on lease liabilities	19,030,345	14,900,316
Loss on disposal of property, plant and equipment	3,848,825	-
Interest income	(99,115,157)	(91,872,886)
Interest expense	249,998,025	274,328,574
Impairment (reversal)/losses on financial assets	(1,592,909)	24,506,547
Share of results of associate	8,813,043	14,432,682
Foreign exchange losses	7,256,001	4,256,138
	(257,573,285)	456,459,816
Changes in non-cash working capital components:		
Decrease/(increase) in inventories	755,481,148	(522,092,493)
Decrease/(increase) in receivables	179,771,095	(192,462,991)
Increase in payables	139,341,779	342,776,703
Increase in due from related parties	(99,273,293)	(233,772,508)
(Increase)/decrease in due from associated company	(88,190,454)	125,235,920
Increase in due from subsidiary	(73,453,707)	(39,469,566)
Cash provided by/(used in) operating activities	556,103,283	(63,325,119)
Taxation paid	(241,719)	(35,293,065)
Interest paid	(235,006,595)	(265,941,169)
Interest received	99,115,157	62,306,957
Net cash provided by/(used in) operating activities	419,970,126	(302,252,396)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(13,309,257)	(100,820,942)
Purchase of goodwill	-	(63,040,000)
Additions to investment securities	(287,065)	-
Net cash used in investing activities	(13,596,322)	(163,860,942)
Cash Flows from Financing Activities		
Directors' loans repaid	(3,838,382)	(8,774,859)
Loans received	-	2,340,257,402
Loans repaid	(219,261,343)	(1,665,898,515)
Short term loan repayment	(104,789,680)	-
Dividend paid	-	(76,177,284)
Purchase of treasury shares	-	(2,756,111)
Lease paid	(86,011,684)	(78,888,405)
Cash (used in)/provided by financing activities	(413,901,089)	507,762,228
Net (decrease)/increase in cash and cash equivalents	(7,527,285)	41,648,890

COMPANY STATEMENT OF CASH FLOWS (Continued)
YEAR ENDED 31 DECEMBER 2025

	2025	2024
	$	$
Net (decrease)/increase in cash and cash equivalents brought forward	(7,527,285)	41,648,890
Effect of exchange losses on cash and cash equivalents	141,299	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	102,518,807	60,869,917
CASH AND CASH EQUIVALENTS AT END OF YEAR	95,132,821	102,518,807
Represented by:		
Cash and cash equivalents	95,132,821	102,518,807

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

1. Identification and principal activities

FosRich Company Limited ("the Company") was incorporated under the provisions of the Companies Act and is domiciled in Jamaica. The Company's registered office and place of business is located at 79 Molynes Road, Kingston 10.

The Company was listed on the Junior Market of the Jamaica Stock Exchange on December 19, 2017.

The main activity of the Company is the manufacture of PVC pipes and fittings, distribution of lighting, electrical and solar energy products.

The Company's subsidiary and associate, together with the Company are referred to as "the Group" are as follows:

	Principal Activities	Incorporated in	Percentage Ownership by the Company		Financial Year End
			2025	2024	
Subsidiary					
O'N'S Mini Mart & Electrical Supplies Limited	Distribution of hardware supplies and related products	Jamaica	100%	100%	31 December
Associate					
Blue Emerald Limited	Manufactures large diameter PVC pipes and fittings and transformer repair	Jamaica	20%	20%	31 December

These financial statements are presented in Jamaican dollars, which is the functional currency.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

2. Basis of preparation

Basis of measurement and statement of compliance

These financial statements 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, modified for the inclusion of certain items at fair value. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The financial statements comprise the statement of financial position, the statement of comprehensive income, 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 judgment in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in note 5.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

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

There were no new standards, interpretations and amendments to existing standards that have been published that became effective during the current financial year that is relevant to the Group's operations.

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.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, and IFRS 7) effective for annual periods beginning on or after 1 January 2026 clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.

IFRS 18 Summary for Financial Statements replaces IAS 1 effective for annual periods beginning on or after 1 January 2027 enhances transparency and comparability in financial reporting by introducing new requirements include: new categories and subtotals in the statement of profit or loss, disclosure of management-defined performance measures (MPMs) and enhanced requirements for grouping information.

IFRS 19, Subsidiaries without Public Accountability: Disclosures effective for annual periods beginning on or after 1 January 2027, IFRS 19 introduces a simplified disclosure framework for subsidiaries without public accountability that prepare financial statements in compliance with IFRS Standards. This standard aims to reduce disclosure requirements while maintaining the relevance and reliability of financial reporting.

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

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 December 2025. 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 gives 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 subsidiary is 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 subsidiary to bring its accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between 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.

Disposal of subsidiaries
When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(b) Property, plant and equipment

Items of property, plant and equipment are stated at cost/valuation less accumulated depreciation and impairment losses (see below). Freehold land is stated at cost/valuation and no depreciation is charged. Depreciation is calculated on a straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. The annual depreciation rates are as follows:

Freehold buildings	3 1/3%
Furniture, fixtures and equipment	10%
Computer systems	22 ½%
Motor vehicles (commercial and private)	20%
Leasehold improvements	Over lease term
Leasehold property	Over lease term

Construction in progress is stated at cost and is not depreciated until the asset is completed and available for its intended use, at which time it is transferred to the appropriate asset category.

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

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

(c) Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of identifiable net assets acquired. It is amortised on a straight-line basis over its estimated useful life of 10 years**.** Goodwill is reviewed periodically for indicators of impairment and written down if its carrying amount exceeds its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(d) Investment in subsidiary and associate

The Company's investment in subsidiary is measured at cost. Associates are entities over which the Group has significant influence but not control, typically indicated by ownership of 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method.
Under the equity method:

- The investment is initially recorded at cost, including any goodwill arising on acquisition, net of accumulated impairment losses.
- The carrying amount is subsequently adjusted to reflect the Group's share of post-acquisition profits or losses and other movements in reserves.

If the Group's ownership interest in an associate is reduced but it retains significant influence, the proportionate amount previously recognised in other comprehensive income is reclassified to profit or loss, or to another appropriate category depending on the nature of the item.

The Group's share of post-acquisition profits or losses is recognised in the income statement, while its share of post-acquisition movements in reserves is recognised in equity. The carrying amount of the investment is reduced by the Group's share of losses when these losses exceed the investment's carrying amount and any other long-term interest in the entity. Further losses are only recognised if the Group has legal or constructive obligations or has made payments on behalf of the investee.

At each reporting date, the Group assesses whether there is any indication that an investment in an associate is impaired. If there is evidence of impairment, the amount is measured as the difference between the investment's recoverable amount and its carrying value, and the difference is recognised in the income statement within "share of results of associates".

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Material accounting policies (continued)

(e) 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 and bank overdraft.

(f) Investments
Investments are classified as amortised cost or fair value through other comprehensive income.Investments classified at amortised cost have a fixed or determinable payment and are not quoted in an active market. Amortised cost is calculated on the effective interest rate method, less impairment loss.

The fair value of available-for-sale investments is based on their quoted market bid price at the balance sheet date. Where the quoted market price is not available, fair value is estimated using discounted cash flow techniques.

Unrealised gains and losses arising from changes in the fair value of these securities are recognised in equity revaluation reserve. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in other comprehensive income as gains and losses from investment securities. (see note 9)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(g) Right-of-use assets and lease liabilities

On initial recognition, the carrying value of the lease liability also includes:
(i) amounts expected to be payable under any residual value guarantee;
(ii) the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
(iii) any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

To determine the incremental borrowing rate, the Group:
(i) since it does not have recent third-party financing, uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, and
(ii) makes adjustments specific to the lease, e.g. term, currency and security.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
(i) lease payments made at or before commencement of the lease;
(ii) initial direct costs incurred; and
(iii) the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets valued as US$5,000 or less when new. The Group has no short-term leases or leases for low valued assets at this time.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(g) Right-of-use assets and lease liabilities (continued)

Extension and termination options
Extension and termination options are included for the properties leased by the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable by the lessee provided that the required written notice is given prior to the expiration of the initial terms. Parties may terminate the leases by given the required notice.

When the Group renegotiates the contractual terms of a lease with a lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- In all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(h) Inventories
Inventories are measured at lower of cost and net realisable value, cost being determined on the weighted average cost method. The cost of manufactured finished goods comprises the raw material ingredients, direct labour, other direct cost and a proportion of related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the year to the extent that such events confirm conditions existing at the end of the year.

The cost of other inventories comprising purchased finished goods is based on their cost and expenses incurred in acquiring and bringing them to their existing location and condition.

(i) Receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

(j) Share capital
Ordinary shares are classified as equity.

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.

(k) 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.

3. Material accounting policies (continued)

(l) 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, lease liabilities 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).

(m) Related party transactions and balances
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 subsidiaries;

(v) the party is a close member of the family of any individual referred to in (i) or iv);

(vi) the party is the Company 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)

(n) Impairment
Non-financial assets
The carrying amount of the Group's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Financial assets
The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and at fair value through OCI.

Trade receivables
Loss allowances for trade receivables are measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportive information relevant and available without undue cost or effort. This includes quantitative and qualitative information and analysis, based on historical information and informed credit assessment. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Debt investment securities
These are considered low-risk.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is the case when the Company determines that the debtor does not have assets or sources of income that would generate sufficient cash flows to repay the amount subject to the write-off.
Recoverables of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(n) Impairment (continued)

Financial liabilities
All financial assets are recognised initially at fair value. Financial liabilities include borrowings, trade, and other payables. Subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in the individual policy statements associated with each item.

(o) Going concern
The preparation of financial statements in accordance with IFRS assumes that the Company will continue in operation for the foreseeable future. This means, in part, that the statements of profit or loss and comprehensive income and the statement of financial position are prepared on the assumption that there is no intention or necessity to liquidate or curtail operations. This is commonly referred to as the going concern basis. Management believes that the preparation of the financial statements on the going concern basis continues to be appropriate.

(p) Employee benefits
Annual leave entitlements
Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability, if any, for vacation leave, as a result of services rendered by employees up to the reporting date. At year-end the Company had no liability for annual leave as a result of services rendered by employees.

Pension
The Company operates a contributory pension scheme funded by employees and the Company to provide benefits for the employees of the Company. The scheme is administered and managed by Sagicor Life Jamaica Limited. Contributions to the scheme are charged to profit or loss account in the period to which they relate.

(q) Revenue recognition
Performance obligations and revenue recognition policies:
Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The Group's revenue is derived from the sale of manufactured PVC pipes and fittings, distribution of lighting, electrical, solar energy and other related products.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer; usually when the Company and its subsidiary have delivered the goods to the customer and it is accepted by the buyer, invoice is generated and the revenue is recorded at that point. Invoices are usually payable within 30 to 60 days or other contractual terms.

Revenue is shown net of General Consumption Tax, returns, rebates and discounts.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

3. Material accounting policies (continued)

(r) Other operating income
Other operating income mainly comprises commissions received or receivable through partnership arrangements between local utility entities and the Group's international suppliers.

(s) 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.

(t) Foreign currency translation

i. Functional and presentation currency
Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ["the functional currency"].

ii. Transaction and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date. Foreign exchange gains or losses resulting from the settlement of such transactions and from the transaction of year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

3. Material accounting policies (continued)

(u) Interest bearing loans and borrowing cost
Borrowings are stated initially at cost, being the fair value of the consideration received, net of transaction cost associated with the borrowings. After initial recognition, 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.

(v) Dividends
Dividends on stock units are recognised in stockholders' equity in the period in which they are approved by the Company's Board of Directors.

(w) Segment reporting
A segment is a distinguishable component of the Company that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The main activity of the Company is the manufacture of PVC pipes and fittings, distribution of lighting, electrical and solar energy products to consumers, operating in a single segment, therefore no additional segment information is provided.

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.

Audit Committee

The Board of Directors has also established an Audit Committee to assist in managing the Group's risk profile. This Committee oversees how management monitors compliance with the Group's risk management policies and reviews the adequacy of the risk management framework. This committee is also assisted by Internal Audit that reports to the Audit Committee after it undertakes regular and ad hoc reviews of risk management controls and procedures, especially over inventories and receivables.

(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.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(a) Credit risk (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 and the Company do not hold any collateral as security.

Impairment of financial assets
The Group and the Company have two type of financial asset that is subject to the expected credit loss model:
- trade receivables
- due from related parties

While cash and cash equivalents and investments are also subject to the impairment requirements of IFRS 9, the identified impairment losses were immaterial.

Trade receivables
The Group and the Company apply 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 31 December 2025 and 31 December 2024 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.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(a) Credit risk (continued)

On that basis, the expected loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for trade receivables:

The Group

31 December 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	$	$	$	$	$
Expected loss rate	3.39%	7.64%	9.43%	23.69%	15.27%
Gross carrying amount – trade receivables	104,662,371	30,450,946	17,046,207	187,231,817	339,391,341
Loss allowance	3,554,831	2,326,334	1,607,628	44,346,057	51,834,850

31 December 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	$	$	$	$	$
Expected loss rate	0.48%	1.00%	1.50%	19.53%	9.17%
Gross carrying amount – trade receivables	115,750,328	89,161,579	84,643,164	230,154,606	519,709,677
Loss allowance	560,016	891,616	1,269,647	44,951,323	47,672,602

The Company

31 December 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	$	$	$	$	$
Expected loss rate	3.44%	7.64%	9.43%	23.69%	15.33%
Gross carrying amount – trade receivables	103,299,190	30,450,946	17,046,207	187,231,818	338,028,161
Loss allowance	3,554,831	2,326,334	1,607,628	44,346,057	51,834,850

31 December 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	$	$	$	$	$
Expected loss rate	0.50%	1.00%	1.50%	19.53%	9.24%
Gross carrying amount – trade receivables	112,003,168	89,161,579	84,643,164	230,154,606	515,962,517
Loss allowance	560,016	891,616	1,269,647	44,951,323	47,672,602

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(a) Credit risk (continued)

The closing expected loss allowances for trade receivables as at 31 December 2025 and 31 December 2024 reconcile to the opening expected loss allowances as follows:

The Group and Company

	Trade receivables 2025	Trade receivables 2024
	$	$
Opening expected loss allowance at beginning of year	47,672,602	49,503,887
Bad debt recovered	(2,781,054)	(6,936,051)
Increase in expected loss allowance recognised in profit or loss during the year	6,943,302	5,104,766
Closing balance at end of year (Note 15)	51,834,850	47,672,602

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.

Related parties

The closing loss allowances for related parties as at 31 December 2025 and 31 December 2024 reconcile to the opening loss allowances as follows:

	Related parties 2025	Related parties 2024
	$	$
Opening loss allowance as at 1 January	19,401,781	-
(Decrease)/increase in loss allowance recognised in profit or loss during the year	(8,536,211)	19,401,781
Closing balance at end of year	10,865,570	19,401,781

As at 31 December 2025 related parties had lifetime expected credit losses of $9,618,887 (2024: $19,401,781).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

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 31 December 2025 and 2024, the Group's trade receivables had no lifetime expected credit losses.

Net impairment losses on financial assets recognised in profit or loss
During the year, the following (reversals)/losses were recognised in statement of comprehensive income in relation to impaired financial assets:

	The Group and Company 2025	2024
	$	$
Expected loss allowance		
- Movement in expected loss allowance for trade receivables	6,943,302	5,104,766
- Movement in expected loss allowance for related parties (Note 8)	(8,536,211)	19,401,781
Net impairment (reversals)/losses on financial assets	(1,592,909)	24,506,547

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

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.

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.

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	Over 5 years	Contractual Cash flows	Carrying Amount
	2025					
	$	$	$	$	$	$
Long-term loans	452,847,336	489,612,881	655,441,216	2,439,092,497	4,036,993,930	2,719,869,843
Payables	1,568,813,055	-	-	-	1,568,813,055	1,568,813,055
Directors' loans	-	-	24,698,790	-	24,698,791	24,698,791
Lease liabilities	14,876,415	45,842,244	51,336,718	610,213,019	722,268,396	534,210,877
Short-term loans	-	223,125,263	-	-	223,125,263	201,920,438
	2,036,536,806	758,580,388	731,476,724	3,049,305,516	6,575,899,435	5,049,513,004

	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Contractual Cash flows	Carrying Amount
	2024					
	$	$	$	$	$	$
Long-term loans	418,873,104	456,062,388	608,083,184	2,512,856,352	3,995,875,028	2,941,143,410
Payables	1,423,537,052	-	-	-	1,423,537,052	1,423,537,052
Directors' loans	-	-	28,537,173	-	28,537,173	28,537,173
Lease liabilities	14,915,201	44,745,602	50,783,141	750,075,234	860,519,178	558,412,153
Short-term loans	-	337,608,227	-	-	337,608,227	306,710,118
	1,857,325,357	838,416,217	687,403,498	3,262,931,586	6,646,076,658	5,258,339,906

Assets available to meet all of the liabilities and to cover financial liabilities include cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities

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	Over 5 years	Contractual Cash flows	Carrying Amount
	$	$	$	$	$	$
			2025			
Long-term loans	338,472,614	382,691,773	436,845,219	2,102,693,803	3,260,703,409	2,035,789,779
Lease liabilities	14,876,415	45,842,244	51,336,718	610,213,019	722,268,396	534,210,877
Director's loans	-	-	24,698,791	-	24,698,791	24,698,791
Payables	1,556,346,694	-	-	-	1,556,346,694	1,556,346,694
Short-term loans	-	223,125,263	-	-	223,125,263	201,920,438
	1,909,695,723	651,659,280	512,880,728	2,712,906,822	5,787,142,553	4,352,968,604

	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Contractual Cash flows	Carrying Amount
	$	$	$	$	$	$
			2024			
Long-term loans	335,098,483	364,849,910	486,466,547	2,010,285,082	3,196,700,022	2,240,059,692
Lease liabilities	14,915,201	44,745,602	50,783,141	750,075,234	860,519,178	558,412,153
Director's loans	-	-	28,537,173	-	28,537,173	28,537,173
Payables	1,417,004,915	-	-	-	1,417,004,915	1,417,004,915
Short-term loans	-	337,608,227	-	-	337,608,227	306,710,118
	1,767,018,599	747,203,739	565,786,861	2,760,360,316	5,840,369,515	4,550,724,051

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(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 risk exposures are measured using sensitivity analysis. There has been no exposure to market risks or the manner in which the Group manages and measures the risk.

(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 undertakes certain transactions denominated in currencies other than the Jamaican dollar resulting in exposures to exchange rate fluctuations.

Net financial liabilities denominated in foreign currency are as follows: -

	2025	2024
	$	$
Cash and cash equivalents	21,023,116	5,960,892
Payables	(928,681,377)	(1,106,647,014)
	(907,658,261)	(1,100,686,122)

	2025	2024
Currency		
USD	(5,682,115)	(7,047,086)
Rate of exchange	JMD159.74	JMD156.42

The following table demonstrates the sensitivity to a reasonably possible change in the following exchange rates of the Company before tax with all other variables held constant.

Currency	**Change in exchange rate**	**2025**	**2024**
		$	$
Revaluation	1% (2024 – 1%)	9,076,582	11,023,052
Devaluation	1.5% (2024 – 4%)	(13,614,873)	(44,092,209)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

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 following table summarises the Group's exposure to interest rate risk. It includes the Group's financial instruments at carrying amounts, categorized by the contractual re-pricing or maturity dates.

The Group

	Within 1 month	3 to 12 months	1 to 5 Years	Over 5 Years	Non-interest bearing	Total
	$	$	$	$	$	$
			2025			
Assets						
Due from related parties	-	-	1,426,810,975	-	125,918,034	1,552,729,009
Investment securities	23,381,416	-	15,689,469	-	2,118,667	41,189,552
Receivables	-	-	-	-	434,143,337	434,143,337
Due from associate	-	-	-	-	96,156,734	96,156,734
Cash and cash equivalents	67,008,995	-	-	-	33,004,431	100,013,426
Total financial assets	90,390,411	-	1,442,500,444	-	691,341,203	2,224,232,058
Liabilities						
Lease liabilities	8,561,271	25,683,811	128,419,057	371,546,738	-	534,210,877
Long-term loans	265,887,810	246,622,476	408,461,780	1,798,897,777	-	2,719,869,843
Short-term loans	88,000,000	113,920,438	-	-	-	201,920,438
Directors' loans	-	-	-	-	24,698,791	24,698,791
Payables	-	-	-	-	1,568,813,055	1,568,813,055
Total financial liabilities	362,449,081	386,226,725	536,880,837	2,170,444,515	1,593,511,846	5,049,513,004
Total interest re-pricing gap	(272,058,670)	(386,226,725)	905,619,607	(2,170,444,515)	(902,170,643)	(2,825,280,946)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

The Group

	Within 1 month	3 to 12 months	1 to 5 Years	Over 5 Years	Non-interest bearing	Total
	$	$	$	$	$	$
			2024			
Assets						
Due from related parties	-	-	-	1,358,420,071	86,499,434	1,444,919,505
Investment securities	23,063,808	-	15,476,347	-	2,089,887	40,630,042
Receivables	-	-	-	-	617,854,328	617,854,328
Due from associate	-	-	-	-	7,966,280	7,966,280
Cash and cash equivalents	69,098,174	-	-	-	36,494,227	105,592,401
Total financial assets	92,161,982	-	15,476,347	1,358,420,071	750,904,156	2,216,962,556
Liabilities						
Lease liabilities	8,949,121	26,847,361	134,236,806	388,378,865	-	558,412,153
Long-term loans	47,892,830	526,821,139	499,254,924	1,867,174,517	-	2,941,143,410
Short-term loans	-	306,710,118	-	-	-	306,710,118
Directors' loans	-	-	-	-	28,537,173	28,537,173
Payables	-	-	-	-	1,423,537,052	1,423,537,052
Total financial liabilities	56,841,951	860,378,618	633,491,730	2,255,553,382	1,452,074,225	5,258,339,906
Total interest re-pricing gap	35,320,031	(860,378,618)	(618,015,383)	(897,133,311)	(701,170,069)	(3,041,377,350)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

The following table summarises the Company's exposure to interest rate risk. It includes the Company's financial instruments at carrying amounts, categorized by the contractual re-pricing or maturity dates.

The Company

	Within 1 month	3 to 12 months	1 to 5 Years	Over 5 Years	Non-interest bearing	Total
	$	$	$	$	$	$
			2025			
Assets						
Due from related parties	-	-	1,426,810,975	-	125,918,034	1,552,729,009
Investment securities	23,381,416	-	15,689,469	-	2,118,667	41,189,552
Receivables	-	-	-	-	420,462,245	420,462,245
Due from subsidiary	-	-	-	-	84,279,837	84,279,837
Due from associate	-	-	-	-	96,156,734	96,156,734
Cash at bank and in hand	61,190,996	-	-	-	33,941,825	95,132,821
Total financial assets	84,572,412	-	1,442,500,444	-	762,877,342	2,289,950,198
Liabilities						
Lease liabilities	8,561,271	25,683,811	128,419,057	371,546,738	-	534,210,877
Long-term loans	253,010,911	235,359,338	362,451,254	1,184,968,276	-	2,035,789,779
Short-term loans	88,000,000	113,920,438	-	-	-	201,920,438
Directors' loans	-	-	-	-	24,698,791	24,698,791
Payables	-	-	-	-	1,556,346,694	1,556,346,694
Total financial liabilities	349,572,182	374,963,587	490,870,311	1,556,515,014	1,581,045,485	4,352,966,579
Total interest re-pricing gap	(264,999,770)	(374,963,587)	(951,630,133)	(1,556,515,014)	(818,168,143)	(2,063,016,381)

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company					
	Within 1 month	**3 to 12 months**	**1 to 5 Years**	**Over 5 Years**	**Non-interest bearing**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
			2024			
Assets						
Due from related parties	-	-	-	1,358,420,071	86,499,434	1,444,919,505
Investment securities	23,063,808	-	15,476,347	-	2,089,887	40,630,042
Receivables	-	-	-	-	607,176,642	607,176,642
Due from subsidiary	-	-	-	-	10,826,130	10,826,130
Due from associate	-	-	-	-	7,966,280	7,966,280
Cash at bank and in hand	65,941,784	-	-	-	36,577,023	102,518,807
Total financial assets	89,005,592	-	15,476,347	1,358,420,071	751,135,396	2,214,037,406
Liabilities						
Lease liabilities	8,949,121	26,847,361	134,236,806	388,378,865	-	558,412,153
Long-term loans	278,309,488	258,892,934	399,403,939	1,303,453,331	-	2,240,059,692
Short-term loans	-	306,710,118	-	-	-	306,710,118
Directors' loans	-	-	-	-	28,537,173	28,537,173
Payables	-	-	-	-	1,417,004,915	1,417,004,915
Total financial liabilities	287,258,609	592,450,413	533,640,745	1,691,832,196	1,445,542,088	4,550,724,051
Total interest re-pricing gap	(196,253,017)	(592,450,413)	(518,164,398)	(333,412,125)	(694,406,692)	(2,336,686,645)

4. Financial risk management (continued)

(c) Market risk (continued)

(iii) Equity price risk

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

	The Group and Company	
	2025	**2024**
	$	**$**
Increase +1.5% (2024: +6%)	22,669	125,393
Decrease -1.0% (2024: -2%)	(15,113)	(41,797)

(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 cash equivalents, receivables, payables and short-term loans reflect their approximate fair values because of the short-term maturity of these instruments.

The fair values of long-term loans and lease liabilities approximate amortised costs.

The fair values of director's loan and due from related parties could not be reasonably assessed as there are no set repayment terms

4. Financial risk management (continued)

(e) Capital Management

The Group defines capital as equity and total borrowings. The Group manages its capital of $5.2 billion to support and be responsive to opportunities for its current growth strategy and expansion plans and to maintain its normal operations and remain compliant with various covenants and restrictive rules and regulations of the industry and the financial environment in which it operates.

Capital Management Strategies

The Group's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide specific hurdle returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Group is not subjected to internally imposed capital requirements. Consistent with others in the industry, the Group monitors capital based on the gearing ratio. This ratio is calculated as total borrowings divided by capital as defined below. Total borrowings is calculated as current and non-current borrowings and bank overdraft, excluding lease liabilities, as shown in the consolidated statement of financial position. Capital is calculated as equity, as shown in the statement of financial position plus total borrowings. The management of the Group remains deliberate in the way it funds its growth strategy and given the present economic environment and the general movement in the cost of capital in the market; management continues to adjust major debts from a bullet repayment structure to that of amortization and lengthening of tenors.

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Long-term loans	2,719,869,843	2,941,143,410	2,035,789,779	2,240,059,692
Short-term loans	201,920,438	306,710,118	201,920,438	306,710,118
	2,921,790,281	3,247,853,528	2,237,710,217	2,546,769,810
Shareholders' equity	1,421,322,288	1,998,662,104	1,509,003,279	2,032,215,209
Total Capital	4,343,112,569	5,246,515,632	3,746,713,496	4,578,985,019
Gearing ratio	67%	62%	60%	56%

5. Critical accounting estimates and judgments in applying accounting policies

The Group makes 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.

(a) Impairment losses of financial assets

The Group review its receivables portfolios to assess impairment at least on a annually basis. In determining whether an impairment loss should be recorded, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from customers before the decrease can be identified with an individual customer. This evidence may include observable data indicating that there has been an adverse change in the payment status of customers, or national or local economic conditions that correlate with defaults on assets in the Group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when estimating its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Establishing the criteria for determining whether credit risk on financial asset has increase significantly since initial recognition, determining the methodology for incorporating forward looking information into the measurement of expected credit losses (ECL) and the selection and approval of the models used to estimate ECL required significant judgement.

(b) 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 recognises 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.

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

(c) 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 applies 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.

(d) 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 determines 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.

(e) Net realisable value of inventories

Estimates of net realisable value are based on the most reliable evidence at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations in price or cost directly relating to events occurring after the end of the period, to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realisable value also take into consideration the purpose for which the inventory is held.

(f) Judgement in evaluation of contingencies

For a contingent liability to qualify for recognition, there must be a present obligation and the probability of an outflow of economic benefit to settle that obligation. In recognising contingent liabilities of the Group, management determines the possibility of an outflow of resources and makes estimates of expenditure required to settle the present obligation at the reporting date.

No provision is made if management considers the possibility of any outflow in settlement to be remote.

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31 DECEMBER 2025

6. Property, plant and equipment

The Group

	Freehold Land	Freehold Building	Leasehold Improvements	Leasehold Property	Furniture, Fixtures and Equipment	Computers	Motor Vehicles	Construction in Progress	Total
	$	$	$	$	$	$	$	$	$
Cost/Valuation -									
1 January 2024	142,500,000	520,000,002	70,579,482	30,000,000	195,216,264	63,201,763	167,250,589	3,627,400	1,192,375,500
Additions	288,000,000	350,400,000	15,196,823	-	29,651,794	29,454,619	27,880,053	-	740,583,289
Transfer	-	-	2,179,600	-	-	-	-	(2,179,600)	-
31 December 2024	430,500,000	870,400,002	87,955,905	30,000,000	224,868,058	92,656,382	195,130,642	1,447,800	1,932,958,789
Additions	-	-	-	-	3,621,466	3,933,465	-	5,754,326	13,309,257
Disposals	-	-	(3,572,367)	-	-	(3,848,825)	-	-	(7,421,192)
31 December 2025	430,500,000	870,400,002	84,383,538	30,000,000	228,489,524	92,741,022	195,130,642	7,202,126	1,938,846,854
Depreciation -									
1 January 2024	-	36,925,523	54,678,705	8,250,000	82,761,265	33,517,931	90,111,180	-	306,244,604
Charge for year	-	18,086,660	2,732,681	999,000	18,050,889	10,524,744	29,257,979	-	79,651,953
31 December 2024	-	55,012,183	57,411,386	9,249,000	100,812,154	44,042,675	119,369,159	-	385,896,557
Charge for year	-	32,695,152	4,180,717	999,000	20,231,887	11,643,394	26,817,975	-	96,568,125
31 December 2025	-	87,707,335	61,592,103	10,248,000	121,044,041	55,686,069	146,187,134	-	482,464,682
Net Book Value -									
31 December 2025	430,500,000	782,692,667	22,791,435	19,752,000	107,445,483	37,054,953	48,943,508	7,202,126	1,456,382,172
31 December 2024	430,500,000	815,387,819	30,544,519	20,751,000	124,055,904	48,613,707	75,761,483	1,447,800	1,547,062,232

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31 DECEMBER 2025

6. Property, plant and equipment

The Company

	Freehold Land	Freehold Building	Leasehold Improvements	Leasehold Property	Furniture, Fixtures and Equipment	Computers	Motor Vehicles	Construction in Progress	Total
	$	$	$	$	$	$	$	$	$
Cost/Valuation -									
1 January 2024	142,500,000	520,000,002	67,007,115	30,000,000	191,359,112	62,161,672	167,250,589	3,627,400	1,183,905,890
Additions	-	-	15,196,823	-	29,651,794	28,092,272	27,880,053	-	100,820,942
Transfer	-	-	2,179,600	-	-	-	-	(2,179,600)	-
31 December 2024	142,500,000	520,000,002	84,383,538	30,000,000	221,010,906	90,253,944	195,130,642	1,447,800	1,284,726,832
Additions	-	-	-	-	3,621,466	3,933,465	-	5,754,326	13,309,257
Disposals	-	-	-	-	-	(3,848,825)	-	-	(3,848,825)
31 December 2025	142,500,000	520,000,002	84,383,538	30,000,000	224,632,372	90,338,584	195,130,642	7,202,126	1,294,187,264
Depreciation -									
1 January 2024	-	36,925,523	54,678,705	8,250,000	81,629,816	33,446,873	90,111,180	-	305,042,097
Charge for year	-	18,086,660	2,732,681	999,000	17,665,170	10,261,692	29,257,979	-	79,003,182
31 December 2024	-	55,012,183	57,411,386	9,249,000	99,294,986	43,708,565	119,369,159	-	384,045,279
Charge for year	-	16,735,152	4,180,717	999,000	19,846,172	11,131,773	26,817,975	-	79,710,789
31 December 2025	-	71,747,335	61,592,103	10,248,000	119,141,158	54,840,338	146,187,134	-	463,756,068
Net Book Value -									
31 December 2025	142,500,000	448,252,667	22,791,435	19,752,000	105,491,214	35,498,246	48,943,508	7,202,126	830,431,196
31 December 2024	142,500,000	464,987,819	26,972,152	20,751,000	121,715,920	46,545,379	75,761,483	1,447,800	900,681,553

On 1 January 2022, the Group's land and buildings were revalued by NAI Jamaica: Langford and Brown, independent chartered surveyors and valuers. The revaluation resulted in an increase in the carrying value of the assets, and the surplus arising on revaluation was recognised in capital reserve (Note 18).

Management has assessed the carrying values of the properties and is of the opinion that these do not differ materially from fair value at the reporting date.

Certain land and buildings of the Group have been pledged as collateral for borrowings (see Note 19).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

7. Right-of use assets and related lease obligations

(i) Amounts recognized in the statement of financial position

The statement of financial position shows the following amounts relating to leases: -

Right-of-use assets

	The Group and Company 2025	The Group and Company 2024
	$	$
Cost		
Balance at beginning of the year	748,493,547	748,493,547
Additions to right-of-use assets	35,382,763	-
Termination of right-of-use assets	(54,902,383)	-
	728,973,927	748,493,547
Accumulated Amortization		
Balance at beginning of year	160,378,271	102,017,044
Amortization charge for the year	59,109,246	58,361,227
Amortization eliminated on termination	(54,902,383)	-
	164,585,134	160,378,271
Balance at end of the year	564,388,793	588,115,276

Lease liabilities

	The Group and Company 2025	The Group and Company 2024
	$	$
Balance as at beginning of year	558,412,153	618,665,731
Additions	35,382,763	-
Payments	(86,011,684)	(78,888,405)
Interest expense	19,030,345	14,900,316
Effect of foreign exchange	7,397,300	3,734,511
Balance as at end of year	534,210,877	558,412,153

	The Group and Company 2025	The Group and Company 2024
	$	$
Current	60,757,445	64,509,697
Non-current	473,453,432	493,902,456
Balance as at end of year	534,210,877	558,412,153

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

7. Right-of-use assets and related lease obligations (continued)

(ii) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	The Group and Company	
	2025	2024
	$	$
Amortization of right-of-use assets (included in administrative expenses)	59,109,246	58,361,227
Interest expense (included in finance costs)	19,030,345	14,900,316
Effect of foreign exchange	7,397,300	3,734,511

(iii) Amounts recognized in the statement of cash flows

	The Group and Company	
	2025	2024
	$	$
Total cash outflow for leases	86,011,684	78,888,405

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

8. Due from related parties

		The Group and Company	
		2025	2024
		$	$
LCCM Investment Ventures Limited	(a)		
Balance at beginning of year		845,614,399	745,451,364
Advances		-	85,527,269
Repayments		(28,386,850)	(51,838,077)
		817,227,549	779,140,556
Interest accrued		66,473,843	66,473,843
Balance at end of year		883,701,392	845,614,399
Less: Impairment losses on financial assets		(9,618,887)	(17,800,122)
		874,082,505	827,814,277
BC Dundee Enterprise Limited	(b)		
Balance at beginning of year		608,243,490	393,034,362
Advances		12,205,506	186,245,153
		620,448,996	579,279,515
Interest accrued		28,963,975	28,963,975
Balance at end of year		649,412,971	608,243,490
Less: Impairment losses on financial assets		(1,246,683)	(1,601,659)
		648,166,288	606,641,831
Other related parties	(c)		
FosRich Caribbean Inc		5,034,862	284,400
FosRich Holdings Limited S.A		276,660	276,660
FosRich USA Inc		25,168,694	9,902,337
		30,480,216	10,463,397
		1,552,729,009	1,444,919,505

(a) This represents loan to LCCM Investment Ventures Limited, a co\mpany related by common directors and shareholders. The loan attracts interest rate of 8% (2024:5%) per annum with a bullet payment due on maturity on 31 December 2030.

(b) This represents loan to BC Dundee Enterprise Limited, a company related by common directors and shareholders. The loan attracts interest rate of 5% per annum with a bullet payment due on maturity on 31 December 2030.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

8. Due from related parties (continued)

(c) These balances represent loans from FosRich Company Limited, which is related to the Group by way of common directors and shareholders.

Loans (a) and (b) are secured by irrevocable guarantees and indemnities issued by Marian and Cecil Foster, covering the ultimate balances outstanding under the respective loan arrangements from time to time.

In addition, the loans are secured by pledges over ordinary shares of the Group. The share pledge arrangements provide the Group with enforceable rights over the pledged shares in the event of default. Management considers both the personal guarantees and the pledged shares in assessing the recoverability of the related-party balances in accordance with IFRS 9 – Financial Instruments.

9. Investment securities

		The Group and Company	
		2025	2024
		$	$
Investments at amortised cost			
Deposits-Bonds/guarantees		11,553,095	11,320,251
Term deposits	(a)	11,797,778	11,743,557
		23,350,873	23,063,808
Investment at fair value through other comprehensive income			
Quoted equities at market value			
Balance at the beginning of year		2,089,887	1,937,500
Loss/(gain) for fair value adjustment (Note 18)		(578,637)	152,387
Balance at the end of year		1,511,250	2,089,887
Investments-Other			
Keyman Insurance - cash surrender value			
Balance at beginning of year		15,476,347	14,153,244
Fair value gain on investments		851,082	1,323,103
Balance at the end of year		16,327,429	15,476,347
		41,189,552	40,630,042

(a) The above ‘term deposits’ includes amounts denominated in United States Dollars US$75,869 (2024:U$75,869) and Jamaican Dollars, which interest at rates of 0.60% (2024: 0.60%) and 2.75% (2024: 2.75%) respectively. These deposits are held as security for certain borrowing arrangements and continue to be recognised as assets of the Group (Note 19).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

10. (a) Investment in subsidiary

	The Company	
	2025	2024
	$	$
O’N’S Mini Mart & Electrical Supplies Limited	10,307,145	10,307,145

	2025	2024
	$	$
(b) Due from subsidiary		
O’N’S Mini Mart & Electrical Supplies Limited	84,279,837	10,826,130

11. Investment in associate

	The Group and Company	
	2025	2024
	$	$
Balance at beginning of year	211,567,318	226,000,000
Share of loss for year	(8,813,043)	(14,432,682)
Balance at end of year	202,754,275	211,567,318

Investment in associate for the current year comprises the amounts recognised in the statement of financial position in respect of the Group’s 20% ownership interest in the issued share capital of Blue Emerald Limited, which was acquired on 29 April 2019. Blue Emerald Limited is an associated company of FosRich Company Limited.

Blue Emerald Limited is a private company and, accordingly, there is no quoted market price available for its shares. There are no contingent liabilities relating to the Group’s interest in Blue Emerald Limited.

During the year, the Company purchased goods for resale from associated company, Blue Emerald Limited, amounting to $104,163,755 (2024 $193,783,303).

Blue Emerald Limited sells all its manufactured products to FosRich Company Limited.

	2025	2024
	$	$
Balances on account with Blue Emerald Limited amounted to:		
Due from associate	96,156,734	7,966,280

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

12. Goodwill

This goodwill is assessed to have indefinite useful lives, and their useful lives are dependent on the useful life of the cash-generating unit (CGU) to which they are allocated.

	2025	2024
	$	$
Balance at beginning and at end	63,040,000	63,040,000

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

	Total
	$
Non-current assets	
Property, plant and equipment	653,520,000
Current assets	
Inventories	294,356,173
Fair value of net assets	947,876,173

Goodwill at acquisition	
Purchase consideration	1,010,916,173
Less: Fair value of net assets acquired	(947,876,173)
Goodwill	63,040,000

Impairment tests for goodwill

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which goodwill is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows.

The cash flow projections are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates (which do not exceed the long-term average growth rate for the business in which the CUG operates). The key assumptions used for value in use calculations are as follows:

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

12. Goodwill (continued)

	Revenue growth rate	EBITDA to revenue	Capital expenditure to revenue	Discount rate
Bayside Hardware business	2%	5%	0%	10%

For the current period, after review, analysis and assessment, management is of the opinion, that there is no impairment in the total value of an goodwill, as the *recoverable amounts* are higher than the *carrying amounts*.

13. Deferred tax assets/(liabilities)

Deferred income taxes are calculated in full on all temporary differences under the liability method using a tax rate of 25%.

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

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Deferred tax assets/(liabilities)	138,174,315	(19,824,204)	112,739,648	(19,824,204)

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

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Net liabilities at beginning of year	(19,824,204)	(12,275,509)	(19,824,204)	(12,275,509)
Deferred tax credited/(charged) to the statement of comprehensive income (Note 30)	157,998,519	(7,548,695)	132,563,852	(7,548,695)
Net assets/(liabilities) at end of year	138,174,315	(19,824,204)	112,739,648	(19,824,204)

Deferred income tax assets and liabilities are attributable to the following items:

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Deferred income tax assets/(liabilities):				
Property, plant and equipment	15,851,294	7,324,699	12,100,562	7,324,699
Interest receivable	(30,949,947)	(30,949,947)	(30,949,947)	(30,949,947)
Interest payables	7,548,902	3,801,044	7,548,902	3,801,044
Lease liability, net	(7,544,476)	-	(7,544,476)	-
Tax losses	153,268,542	-	131,584,608	-
Net assets/(liabilities) at end of year	138,174,315	(19,824,204)	112,739,648	(19,824,204)

13. Deferred tax assets/(liabilities) (continued)

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

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Deferred tax assets/(liabilities) be recovered/(settled):				
-less than 12 months	(23,401,045)	(27,148,903)	(23,401,045)	(27,148,903)
-more than 12 months	161,575,360	7,324,699	136,140,693	7,324,699
	138,174,315	(19,824,204)	112,739,648	(19,824,204)

14. Inventories

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Finished goods	1,780,556,432	2,458,815,715	1,747,051,356	2,423,751,645
Raw material	94,466,836	38,045,686	94,466,836	38,045,686
	1,875,023,268	2,496,861,401	1,841,518,192	2,461,797,331
Goods in transit	-	135,202,005	-	135,202,009
	1,875,023,268	2,632,063,406	1,841,518,192	2,596,999,340

For the year ended 31 December 2025, inventories amounting to $331,131,550 (2024: $6,407,583) were written off to the statement of comprehensive income. The write-off relates primarily to obsolete, slow-moving and damaged inventory items identified during management's review of inventory.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

15. Receivables

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Trade receivables	339,391,341	519,709,677	338,028,160	515,962,517
Less: expected credit loss provision (Note 4(a))	(51,834,850)	(47,672,602)	(51,834,850)	(47,672,602)
	287,556,491	472,037,075	286,193,310	468,289,915
Sundry receivables	12,250,203	14,367,317	9,006,873	14,004,621
Statutory receivables	438,651	1,659,006	-	-
Prepayments	56,567,565	66,626,955	47,931,635	61,718,131
Other deposits	77,330,427	63,163,975	77,330,427	63,163,975
	434,143,337	617,854,328	420,462,245	607,176,642

The Group's exposure to credit risk and impairment loss associated to trade and other receivables are disclosed in note 4(a).

16. Cash and cash equivalents

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Cash and current accounts	17,326,793	36,494,227	14,330,211	36,577,023
Savings accounts	82,686,633	69,098,174	80,802,610	65,941,784
	100,013,426	105,592,401	95,132,821	102,518,807

Cash at bank substantially comprise savings and current account at licensed commercial banks in Jamaica. Amounts held in savings accounts are denominated in United States Dollar and Jamaican Dollar and attract interest at rates of 0.60% and 2.75% (2024: 0.60% and 2.75%) per annum respectively during the year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

17. Share capital

	2025	2024
	No. of shares	No. of shares
Authorised		
Ordinary shares at no par value	15,000,000,000	15,000,000,000
Issued and fully paid:		
Balance as at beginning and end of the year	5,078,485,197	5,078,485,197

	2025	2024
	$	$
Ordinary shares at beginning and end of year	488,536,944	500,000,000
Less: Treasury shares	(11,463,056)	(11,463,056)
	488,536,944	488,536,944

During the prior year, the Company purchased at fair market value, treasury shares for $Nil (2024: $2,756,111). The number of treasury shares held at year end was 4,264,687 (2024: 4,264,687).

18. Capital reserves

	The Group and Company	
	2025	2024
	$	$
The movements during the year were as follows:		
Balance at beginning of year	570,577,466	569,101,976
Unrealised fair value losses/gains on investments (Note 9)	(578,637)	152,387
Fair value adjustment to financial instruments (Note 9)	851,082	1,323,103
Balance at end of year	570,849,911	570,577,466
The balance at the end of the year comprises:		
Revaluation reserves	495,251,605	495,251,605
Fair value movements on investments	75,598,306	75,325,861
	570,849,911	570,577,466

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

19. Long-term loans

		The Group		The Company	
		2025	2024	2025	2024
		$	$	$	$
First Global Bank Jamaica Limited	(a)	53,859,096	112,891,280	53,859,096	112,891,280
First Global Bank Jamaica Limited	(b)	4,025,498	6,932,738	4,025,498	6,932,738
First Global Bank Jamaica Limited	(c)	2,452,349	12,261,743	2,452,349	12,261,743
First Global Bank Jamaica Limited	(d)	27,249,128	37,799,113	27,249,128	37,799,113
First Global Bank Jamaica Limited	(e)	5,491,422	7,549,239	5,491,422	7,549,239
First Global Bank Jamaica Limited	(f)	757,832,197	818,112,213	757,832,197	818,112,213
Development Bank of Jamaica	(g)	124,999,992	168,749,994	124,999,992	168,749,994
Development Bank of Jamaica	(h)	107,142,846	135,714,278	107,142,846	135,714,278
First Global Leasing Limited	(i)	-	646,515	-	646,515
Secured Fixed Rate Bond	(j)	900,000,000	900,000,000	900,000,000	900,000,000
National Commercial Bank Jamaica Limited	(k)	5,170,262	6,210,754	-	-
National Commercial Bank Jamaica Limited	(l)	-	2,485	-	-
First Global Bank Jamaica Limited	(m)	20,780,584	22,437,342	20,780,584	22,437,342
First Global Bank Jamaica Limited	(n)	66,868,629	59,934,177	-	-
First Global Bank Jamaica Limited	(o)	611,223,759	632,000,000	-	-
		2,687,095,762	2,921,241,871	2,003,833,112	2,223,094,455
Add: Accrued interest on loans		32,774,081	19,901,539	31,956,667	16,965,237
		2,719,869,843	2,941,143,410	2,035,789,779	2,240,059,692
Less: Current portion		(577,708,286)	(574,713,969)	(569,159,089)	(537,202,422)
		2,142,161,557	2,366,429,441	1,466,630,690	1,702,857,270

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

19. Long-term loans (continued)

(a) This loan is a consolidated loan facility, which was received in October 2021 for working capital requirements, attracts interest at 10% per annum and is repayable over a period of 60 months.

(b) This loan, which was received in March 2019 to finance the purchase of a motor vehicle, attracts interest at 9% per annum and is repayable over 96 equal monthly instalments.

(c)-(e) These loans represent facilities which were received in March 2023 to finance the purchase of motor trucks, motor vehicles and other fleet assets for the Company's operations and route sales team. The facilities attract interest at rates ranging from 9.75% to 10.5% per annum and are repayable over periods ranging from three to five years.

(f) This facility, which was received in February 2024 in the amount of $860,000,000, was used to refinance expiring corporate bond facilities and provide additional working capital support. The loan is repayable over a period of 10 years following the agreed moratorium period. Interest initially attracted 10.75% per annum and was subsequently amended to 9.18% per annum. The maturity date was extended to 20 February 2034.

(g) This facility is in respect of loans funded by the Development Bank of Jamaica [DBJ] and on-lend through Mayberry Investments Limited. The loan was granted in 2022 and attracts interest at the rate of 10.5% per annum and matures in September 2028.

(h) This facility is in respect of loans funded by the Development Bank of Jamaica [DBJ] and on-lend through Mayberry Investments Limited. This facility is in respect of loans disbursed in two tranches in August 2021 and maturing in September 2026 and September 2028. Both facilities attract interest at the rate of 7.95%

(i) This loan, which was received to provide motor vehicle lease financing, attracts interest at 10.95% per annum. The loan was repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

19. Long-term loans (continued)

(j) This bond amounting to $900M, which was received in February 2024, attracts interest at 12.5% per annum and is repayable over 60 months in equal installments. The loan is registered with the JCSD, acting as a trustee for the benefit of the bond holders.

(k) The loan which was received February 2021 attracts interest at 10.95% and is repayable over 48 equal installments.

(l) This loan, which attracted interest at 10.93% per annum, was an 'on lending' facility which was assumed on the acquisition of the subsidiary. This loan was repaid during the year.

(m) The loan which was received in November 2024, attracts interest at 11% and is repayable over 60 equal installments.

(n) This facility, which was received in November 2024 by ONS Mini Mart & Electrical Supplies Limited, attracts interest at 11% per annum and matures in November 2029.

(o) The loan which was received October 2024 attracts interest at 11%. The Company was granted a moratorium on principal repayment for six months. After the moratorium period the loan is repayable over 120 months expiring April 2035.

Loans (a)-(h) were substantially secured by the following: -

i. The personal guarantee of two of the Company's directors and supported by the directors' personal assets in the form of real estates and the assignment of life insurance policies

ii. Letters of subordination of director's loans to the bank borrowings

iii. Debenture over the company's assets supported by Mortgages over the Company's commercial properties situated at:
- 77 Molynes Road, Kingston 10
- 8A and 8B Maverly Avenue, Kingston 10
- 14 Burley Road, Kingston 10

iv. The assignment of Fire and Allied Perils Insurance over stock-in-trade

v. The assignment of Fire and Allied Perils Insurance over properties held as security for their full replacement values

vi. The assignment of 'keyman' life insurance policies on the lives of Cecil Foster and Marion Foster

vii. Lien in favour of the bank on 'term deposit' held by the Company

viii. Letters of Subordination signed by Cecil Foster and Marion Foster

ix. Second mortgage over the company's commercial properties, registered in the names of Cecil Foster and Marion Foster situated at: 77 Molynes Road, Kingston 10

x. First and second mortgage over residential properties, registered in the names of Cecil Foster and Marion Foster.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

19. Long-term loans (continued)

Loans (o) were substantially secured by the following: -

i. First mortgage over commercial real estate located in Montego Bay, St. James.

ii. Personal unlimited guarantee signed jointly by Cecil and Marion Foster

iii. Corporate cross guarantee, executed by O'N'S Mini Mart & Electrical Supplies Limited in favour of FosRich Company Limited.

In addition to the above securities First Global Bank Limited has set out certain conditions and covenants as outlined below, which are to be tested on an ongoing basis as a condition to the Company's borrowings:

Covenants

Financial Covenants

i. Debt/Tangible net worth
First Global Bank requires maintenance of a maximum Debt to Tangible Net Worth ratio of 2.1: 1. At year-end, the Company satisfied the bank's requirement by maintaining at Debt to Tangible Net Worth of 1.2: 1

ii. Inventory Days
The bank requires that at year-end the maximum inventory days should not exceed 500 days. At reporting date, the value of inventory on hand as a measure of the product cost of goods sold during the current year amounted to 482 days.

In respect of other covenants, tests were conducted and confirmation received that at the date of signing, the insurance coverage in respect of those properties held by the bank as security for the loans remained fully insured.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

20. Directors' loans

Directors' loans represent amounts advanced by Directors to the Company. The balance is unsecured, interest free and has no fixed repayment terms. It is not the intention of the directors to demand full repayment within the next twelve (12) months.

21. Payables

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Trade payables	1,231,405,513	1,228,156,688	1,225,770,471	1,224,756,777
Advances and other payables	225,181,895	163,968,931	218,443,100	161,092,137
Statutory payables	112,225,647	31,411,433	112,133,123	31,156,001
	1,568,813,055	1,423,537,052	1,556,346,694	1,417,004,915

22. Short-term loans

		The Group and Company	
		2025	2024
		$	$
First Global Bank Jamaica Limited	(a)	158,000,000	158,000,000
Oxford Finance Limited	(b)	43,920,438	70,683,450
Sagicor Bank Jamaica Limited	(c)	-	27,222,680
VM Investments Limited	(d)	-	50,803,988
		201,920,438	306,710,118

(a) This loan was granted in July 2023, is repayable in January 2026, and attracts interest at a variable rate of 9.00%. It is renewable on an annual basis.

(b) This loan for Insurance Premium Financing is in respect of facilities granted to finance insurance premium. The period of this financing facility is six months, expiring July 2025.

(c) This unsecured loan was granted in 2024 and attracted interest at a variable rate of 12.5%. It is renewable on an annual basis. The loan was repaid during the year.

(d) This reverse factoring loan facility was granted in July 2023, was repayable in January 2025, and attracted interest at a variable rate of 15%. It is renewable on an annual basis. The loan was repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

23. Turnover

Turnover represents the invoiced value of goods and services, net of discounts allowed and General Consumption Tax.

24. Cost of sales

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Cost of goods sold	1,753,769,633	1,800,177,163	1,738,275,224	1,786,635,855
Salaries and wages	69,376,924	79,930,412	69,376,924	79,930,412
Installation expense - contractors	100,074,785	29,578,111	100,074,785	29,578,111
Sales commission - contractors	8,504,470	21,331,602	8,504,470	21,331,602
	1,931,725,812	1,931,017,288	1,916,231,403	1,917,475,980

25. Other operating income

		The Group		The Company	
		2025	2024	2025	2024
		$	$	$	$
Adjustment write-off	(a)	12,952,895	-	12,952,895	-
Other income		21,604,704	15,023,018	7,221,224	11,874,637
		34,557,599	15,023,018	20,174,119	11,874,637

(a) Adjustment write-off represents the net write-off of certain receivable and payable balances following management's review and reconciliation of outstanding accounts during the year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

26. Expenses by nature

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Accounting fee	5,515,395	5,420,000	5,515,395	4,620,000
Advertising and promotion	40,111,551	80,886,183	40,111,551	80,872,686
Amortization of right-of-use assets	59,109,241	58,361,227	59,109,246	58,361,227
Audit fee	6,500,000	6,000,000	6,500,000	6,000,000
Bank charges	33,098,106	46,624,086	33,098,101	39,581,767
Cleaning and sanitation	7,258,254	7,720,893	7,258,254	7,720,893
Depreciation	96,568,125	79,651,953	79,710,789	79,003,182
Directors' emoluments	50,334,182	53,071,811	50,334,182	53,071,811
Donations and subscriptions	7,211,636	7,721,887	7,211,636	7,721,887
GCT irrecoverable	17,832,229	17,508,510	17,832,229	17,508,510
Insurance	72,083,051	90,876,670	70,630,056	83,041,094
Legal and professional fees	64,410,808	85,973,307	64,410,808	85,973,307
Licence and other fees	9,979,128	8,695,660	9,979,128	8,695,660
Loss on disposal of property, plant and equipment	7,421,192	-	3,848,825	-
Motor vehicle expenses	96,933,256	110,366,176	96,323,424	109,806,834
Office expenses	12,120,888	15,435,815	12,120,888	15,026,200
Other expenses	14,312,031	24,594,381	14,055,903	24,413,352
Rent	52,434,182	36,828,006	50,238,182	34,627,257
Repairs and maintenance	26,226,933	32,436,591	26,062,215	35,283,226
Security	70,757,267	59,049,891	70,508,255	56,203,256
Staff costs (Note 28)	570,596,471	573,367,892	563,323,766	564,911,923
Utilities	34,835,368	32,018,260	34,184,310	31,474,478
	1,355,649,294	1,432,609,199	1,322,367,143	1,403,918,550
Cost of sales	1,931,725,812	1,931,017,288	1,916,231,403	1,917,475,980
Impairment (reversal)/losses on financial assets	(1,592,909)	24,506,547	(1,592,909)	24,506,547
Finance costs, net (Note 29)	260,655,894	239,779,099	187,468,133	223,409,681
	3,546,438,091	3,627,912,133	3,519,911,588	3,569,310,758

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

27. Operating (loss)/profit

The following have been charged/(credited) in arriving at operating (loss)/profit:

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Auditors' remuneration	6,500,000	6,000,000	6,500,000	6,000,000
Amortization of right-of-use-assets	59,109,241	58,361,227	59,109,241	58,361,227
Depreciation	96,568,125	79,651,953	79,710,789	79,003,182
Loss on disposal of property, plant and equipment	7,421,192	-	3,848,825	-
Impairment (reversal)/losses on financial assets	(1,592,909)	24,506,547	(1,592,909)	24,506,547
Directors' emoluments: -				
Fee	2,091,000	3,786,002	2,091,000	3,786,002
Management remuneration	48,243,182	49,285,809	48,243,182	49,285,809
Staff costs (Note 28)	570,596,471	573,367,892	563,323,766	564,911,923

28. Staff costs

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Wages and salaries	447,992,620	449,695,507	441,801,231	442,404,278
Statutory contributions	60,183,143	62,974,381	59,418,746	62,071,146
Other staff costs	62,420,708	60,698,004	62,103,789	60,436,499
	570,596,471	573,367,892	563,323,766	564,911,923

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

29. Finance costs, net

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Interest income	(99,131,473)	(91,872,886)	(99,115,157)	(91,872,886)
Foreign exchange losses	7,256,001	4,256,138	7,256,001	4,256,138
Financing fees	10,298,919	21,797,539	10,298,919	21,797,539
Interest expense	323,202,102	290,697,992	249,998,025	274,328,574
Lease interest expense	19,030,345	14,900,316	19,030,345	14,900,316
	359,787,367	331,651,985	286,583,290	315,282,567
	260,655,894	239,779,099	187,468,133	223,409,681

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

30. Taxation

(a) Taxation is computed on the (loss)/profit for the year adjusted for taxation purposes and comprises:

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Income tax:				
Current year	-	10,132,641	-	10,132,641
Deferred income taxes (Note 13)	(157,998,519)	7,548,695	(132,563,852)	7,548,695
	(157,998,519)	17,681,336	(132,563,852)	17,681,336

No income tax has been charged in these financial statements in the current year as the group and company suffered a loss for tax purposes.

Subject to the agreement of the Commissioner, Tax Administration Jamaica, tax losses available for offset against future taxable profits for the Group aggregated $613,074,171 (2024: $7,488,258) and $526,338,431 (2024: $Nil) for the Company. These tax losses may be carried forward indefinitely; however, the amount that may be utilised in any one year is restricted to 50% of that year's taxable profit, unless the relevant entity's gross sales are below the General Consumption Tax ("GCT") registration threshold, which is currently $10 million.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

30. Taxation (continued)

(b) The taxation charged in the statement of comprehensive income account differs from the theoretical amount that would arise using the tax rate of 25%, as follows:

	The Group		The Company	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
(Loss)/profit before taxation	(664,194,046)	52,235,322	(584,631,493)	78,544,036
Tax calculated	(166,048,511)	13,058,830	(146,157,873)	19,636,009
Adjusted for the effects of:				
Expenses not allowed for tax purposes	7,898,466	1,090,543	7,898,466	1,090,543
Other charges and allowances	(151,526)	8,780,242	5,695,555	2,203,063
Adjustment for the effect of remission of tax	-	(5,248,279)	-	(5,248,279)
	(157,998,519)	17,681,336	(132,563,852)	17,681,336

(c) The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on December 19, 2017. Consequently, the Company is eligible for remission of income taxes for a period of ten years, provided the following conditions are met:

(i) The Company's shares remain listed for at least 15 years and is not suspended from the JSE for any breaches of its rules.

(ii) The subscribed participating voting share capital of the Company does not exceed $500 million.

(iii) The Company has at least 50 participating voting shareholders.

The remission will apply in the following proportions:
(a) Years 1 to 5 (December 19, 2017– December 18, 2022) – 100%
(b) Years 6 to 10 (December 19, 2022 – December 18, 2027) – 50%

The financial statements have been prepared on the basis that the Company will have the full benefit of the tax remissions.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

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 some 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.

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

	The Group		The Company	
	2025	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
Due from related parties				
LCCM Investments Ventures Limited	883,701,392	845,614,399	883,701,392	845,614,399
BC Dundee Enterprise Limited	649,412,971	608,243,490	649,412,971	608,243,490
FosRich Caribbean Inc	5,034,862	284,400	5,034,862	284,400
FosRich Holdings Limited S.A	276,660	276,660	276,660	276,660
FosRich USA Inc	25,168,694	9,902,337	25,168,694	9,902,337
	1,563,594,579	1,464,321,286	1,563,594,579	1,464,321,286
Less: Impairment losses on financial assets	(10,865,570)	(19,401,781)	(10,865,570)	(19,401,781)
	1,552,729,009	1,444,919,505	1,552,729,009	1,444,919,505
Due from associate				
Blue Emerald Limited	96,156,734	7,966,280	96,156,734	7,966,280
Due from subsidiary				
O'N'S Mini Mart & Electrical Supplies Limited	-	-	84,279,837	10,826,130
Non-current liabilities				
Directors' loans	(24,698,791)	(28,537,173)	(24,698,791)	(28,537,173)
	1,624,186,952	1,424,348,612	1,708,466,789	1,435,174,742

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

31. Related party transactions (continued)

Amounts charged to the statement of comprehensive income:-

	The Group		The Company	
	2025	2024	2025	2024
	$	$	$	$
Directors' fee	2,091,000	3,786,002	2,091,000	3,786,002
Management remuneration	48,243,182	49,285,809	48,243,182	49,285,809
Sales to related parties	-	-	3,391,800	12,747,807

32. Earnings per stock unit

	2025	2024
	$	$
Net (loss)/profit attributable to stockholders of the Company	(506,195,527)	34,553,986
Weighted average number of stock	5,078,485,197	5,078,485,197
Basic earnings per stock ($ per stock)	(0.09)	0.01

Earnings per stock unit ("EPS") is computed by dividing the net loss attributable to stockholders of $506,195,527 (2024: net profit of $34,553,986) by the weighted average number of ordinary stock units in issue during the year, numbering 5,078,485,197 (2024: 5,078,485,197).

33. Dividends

	The Group and Company	
	2025	2024
	$	$
Declared at Nil (2024: 0.015) cent per stock units	-	76,177,284
Total dividends to stockholders	-	76,177,284

At a meeting held on 23 October 2024, the Board of Directors approved a dividend of 0.015 per share payable to shareholders on the company's register as at 15 November 2024.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2025

34. Provisions, contingent liabilities and commitments

Provisions

During the year, the Company entered into settlement agreements in respect of claims arising from a motor vehicle accident involving one of the Company's drivers. Settlement agreements, releases and discharges were executed with the respective claimants, giving rise to present legal obligations with fixed and determinable payment terms. Accordingly, a provision has been recognised in the financial statements.

The provision represents the outstanding settlement amounts payable at the reporting date. Payments are being made in accordance with agreed instalment schedules, and certain payments have been funded through insurance proceeds within applicable policy limits.

Contingent liabilities

In the normal course of business, the Company may be subject to claims, disputes and legal proceedings. Where an obligation is possible but not probable, or the amount cannot be reliably estimated, no provision is recognised and the matter is disclosed as a contingent liability.

Based on legal advice received, management is not aware of any further material contingent liabilities arising from the motor vehicle accident claims as at 31 December 2025, as these matters have been settled.

The Company has also been notified of an asserted personal injury claim from a former employee. The matter is covered by insurance and it is not expected that any potential settlement will exceed the applicable policy limits. No provision has been recognised in respect of this matter.

Commitments

As at 31 December 2025, the Company had no material capital commitments (2024: $Nil).

35. Subsequent Event

The Directors confirm that there have been no material events subsequent to the end of the reporting period that have not been reflected in these financial statements.

PROXY FORM
FOR HYBRID ANNUAL GENERAL MEETING

FosRich COMPANY LIMITED

I/We ____

a shareholder of FosRich Company Limited, hereby appoint

______________________(name)of ______________________ (address)

proxy, or failing him

______________________(name)of ______________________ (address)

as my/our alternate proxy to vote for me/us and on my/our behalf at the 2025 Annual General Meeting of FosRich Company Limited, to be held at 79 Molynes Road, Kingston 10, Jamaica on 27th October 2026, at 2:30 pm, and at any adjournment thereof. I desire this form to be used for/against the resolutions as follows (unless directed the proxy will vote as he sees fit)

Resolution Detail

Vote for or against

Ordinary Business

(Tick as appropriate)

No	RESOLUTION	FOR	AGAINST
1	To adopt the audited accounts for the year ended December 31, 2025, and the report of the Directors and Auditors thereon.	☐	☐
2	The Directors retiring by rotation in accordance with Articles 97 - 99 of the Company's Articles of Incorporation are Steadman Fuller and Marlene Street Forrest who, being eligible for re-election and election, offer themselves for re-election and election to the Board.		
2a	To re-elect Steadman Fuller to the Board.	☐	☐
2b	To elect Marlene Street Forrest to the Board.	☐	☐
3	To re-appoint Baker Kelly, Chartered Accountants of, 6 Collins Green Avenue, Kingston 5, Jamaica, as the auditors of the company and to fix their remuneration.	☐	☐

FosRich COMPANY LIMITED

PROXY FORM FOR HYBRID ANNUAL GENERAL MEETING

Signed this ______ day of ________ 2026

Signed:______________________________ Name: ______________________________
(Primary Shareholder/Director) (Print name)

Signed:______________________________ Name: ______________________________
(Joint Shareholder/Director/Secretary) (Print name)

Seal

1. A member entitled to attend and vote at this Annual General 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.
2. A Proxy Form is enclosed at the back of the annual report for your convenience.
3. Members can also download a proxy form from the company's website (www.fosrich.com).
4. A Director and the Company Secretary are required to sign the proxy form of a corporate member under the common seal of that company.
5. Amendments made to the proxy form must be initialled by the member(s) signing.
6. In the case of joint holders, any member may sign the proxy form to the exclusion of the other joint holder(s).
7. The completed form must be properly executed, stamped, and together with the power of attorney or other documents appointing the proxy, must be deposited with the Secretary at the Registered Office of the company at 79 Molynes Road, Kingston 10, no later than 2:30 p.m. 23rd October 2026.
8. The Proxy Form shall bear stamp duty in the amount of $100.00 by way of postal adhesive stamp(s) which is to be cancelled by the person signing the form.
9. Voting virtually on the Zoom platform during the meeting will not be accommodated. Members attending virtually, and wishing to vote, must therefore submit a Proxy Form

NOTES

ANNUAL REPORT
2025

FosRich Company Limited

CONNECTED COMMITTED WINNING

FosRich
COMPANY LIMITED

ANNUAL REPORT
2025

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