

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE AND CONSOLIDATED FINANCIAL
STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)



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THE JAMAICA STOCK EXCHANGE LIMITED

YEAR ENDED DECEMBER 31, 2025

(Expressed in Jamaican Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Jamaica Stock Exchange Limited

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate financial statements of The Jamaica Stock Exchange Limited (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group), which comprise the separate and consolidated statements of financial position as at 31 December 2025, the separate and consolidated statements of profit or loss and other comprehensive income, separate and consolidated statements of changes in equity and separate and consolidated statements of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the separate and consolidated financial position of the Company and the Group as at 31 December 2025 and of the separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and the Jamaican Companies Act.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other information included in the Group's 2025 Annual Report

Other information consists of the information included in the Group's 2025 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.



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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

Other information included in the Group's 2025 Annual Report (Continued)

Our opinion on the consolidated 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 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 financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and the Audit Committee for the Separate and Consolidated Financial Statements

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

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group'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 Company or the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's and the Group's financial reporting process.

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

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



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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

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

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

- Identify and assess the risks of material misstatement of the separate and consolidated 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 Company's and the Group'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 Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that presents a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.



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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

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

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

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

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

Report on additional requirements of 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 maintained, so far as appears from our examination of those records, and the financial statements which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The engagement partner in charge of the audit resulting in this independent auditor's report is Rochelle Stephenson.

A handwritten signature in blue ink that reads 'Ernst & Young' in a cursive script.

Chartered Accountants
Kingston, Jamaica

27 February 2026

THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

	Notes	2025 \$'000	2024 \$'000
Non-current assets			
Property and equipment	4	1,564,928	1,418,831
Intangible assets	5	260,760	266,068
Post-employment benefit asset	7(b)	178,061	145,410
Investment in securities	8(a)	156,984	202,711
Long-term receivables	9	48,343	26,372
Total non-current assets		<u>2,209,076</u>	<u>2,059,392</u>
Current assets			
Income tax recoverable		98,894	19,154
Investment in securities	8(b)	69,464	16,042
Due from related parties	10(b)	11,164	747
Trade and other receivables	11	441,446	480,204
Government securities purchased under resale agreements	12	626,644	552,696
Certificates of deposit	13(b)	33,047	44,046
Cash and cash equivalents	13(a)	197,390	217,171
Total current assets		<u>1,478,049</u>	<u>1,330,060</u>
Total assets		<u>3,687,125</u>	<u>3,389,452</u>
Equity			
Share capital	14	238,146	238,146
Fair value reserve	15	18,004	18,634
Property revaluation reserve	4	801,237	675,587
Revenue reserve non-distributable	16	48,367	48,367
Revenue reserve	17	1,959,739	1,883,416
Total equity		<u>3,065,493</u>	<u>2,864,150</u>
Non-current liabilities			
Deferred tax liabilities	18	241,898	234,773
Total non-current liabilities		<u>241,898</u>	<u>234,773</u>
Current liabilities			
Contract liabilities	32	41,042	26,614
Payables and accruals	19	338,692	263,915
Total current liabilities		<u>379,734</u>	<u>290,529</u>
Total equity and liabilities		<u>3,687,125</u>	<u>3,389,452</u>

The accompanying notes form an integral part of these consolidated and separate financial statements.

The consolidated financial statements were approved for issue by the Board of Directors on 27 February 2026 and signed on its behalf by:



Chairman
Steven Whittingham



Group Chief Executive Officer
Livingstone Morrison

THE JAMAICA STOCK EXCHANGE LIMITED

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

	Notes	2025 \$'000	2024 \$'000
Revenue			
Cess		589,676	521,780
Fee income		2,129,553	1,957,962
E-campus		35,877	34,641
Other operating income	20	135,942	141,018
		<u>2,891,048</u>	<u>2,655,401</u>
Expenses			
Staff costs	21	945,615	815,244
Property expenses		469,400	378,006
Depreciation and amortisation	4,5	127,507	124,737
Advertising and promotion		165,145	192,091
Professional fees		116,646	123,947
Securities commission fees		81,048	76,458
Net impairment loss on financial assets	29(d)	143,406	91,945
E-campus		43,470	41,119
Other operating expenses		200,487	89,777
		<u>2,292,724</u>	<u>1,933,324</u>
Investment income	22(a)	61,646	62,577
Profit before taxation	24	659,970	784,654
Taxation	24	(219,893)	(288,636)
Profit for the year	25	<u>440,077</u>	<u>496,018</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will never be reclassified to profit or loss:			
Remeasurement of employee benefits asset	7(c)	(18,747)	(92,735)
Deferred income tax on item that will never be reclassified to profit or loss	18	6,249	30,909
Revaluation surplus on land	4	96,700	1,300
Revaluation surplus on property and equipment	4	43,425	84,390
Deferred income tax on revaluation surplus	18	(14,475)	(28,130)
		<u>113,152</u>	<u>(4,266)</u>
Items that may be reclassified to profit or loss:			
Changes in the fair value of debt investments at fair value through other comprehensive income	15	(480)	(11,154)
Net impairment gain	15	(310)	11
Deferred income tax on items that may be reclassified to profit or loss	18	160	3,718
		<u>(630)</u>	<u>(7,425)</u>
Other comprehensive income/(loss) for the year, net of taxes		<u>112,522</u>	<u>(11,688)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>552,599</u></u>	<u><u>484,327</u></u>
Earnings per stock unit	26	<u>\$0.63</u>	<u>\$0.71</u>

The accompanying notes form an integral part of these consolidated and separate financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

	Share Capital \$'000 (Note 14)	Fair Value Reserve \$'000 (Note 15)	Property Revaluation Reserve \$'000 (Note 4)	Revenue Reserve Non- Distributable \$'000 (Note 16)	Revenue Reserve \$'000 (Note 17)	Total \$'000
Balance at January 1, 2024	238,146	26,059	618,027	48,367	1,688,350	2,618,949
Profit for the year	-	-	-	-	496,018	496,018
Other comprehensive income:						
Appreciation in fair value of investments, net of taxes	-	(7,425)	-	-	-	(7,425)
Remeasurement of employees benefit assets, net of taxes	-	-	-	-	(61,826)	(61,826)
Revaluation surplus of property, plant and equipment, net of taxes	-	-	57,560	-	-	57,560
Total comprehensive income for the year	-	(7,425)	57,560	-	434,192	484,327
Dividend (Note 30)	-	-	-	-	(239,126)	(239,126)
Balance at December 31, 2024	238,146	18,634	675,587	48,367	1,883,416	2,864,150
Profit for the year	-	-	-	-	440,077	440,077
Other comprehensive income:						
Appreciation in fair value of investments, net of taxes	-	(630)	-	-	-	(630)
Remeasurement of employees benefit assets, net of taxes	-	-	-	-	(12,498)	(12,498)
Revaluation surplus of property, plant and equipment, net of taxes	-	-	125,650	-	-	125,650
Total comprehensive income for the year	-	(630)	125,650	-	427,579	552,599
Dividend (Note 30)	-	-	-	-	(351,256)	(351,256)
Balance at December 31, 2025	238,146	18,004	801,237	48,367	1,959,739	3,065,493

The accompanying notes form an integral part of these consolidated and separate financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit for the year		440,077	496,018
Adjustments for:			
Depreciation of property and equipment	4	81,320	72,282
Amortisation of intangible assets	5	46,188	52,455
Write-off of intangible, property and equipment	4,5	5,379	-
Gain on investment through profit and loss	22(a)	(3,059)	(1,011)
Investment premium/discount	22(a)	861	844
Foreign exchange losses on investments	22(a)	(4,667)	(4,308)
Employee benefits expense	7(c)	36,712	14,539
Net impairment on financial assets	29(d)	143,406	91,945
Income tax charge	24	219,893	288,636
Interest income	22(a)	(54,782)	(58,102)
Operating cash flows before movements in working capital		911,329	953,299
Increase in trade and other receivables		(119,784)	(163,206)
Increase/(Decrease) in contract liabilities		14,428	(6,837)
Increase in payables and accruals		74,777	69,580
Post-employment benefit contributions	7(d)	(88,110)	(88,321)
Cash provided by operations		792,640	764,515
Income tax paid		(297,981)	(258,540)
Cash provided by operating activities		494,659	505,975
Cash flows from investing activities			
Acquisition of investments		(2,289)	(364,163)
Encashment/maturity of investments		(59,790)	154,206
Certificates of deposit		10,999	(385)
Receipts from related parties		(10,447)	6,217
Acquisition of property and equipment	4	(80,224)	(45,673)
Acquisition of intangible assets	5	(53,339)	(91,080)
Long-term receivables		(21,971)	(9,010)
Interest received		54,267	58,711
Cash used in investing activities		(162,794)	(291,177)
Cash flows from financing activity			
Dividends paid	30	(351,256)	(239,126)
Cash used in financing activity		(351,256)	(239,126)
Net decrease in cash and cash equivalents		(19,391)	(24,328)
Cash and cash equivalents at the beginning of the year		217,171	240,308
Effect of foreign exchange rate changes		(390)	1,191
Cash and cash equivalents at the end of the year	13	197,390	217,171

The accompanying notes form an integral part of these consolidated and separate financial statements.

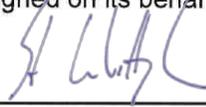
THE JAMAICA STOCK EXCHANGE LIMITED

**SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

	Notes	2025 \$'000	2024 \$'000
Non-current assets			
Property and equipment	4	1,542,017	1,395,155
Intangible assets	5	113,712	131,482
Investment in subsidiary	6	61,000	61,000
Post-employment benefit asset	7(b)	53,021	92,401
Investment in securities	8(a)	39,978	37,836
Long-term receivables	9	28,375	16,295
Total non-current assets		<u>1,838,103</u>	<u>1,734,169</u>
Current assets			
Income tax recoverable		24,939	38,015
Investment in securities	8(b)	14,947	12,777
Due from related parties	10(b)	11,164	747
Trade and other receivables	11	114,174	135,886
Government securities purchased under resale agreements	12	67,984	63,057
Certificates of deposit	13(b)	33,047	32,540
Cash and cash equivalents	13(a)	17,345	57,365
Total current assets		<u>283,600</u>	<u>340,387</u>
Total assets		<u>2,121,703</u>	<u>2,074,556</u>
Equity			
Share capital	14	238,146	238,146
Fair value reserve	15	4,631	3,547
Property revaluation reserve	4	801,237	675,587
Revenue reserve	17	191,501	245,509
Total equity		<u>1,235,515</u>	<u>1,162,789</u>
Non-current liabilities			
Deferred tax liabilities	18	211,808	227,127
Total non-current liabilities		<u>211,808</u>	<u>227,127</u>
Current liabilities			
Due to related party	10(b)	470,230	515,314
Contract liabilities	32	23,725	9,766
Payables and accruals	19	180,425	159,560
Total current liabilities		<u>674,380</u>	<u>684,640</u>
Total equity and liabilities		<u>2,121,703</u>	<u>2,074,556</u>

The accompanying notes form an integral part of these consolidated and separate financial statements.

The consolidated financial statements were approved for issue by the Board of Directors on 27 February 2026 and signed on its behalf by:



Chairman
Steven Whittingham



Group Chief Executive Officer
Livingstone Morrison

THE JAMAICA STOCK EXCHANGE LIMITED

**SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

	Notes	2025 \$'000	2024 \$'000
Revenue			
Cess		554,279	490,482
Fee income		562,399	434,675
E-campus		35,877	34,641
Other operating income	20	438,830	378,881
		<u>1,591,385</u>	<u>1,338,679</u>
Expenses			
Staff costs	21	452,757	368,217
Property expenses		215,900	177,061
Depreciation and amortisation	4,5	109,748	101,308
Advertising and promotion		152,369	172,228
Professional fees		54,613	88,520
Securities commission fees		74,341	68,042
Net impairment loss on financial assets	29(d)	24,354	24,196
E-campus expenses		43,470	41,119
Other operating expenses		130,660	56,317
		<u>1,258,212</u>	<u>1,097,008</u>
Investment income	22(a)	15,016	8,036
Profit before taxation	24	348,189	249,707
Taxation	24	(7,208)	(27,094)
Profit for the year	25	<u>340,981</u>	<u>222,613</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will never be reclassified to profit or loss:			
Remeasurement loss of employee benefits asset	7(c)	(65,599)	(89,304)
Deferred income tax on item that will never be reclassified to profit or loss	18	21,866	29,768
Revaluation surplus on land	4	96,700	1,300
Revaluation surplus on property and equipment	4	43,425	84,390
Deferred income tax on revaluation surplus	18	(14,475)	(28,130)
		<u>81,917</u>	<u>(1,976)</u>
Items that may be reclassified to profit or loss:			
Changes in the fair value of debt investments of fair value through other comprehensive income	15	1,627	(2,544)
Net impairment (loss)/gain	15	(1)	15
Deferred income tax on items that may be reclassified to profit or loss	15,18	(542)	848
		<u>1,084</u>	<u>(1,681)</u>
Other comprehensive income/(loss) for the year, net of taxes		<u>83,001</u>	<u>(3,657)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>423,982</u></u>	<u><u>218,956</u></u>

The accompanying notes form an integral part of these consolidated and separate financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

**SEPARATE STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

	Share Capital \$'000 (Note 14)	Fair Value Reserve \$'000 (Note 15)	Property Revaluation Reserve \$'000 (Note 4)	Revenue Reserve \$'000 (Note 17)	Total \$'000
Balance at January 1, 2024	238,146	5,228	618,027	321,558	1,182,959
Profit for the year	-	-	-	222,613	222,613
Other comprehensive income:					
Depreciation in fair value of investments, net of taxes	-	(1,681)	-	-	(1,681)
Remeasurement of employee benefits assets, net of taxes	-	-	-	(59,536)	(59,536)
Revaluation of land and building, net of taxes	-	-	57,560	-	57,560
Total comprehensive income for the year	-	(1,681)	57,560	163,077	218,956
Dividend (Note 30)	-	-	-	(239,126)	(239,126)
Balance at December 31, 2024	238,146	3,547	675,587	245,509	1,162,789
Profit for the year	-	-	-	340,981	340,981
Other comprehensive income:					
Appreciation in fair value of investments, net of taxes	-	1,084	-	-	1,084
Remeasurement of employee benefits assets, net of taxes	-	-	-	(43,733)	(43,733)
Revaluation of land and building, net of taxes	-	-	125,650	-	125,650
Total comprehensive income for the year	-	1,084	125,650	297,248	423,982
Dividend (Note 30)	-	-	-	(351,256)	(351,256)
Balance at December 31, 2025	238,146	4,631	801,237	191,501	1,235,515

The accompanying notes form an integral part of these consolidated and separate financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

(Expressed in Jamaican Dollars)

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit for the year		340,981	222,613
Adjustments for:			
Depreciation of property and equipment	4	74,062	65,263
Amortisation of intangible assets	5	35,686	36,045
Write-off of property and equipment	4	5,379	-
Net losses on investment through profit and loss	22(a)	(3,060)	(967)
Foreign exchange gain	22(a)	1,181	(224)
Investment premium/discount		188	184
Post-employment benefit expense	7(c)	20,519	2,867
Net impairment on financial assets	29(d)	24,354	24,196
Income tax charge	24	7,208	27,094
Interest income	22(a)	(13,325)	(7,029)
Dividend income	20	(309,800)	(239,500)
Operating cash flows before movements in working capital		183,373	130,542
Increase in trade and other receivables		(2,707)	(46,947)
Increase/(Decrease) in contract liabilities		13,959	(4,028)
Increase in trade and other payables		20,865	56,608
Post-employment benefit contributions	7(d)	(46,738)	(49,291)
Cash provided by operations		168,752	86,884
Income tax paid		(2,604)	(1,153)
Cash provided by operating activities		166,148	85,731
Cash flows from investing activities			
Acquisition of investments		(71)	(61,766)
Encashment/maturity of investments		(4,927)	16,443
Certificates of deposit		(506)	(540)
Receipts from related parties		(55,499)	89,617
Acquisition of property and equipment	4	(73,731)	(41,213)
Acquisition of intangible assets	5	(30,375)	(54,001)
Long-term receivables		(12,080)	(1,642)
Dividend received	20	309,800	239,500
Interest received		13,364	8,212
Cash provided by investing activities		145,975	194,610
Cash flows from financing activities			
Dividend paid	30	(351,256)	(239,126)
Cash used in financing activities		(351,256)	(239,126)
Net (decrease)/increase in cash and cash equivalents		(39,133)	41,215
Cash and cash equivalents at the beginning of the year		57,365	16,101
Effect of foreign exchange rate changes		(887)	49
Cash and cash equivalents at the end of the year	13	17,345	57,365

The accompanying notes form an integral part of these consolidated and separate financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

1. Identification and principal activities

The Jamaica Stock Exchange Limited (the Company) is incorporated in Jamaica as a public limited liability company. The main activities of the Company are the regulation and operation of a stock exchange and the development of the stock market in Jamaica. The Company performs the twin role of regulating participants in the stock market, and operating an efficient platform on which that market trades. The Company is domiciled in Jamaica with registered office at 40 Harbour Street, Kingston, Jamaica and is listed on the Main Market of the Jamaica Stock Exchange.

The Group comprises the Company and its wholly-owned subsidiaries as detailed below:

<u>Subsidiaries</u>	<u>Principal Activity</u>
Jamaica Central Securities Depository Limited (JCSD) and its wholly-owned subsidiaries, JCSD Trustee Services Limited (Incorporated July 21, 2008) and JCSD Trustee Services (Barbados) Limited (Incorporated December 21, 2021).	To establish and maintain a Central Securities Depository (CSD) in Jamaica to facilitate the transfer of ownership of securities by book entry, including shares, stocks, bonds or debentures of companies and other eligible securities. Its subsidiaries JCSD Trustee Services Limited provides trustee custodianship and related services. JCSD Trustee Services (Barbados) Limited provides trustee custodianship and related services.

Both the JCSD and its subsidiaries JCSD Trustee Services Limited, are incorporated and domiciled in Jamaica. The JCSD Trustee Services (Barbados) Limited incorporated in Barbados and has not commenced operations. The Company and its subsidiaries are herein referred to as the Group.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements have been prepared in accordance and comply with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

(b) Adoption of new and revised IFRS Accounting Standards:

(i) Standards and interpretations adopted during the year

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

These new standards and amendments applied for the first time in 2025 and the nature and the impact of each amendment is described below.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(b) Adoption of new and revised IFRS Accounting Standards (Continued)

(i) Standards and interpretations adopted during the year (Continued)

• **Amendments to IAS 21 – Lack of exchangeability (effective January 1, 2025)**

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

A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

The amendments had no impact on the consolidated financial statements.

(ii) **Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group**

• **Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred indefinitely)**

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

The amendments will have no impact on the consolidated financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(b) Adoption of new and revised IFRS Accounting Standards (Continued)

(ii) ***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group (Continued)***

- **Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective 1 January 2026)**

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures), which:

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

The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. These amendments are not expected to have a material impact on the financial statements.

- **IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027)**

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS Accounting Standard. IFRS 18 must be applied retrospectively. The Group is assessing the impact this standard will have on the financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(b) Adoption of new and revised IFRS Accounting Standards (Continued)

(ii) *Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group (Continued)*

• **IFRS 19 - Subsidiaries without Public Accountability: Disclosures (1 January 2027)**

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS Accounting Standards.

An entity may elect to apply IFRS 19 if at the end of the reporting period:

- It is a subsidiary as defined in IFRS 10 Consolidated Financial Statements;
- It does not have public accountability; and
- It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS Accounting Standards.

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (i.e., not for reasons incidental to its primary business).

If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19, unless IFRS 19 or another IFRS Accounting Standard permits or requires otherwise. The Group is assessing the impact this standard will have on the financial statements.

• **Annual Improvements to IFRS Accounting Standards – Volume 11 (1 January 2027)**

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11, effective for annual periods beginning on or after 1 January 2026. These include:

- IFRS 7 Financial Instruments: Disclosures
- IFRS 9 Financial Instruments
- IFRS 10 Consolidated Financial Statements
- IAS 7 Statement of Cash Flows

The Group is assessing the impact these improvements will have on the financial statements.

(c) Basis of measurement and functional currency

The Group's consolidated financial statements have been prepared on the historical cost basis, except for financial assets classified as fair value through profit and loss and fair value through other comprehensive income and freehold land and buildings that are measured at revalued amounts or fair values as set out in the accounting policies at Notes 3(d) and 3[(i)(iii)], respectively. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Unless otherwise stated, the financial statements are presented in thousands of Jamaica dollars (\$'000). The Jamaican dollar is the functional and presentation currency of the Group and Company.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

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

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

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(e) Accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. The estimates and associated assumptions are based on historical experience and/or various other factors that are believed to be reasonable under the circumstances. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

- *Allowance for credit losses*

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held, if any, or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the general approach for calculating the ECL considers changes to the borrower and credit risk related variables such as changes in the probability of default (PD) and loss given default (GD), exposure amounts, collateral values, migration of default probabilities and internal credit risk ratings and supportable forward, looking information, including macroeconomic factors. It is the Group's policy to measure ECLs on such financial instruments at FVOCI and amortised cost on a 12-month basis.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(e) Accounting estimates and judgements (Continued)

• *Allowance for credit losses (Continued)*

At year end, the loss allowance provision recognised in respect of trade receivables of the Group amounted to \$315.84 million (2024: \$171.52 million) and for the Company \$61.25 million (2024: \$36.83 million), in respect of reverse repurchase agreements, \$10.53 million (2024: \$10.33 million) for the Group and \$1.23 million for the Company (2024: \$1.27 million), in respect to cash and cash equivalents for the Group and for the Company \$0.11 million (2024: \$1.73 million for the Group and Company), in respect of certificates of deposit, \$0.64 million (2024: \$ 0.76 million) for the Group and \$0.64 million (2024: \$0.66 million) for Company and in relation to bonds measured at FVOCI, \$1.99 million for the Group and \$0.13 million for the Company (2024: \$2.3 million for the Group and \$0.13 million for the Company).

• *Fair value of financial instruments*

As described in Note 29, management uses its judgment in selecting appropriate valuation techniques to determine fair values of financial assets. Valuation techniques commonly used by market practitioners supported by appropriate assumptions are applied by the Group. The financial assets of the Group at the end of the reporting period stated at fair value determined in this manner amounted to \$226.45 million (2024: \$218.75 million) and \$54.93 million for the Company (2024: \$50.61 million) (Note 8).

Had the fair value of these securities been 2% higher or lower the fair value reserve for the Group would increase/decrease by \$4.53 million (2024: \$4.38 million) and \$1.10 million for the Company (2024: \$1.01 million).

• *Employee benefits*

As disclosed in Note 7, the Group operates a defined benefit pension plan. The retirement benefit asset disclosed in the consolidated statement of financial position for the Group is \$178.06 million (2024: \$145.41 million) and Company \$53.02 million (2024: \$92.4 million). The defined benefits plan is subject to estimates in respect of periodic costs which costs are dependent on returns on assets, future discount rates, rates of salary increases and inflation rate in respect of the pension plan.

The estimated return on pension assets assumption is determined by considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The Group estimates the appropriate discount rate annually which rate is used to determine the present value of estimated cash outflows expected to be required to settle the pension and post-retirement benefit obligations. Actuaries are contracted in this regard.

To determine the appropriate discount rate in the absence of high quality corporate bonds, the interest rate on government bonds that have maturities approximating the related pension liabilities was considered.

Note 7(i) gives details of sensitivity analysis in respect of the above.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

2. Statement of compliance and basis of preparation (Continued)

(e) Accounting estimates and judgements (Continued)

- *Fair value of land and buildings*

Included in the statement of financial position are land and buildings with a carrying value of \$1,385 million (2024: \$1,252 million) at fair value as determined by an external valuator less accumulated depreciation (Note 4).

The Group engaged an external valuation specialist to determine the appropriate valuation techniques and inputs for fair value measurements.

- *Residual value and expected useful life of property and equipment*

The residual value and the useful life of each asset are reviewed at least at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful life of an asset is defined in terms of the asset's expected utility to the Group.

- *Taxes*

Uncertainties exist with respect to the interpretation of tax regulations and the amount and timing of future taxable income. The Group establishes provisions, based on reasonable estimates taking cognizance of possible differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Group.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (See Notes 18 and 24).

It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from these assumptions could require a material adjustment to the carrying amounts reflected in the financial statements.

3. Material accounting policies

(a) Foreign currencies

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Group operates (its functional currency).

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency, the Jamaican dollar, are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(a) Foreign currencies (Continued)

Exchange differences on monetary items, are recognised in profit or loss in the period in which they arise. The gain or loss on the change in fair value is treated in line with the recognition of the gain or loss on change in fair value of the item; i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit and loss are also recognised in OCI or profit or loss respectively.

(b) Current vs. non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

3. Material accounting policies (Continued)

(c) Fair value measurement (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group's Board of Directors determines the policies and procedures for recurring fair value measurement, such as property, plant and equipment (specifically land and buildings).

External valuers are involved for valuation of significant assets, such as property, plant and equipment (specifically land and buildings). Involvement of external valuers is decided upon annually. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

The Group, in conjunction with the external valuers, also compares each of the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

3. Material accounting policies (Continued)

(d) Property and equipment

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in property revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in properties revaluation reserve relating to a previous revaluation of that asset. Depreciation on revalued buildings is recognised in profit or loss. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in property revaluation reserve is transferred directly to revenue reserve.

Furniture and fixtures, office equipment, computer hardware and motor vehicles held for use in the supply of services, or for administrative purposes, are stated in the consolidated statement of financial position at cost, less accumulated depreciation and impairment losses.

Properties in the course of construction for supply of goods and services or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land and capital work-in-progress are not depreciated.

Depreciation is recognised so as to write off the cost of property and equipment (other than freehold land, land improvements and work-in-progress) less residual values, over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(e) Intangible assets

(i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(f) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

(g) Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit and loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

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

(g) Impairment of tangible and intangible assets (Continued)

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Employee benefit costs

(i) Defined benefit plan

Pension obligations

The Group operates a defined benefit pension plan. The cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at the end of each reporting period.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through the statement of profit or loss and other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under expenses in consolidated statement of profit or loss and other comprehensive income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

(ii) Defined Contribution Plan

The Group and the Company also operate a defined contribution pension plan to provide retirement pensions for its employees. Contributions to the plan, made on the basis provided for in the rules, are expensed in the year in which they are incurred.

(i) Financial assets and liabilities

Financial assets comprise cash and cash equivalents, certificates of deposit, government securities purchased under resale agreements, investment securities, due from related parties and receivables. Financial liabilities comprise payables, contract liabilities and due to related parties.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(i) Financial assets and liabilities (Continued)

(i) Recognition

The Group initially recognises financial instruments on the date at which the Group becomes a party to the contractual provisions of the instrument, i.e., the date that they are originated.

(ii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or have expired.

The Group enters into transactions whereby it transfers assets but retains either all or a portion of the risks and rewards of the transferred assets. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, repurchase transactions.

(iii) Measurement

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

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

Debt instruments

The initial recognition and subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

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

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(i) Financial assets and liabilities (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

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

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

The measurement of financial assets subsequent to initial recognition depends upon their classification as set out in Note 3(i)(iv) below.

Financial liabilities are measured at amortised cost after initial recognition, using the effective interest rate method, with interest expense recognised on an effective yield basis except where the recognition of interest would be immaterial.

(iv) Classification

The Group classifies its financial assets in the following measurement categories:

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

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

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when its business model for managing those assets changes.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(i) Financial assets and liabilities (Continued)

(v) Identification and measurement of impairment

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

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See Note 29(d) for further details.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Impairment losses on debt instrument securities measured at FVOCI are recognised by transferring the cumulative loss that has been recognised directly in other comprehensive income in equity to profit or loss. The cumulative loss that is removed from equity and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss.

If, in a subsequent period, the fair value of an impaired debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired FVOCI security is recognised in other comprehensive income.

(j) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase the asset at a fixed price on a future date (repurchase agreements) and securities purchased under agreements to resell the asset at a fixed price on a future date (reverse repurchase agreements or resale agreements) are treated as collateralised financing transactions. In the case of reverse repurchase agreements, the underlying asset is not recognised in the Group's consolidated financial statements; in the case of repurchase agreements the underlying collateral is not derecognised from the Group's consolidated financial statements but is segregated as pledged assets. The difference between the sale/purchase and repurchase/resale price is treated as interest and accrued over the life of the agreements using the effective interest method.

(k) Investment in subsidiary

Investment in subsidiary is stated at cost in the separate financial statements of the Company.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(l) Taxation

Income tax expense represents the sum of tax current and deferred tax.

(i) Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from the profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(l) Taxation (Continued)

(iii) Current and deferred tax for the year

Current tax is accrued and recognised in profit or loss. Deferred taxes are recognised in net profit or loss except, when they relates to items that are recognised in other comprehensive income or directly in equity in which case the deferred taxes are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(m) Related party transactions and balances

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity”, that is, the company).

(a) A person or a close member of that person’s family is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan established for the benefit of employees of either the company or an entity related to the reporting entity.
- (vi) The entity is controlled, or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

3. Material accounting policies (Continued)

(n) Revenue recognition

(i) Cess income

Cess income which is based on a percentage of the value of business done through brokers of the Group and derived from levies on investors, is accounted for on the accruals basis and is recognised at a point in time. There are no expected significant revenue reversals associated with this revenue stream.

(ii) Fee income

Fee income derived from annual listing fees charged to listed companies is accounted for on the accruals basis and is recognised over time. Fee income also includes initial listing fees paid by entities wishing to be listed on the Stock Exchange. These are accounted for when they become due. The annual listing fee is paid by entity listed on the stock exchange which gives them the privilege of their shares being traded on the exchange to provide them with capital.

Fee income of the subsidiaries include:

Membership fees

These are annual fees charged to the brokers and institutional investors who participate in the Jamaica Central Securities Depository (JCSD) and are accounted for on the accrual basis and recognised over time.

Account maintenance fees

These are monthly fees charged to the brokers and institutional investors who participate in the JCSD and are accounted for on the accrual basis and are recognised over time.

User fees

These include charges per transaction for deposits, withdrawals and delivery orders (trades), and are accounted for on the accrual basis and are recognised at a point time.

Trustee service fee

These include service fees charged for the provision of trustee services, company management, custodianship and related services and are accounted for on the accrual basis. Trustee services and company management are recognised over time. Retail repurchase fees are at a point in time. There are no expected significant revenue reversals associated with this revenue stream.

(iii) E-campus income

This represents revenue generated from JSE offering of post graduate certificate and diploma courses, to professionals and is accounted for on the accrual basis. The recognition pattern for E-campus income includes income recognised at a point in time and also over time.

(iv) Members/dealers license fee

These are fees levied on members/dealers annually. Additionally, an initial fee determined on the basis of a bid is payable by new dealers subject to approval by the Board of Directors. The recognition pattern for this income stream is over time.

THE JAMAICA STOCK EXCHANGE LIMITED

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)**

3. Material accounting policies (Continued)

(n) Revenue recognition (Continued)

(v) Other operating income:

This includes income related to other services and events of the Group such as website charges and conferences and is accounted for on the accrual basis.

(vi) Investment income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of the income can be measured reliably. Interest income is accrued on a time basis and is recognised in profit or loss, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

4. Property and equipment

The Group

	Freehold land \$'000	Freehold buildings \$'000	Furniture & fixtures \$'000	Office equipment \$'000	Computer hardware \$'000	Motor vehicles \$'000	Work-in- progress \$'000	Total \$'000
Cost or fair value								
January 1, 2024	272,700	883,230	37,950	221,154	131,574	7,500	25,788	1,579,896
Additions	-	19,718	3,458	7,076	7,099	-	8,322	45,673
Transfers	-	13,291	-	-	-	-	(13,291)	-
Reclassifications (Note 5(a))	-	-	3,355	1,113	9,367	-	-	13,835
Write off	-	-	-	-	-	-	-	-
Revaluation	1,300	61,760	-	-	-	-	-	63,060
December 31, 2024	274,000	977,999	44,763	229,343	148,040	7,500	20,819	1,702,464
Additions	-	15,622	4,954	14,483	26,997	-	18,168	80,224
Transfers	-	1,972	-	7,374	-	-	(9,346)	-
Reclassifications (Note 5(a))	-	-	-	10,958	445	-	-	11,403
Write off (Note 5(a))	-	-	-	-	-	-	(4,323)	(4,323)
Revaluation	96,700	18,706	-	-	-	-	-	115,406
December 31, 2025	370,700	1,014,299	49,717	262,158	175,482	7,500	25,318	1,905,174
Depreciation								
January 1, 2024	-	-	20,404	119,271	92,428	1,875	-	233,978
Charge for year (Note 23)	-	22,627	3,256	29,679	15,220	1,500	-	72,282
Revaluation	-	(22,627)	-	-	-	-	-	(22,627)
December 31, 2024	-	-	23,660	148,950	107,648	3,375	-	283,633
Charge for year (Note 23)	-	24,707	3,662	33,824	17,627	1,500	-	81,320
Revaluation	-	(24,707)	-	-	-	-	-	(24,707)
December 31, 2025	-	-	27,322	182,774	125,275	4,875	-	340,246
Carrying amounts								
December 31, 2025	370,700	1,014,299	22,395	79,384	50,207	2,625	25,318	1,564,928
December 31, 2024	274,000	977,999	21,103	80,393	40,392	4,125	20,819	1,418,831

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Expressed in Jamaican Dollars)

4. Property and equipment (Continued)

The Company

	Freehold land \$'000	Freehold buildings \$'000	Furniture & fixtures \$'000	Office equipment \$'000	Computer hardware \$'000	Motor vehicles \$'000	Work-in- progress \$'000	Total \$'000
Cost or fair value								
January 1, 2024	272,700	883,230	25,847	177,568	93,588	7,500	25,788	1,486,221
Additions	-	19,718	2,550	5,027	5,596	-	8,322	41,213
Transfers	-	13,291	-	-	-	-	(13,291)	-
Reclassifications (Note 5(a))	-	-	3,315	1,113	9,367	-	-	13,795
Revaluation	1,300	61,760	-	-	-	-	-	63,060
December 31, 2024	274,000	977,999	31,712	183,708	108,551	7,500	20,819	1,604,289
Additions	-	15,622	4,747	14,317	20,877	-	18,168	73,731
Transfers	-	1,972	-	7,374	-	-	(9,346)	-
Reclassifications (Note 5(a))	-	-	-	10,958	445	-	-	11,403
Write off	-	-	-	-	-	-	(4,323)	(4,323)
Revaluation	96,700	18,706	-	-	-	-	-	115,406
December 31, 2025	370,700	1,014,299	36,459	216,357	129,873	7,500	25,318	1,800,506
Depreciation								
January 1, 2024	-	-	14,563	90,821	59,239	1,875	-	166,498
Charge for year (Note 23)	-	22,627	2,308	25,516	13,312	1,500	-	65,263
Disposal	-	-	-	-	-	-	-	-
Revaluation adjustment	-	(22,627)	-	-	-	-	-	(22,627)
December 31, 2024	-	-	16,871	116,337	72,551	3,375	-	209,134
Charge for year (Note 23)	-	24,707	2,671	29,629	15,555	1,500	-	74,062
Revaluation adjustment	-	(24,707)	-	-	-	-	-	(24,707)
December 31, 2025	-	-	19,542	145,966	88,106	4,875	-	258,489
Carrying amounts								
December 31, 2025	370,700	1,014,299	16,917	70,391	41,767	2,625	25,318	1,542,017
December 31, 2024	274,000	977,999	14,841	67,371	36,000	4,125	20,819	1,395,155

THE JAMAICA STOCK EXCHANGE LIMITED

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
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4. Property and equipment (Continued)

The Group's policy is to record its land and building at fair value. Consequently, freehold land and buildings are included at valuation based on fair market value (See Note 3(d)) as expressed by external professional valuers, Easton Douglas Consultants Limited in December 2025.

The fair value was determined based on the cost approach that reflects the prices of properties comparable in quality and location.

Had the land and buildings been measured on a historical cost basis, their carrying amount would have been as follows:

	2025	2024
	\$'000	\$'000
Freehold land	43,997	43,997
Freehold buildings	<u>381,213</u>	<u>372,943</u>

The following useful lives are used in the calculation of depreciation of property and equipment:

Buildings	-	40 years
Furniture and fixtures	-	10 years
Office equipment	-	5 years
Computer hardware	-	5 years
Motor vehicles	-	5 years

No depreciation is provided on freehold land, land improvements and work-in-progress.

Property revaluation reserve

The property revaluation reserve represents the fair value gains and losses arising on the revaluation of land and buildings that have been recognised in other comprehensive income.

	The Group and the Company	
	2025	2024
	\$'000	\$'000
Balance at January 1	675,587	618,027
Net gain arising on revaluation of land and buildings	140,125	85,690
Deferred tax adjustments on buildings	<u>(14,475)</u>	<u>(28,130)</u>
Balance at December 31	<u>801,237</u>	<u>675,587</u>

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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(Expressed in Jamaican Dollars)

5. Intangible assets

	The Group				The Company			
	Computer Software \$'000	Computer Software Development Projects \$'000	Programmes \$'000	Total \$'000	Computer Software \$'000	Computer Software Development Project \$'000	Programmes \$'000	Total \$'000
Cost								
January 1, 2024	301,171	177,405	10,245	488,821	206,958	85,855	10,245	303,058
Additions	52,776	38,304	-	91,080	44,298	9,703	-	54,001
Reclassification (Note 4)	23,867	(37,701)	-	(13,834)	22,762	(36,596)	-	(13,834)
December 31, 2024	377,814	178,008	10,245	566,067	274,018	58,962	10,245	343,225
Additions	29,564	23,775	-	53,339	29,564	811	-	30,375
Reclassification (Note 5(a))	987	(12,390)	-	(11,403)	987	(12,390)	-	(11,403)
Write off	-	(1,056)	-	(1,056)	-	(1,056)	-	(1,056)
December 31, 2025	408,365	188,337	10,245	606,947	304,569	46,327	10,245	361,141
Amortisation								
January 1, 2024	245,921	-	1,623	247,544	174,075	-	1,623	175,698
Charge for the year	49,041	-	3,414	52,455	32,631	-	3,414	36,045
December 31, 2024	294,962	-	5,037	299,999	206,706	-	5,037	211,743
Charge for the year	42,858	-	3,330	46,188	32,356	-	3,330	35,686
December 31, 2025	337,820	-	8,367	346,187	239,062	-	8,367	247,429
Carrying amounts								
December 31, 2025	70,545	188,337	1,878	260,760	65,507	46,327	1,878	113,712
December 31, 2024	82,852	178,008	5,208	266,068	67,312	58,962	5,208	131,482

(a) In 2025, this represents assets reclassified from intangibles to property and equipment \$11.40 million for the Group and the Company.

(b) Amortisation of the computer software and programme costs are calculated based on an estimated useful life of 2 - 5 years. Amortisation is not calculated on computer software in development.

6. Investment in subsidiary

	The Company	
	2025 \$'000	2024 \$'000
Shares at cost in Jamaica Central Securities Depository Limited	61,000	61,000

THE JAMAICA STOCK EXCHANGE LIMITED

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2025 (Expressed in Jamaican Dollars)

7. Employee benefits

The Group operates a defined benefit pension plan for its employees. The plan is open to all permanent employees and is administered by Victoria Mutual Pensions Management Limited. The plan is funded by employee contributions of 5% of pensionable salary, with an option for additional voluntary contributions of up to 8.4% of pensionable salary. The companies in the Group contribute to the plan at rates determined periodically by external actuarial valuations (currently 18.2% of pensionable salary) (2024: 18.2%) to meet the obligations of the plan.

Pension benefits are determined on the basis of 2% of final annual pensionable salary times pensionable years of service.

The Trustees administer an irrevocable trust for providing pensions and other benefits to employees of The Jamaica Stock Exchange Limited and Jamaica Central Securities Depository Limited (the employers). The benefits are provided in accordance with the provisions of the rules of The Jamaica Stock Exchange Superannuation Pension Plan (the Plan) (formerly Jamaica Stock Exchange Pension Scheme) and funding as recommended by the actuaries to meet past and future liabilities of the Plan.

Contributions are received from The Jamaica Stock Exchange Limited and Jamaica Central Securities Depository Limited on behalf of the employees who are eligible for membership. Management determines the level of contribution required to the Plan on the recommendation of the Trustees. The Trustees make and approve changes by the Investment Manager, Custodian/Trustee, Actuary, Plan Administrator and Investment Consultant; monitor and review performance of the Investment Manager at least quarterly; review the Plan's performance on a quarterly basis and approve any deviation from investment policy; review the actuarial valuation, changes in methods and assumptions and their impact upon the Plan; and review investment policies and principles at least annually.

Performance targets are set to achieve appropriate investment asset mix and diversification, rate of return above inflation and rate of return above a benchmark portfolio constructed on specified market indices and Government instruments. The primary objective of the Plan is to maximize the benefit paid to members at retirement through optimisation of returns on investments within constraint of risk exposure in the asset mix strategy. The asset mix of the Plan consists of long-term asset mix strategy with average equity content providing that the equity component is well diversified. The Plan is exposed to interest rate risk, inflation and changes in life expectancy for pensioners. Note 7(g) details the Plan's exposure in respect of various financial assets.

The most recent triennial actuarial funding valuation was carried out at December 31, 2021, by Duggan Consulting Limited, a qualified actuary. The valuation indicated that the Plan was adequately funded with funding ration of 25% to finance past service liabilities. The present value of the defined benefit obligation and the related current service costs and past service costs have been measured using the projected unit credit method. In addition, an IAS 19 valuation was carried out as at December 31, 2025. During the year the plan was closed to new members.

(a) Principal assumptions used for the purpose of the actuarial valuations:

Financial Assumptions

	2025	2024
Discount rate	10%	9.5%
Expected rate of future salary increases	8%	8%
Administrative expenses	1.5%	1.5%

The weighted average duration of the defined benefit obligation as at December 31, 2025, is 16.1 years (2024: 16.1 years) for the Group and 12.9 years (2024: 12.9 years) for the Company.

THE JAMAICA STOCK EXCHANGE LIMITED

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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7. Employee benefits (Continued)

- (a) Principal assumptions used for the purpose of the actuarial valuations: (continued)

Mortality

American 1994 Group Annuitant Mortality (GAM94) table with 5-year mortality improvement.

Demographic assumptions

Demographic assumptions include an assumed retirement age of 60 years for all employees (which is the normal retirement age). Assumptions regarding future mortality are based on American 1994 Corporation Annuitant Mortality (GAM94) table with 5-year mortality improvement. No assumption was made for termination and death prior to retirement.

- (b) Amount included in the separate and consolidated statement of financial position in respect of the Plan:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Fair value of plan assets	1,343,251	1,262,772	804,958	832,607
Present value of defined benefit obligations	<u>(1,165,190)</u>	<u>(1,117,362)</u>	<u>(751,937)</u>	<u>(740,206)</u>
Net asset in the statement of financial position	<u>178,061</u>	<u>145,410</u>	<u>53,021</u>	<u>92,401</u>

- (c) Amounts recognised in profit or loss and other comprehensive income in respect of the Plan:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Items in profit or loss:				
Current service costs	56,899	39,861	32,740	21,781
Interest costs	102,483	92,745	66,797	62,780
Return on plan assets	<u>(122,670)</u>	<u>(118,067)</u>	<u>(79,018)</u>	<u>(81,694)</u>
Net expense (income) for the year recognised in profit	<u>36,712</u>	<u>14,539</u>	<u>20,519</u>	<u>2,867</u>
Items in other comprehensive income (OCI)				
Remeasurements change in demographic assumptions		-		-
Remeasurements loss/(gain) in financial assumptions	(79,760)	193,804	(48,334)	111,474
Remeasurements – Experience adjustments and change in asset ceiling	<u>98,507</u>	<u>(101,069)</u>	<u>113,933</u>	<u>(22,170)</u>
Total remeasurements for OCI	<u>18,747</u>	<u>92,735</u>	<u>65,599</u>	<u>89,304</u>
	<u>55,459</u>	<u>107,274</u>	<u>86,118</u>	<u>92,171</u>

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7. Employee benefits (Continued)

- (d) Movement in the net asset recognised in the separate and consolidated statement of financial position:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Net asset at start of year	145,410	164,363	92,401	135,281
Benefit expense	(36,712)	(14,539)	(20,519)	(2,867)
profit or loss and OCI	(18,747)	(92,735)	(65,599)	(89,304)
Contributions by Company	88,110	88,321	46,738	49,291
Net asset at end of year	<u>178,061</u>	<u>145,410</u>	<u>53,021</u>	<u>92,401</u>

- (e) Changes on the present value of the defined benefit obligations:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening defined benefit obligations	1,117,362	848,807	740,206	573,268
Service cost	56,899	39,861	32,740	21,781
Interest cost	102,483	92,745	66,797	62,780
Members' contributions	49,189	46,900	27,439	26,006
Benefits paid/deferred benefits (net)	(78,987)	(11,654)	(75,890)	(5,219)
Remeasurements change in demographic assumptions		-		-
Remeasurements loss in financial assumptions	(79,760)	193,804	(48,334)	111,474
Remeasurement (gain)/loss	<u>(1,996)</u>	<u>(93,101)</u>	<u>8,979</u>	<u>(49,884)</u>
Closing defined benefit obligations	<u>1,165,190</u>	<u>1,117,362</u>	<u>751,937</u>	<u>740,206</u>

- (f) Changes in fair value of plan assets:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening fair value of plan assets	1,262,772	1,013,170	832,607	708,549
Members' contributions	49,189	46,900	27,439	26,006
Employer's contributions	88,110	88,321	46,738	49,291
Interest income on plan assets	122,670	118,067	79,018	81,694
Benefits paid	(78,987)	(11,654)	(75,890)	(5,219)
Remeasurements – experience adjustment	<u>(100,503)</u>	<u>7,968</u>	<u>(104,954)</u>	<u>(27,714)</u>
Closing fair value of plan assets	<u>1,343,251</u>	<u>1,262,772</u>	<u>804,958</u>	<u>832,607</u>

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7. Employee benefits (Continued)

(g) The fair value of Plan assets is analysed as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Corporate bonds	244,930	327,117	146,958	215,894
Equity investments	530,282	508,077	318,169	335,331
Foreign currency bonds	61,124	28,595	36,674	18,873
Government of Jamaica securities	162,920	70,676	97,752	46,646
Reverse repurchase agreements	46,970	27,625	28,182	18,233
Unit trust	124,460	113,894	74,676	75,170
Certificates of deposit	20,120	5,038	12,072	3,325
Others	154,927	184,170	92,957	121,553
Adjustment	(2,482)	(2,420)	(2,482)	(2,420)
Fair value of plan assets	<u>1,343,251</u>	<u>1,262,772</u>	<u>804,958</u>	<u>832,607</u>

(h) The history of experience adjustments is as follows:

	The Group				
	Defined Benefit Pension Plan				
	2025	2024	2023	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Present value of defined benefit obligation	(1,165,190)	(1,117,362)	(848,807)	(542,151)	(729,370)
Fair value of plan assets	1,343,251	1,262,772	1,013,170	880,655	791,758
Effect of asset ceiling		-	-	(152,398)	-
Surplus in the plan	<u>178,061</u>	<u>145,410</u>	<u>164,363</u>	<u>186,106</u>	<u>62,388</u>
Experience adjustments on plan liabilities	1,996	93,101	(34,798)	(304,297)	55,203
Experience adjustments on plan assets	(100,503)	(63,396)	88,761	64,720	15,384
	The Company				
	Defined Benefit Pension Plan				
	2025	2024	2023	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Present value of defined benefit obligation	(751,937)	(740,206)	(573,268)	(384,428)	(507,417)
Fair value of plan assets	804,958	832,607	708,549	624,454	550,820
Effect of asset ceiling			-	(105,947)	-
Surplus in the plan	<u>53,021</u>	<u>92,401</u>	<u>135,281</u>	<u>134,079</u>	<u>43,403</u>
Experience adjustments on plan liabilities	(8,979)	49,884	(21,053)	(199,219)	30,096
Experience adjustments on plan assets	(104,954)	(27,714)	(62,228)	24,588	16,459

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7. Employee benefits (Continued)

(i) Sensitivity analyses

1. Discount rate

	2025			
	The Group		The Company	
	1% decrease in Discount rate Assumption \$'000	1% increase in Discount rate Assumption \$'000	1% decrease in Discount rate Assumption \$'000	1% increase in Discount rate Assumption \$'000
	Defined benefit obligation	171,280	(135,968)	102,288

	2024			
	The Group		The Company	
	1% decrease in Discount rate Assumption \$'000	1% increase in Discount rate Assumption \$'000	1% decrease in Discount rate Assumption \$'000	1% increase in Discount rate Assumption \$'000
	Defined benefit obligation	174,891	(137,932)	106,397

2. Salary Assumption

	2025			
	The Group		The Company	
	1% decrease in Salary Assumption \$'000	1% increase in Salary Assumption \$'000	1% decrease in Salary Assumption \$'000	1% increase in Salary Assumption \$'000
	Defined benefit obligation	(71,479)	82,536	(40,274)

	2024			
	The Group		The Company	
	1% decrease in Salary Assumption \$'000	1% increase in Salary Assumption \$'000	1% decrease in Salary Assumption \$'000	1% increase in Salary Assumption \$'000
	Defined benefit obligation	(71,561)	82,915	(40,542)

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7. Employee benefits (Continued)

(i) Sensitivity analyses (continued)

3. Actuarial gains/(losses) on defined benefit obligation arising from:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Financial assumptions	79,760	193,804	(48,334)	111,474
Experience adjustments	98,507	(101,069)	113,933	(22,170)
Total actuarial gains/(losses)	178,267	92,735	65,599	89,304

The Group and the Company expect to make contributions of \$147.50 million and \$86.4 million, respectively, (2024: \$135.4 million and \$77.6 million, respectively) to the defined benefit plan during the next financial year.

The Plan assets do not include any of the Group's own financial instruments, nor any property occupied by or other assets used by the Group.

(j) Defined contribution plan

During the year the Company and the Group established a defined contribution pension plan for employees who satisfied certain minimum service requirements. Contributions during the year amounted to \$0.4 million (2024: \$Nil million).

8. Investment in securities

(a) Non-current:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Investment in securities at FVOCI:				
VM Financial Group 10% Preference Shares	-	48,344	-	-
Government of Jamaica (GOJ) US\$ 8% Global Bond 2039 (nominal value of US\$540,000 for the Group and US\$190,000 for the Company)	156,984	154,367	39,978	37,836
	156,984	202,711	39,978	37,836

Included in the investment balances above is interest receivable in the amount of \$2.7 million for the Group and \$ 0.70 million for the Company (2024: \$3.80 million for the Group and \$0.69 million for the Company).

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8. Investment in securities (Continued)

(b) Current:

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Investment in securities at FVOCI: VM Financial Group 10% Preference Shares	51,171	-	-	-
Investment in securities at FVPL: Investment in Unit Trust	18,293	16,042	14,947	12,777
	<u>69,464</u>	<u>16,042</u>	<u>14,947</u>	<u>12,777</u>

(c) Movement in investment in securities:

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
The movement for the year in debt instrument financial assets is as follows:				
Balance at January 1	218,753	229,665	50,613	53,326
Additions		-	-	-
Foreign exchange gain	5,977	(14)	(187)	(951)
Investment premium/discount	(861)	(845)	(188)	(185)
Fair value gains/losses through OCI	(480)	(11,154)	1,627	(2,544)
Movement in fair value of debt instrument financial assets	3,059	1,101		967
Disposal of investments		-	3,060	-
Balance at December 31	<u>226,448</u>	<u>218,753</u>	<u>54,925</u>	<u>50,613</u>

9. Long-term receivables

These represent loans granted to employees predominantly for motor vehicle purchases. The loans are repayable by monthly installments and are for a period of 2-10 years. These loans carry an interest rate of 5% -10% per annum. The current portion of these loans, due within twelve months from the end of the reporting period, amounting to \$21.59 million (2024: \$26.37 million) for the Group and \$16.29 million (2024: \$12.08 million) for the Company is included in other receivables (Note 11). Management has determined that any ECL on these loans would be immaterial to the consolidated financial statements.

Set out below is the movement in the loan receivables:

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Loans receivable	29,933	43,221	44,357	28,377
Less: Current portion included in receivables (Note 11)	(21,590)	(16,849)	(15,982)	(12,082)
Net long-term portion	<u>48,343</u>	<u>26,372</u>	<u>28,375</u>	<u>16,295</u>

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10. Related party transactions/balances

- (a) During the year, the Group and the Company had the following transactions with related parties in the normal course of business.

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Subsidiary				
Jamaica Central Securities Depository Limited				
Lease payments	-	-	4,109	4,109
Professional fees	-	-	4,138	3,349
Related party				
JSE Compensation Fund				
Administrative fee	25,421	23,830	25,421	23,830

- (b) Amount due from/(to) related parties

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Amount due to related party:				
Jamaica Central Securities Depository Limited	-	-	(470,230)	(515,314)
Amount due to related parties:				
JSE Compensation Fund	8,710	653	8,710	653
Jamaica Social Stock Exchange	2,454	94	2,454	94
	11,164	747	11,164	747

- (c) Dividend received during the year

During the year, dividend of \$309,800 million (2024: \$239.5 million) was received from the Company's subsidiary (Note 20).

- (d) Compensation of key management personnel

The remuneration of management during the year were as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Short-term benefits	167,785	140,440	90,377	73,826
Post-employment benefits	16,870	20,754	6,572	10,790
	184,655	161,194	96,949	84,616

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10. Related party transactions/balances (Continued)

(e) Loans to related parties

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Loans to key management personnel	<u>12,535</u>	<u>4,115</u>	<u>9,930</u>	<u>3,866</u>

11. Trade and other receivables

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2024</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Cess receivable	60,144	69,490	56,030	65,055
Fees receivable	431,938	331,768	-	-
E-campus	10,210	8,748	10,210	8,748
Registrar service fee	86,404	79,694	-	-
Other	109,549	100,945	91,720	76,164
	698,245	590,645	157,960	149,967
Less: Loss allowance (Note 29(d))	<u>(315,841)</u>	<u>(171,523)</u>	<u>(61,250)</u>	<u>(36,830)</u>
	382,404	419,122	96,710	113,137
Prepayments	<u>59,042</u>	<u>61,082</u>	<u>17,464</u>	<u>22,749</u>
	<u>441,446</u>	<u>480,204</u>	<u>114,174</u>	<u>135,886</u>

The average credit period on services is 30 days. No interest is charged on the trade and other receivables in accordance with the Group's policy.

12. Government securities purchased under resale agreements

The Group entered into reverse repurchase agreements collateralised by the Government of Jamaica securities. These agreements may result in credit exposure in the event that the counterparties of these transactions are unable to fulfill their contractual obligations. The fair value of collateral pursuant to repurchase agreements is \$633.48 million for the Group and \$69.21 million for the Company (2024: \$552.70 million for the Group and \$ 63.06 million for the Company).

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Jamaican dollar denominated	501,158	441,565	64,157	61,766
United States dollar denominated				
US\$836,850 (2024: US\$759,520) Group				
and \$31,082 (2024: \$15,483) Company	132,315	117,565	4,914	2,397
Interest receivable	3,700	3,892	143	167
Less: loss allowances (Note 29(d))	<u>(10,529)</u>	<u>(10,326)</u>	<u>(1,230)</u>	<u>(1,273)</u>
	<u>626,644</u>	<u>552,696</u>	<u>67,984</u>	<u>63,057</u>

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12. Government securities purchased under resale agreements (Continued)

The weighted average effective interest rates on repurchase agreements held during the year were:

	The Group		The Company	
	2025	2024	2025	2024
	%	%	%	%
Jamaican dollar denominated	4.80	5.25	4.58	4.75
United States dollar denominated	2.77	2.18	2.80	1.90

13. Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks.

(a) Cash and cash equivalents

At the reporting date as shown in the statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash on hand and in banks	185,422	131,389	17,345	57,365
Certificates of deposit	12,026	86,823	-	-
Interest receivables	54	685	-	-
Less: loss allowance (Note 29(d))	(112)	(1,726)	-	-
	<u>197,390</u>	<u>217,171</u>	<u>17,345</u>	<u>57,365</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. Of the \$197.39 million (2024: \$217.17 million) for the Group and \$17.35 million (2024: \$57.37 million) for the Company, \$21.13 million for the Group (2024: \$20.11 million) and \$1.69 million for the Company (2024: \$2.43 million) are held in USD, with an interest rate of 0.05% (2024: 0.05%) for the Group and 0.05% (2024: 0.05%) for the Company, while \$176.26 million (2024: \$197.06 million) for the Group and \$15.66 million (2024: \$54.94 million) for the Company are held in JMD, and are non-interest bearing.

A letter of guarantee that was established on December 25, 2002 in favor of Bank of Jamaica for the amount of \$10 million, expired on December 25, 2025.

Certificates of deposit grouped with cash and cash equivalents days to maturity are 90 days or less.

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13. Cash and cash equivalents (Continued)

(b) Certificates of deposit

Certificate of deposits under this grouping days to maturity is greater than 90 days.

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Certificates of deposit	33,329	44,368	33,329	32,815
Interest receivables	358	434	358	388
Less: loss allowance (Note 29(d))	(640)	(756)	(640)	(663)
	<u>33,047</u>	<u>44,046</u>	<u>33,047</u>	<u>32,540</u>

The Group entered into certificates of deposit collateralised by the VMBS mortgage portfolio and Citi Bank. These agreements may result in credit exposure in the event that the counter-parties of these transactions are unable to fulfill their contractual obligations.

The weighted average effective interest rates on certificates of deposit held during the year were:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	%	%	%	%
Jamaican dollar denominated	2.0	4.69	2.0	2.20

14. Share capital

	2025	2024
	\$'000	\$'000
Authorised:		
400,000,000 ordinary shares of no par value (2024: 2,400,000,000)		
100,000,000 preference shares of no par value (2024: 100,000,000)		
Issued capital:		
701,250,000 ordinary stocks of no par value (2024: 701,250,000)		
Nil preference shares of no par value		
Issued capital:		
At January 1 and December 31 - ordinary stocks	<u>238,146</u>	<u>238,146</u>

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15. Fair value reserve

The reserve represents the fair value adjustment relating to investment in securities (Note 8).

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Balance at January 1	18,634	26,059	3,547	5,228
Net gain/(loss) arising on revaluation of FVOCI	(480)	(11,154)	1,627	(2,544)
Deferred tax adjustments on FVOCI:				
financial assets (Note 18)	160	3,718	(542)	848
Net impairment investments (Note 29(d))	(310)	11	(1)	15
	<u>(630)</u>	<u>(7,425)</u>	<u>1,084</u>	<u>1,681</u>
Balance at December 31	<u>18,004</u>	<u>18,634</u>	<u>4,631</u>	<u>3,547</u>

The fair value reserve represents the cumulative gains and losses arising on the revaluation of FVOCI financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

16. Revenue reserve – Non Distributable

In order to provide custody services to its clients, JCSD Trustee Services Limited (the “subsidiary”) is required by the Financial Services Commission to have a minimum of \$50 million as Non-Distributable Capital. Consequently, during the year ended December 31, 2015, in order to meet this requirement, the subsidiary received approval from the Board of Directors to transfer \$48.37 million from Revenue Reserves to Revenue Reserves – Non-Distributable.

17. Revenue reserve

Reflected in the consolidated financial statements of the Group:

	2025	2024
	\$'000	\$'000
Parent company	191,501	245,509
Subsidiaries	1,766,892	1,636,498
Intercompany lease elimination	<u>1,346</u>	<u>1,409</u>
	<u>1,959,739</u>	<u>1,883,416</u>

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18. Deferred tax

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets	67,818	48,530	46,722	29,525
Deferred tax liabilities	(309,716)	(283,303)	(258,530)	(256,652)
Net position at the end of the year	<u>(241,898)</u>	<u>(234,773)</u>	<u>(211,808)</u>	<u>(227,127)</u>

The movement in the net deferred tax position was as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
At January 1	(234,773)	(211,608)	(227,127)	(202,519)
Charged to income for the year (Note 24)	941	(29,665)	8,471	(27,094)
Charged to equity	(8,226)	2,782	7,391	1,638
Charged to fair value reserve for the year (Note 15)	161	3,718	(542)	848
At December 31	<u>(241,898)</u>	<u>(234,773)</u>	<u>(211,808)</u>	<u>(227,127)</u>

The following are the deferred tax assets and deferred tax liabilities recognised by the Group during the year:

Deferred tax assets

	The Group			
	Accrued Vacation \$'000	Tax Loss \$'000	Capital Allowance in excess of Depreciation \$'000	Total \$'000
At January 1, 2024	12,204	15,276	26,893	54,373
Credited/(Charged) to income for the year	1,696	(7,959)	420	(5,843)
At December 31, 2024	13,900	7,317	27,313	48,530
Credited/(Charged) to income for the year	(1,676)	(7,317)	28,281	19,288
At December 31, 2025	<u>12,224</u>	<u>-</u>	<u>55,594</u>	<u>67,818</u>

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18. Deferred tax (Continued)

Deferred tax assets (Continued)

	The Company			
	Accrued Vacation \$'000	Capital Allowance in excess of Depreciation \$'000	Tax Loss \$'000	Total \$'000
At January 1, 2024	7,942	18,320	15,276	41,538
Credited to income for the year	1,186	(5,240)	(7,959)	(12,013)
At December 31, 2024	9,128	13,080	7,317	29,525
Credited/(Charged) to income for the year	(1,582)	26,097	(7,317)	17,197
At December 31, 2025	7,546	39,177	-	46,722

Deferred tax liabilities

	The Group				
	Interest receivable \$'000	Unrealised gains in investment in securities \$'000	Retirement Benefit Asset \$'000	Property Revaluation Reserve \$'000	Total \$'000
January 1, 2024	(3,710)	(12,818)	(54,790)	(194,663)	(265,981)
Credited/(Charged) to income for the year	772	-	(24,594)	-	(23,822)
Credited/(Charged) to equity for the year	-	-	30,912	(28,130)	2,782
Charged to fair value reserve (Note 15)	-	3,718	-	-	3,718
December 31, 2024	(2,938)	(9,100)	(48,472)	(222,793)	(283,303)
Credited/(Charged) to income for the year	(1,215)	-	(17,133)	-	(18,348)
Credited/(Charged) to equity for the year	-	-	6,249	(14,475)	(8,226)
Charged to fair value reserve (Note 15)	-	160	-	-	160
December 31, 2025	(4,153)	(8,940)	(59,356)	(237,268)	(309,716)

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18. Deferred tax (Continued)

Deferred tax liabilities (Continued)

	The Company				Total \$'000
	Interest receivable \$'000	Unrealised gains in investment in securities \$'000	Retirement Benefit Asset \$'000	Property Revaluation Surplus \$'000	
January 1, 2024	(808)	(3,491)	(45,095)	(194,663)	(244,057)
Credited/(Charged) to income for the year	394	-	(15,475)	-	(15,081)
Credited/(Charged) to equity for the year	-	-	29,768	(28,130)	1,638
Credited to fair value reserve (Note 15)	-	848	-	-	848
December 31, 2024	(414)	(2,643)	(30,802)	(222,793)	(256,652)
Credited/(Charged) to income for the year	13	-	(8,740)	-	(8,727)
Credited/(Charged) to equity for the year	-	-	21,866	(14,475)	7,391
Credited to fair value reserve (Note 15)	-	(542)	-	-	(542)
December 31, 2025	(401)	(3,185)	(17,675)	(237,268)	(258,530)

Subject to agreement with the Tax Administration Jamaica, loss available for indefinite carry forward and offset against future profits amount to approximately \$Nil for the Company (2024: \$21,951,000 for the Company). A deferred tax asset was recognised in respect of this loss.

19. Payables and accruals

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade payables	253,919	153,541	131,630	90,789
Accruals	73,127	96,298	48,795	68,771
Other payables	11,646	14,076	-	-
Payables and accruals	<u>338,692</u>	<u>263,915</u>	<u>180,425</u>	<u>159,560</u>

No interest is charged on the payables balance. The Group has financial risk management policies to ensure that all payables are paid within the agreed credit terms.

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20. **Other operating income**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Regional conference	41,855	68,592	41,855	68,592
Administrative fee	25,477	23,830	25,477	23,830
Dividend income	-	-	309,800	239,500
Other	68,610	48,596	61,698	46,959
	<u>135,942</u>	<u>141,018</u>	<u>438,830</u>	<u>378,881</u>

Included in other income of the Company in an amount of \$309.8 million (2024: \$239.50 million) representing dividend income received from its subsidiary during the year.

21. **Staff costs**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Salaries and other employee benefits	793,121	722,151	381,870	345,119
Statutory contributions	115,782	78,554	50,368	20,231
Charge on pension plan (Note 7(c))	36,712	14,539	20,519	2,867
	<u>945,615</u>	<u>815,244</u>	<u>452,757</u>	<u>368,217</u>

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22. Investment income

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
(a) Investment income includes:				
Interest income	54,782	58,102	13,325	7,029
Foreign exchange gain	4,667	4,308	(1,181)	224
Investment premium/discount	(862)	(844)	(188)	(184)
Fair value gain through profit and loss	3,059	1,011	3,060	967
	<u>61,646</u>	<u>62,577</u>	<u>15,016</u>	<u>8,036</u>
(b) Investment income earned, analysed by category of financial asset is as follows:				
Receivables at amortised cost (Loans and receivables)	51,257	48,585	12,796	4,678
Debt instruments at FVOCI	10,389	13,992	2,220	3,358
	<u>61,646</u>	<u>62,577</u>	<u>15,016</u>	<u>8,036</u>

23. Profit before taxation

Profit before taxation is stated after taking account of the following:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Income:				
Interest	54,781	58,102	13,325	7,029
Expenses:				
Directors' fees	26,090	26,055	21,522	21,260
Key management emoluments	40,546	32,211	35,488	31,253
Audit fees	9,544	8,677	5,566	5,060
Depreciation of property and equipment	81,320	72,282	74,062	65,263
Amortisation of intangible assets	46,188	52,455	35,686	36,045

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24. Taxation

Recognised in profit or loss

(i) The charge for the year represents

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current tax				
· Current tax charge	212,550	258,606	11,872	-
· Prior year understatement	8,285	366	3,808	-
Deferred tax (Note 18)	(942)	29,665	(8,472)	27,094
	<u>219,893</u>	<u>288,636</u>	<u>7,208</u>	<u>27,094</u>

(ii) The charge for the year is reconciled to the profit as per the statement of comprehensive income as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Profit before tax	<u>659,970</u>	<u>784,654</u>	<u>348,189</u>	<u>249,707</u>
Tax at the domestic income tax rate of 33 $\frac{1}{3}$ %	219,990	261,551	116,063	83,235
Tax effect of items that are (deductible)/not deductible in determining taxable profits	(8,942)	24,907	(9,396)	23,692
Prior year understatement	8,285	366	3,808	-
Effect of income not taxable	-	-	(103,267)	(79,833)
Other	560	1,812	-	-
	<u>219,893</u>	<u>286,636</u>	<u>7208</u>	<u>27,094</u>

25. Profit of the Group for the year

Reflected in the financial statements of the:

	The Group	
	2025	2024
	\$'000	\$'000
Parent company	340,981	223,613
Subsidiaries	409,026	511,819
Less Dividend paid to parent company	(309,800)	(239,500)
Lease elimination	(130)	86
	<u>440,077</u>	<u>496,018</u>

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**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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26. Earnings per stock unit

The basic earnings per stock units is calculated by dividing the profit by the weighted average number of ordinary stock unit.

	The Group	
	2025	2024
Profit (\$'000)	440,077	496,018
Weighted average number of ordinary stock units	701,250,000	701,250,000
Basic earnings per stock unit	<u>\$0.63</u>	<u>\$0.71</u>

27. Segment reporting

The Group's operations are organized into four main business segments as follows:

- (a) Exchange operations – The operation and regulation of the stock exchange.
- (b) JCSD services – Services in connection with transferring and holding of securities, shares, stocks, bonds, debentures and registrar services.
- (c) Investments – Income derived from investing activities of the Group.
- (d) Trustee, custodianship, company management and other activities.

The Group's operations are located solely in Jamaica.

	2025					
	Exchange operations \$'000	JCSD Services \$'000	Investment other \$'000	Trustees Services \$'000	Eliminations \$'000	Group \$'000
Over time	567,520	74,587		210,710		852,277
Point in time	1,023,865	810,817	61,646	763,505	(559,417)	2,100,418
Revenue - external	1,591,385	885,404	61,646	973,672	(559,417)	2,952,694
Segment result						
Profit before taxation	348,189	389,257		418,396	(495,871)	659,970
Taxation						(219,893)
Profit for the year						<u>440,077</u>
Other information						
Depreciation and amortisation	109,748	14,561		3,198		127,507
Assets						
Segment assets	2,121,702	1,245,930		1,255,461	(935,968)	3,687,125
Liabilities						
Segment liabilities	886,207	492,988		114,316	(871,856)	621,632
Capital expenditure	73,731	2,791		3,702	-	80,224

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27. Segment reporting (Continued)

	2024					
	Exchange operations \$'000	JCSD Services \$'000	Investment other \$'000	Trustees Services \$'000	Eliminations \$'000	Group \$'000
Over time	438,443	66,914	-	158,534	-	663,891
Point in time	900,237	798,648	62,577	763,083	(470,457)	2,054,088
Revenue - external	1,338,680	865,562	62,577	921,617	(470,457)	2,717,979
Segment result						
Profit before taxation	249,707	469,939	-	469,694	(402,686)	784,654
Taxation						(288,636)
Profit for the year						<u>496,018</u>
Other information						
Depreciation and amortisation	101,308	19,644	-	3,785	-	124,737
Assets						
Segment assets	2,074,554	1,112,567	-	1,118,967	(916,636)	3,389,452
Liabilities						
Segment liabilities	911,756	402,179	-	67,322	(855,961)	525,298
Capital expenditure	41,213	3,130	-	1,330	-	45,673

28. Commitments

Capital commitments:

Capital commitments which were authorized and contracted for as at December 31, 2025, amounted to \$11.8 million for the Group and \$Nil million for the Company in relation to expenditure associated with EAGM portal and updates to JCSD portal. In the prior year capital commitments amounted to \$46.56 million for the Group and Company \$7.29 million.

29. Financial instruments

(a) Capital risk management:

The capital structure of the Group consists of equity attributable to the shareholders of the parent company comprising issued capital, reserves, and retained earnings.

The Group's objectives when managing its capital structure, which is a broader concept than the equity on the face of the separate and consolidated statement of financial position are:

- i) To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for stockholders and benefits for other stakeholders; and
- ii) To maintain a strong capital base to support the business development.

The Group's overall strategy remains unchanged from 2024.

The Company is subject to externally imposed capital requirements (capital in excess of \$50 million). The subsidiary has complied with this requirement (Note 16).

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29. Financial instruments (Continued)

(b) Financial risk management objectives

The Group's Investment Management Committee is responsible for recommending to the Board of Directors, through the Audit Committee, uniform investment decisions, policies and procedures for the operations of the Group. The Management Committee are to receive and review data on current market conditions and economic outlook; review various risk reports submitted including fair value, credit risk, liquidity risk, market risk, and review monthly report on portfolios and establish quarterly investment portfolio strategies. The Group does not enter into or trade financial investments, including derivative financial instruments for speculative purposes.

(c) Market risk

The Group's investment activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and credit risk. The Group manages its risk through extensive research and monitors the risk exposures on the local and international markets.

There has been no change to the manner in which the Group manages and measures this risk.

Foreign currency risk management

The Group undertakes certain investment transactions denominated in currencies other than the Jamaican dollar. Exchange rate exposures are managed within approved policy parameters and maintaining a manageable balance in the types of investments.

The following balances held in United States dollars are included in these consolidated financial statements:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Investment in securities	156,984	154,367	39,978	37,836
Government securities purchased under resale agreements	132,209	117,479	4,828	2,350
Cash and cash equivalents	32,908	20,109	1,692	2,427
	<u>322,101</u>	<u>291,955</u>	<u>46,498</u>	<u>42,613</u>

Sensitivity analysis

The Group's investment portfolio is exposed to the United States dollar. The Group's sensitivity to a 1% appreciation or 4% depreciation in the Jamaican dollar against the United States dollar is the sensitivity rate used when reporting foreign currency risk internally to the key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

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29. Financial instruments (Continued)

(c) Market risk (Continued)

Sensitivity analysis (Continued)

The sensitivity of the 1.5% (2024: 1%) appreciation or 1% (2024: 4%) depreciation in the Jamaican dollar against the United States dollar exposure would be a decrease in profit of the Group by \$4.19 million (2024: \$3.05 million) or an increase of \$3.32 million (2024: \$12.19 million) respectively; and for the Company, \$0.64 million (2024: J\$2.22 million) decrease or \$0.56 million (2024: \$0.55 million) increase.

The analysis is done on the same basis as 2024 and assumes that all other variables, in particular interest rate, remain constant.

Interest rate risk management

The Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. Interest rate sensitivity analysis has been determined based on the exposure to interest rates for the Group's investment in securities at the end of reporting period as these are substantially the interest sensitive instrument impacting financial results. For floating rate financial assets and financial liabilities, the analysis assumes the amount outstanding at year end was outstanding for the whole year. A 25 (2024: 25) basis points increase or 25 (2024: 100) basis points decrease for local currency and 25 (2024: 25) basis points increase or 50 (2024: 25) basis points decrease for United States currency represents management's assessment of the reasonable possible change in interest rates.

Net effect on profit if market interest rates had been 25 basis points higher or 25 basis lower for investment denominated in local currency and 25 basis points higher or 50 basis lower for investments denominated in United States currency and all other variables were held constant is as follows:

	<u>The Group</u>		<u>The Company</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Effect on profit increase 25 (2024: 25) basis points (J\$)	22,328	23,397	2,567	2,471
Effect on profit decrease 25 (2024: 25) basis points (J\$)	(22,328)	(5,850)	(2,567)	(618)
Effect on profit increase 25 (2024: 25) basis points (US\$)	15,523	9,324	1,494	1,375
Effect on profit decrease 50 (2024: 25) basis points (US\$)	(6,262)	(2,331)	(747)	(344)

The Group's and the Company's sensitivity to interest rates has fluctuated during the current year as the Group had changes in the number of variable rate financial instruments.

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29. Financial instruments (Continued)

(d) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is guided by the investment policies and procedures of the Company. In relation to bank accounts and investment securities, the Group, as a policy, deals only with creditworthy counterparties, to minimise credit risk exposures. In addition, limits are assigned to various counterparties by the Group.

Trade receivables consist of broker members of the Group and accordingly mitigates against credit risk in relation to such receivables. In the case of other receivables, ongoing credit evaluation is performed on the financial condition of those receivables.

The carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk.

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Financial assets				
Debt investment financial assets	211,501	205,976	39,978	37,836
Long-term receivables	48,343	26,372	28,375	16,295
Trade and other receivables	382,404	419,121	96,709	113,137
Due from related parties	11,164	747	11,164	747
Government securities purchased under resale agreements	626,644	552,696	67,984	63,057
Certificates of deposit	33,047	44,046	33,046	32,540
Cash and cash equivalents	197,390	217,171	17,345	57,365
	<u>1,510,493</u>	<u>1,466,129</u>	<u>294,603</u>	<u>320,977</u>

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables
- debt investments carried at amortised cost, and
- debt investments carried at FVOCI.

While cash and cash equivalents, due from related parties and long-term receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

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

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29. Financial instruments (Continued)

(d) Credit risk management (Continued)

Trade receivables (Continued)

The expected credit loss rates are based on the payment profiles of sales over the period of 36 months and the corresponding historical credit losses experienced within this period. The historical rates are adjusted to reflect current and forward-looking information on the macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Jamaica's GDP and the unemployment rate to be the most relevant factors and accordingly adjusts the historical loss rates based on the expected changes in these factors.

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

	The Group		The Company	
	Average Expected Credit Loss Rate	Adjusted Gross Carrying Amount \$'000	Average Expected Credit Loss Rate	Adjusted Gross Carrying Amount \$'000
December 31, 2025				
Current	0.06	223,875	0.042	78,824
30 - 60 days past due	0.11	69,481	0.127	9,275
61 - 90 days past due	0.23	91,706	0.250	8,333
91 – 180 days past due	0.37	52,401	0.412	4,102
More than 180 days past due	1.00	260,752	1.000	57,426
Total		<u>698,245</u>		<u>157,960</u>
Loss allowance (Note 11)		<u>315,841</u>		<u>61,250</u>

	The Group		The Company	
	Average Expected Credit Loss Rate	Adjusted Gross Carrying Amount \$'000	Average Expected Credit Loss Rate	Adjusted Gross Carrying Amount \$'000
December 31, 2024				
Current	0.04	249,873	0.03	88,817
30 - 60 days past due	0.07	84,960	0.05	13,280
61 - 90 days past due	0.16	57,489	0.14	7,087
91 – 180 days past due	0.29	58,583	0.27	4,751
More than 180 days past due	1.00	139,735	1.00	35,972
Total		<u>590,640</u>		<u>149,967</u>
Loss allowance (Note 11)		<u>171,523</u>		<u>36,830</u>

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29. Financial instruments (Continued)

(d) Credit risk management (Continued)

The closing loss allowances for trade receivables as at December 31, 2024, reconcile to the opening loss allowance as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening loss allowance as at January 1	171,523	81,411	36,830	13,689
Increase in loss allowance recognised in statement of profit or loss	145,244	90,112	24,420	23,141
Receivables write off	(926)	-	-	-
Closing loss allowance as at December 31 (Note 11)	<u>315,841</u>	<u>171,523</u>	<u>61,250</u>	<u>36,830</u>

All of the entity's debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. The Group recognises the expected credit losses on the debt investments in the net impairment losses in the statement of profit and loss and OCI. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Debt investments

The following table summarises the credit exposure of the Group and Company to businesses and government by sectors in respect of debt investments:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Government of Jamaica	727,612	655,513	39,978	37,836
Corporate	170,487	159,981	115,971	108,372
	<u>898,099</u>	<u>815,494</u>	<u>155,949</u>	<u>146,208</u>

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29. Financial instruments (Continued)

(d) Credit risk management (Continued)

Debt investments carried at amortised cost

The closing loss allowances for debt investment at amortised cost as at 31 December 2025 is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening loss allowance as at January 1	12,808	10,986	1,936	896
(Decrease)/Increase in loss allowance recognised in statement of profit or loss (Note 12)	(1,528)	1,822	(65)	1,040
Closing loss allowance as at December 31	<u>11,280</u>	<u>12,808</u>	<u>1,871</u>	<u>1,936</u>

Debt investments carried at FVOCI

The closing loss allowances for fair value through OCI as at December 31, 2025 is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening loss allowance as at January 1	2,300	2,289	132	117
Increase/(Decrease) in loss allowance recognised in other comprehensive income (Note 15)	(310)	11	(1)	15
Closing loss allowance as at December 31	<u>1,990</u>	<u>2,300</u>	<u>131</u>	<u>132</u>

Change in loss allowance recorded in the statement of profit or loss

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade receivables	145,244	90,112	24,420	23,141
Debt securities at amortised cost	(1,528)	1,822	(65)	1,040
Debt securities at FVOCI	(310)	11	(1)	15
	<u>143,406</u>	<u>91,945</u>	<u>24,354</u>	<u>24,196</u>

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NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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29. Financial instruments (Continued)

(e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash resources, banking facilities, and by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's and the Company's contractual maturity for its non-derivative financial assets and financial liabilities. The tables below have been drawn up based on undiscounted contractual maturities of financial assets including interest that will be earned on those except where the Group and the Company anticipates that the cash flows will occur in a different period, and in the case of financial liabilities, based on the earliest date on which the Group and the Company can be required to pay.

	The Group						
	Weighted average effective interest rate %	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2025							
Financial assets							
Non-interest bearing		263,990	679,232	-	-	-	943,222
interest bearing	5.0	2,068	9,046	3,606	46,067	25,577	86,364
Variable interest rate Instruments							
Fixed interest rate Instruments	4.5	156,621	538,715	92,902	58,222	202,182	1,048,643
		422,679	1,226,993	96,508	104,289	227,759	2,078,229
Financial liabilities							
Non-interest bearing		338,692	-	-	-	-	338,692
	The Group						
	Weighted average effective interest rate %	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2024							
Financial assets							
Non-interest bearing		272,922	647,755	-	-	-	920,677
interest bearing	5.00	2,668	5,930	2,271	29,357	14,785	55,011
Variable interest rate Instruments							
Fixed interest rate Instruments	5.10	205,360	437,303	91,946	57,488	200,799	992,896
		480,950	1,090,988	94,217	86,845	215,584	1,968,584
Financial liabilities							
Non-interest bearing		263,915	-	-	-	-	263,915

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29. Financial instruments (Continued)

(e) Liquidity risk management (Continued)

	The Company						
	Weighted Average effective Interest rate %	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
	2025						
Financial assets							
Non-interest bearing		188,331	-	-	-	-	188,331
Variable interest bearing interest rate	5	2,068	1,094	2,975	44,358	-	50,495
Fixed interest rate instruments	4.30	2,403	67,129	36,270	10,408	53,888	170,097
		192,772	68,223	39,245	54,766	53,888	408,893
Financial liabilities							
Non-interest bearing		180,425	-	-	-	-	180,425

	The Company						
	Weighted Average effective Interest rate %	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
	2024						
Financial assets							
Non-interest bearing interest bearing		200,748	-	-	-	-	200,748
Variable interest rate	5.00	2,668	700	1,906	28,365	-	33,639
Fixed interest rate instruments	4.48	58,282	6,226	35,711	10,248	55,620	166,087
		261,698	6,926	37,617	38,613	55,620	400,474
Financial liabilities							
Non-interest bearing		159,560	-	-	-	-	159,560

(f) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions have been used to measure the Group's financial instruments that are carried at fair value:

- (i) Financial assets classified as debt instrument at FVOCI are measured at fair value using interpolated yields derived from quoted prices of similar instruments or broker quotes from market makers.

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**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
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(Expressed in Jamaican Dollars)**

29. Financial instruments (Continued)

(f) Fair value of financial instruments (Continued)

- (ii) The carrying amount of liquid assets and other assets maturing within one year is assumed to approximate their fair value. This assumption is applied to liquid assets and the other short-term elements of all other financial assets and financial liabilities.

No significant unobservable inputs were applied in the valuation of the Group's financial instruments classified as FVOCI and amortised cost.

(g) Fair value measurement recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There has been no transfers between levels.

	The Group			
	2025			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Property and equipment (land and building)	-	-	1,384,999	1,384,999
Debt securities at fair value through profit or loss	-	18,293	-	18,293
Debt securities at fair value through other comprehensive income	-	208,155	-	208,155
	-	226,448	1,384,999	1,611,447
	The Group			
	2024			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Property and equipment (land and building)	-	-	1,251,999	1,251,999
Debt securities at fair value through profit or loss	-	16,042	-	16,042
Debt securities at fair value through other comprehensive income	-	202,711	-	202,271
	-	218,753	1,251,999	1,470,752

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29. Financial instruments (Continued)

(g) Fair value measurement recognised in the separate statement of financial position (Continued)

	The Company			
	2025			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Property and equipment (land and building)	-	-	1,384,999	1,384,999
Debt securities at fair value through profit or loss	-	14,947	-	14,947
Debt securities at fair value through other comprehensive income	-	39,978	-	39,978
	-	54,925	1,384,999	1,439,924

	The Company			
	2024			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Property and equipment (land and building)	-	-	1,251,999	1,251,999
Debt securities at fair value through profit or loss	-	12,777	-	12,777
Debt securities at fair value through other comprehensive income	-	37,836	-	37,836
	-	50,613	1,251,999	1,302,612

Reconciliation of carrying amount for level 3 assets:

	The Group and Company	
	Level 3	
	2025	2024
	\$'000	\$'000
Property and equipment (land and building) at January 1	1,251,999	1,155,930
Additions	17,594	33,009
Current year depreciation	24,707	22,627
Revaluation adjustments	(24,707)	(22,627)
Revaluation	115,406	63,060
December 31	1,384,999	1,251,999

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30. Dividends

During the year ended December 31, 2025, one dividend payment was declared by the Board of Directors.

On April 30, 2025, a dividend of \$0.30 per ordinary share was paid to shareholders. The total dividend paid was \$210.38 million (2024: April 30, 2025, a dividend of \$0.263 per ordinary share was paid to shareholders. The total dividend paid was \$184.43 million). August 28, 2025, a dividend of \$0.2009 per ordinary share was paid to shareholders. The total dividend paid was \$140.88 million. (August 30, 2024, a dividend of \$0.078 per ordinary share was paid to shareholders. The total dividend paid was \$54.70 million.)

31. Compensation Fund

The Jamaica Stock Exchange Limited Compensation Fund (“the Fund”) was created by contributions of the Exchange’s member-dealers for the purpose of compensating investors who may have suffered pecuniary loss as a result of a defalcation or fraudulent misuse of securities or document of title to securities. The Exchange fulfils its obligations under Sections 27 through 35 of the Securities Act by its administration of the Fund.

Section 27(2) of the Securities Act stipulates that “The assets of the Compensation Fund are the property of the recognised stock exchange but shall be –

- (a) Kept separate from all other property; and
- (b) Held in trust for the purposes specified in this part.”

Accordingly, the assets and liabilities of the Fund are segregated from those of the Exchange and separate audited financial statements are produced for the Fund.

(a) Compensation Fund financial position

(i) Compensation Fund receipts

These are contributions by member dealers of the Stock Exchange, based on a percentage of the volume of business done by them through the Exchange, for maintaining the Contingency Reserve Fund. However, during the year there were no contributions by the member dealers as the Board was of the view that the reserve was adequate for the specific purpose.

(ii) Contingency reserve

This Fund is created out of surpluses for the purpose of providing some protection to the investing public should they suffer pecuniary loss as a result of defalcation or fraudulent misuse of securities or documents of titles to securities. Provisions in respect of the fund are in accordance with Sections 27 to 35 of The Securities Act.

At December 31, 2025, the Fund had total assets of \$920.35 million (2024: \$894.48 million) and net equity of \$896.66 million (2024: \$877.77 million).

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32. IFRS 15 Revenue from contracts with customers

Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major service lines:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cess fee	589,676	521,780	554,279	490,482
Fee income	2,129,553	1,957,962	562,399	434,675
E-campus	35,877	34,641	35,877	34,641
Other operating income	135,942	141,018	438,830	378,881
	<u>2,891,048</u>	<u>2,655,401</u>	<u>1,591,385</u>	<u>1,338,678</u>

Reconciliation of contract liabilities

Set out below us the reconciliation of contract liabilities with customers:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening balance	26,614	33,451	9,766	13,794
Additions during the year	866,705	657,054	581,479	434,415
Amount recognised as revenue	<u>(852,277)</u>	<u>(663,891)</u>	<u>(567,520)</u>	<u>(438,443)</u>
Ending balance	<u>41,042</u>	<u>26,614</u>	<u>23,725</u>	<u>9,766</u>

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Revenue recognised that was included in the contract liability balance				
Fee income	840,474	657,356	555,717	431,909
E-campus	<u>11,803</u>	<u>6,535</u>	<u>11,803</u>	<u>6,534</u>
	<u>852,277</u>	<u>663,891</u>	<u>567,520</u>	<u>438,443</u>

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32. IFRS 15 Revenue from contracts with customers (Continued)

Reconciliation of contract liabilities (Continued)

Balance – Contract liabilities

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
	41,042	26,614	23,725	9,766

Timing of revenue recognition:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
At a point in time	2,038,771	1,991,510	1,023,865	900,235
Over time	852,277	663,891	567,520	438,443
	2,891,048	2,655,401	1,591,385	1,338,678

Unsatisfied performance obligation

The following table shows unsatisfied performance obligations resulting from 179 contracts for the Group, 60 for the Company (2024: 148 contracts for the Group, 29 for the Company).

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Aggregate amount of the transaction price allocated to 179 (2024: 148) contracts that are partially or fully unsatisfied as at Dec 31	89,610	51,661	47,470	16,958

Management expects that 100% of the transaction price allocated to the unsatisfied contracts as of December 31, 2025, will be recognised as revenue during the next reporting period \$89.61 million for the Group and \$47.47 million for the Company (2024: \$51.66 million for the Group and \$ 16.96 million for the Company). The Group/Company amount disclosed above does not include variable consideration which is constrained.

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