

TROPICAL BATTERY COMPANY LIMITED

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025



KPMG
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INDEPENDENT AUDITORS' REPORT

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Tropical Battery Company Limited and its subsidiaries ("the Group") and the separate financial statements of the Company, set out on pages 8 to 87, which comprise the Group's and Company's statement of financial position as at September 30, 2025, the statements of profit or loss and other comprehensive income, changes in shareholders' net equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and Company as at September 30, 2025, and of the Group's and Company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.



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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Report on the Audit of the Financial Statements (continued)

Basis for Opinion (continued)

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

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Impairment of goodwill

Key audit matter	How the matter was addressed in our audit
<p>The Group has recognised goodwill in the amount of \$2,965,129,196 (2024: \$2,898,755,987).</p> <p>The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount. The recoverable amount of the Cash Generating Unit of which goodwill forms part has been derived from discounted cashflow models.</p>	<p>In performing our audit in respect of this matter, in the main, we performed the following procedures:</p> <ul style="list-style-type: none">Engaging our own valuation specialist to perform an independent assessment and evaluate the appropriateness of discount rates applied and the valuation model used.Evaluating the appropriateness of the assumptions applied to key inputs such as sales volumes, operating costs, inflation, growth rates which included comparing these inputs with externally derived data as well as our own assessments based on our knowledge of the Group and the industry.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Report on the Audit of the Financial Statements (continued)

Impairment of goodwill (continued)

Key audit matter	How the matter was addressed in our audit
<p>These models use several key assumptions, including estimates of future sales volumes and prices, operating costs, terminal growth rates and the weighted average cost of capital (discount rate).</p> <p><i>See notes 3(i) and 9(c) of the financial statements.</i></p>	<p>In performing our audit in respect of this matter, in the main, we performed the following procedures (continued):</p> <ul style="list-style-type: none"> • Performing our own sensitivity analysis which included assessing the effect of reasonably possible reductions in growth rates and forecast cashflows to evaluate the impact on the recoverable amount. • Evaluated the adequacy of disclosures in the financial statements including disclosures of key assumptions and judgements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 6 to 7, forms part of our auditors' report.



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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been 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 on the audit resulting in this independent auditors' report is Sandra Edwards.

KPMG

Chartered Accountants
Kingston, Jamaica

February 10, 2026

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Appendix to the Independent Auditors' report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
TROPICAL BATTERY COMPANY LIMITED

Appendix to the Independent Auditors' report (continued)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the 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.

TROPICAL BATTERY COMPANY LIMITED

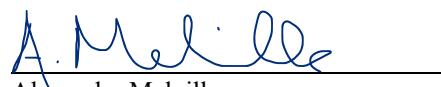
Group Statement of Financial Position
September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u>
			Restated*
CURRENT ASSETS			
Cash and cash equivalents	4	211,453,629	461,674,349
Accounts receivable	5	1,384,624,063	974,838,458
Due from related parties	6[b,(i)]	464,519,018	408,776,540
Due from parent company	6[b,(ii)]	49,428,122	56,112,124
Inventories	7	1,537,435,933	1,629,966,712
Taxation recoverable		<u>947,298</u>	<u>974,962</u>
		<u>3,648,408,063</u>	<u>3,532,343,145</u>
CURRENT LIABILITIES			
Accounts payable	8	1,512,504,580	1,431,199,470
Short-term loans	17(ii)	1,426,255,717	1,986,216,962
Due to related parties	6[b,(vi)]	16,615,192	-
Current portion of lease liabilities	11(b)	55,520,133	51,372,228
Current portion of long-term loans	17(i)	362,068,460	98,281,573
Taxation payable		<u>4,514,205</u>	<u>-</u>
		<u>3,377,478,287</u>	<u>3,567,070,233</u>
NET CURRENT ASSETS/(LIABILITIES)			
		<u>270,929,776</u>	<u>(34,727,088)</u>
NON-CURRENT ASSETS			
Other receivables	5(b)(i)	20,622,993	-
Intangible assets	9	64,389,589	93,831,768
Goodwill	9	2,965,129,196	2,898,755,987
Property, plant and equipment	10	1,303,277,264	1,214,278,082
Right-of-use assets	11(a)	343,769,598	74,081,728
Employee benefits assets	12(a)	-	33,211,000
Interest in joint venture	6[b,(vii)]	5,000,000	5,000,000
Deferred tax asset	14(a)	<u>38,202,781</u>	<u>-</u>
		<u>4,740,391,421</u>	<u>4,319,158,565</u>
		<u>\$5,011,321,197</u>	<u>4,284,431,477</u>
Represented by:			
SHAREHOLDERS' EQUITY			
Share capital	15	907,459,779	254,013,268
Capital contribution	16	459,207,861	459,207,861
Accumulated profit		271,604,917	289,451,062
Foreign currency translation		<u>(85,146,785)</u>	<u>5,270,382</u>
Equity attributable to owners of the company		1,553,125,772	1,007,942,573
Non-controlling interest	29(a)	<u>44,791,684</u>	<u>41,769,031</u>
		<u>1,597,917,456</u>	<u>1,049,711,604</u>
NON-CURRENT LIABILITIES			
Due to fellow subsidiary	6[b,(v)]	517,516,278	500,000,000
Lease liabilities	11(b)	299,087,608	28,690,562
Long-term loans	17(i)	2,530,044,855	2,688,974,352
Employee benefits obligation	12(a)	66,755,000	-
Deferred tax liability	14(a)	<u>-</u>	<u>17,054,959</u>
		<u>3,413,403,741</u>	<u>3,234,719,873</u>
		<u>\$5,011,321,197</u>	<u>4,284,431,477</u>

The financial statements, on pages 8 to 87 were approved for issue by the Board of Directors on February 10, 2026 and signed on its behalf by:


 Marc Melville

Director


 Alexander Melville

Director

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Group Statement of Profit or Loss and Other Comprehensive Income
Year ended September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u> Restated*
Gross operating revenue	18	6,442,678,918	5,622,301,471
Cost of operating revenue	19(a)	(4,086,925,937)	(3,758,152,425)
Gross profit		2,355,752,981	1,864,149,046
Administration, marketing and selling expenses	19(b)	(1,828,777,968)	(1,445,334,820)
Operating profit		526,975,013	418,814,226
Other income	19(c)	258,162,844	10,833,435
Profit before depreciation and amortisation, net finance costs and taxation		785,137,857	429,647,661
Depreciation and amortisation	9,10,11	(157,524,816)	(110,398,338)
Profit before net finance costs and taxation		627,613,041	319,249,323
Interest income recognised using the effective interest rate method		44,235,219	84,621,784
Finance costs		(657,486,432)	(527,401,328)
Gain on foreign exchange		32,655,547	16,575,099
Net finance costs	20	(580,595,666)	(426,204,445)
Profit/(loss) before taxation		47,017,375	(106,955,122)
Taxation credit/(expense)	21(a)	12,698,507	(14,488,138)
Profit/(loss)for the year		\$ 59,715,882	(121,443,260)
Profit/(loss) attributable to:			
Owners of Tropical Battery Company Limited		56,322,855	(154,483,017)
Non-controlling interest	29(b)	3,393,027	33,039,757
		59,715,882	(121,443,260)
Other comprehensive (loss)/income			
Items that will not be reclassified to profit or loss			
Foreign currency translation		(90,787,541)	689,520
Re-measurement (loss)/gain on employee benefit obligation/assets	12(f)	(98,892,000)	17,706,000
Related taxation on re-measurement	14(b)	24,723,000	(4,426,500)
Other comprehensive (loss)/income, net of taxation		(164,956,541)	13,969,020
Total comprehensive loss for the year		\$ (105,240,659)	(107,474,240)
Total comprehensive loss attributable to:			
Owners of Tropical Battery Company Limited		(108,263,312)	(135,929,527)
Non-controlling interest	29(b)	3,022,653	28,455,287
		\$ (105,240,659)	(107,474,240)
Earnings per stock unit (Basic)	22	3.9¢	(11.7¢)
Earnings per stock unit (Diluted)	22	3.9¢	(11.7¢)

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Group Statement of Changes in Shareholders' Equity
Year ended September 30, 2025

	<u>Share capital</u> (note 15)	<u>Capital contribution</u> (note 16)	<u>Accumulated profit</u>	<u>Foreign currency translation</u>	<u>Non- controlling interest</u> [note 29(a)]	<u>Total</u>
Balances as at September 30, 2023	<u>164,287,800</u>	<u>459,207,861</u>	<u>430,654,579</u>	(<u>3,608</u>)	<u>13,313,744</u>	<u>1,067,460,376</u>
Restated (loss)/profit for the year	<u>-</u>	<u>-</u>	(<u>154,483,017</u>)	<u>-</u>	<u>33,039,757</u>	(<u>121,443,260</u>)
Other comprehensive income:						
Foreign currency translation	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,273,990</u>	(<u>4,584,470</u>)	<u>689,520</u>
Re-measurement income on employee benefit assets, net of taxation	<u>-</u>	<u>-</u>	<u>13,279,500</u>	<u>-</u>	<u>-</u>	<u>13,279,500</u>
Total other comprehensive income/(loss)	<u>-</u>	<u>-</u>	<u>13,279,500</u>	<u>5,273,990</u>	(<u>4,584,470</u>)	<u>13,969,020</u>
Restated total comprehensive (loss)/income	<u>-</u>	<u>-</u>	(<u>141,203,517</u>)	<u>5,273,990</u>	<u>28,455,287</u>	(<u>107,474,240</u>)
Transaction with owners of the company:						
Equity-settled share based payments	<u>89,725,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,725,468</u>
Restated balances as at September 30, 2024	<u>254,013,268</u>	<u>459,207,861</u>	<u>289,451,062</u>	<u>5,270,382</u>	<u>41,769,031</u>	<u>1,049,711,604</u>
Profit for the year	<u>-</u>	<u>-</u>	<u>56,322,855</u>	<u>-</u>	<u>3,393,027</u>	<u>59,715,882</u>
Other comprehensive loss:						
Foreign currency translation	<u>-</u>	<u>-</u>	<u>-</u>	(<u>90,417,167</u>)	(<u>370,374</u>)	(<u>90,787,541</u>)
Re-measurement (loss)/income on employee benefit obligation/assets, net of taxation	<u>-</u>	<u>-</u>	(<u>74,169,000</u>)	<u>-</u>	<u>-</u>	(<u>74,169,000</u>)
Total other comprehensive loss	<u>-</u>	<u>-</u>	(<u>74,169,000</u>)	(<u>90,417,167</u>)	(<u>370,374</u>)	(<u>164,956,541</u>)
Total comprehensive loss	<u>-</u>	<u>-</u>	(<u>17,846,145</u>)	(<u>90,417,167</u>)	<u>3,022,653</u>	(<u>105,240,659</u>)
Transaction with owners of the company (note 15):						
Issue of shares less transaction fees	<u>643,456,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>643,456,921</u>
Equity-settled share-based payments	<u>26,766,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,766,856</u>
Treasury shares	(<u>16,777,266</u>)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	(<u>16,777,266</u>)
	<u>653,446,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>653,446,511</u>
Balances as at September 30, 2025	<u>\$907,459,779</u>	<u>459,207,861</u>	<u>271,604,917</u>	(<u>85,146,785</u>)	<u>44,791,684</u>	<u>1,597,917,456</u>

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Group Statement of Cash Flows
Year ended September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u> Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		59,715,882	(121,443,260)
Adjustments to reconcile profit/(loss) for the year to net cash provided by/(used in) operating activities:			
Employee benefits		1,074,000	(1,639,000)
Depreciation and amortisation	9,10,11	157,524,816	110,398,338
Taxation (credit)/expense	21	(12,698,507)	14,488,138
Interest on loans	20	596,934,470	484,503,971
Interest on lease liabilities	20	11,385,588	13,396,665
Interest income	20	(44,235,219)	(84,621,784)
Amortisation of debt issuance costs	17(k)	44,128,066	-
Unrealised foreign exchange loss/(gains)		39,699,251	(1,617,977)
Gain on disposal of property plant and equipment	19(c)	(4,672,283)	(2,360,575)
Fair value of contingent consideration recognised in profit or loss	19(c)	(235,286,784)	1,820,146
Equity settled share-based payments	19(b)	26,766,856	89,725,468
Foreign currency translation		(43,708,364)	(75,079,517)
		596,627,772	427,570,613
Changes in working capital:			
Accounts receivable		(430,408,598)	(35,632,360)
Due from related parties		(11,111,253)	(467,783,360)
Due from parent company		6,684,002	(11,953,593)
Inventories		92,530,779	(171,810,891)
Other assets		-	1,526,256
Accounts payable		271,982,840	244,757,899
Cash generated by/(used in) operations		526,305,542	(13,325,436)
Interest received		44,235,219	84,621,784
Interest paid		(497,194,062)	(443,497,513)
Taxation paid		(13,294,364)	(5,704,038)
Net cash provided by/(used in) in operating activities		60,052,335	(377,905,203)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the disposal of property, plant and equipment		4,976,419	14,063,898
Acquisition of business		-	(3,068,609,990)
Payment on contingent consideration	28(a)(i)	-	(99,002,724)
Acquisition of intangible assets	9	-	(5,209,522)
Purchase of property, plant and equipment	10	(142,616,014)	(112,647,269)
Net cash used in investing activities		(137,639,595)	(3,271,405,607)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term loans	17(k)	6,450,367	4,182,484,670
Repayment of long-term loans	17(k)	(98,281,573)	(96,502,888)
Proceeds from short-term loan	17(k)	80,611,750	1,392,266,700
Repayment of short-term loan	17(k)	(721,853,507)	(1,392,266,700)
Debt issuance costs incurred	17(k)	-	(86,384,129)
Proceeds from issue of shares net of transaction fees	15	643,456,921	-
Purchase of treasury shares	15	(16,777,266)	-
Payment of lease liabilities	11(d)	(59,632,243)	(78,267,185)
Net cash (used in)/provided by financing activities		(166,025,551)	3,921,330,468
Net (decrease)/increase in cash and cash equivalents		(243,612,811)	272,019,658
Effect of foreign currency on cash and cash equivalents		(6,607,909)	206,735
Cash and cash equivalents at the beginning of the year		461,674,349	189,447,956
Cash and cash equivalents at the end of the year		\$211,453,629	461,674,349
Represented by:			
Cash and cash equivalents	4	\$211,453,629	461,674,349

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

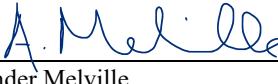
TROPICAL BATTERY COMPANY LIMITED

Company Statement of Financial Position
September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u> Restated*
CURRENT ASSETS			
Cash and cash equivalents	4	108,806,648	121,410,843
Accounts receivable	5	367,954,512	411,406,917
Due from related parties	6[b,(i)]	440,174,415	408,776,540
Due from parent company	6[b,(ii)]	49,428,122	56,112,124
Due from subsidiaries	6[b,(iii)]	801,890,020	472,412,611
Current portion of loan to subsidiary	6[b,(iv)]	1,233,912,584	1,213,143,657
Inventories	7	981,786,351	1,029,920,008
Taxation recoverable		<u>947,298</u>	<u>974,963</u>
		<u>3,984,899,950</u>	<u>3,714,157,663</u>
CURRENT LIABILITIES			
Accounts payable	8	957,358,986	792,112,641
Short-term loans	17(ii)	1,185,868,576	1,748,164,562
Current portion of lease liabilities	11(b)	5,093,084	4,726,178
Current portion of long-term loans	17(i)	356,494,380	98,281,573
Taxation payable		<u>4,514,205</u>	<u>-</u>
		<u>2,509,329,231</u>	<u>2,643,284,954</u>
NET CURRENT ASSETS		<u>1,475,570,719</u>	<u>1,070,872,709</u>
NON-CURRENT ASSETS			
Other receivables	5(b)(i)	20,622,993	-
Loan to subsidiary	6[b,(iv)]	2,162,126,727	1,938,098,558
Intangible assets	9	38,133,005	38,133,005
Property, plant and equipment	10	1,209,370,049	1,195,600,849
Right-of-use assets	11(a)	24,044,886	30,358,699
Employee benefits assets	12(a)	-	33,211,000
Interest in subsidiaries	13	141,709,078	114,942,222
Interest in joint venture	6[b,(vii)]	5,000,000	5,000,000
Deferred tax asset	14(a)	<u>38,202,781</u>	<u>-</u>
		<u>3,639,209,519</u>	<u>3,355,344,333</u>
		<u>\$5,114,780,238</u>	<u>4,426,217,042</u>
Represented by:			
SHAREHOLDERS' EQUITY			
Share capital	15	924,237,045	254,013,268
Capital contribution	16	459,207,861	459,207,861
Accumulated profit		<u>629,687,846</u>	<u>507,634,361</u>
		<u>2,013,132,752</u>	<u>1,220,855,490</u>
NON-CURRENT LIABILITIES			
Due to fellow subsidiary	6[b,(v)]	500,000,000	500,000,000
Lease liabilities	11(b)	22,333,940	28,690,562
Long-term loans	17(i)	2,512,558,546	2,659,616,031
Employee benefits obligation	12(a)	66,755,000	-
Deferred tax liability	14(a)	<u>-</u>	<u>17,054,959</u>
		<u>3,101,647,486</u>	<u>3,205,361,552</u>
		<u>\$5,114,780,238</u>	<u>4,426,217,042</u>

The financial statements, on pages 8 to 87, were approved for issue by the Board of Directors on February 10, 2026 and signed on its behalf by:


 Director
 Marc Melville


 Director
 Alexander Melville

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Company Statement of Profit or Loss and Other Comprehensive Income
Year ended September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u> Restated*
Gross operating revenue	18	3,124,775,484	2,974,796,573
Cost of operating revenue	19(a)	(2,092,667,185)	(2,103,832,356)
Gross profit		1,032,108,299	870,964,217
Administration, marketing and selling expenses	19(b)	(730,268,361)	(727,163,155)
Operating profit		301,839,938	143,801,062
Other income	19(c)	10,897,019	11,317,908
Profit before depreciation and amortisation, net finance costs and taxation		312,736,957	155,118,970
Depreciation and amortisation	10,11	(65,074,913)	(64,655,544)
Profit before net finance costs and taxation		247,662,044	90,463,426
Interest income recognised using the effective interest rate method		536,403,379	475,528,465
Finance costs		(616,728,691)	(515,076,830)
Gain on foreign exchange		2,952,132	26,555,812
Net finance costs	20	(77,373,180)	(12,992,553)
Profit before taxation		170,288,864	77,470,873
Taxation credit/(expense)	21(a)	25,933,621	(8,940,578)
Profit for the year		196,222,485	68,530,295
Other comprehensive (loss)/income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain on employee benefit obligation/assets	12(f)	(98,892,000)	17,706,000
Related taxation on re-measurement	14(b)	24,723,000	(4,426,500)
Other comprehensive (loss)/income, net of taxation		(74,169,000)	13,279,500
Total comprehensive income for the year		\$ 122,053,485	81,809,795

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Company Statement of Changes in Shareholders' Equity
Year ended September 30, 2025

	<u>Share capital</u> (note 15)	<u>Capital contribution</u> (note 16)	<u>Accumulated profit</u>	<u>Total</u>
Balances as at September 30, 2023	<u>164,287,800</u>	<u>459,207,861</u>	<u>425,824,566</u>	<u>1,049,320,227</u>
Restated profit for the year	<u>-</u>	<u>-</u>	<u>68,530,295</u>	<u>68,530,295</u>
Other comprehensive income:				
Re-measurement income on employee benefit asset, net of taxation	<u>-</u>	<u>-</u>	<u>13,279,500</u>	<u>13,279,500</u>
Total other comprehensive income	<u>-</u>	<u>-</u>	<u>13,279,500</u>	<u>13,279,500</u>
Restated total comprehensive income	<u>-</u>	<u>-</u>	<u>81,809,795</u>	<u>81,809,795</u>
Transaction with owners of the company:				
Equity-settled share based payments	<u>89,725,468</u>	<u>-</u>	<u>-</u>	<u>89,725,468</u>
Restated balances as at September 30, 2024	<u>254,013,268</u>	<u>459,207,861</u>	<u>507,634,361</u>	<u>1,220,855,490</u>
Profit for the year	<u>-</u>	<u>-</u>	<u>196,222,485</u>	<u>196,222,485</u>
Other comprehensive (loss)/income:				
Re-measurement (loss)/income on employee benefit obligation/assets, net of taxation	<u>-</u>	<u>-</u>	<u>(74,169,000)</u>	<u>(74,169,000)</u>
Total other comprehensive loss	<u>-</u>	<u>-</u>	<u>(74,169,000)</u>	<u>(74,169,000)</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>122,053,485</u>	<u>122,053,485</u>
Transaction with owners of the company (note 15):				
Issue of shares less transaction fees	<u>643,456,921</u>	<u>-</u>	<u>-</u>	<u>643,456,921</u>
Equity-settled share-based payments	<u>26,766,856</u>	<u>-</u>	<u>-</u>	<u>26,766,856</u>
	<u>670,223,777</u>	<u>-</u>	<u>-</u>	<u>670,223,777</u>
Balances as at September 30, 2025	<u>\$924,237,045</u>	<u>459,207,861</u>	<u>629,687,846</u>	<u>2,013,132,752</u>

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Company Statement of Cash Flows
Year ended September 30, 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u> Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		196,222,485	68,530,295
Adjustments to reconcile net profit for the year			
to net cash provided by/(used in) operating activities:			
Employee benefits		1,074,000	(1,639,000)
Depreciation and amortisation	10,11	65,074,913	64,655,544
Taxation (credit)/expense	21	(25,933,621)	8,940,578
Interest on loans	20	594,387,048	485,520,818
Interest on lease liabilities	20	2,258,234	12,667,257
Interest income	20	(536,403,379)	(475,528,465)
Amortisation of debt issuance costs	17(k)	44,128,066	-
Unrealised foreign exchange loss/(gains)		39,699,251	(1,617,977)
Gain on disposal of property plant and equipment	19(c)	(3,242,000)	(2,360,575)
Equity settled share-based payments	19(b)	<u>-</u>	<u>45,322,312</u>
		377,264,997	204,490,787
Changes in working capital:			
Accounts receivable		22,829,412	(21,481,121)
Due from related parties		(360,875,284)	(959,797,175)
Due from parent company		6,684,002	(11,953,593)
Inventories		48,133,657	(99,773,187)
Accounts payable		<u>129,161,288</u>	<u>362,241,986</u>
Cash generated by/(used in)/operations		223,198,072	(526,272,303)
Interest received		426,370,938	423,950,152
Interest paid		(485,519,286)	(443,784,952)
Taxation paid		(59,249)	(156,479)
Net cash provided by/(used in) in operating activities		<u>163,990,475</u>	<u>(546,263,582)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the disposal of property, plant and equipment		3,242,000	2,360,575
Interest in subsidiaries	13	-	(1,398,401)
Purchase of property, plant and equipment	10	(72,530,300)	(108,112,227)
Net cash used in investing activities		(69,288,300)	(107,150,053)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term loans	17(k)	-	3,942,734,250
Repayment of long-term loans	17(k)	(98,281,573)	(85,802,888)
Proceeds from short-term loan	17(k)	-	1,392,266,700
Repayment of short-term loan	17(k)	(639,793,648)	(1,392,266,700)
Debt issuance costs incurred	17(k)	-	(86,384,129)
Proceeds from issue of shares net of transaction fees	15	643,456,921	-
Loans subsidiary	6(b)(iv)	-	(3,151,242,215)
Payment of lease liabilities	11(d)	(5,987,943)	(25,482,174)
Net cash (used in)/provided by financing activities		(100,606,243)	<u>593,822,844</u>
Net decrease in cash and cash equivalents		(5,904,068)	(59,590,791)
Effect of foreign currency on cash and cash equivalents		(6,700,127)	(505,154)
Cash and cash equivalents at the beginning of the year		<u>121,410,843</u>	<u>181,506,788</u>
Cash and cash equivalents at the end of the year		<u>\$108,806,648</u>	<u>121,410,843</u>
Represented by:			
Cash and cash equivalents	4	<u>\$108,806,648</u>	<u>121,410,843</u>

The accompanying notes form an integral part of the financial statements.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements September 30, 2025

1. Corporate structure and principal activities

Tropical Battery Company Limited (the Company) is incorporated and domiciled in Jamaica, and its registered office is at 30 Automotive Parkway, Kingston 20.

The Company stock units were listed on the Jamaica Stock Exchange (JSE) Junior Market on September 29, 2020. It is a 56% (2024: 75%) subsidiary of Dai Diverze (Jamaica) Limited (parent company).

On August 19, 2025 the company moved from JSE Junior Market to the JSE Main Market.

Dai Diverze (Jamaica) Limited (parent company) is incorporated in Jamaica and is a wholly owned subsidiary of Diverze Assets Inc. (ultimate parent company), a company incorporated in St. Lucia.

These financial statements present the results of operations and financial position of the Company and its subsidiaries, collectively referred to as “the Group”.

On January 30, 2024, the Company, through its subsidiary Tropical Battery (USA) LLC, acquired 100% of the shares in Rose Electronics Distributing Company LLC (Rose Batteries).

The Company's subsidiaries are as follows:

	<u>Domicile of incorporation</u>	
Tropical Battery (USA) LLC	United States of America	100%
Rose Electronics Distributing Company LLC	United States of America	100%
Energy Sales LLC - Dormant	United States of America	100%
Tropical Mobility Limited	Jamaica	95%
Energy Sales LLC (Dormant)	United States of America	100 %
Tropical Renewable Energy Limited	Jamaica	95%
Tropical Finance Limited	Jamaica	95%
Kaya Energy Group, SRL	Dominican Republic	51%

The Group's Joint Venture is as follows:

	<u>Domicile of incorporation</u>	
EnRvate Limited	Jamaica	50%

The Group's primary activities are selling and distributing energy storage solutions, including automotive and renewable energy batteries, across Jamaica and the Caribbean while also providing custom battery assemblies for mission-critical applications through Rose Batteries in the U.S. The Group offers renewable energy solutions and electric mobility sales and services. It is a major exporter of spent batteries for recycling and has expanded into high-growth markets, leveraging investments like Kaya Energy and Rose Batteries to strengthen its presence in the renewable energy and energy storage sectors.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements as at and for the year ended September 30, 2025 are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

New and amended standards issued that became effective during the year:

Certain new and amended standards that were issued came into effect during the current financial year. None of these standards had a significant effect on these financial statements.

New and amended standards issued and interpretations that are not effective:

At the date of authorisation of the financial statements, certain new and amended standards and interpretations have been issued which are not yet effective and which the Group has not yet adopted:

- IFRS 18 *Presentation and Disclosure in Financial Statements*, is effective for annual reporting periods beginning on or after January 1, 2027.

Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a Company’s main business activities.

All companies are required to report the newly defined ‘operating profit’ subtotal – an important measure for investors’ understanding of a Company’s operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the ‘investing’ category.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a ‘useful structured summary’ of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a Company provides more detailed disclosures about their nature.

Management’s initial assessment, however, revealed that IFRS 18 *presentation and disclosure of financial statements* is likely to impact the presentation of the statement of profit or loss and other comprehensive income

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(a) Statement of compliance (continued):

New and amended standards issued and interpretations that are not effective (continued):

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*. The amendments apply for reporting periods beginning on or after 1 January 2026. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system. The exception allows companies to derecognise its financial liabilities before the settlement date, when it uses an electronic payment system that meets all of the following criteria:
 - (i) no practical ability to withdraw, stop or cancel the payment instruction;
 - (ii) no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
 - (iii) the settlement risk associated with the electronic payment system is insignificant

The Group is assessing the impact that these amendments will have on its future financial statements.

(b) Basis of preparation:

Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates, referred to as the functional currency. The consolidated financial statements are presented in Jamaica dollars (\$), which is the Group's functional and presentation currency.

The financial statements are prepared under the historical cost convention, except for the inclusion of defined benefits asset and obligation at fair value of plan assets less the present value of the defined benefits asset and obligation as explained in note 3(n).

The material accounting policies stated in paragraph (c) and note 3 below conform in all material respects with IFRS Accounting Standards.

(c) Basis of consolidation:

(i) Business combinations:

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(c) Basis of consolidation (continued):

(i) Business combinations (continued):

The Group accounts for business combination under the acquisition method when the acquired set of activities and assets meet the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired include at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has the option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or Group of similar identifiable assets.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquired entity; plus
- if the business combination is achieved in stages, the fair value of the pre-existing interest in the acquired entity; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date.

(ii) Subsidiaries:

A subsidiary is an entity controlled by the Group. The Group “controls” an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The subsidiary companies are listed in note 1 and are referred to as “subsidiaries” or “subsidiary” in these financial statements.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(c) Basis of consolidation (continued):

(ii) Subsidiaries (continued):

A subsidiary is an entity controlled by the Group. The Group “controls” an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The subsidiary companies are listed in note 1 and are referred to as “subsidiaries” or “subsidiary” in these financial statements.

The financial statements comprise the consolidated financial results of the Company and its subsidiaries prepared to September 30, 2025.

Investment in subsidiaries is measured in the financial statements of the Company at cost, less impairment losses, if any.

All significant inter-Company transactions are eliminated.

(iii) Loss of control:

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

(iv) Joint venture:

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control over the financial and operating policies. The consolidated financial statements include the Group’s share of the total recognised gains and losses of joint ventures on the equity accounting basis.

If the Group’s share of losses exceeds its interest in a joint venture the Group’s carrying amount is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of a joint venture. If the joint venture subsequently reports gains, the Group resumes recognising its share of those gains only after its share of gains equals the share of losses not recognised.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(c) Basis of consolidation (continued):

(v) Non-controlling interests (NCI):

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

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests, even if doing so causes the non-controlling interest to have a deficit balance.

(vi) Transactions eliminated in consolidation:

Balances and transactions between companies within the Group, and any unrealised gains arising from those transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(d) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from these estimates.

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

Estimates that can cause a significant adjustment to the carrying amounts of assets and liabilities in the next financial year and judgements that have a significant effect on the amounts recognised in the financial statements, include the following:

(i) Pension and other post-retirement benefits:

The amounts recognised in the statement of financial position and profit or loss for pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include expected long-term return on plan assets, the discount rate used to determine the present value of estimated future cash flows required to settle the pension and other post-retirement obligations and the expected rate of increase in medical costs for post-retirement medical benefits.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

2. **Statement of compliance and basis of preparation (continued)**

(d) Use of estimates and judgements (continued):

Estimates that can cause a significant adjustment to the carrying amounts of assets and liabilities in the next financial year and judgements that have a significant effect on the amounts recognised in the financial statements, include the following (continued):

(i) Pension and other post-retirement benefits (continued):

The expected return on plan assets considers the long-term returns, asset allocation and future estimates of long-term investment returns; the discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Group's obligation; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenure security on the market. The estimate of expected rate of increase in medical costs is determined based on inflationary factors. Any changes in the foregoing assumptions will affect the amounts recorded in the financial statements for these obligations (see note 12).

(ii) Impairment of goodwill

Impairment of goodwill is dependent upon management's internal assessment of future cash flows from the cash-generating units that gave rise to the goodwill and intangible assets. Those internal assessments determine the amount recoverable from the cash generating units and are sensitive to the discount rates used, as well as the economic assumptions of growth [see note 9 (c)].

3. **Material accounting policies**

(a) Cash and cash equivalents:

Cash and cash equivalents comprise cash, bank balances and short-term investments with maturities of three months or less from the date of placement and are measured at amortised cost. The short-term investments are highly liquid, readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term commitments.

(b) Accounts receivable:

Trade and other receivables are initially measured at the transaction price and subsequently at amortised cost.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(c) Related parties:

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

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to the reporting entity if any of the following conditions apply:
 - (i) The entity and the reporting entity 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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also 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 reporting entity or is a member of the key management personnel of the reporting entity (or of a parent of the entity).
 - (viii) The entity, or any member of a Group of which it is part, provides key management personnel services to the Company or to the parent of the Company.

A related party transaction involves transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

The Company has a related party relationship with its directors, parent Company, jointly controlled entities, and post-employment benefit plan, as well as with its trustees and key management personnel. “Key management personnel” represents certain senior officers of the Company.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(d) Inventories:

Inventories are measured at the lower of cost, materially determined on the weighted average basis, and net realisable value.

The Group classifies photovoltaic panels, batteries, inverters and other related parts as solar inventory. Solar inventory is valued at lower of weighted average cost and net realisable value. Any impairment of solar inventory items due to obsolescence or slow-moving stock is recognised and disclosed as part of inventory management process. Solar inventory is assessed regularly to ensure that carrying amounts are not greater than their net realisable value. If inventory is written down, the amount of the write-down is recognised in profit or loss under cost of operating revenue.

(e) Accounts payable:

Trade and other payables are measured at amortised cost.

(f) Provisions:

A provision is recognised in the statement of financial position when the Group or Company has an obligation as a result of a past event and a reasonable estimate can be made and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(g) Property, plant and equipment:

(i) Owned assets:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied with the part will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of property and equipment are recognised in profit or loss as incurred. Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(g) Property, plant and equipment (continued):

(ii) Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that future economic benefit associated with the expenditure will flow to the Group.

(iii) Depreciation:

Depreciation is computed on the straight-line basis at annual rates to write down the property, plant and equipment to their estimated residual values at the end of their expected useful lives.

Leasehold improvements	-	Over the period of the lease
Plant and machinery and equipment	-	10%
Furniture, fixtures and equipment	-	10%
Computers	-	25%
Motor vehicles	-	20%
Right-of-use assets	-	Over the period of the lease
Buildings	-	2.5 %

No depreciation is charged on land.

The depreciation methods, useful lives and residual values are reassessed at each reporting date.

(h) Leases:

As a lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain to terminate early.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(h) Leases (continued):

As a lessee (continued):

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

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

Short-term leases

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

(i) Intangible assets:

Brands:

Brands represent expenditure incurred for the exclusive right to assume specific trade names and logos associated with the business. These intangible assets are determined to have an indefinite useful life and are tested annually for impairment.

Computer software:

Costs that are directly associated with acquiring identifiable software products which are expected to generate economic benefits beyond one year, are recognised as intangible assets. These assets are measured at cost, less accumulated amortisation and, if any, impairment losses. The assets are amortised using the straight-line method over their expected useful lives, estimated between five to seven years. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(i) Intangible assets (continued):

Goodwill:

Goodwill is recorded at cost and represents the excess of the value of consideration paid over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(j) Taxation:

Taxation on profit or loss for the year comprises current and deferred tax. Taxation is recognised in profit or loss, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax liability is recognised for all taxable temporary differences except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(k) Revenue recognition:

Performance obligations and revenue recognition policies:

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Type of Service	Nature and timing of satisfaction of performance obligations, including significant payment terms.	Revenue recognition under IFRS 15.
Revenue from the sale of batteries, oils, lubricants, tyres, renewable energy solutions and other accessories	<p>Revenue is recognised when goods or services are provided to the customers based on the terms specified in the contract. Invoices are generated and the revenue is recognised at that point in time. Volume discounts are given to customers.</p> <p>Invoices are usually payable within 5-30 days.</p> <p>Discounts are offered to customers ranging from 3-32.5%.</p>	Revenue is recognised when the goods are provided and have been accepted by the customers.

(l) Operating profit:

Operating profit is the result generated from continuing principal revenue – producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes depreciation and amortisation, net finance costs, share of profit of equity accounted investees and taxation.

(m) Foreign currencies:

Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Jamaica dollars at the rates of exchange ruling on that date. Gains and losses arising from fluctuations in exchange rates are recognised in profit or loss.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(m) Foreign currencies (continued):

Group companies

The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at exchange rates ruling at the reporting date.
- (ii) Income and expenses for each income statement are translated at average exchange rates.

(n) Employee benefits:

(i) Pension assets:

Pensions and other post-employment assets and obligations included in these financial statements have been actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion.

The actuarial valuation was conducted in accordance with IAS 19, and the financial statements reflect the Group's post-employment benefit assets and obligations as computed by the actuary.

(ii) Defined benefit pension scheme:

The Group is a participating employer in a defined benefit pension scheme, the assets of which are held separately from those of the Group.

The Group's net obligation in respect of the defined benefit pension scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of scheme assets is deducted. To the extent that the obligation is less than the fair value of scheme assets, the asset recognised is restricted to the discounted value of future benefits available to the Group.

The discount rate applied is the yield at reporting date on long-term government instruments that have maturity dates approximating the term of the Group's obligation. The calculation is performed using the projected unit credit method.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(n) Employee benefits (continued):

(ii) Defined benefit pension scheme (continued):

Where the calculation results in a pension surplus to the Group, the recognised asset is limited to the present value of any future refunds from the scheme or reductions in the future contributions to the scheme.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income.

(iii) Other employee benefits:

Employee entitlement to leave is recognised when it accrues to employees. A provision is made for the estimated liability for annual leave, as a result of services rendered by employees up to the reporting date.

(iv) Share-based payment arrangements:

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at vesting date. For share based payment awards with non-vesting conditions, the granted-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

For the Company where the share-based payment is provided for employees of the subsidiaries, the share-based payment is capitalized to investment in subsidiary.

(o) Dividends and distributions:

Dividends and distributions are recognised in the period in which they are declared.

(p) Net finance costs:

Net finance costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, material bank charges and foreign exchange gains and losses recognised in profit or loss.

Interest income is recognised in profit or loss as it accrues, taking into account the effective yield on the asset.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(q) Borrowings:

(i) Debt issuance costs:

These represent legal, accounting and financing fees associated with securing certain long-term loans, which are amortised on an effective rate basis over the lives of the loans.

(ii) Interest-bearing borrowings:

Interest-bearing borrowings are recognised initially at fair value plus transaction costs directly attributable to the issue of the financial liabilities. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost using the effective interest method.

(r) Impairment:

(i) Financial assets:

The Group recognises loss allowances for ECLs on financial assets, measured at amortised cost.

The Group measures loss allowances for trade and other receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and also includes forward looking information.

The Group recognises loss allowances for ECLs and considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action, such as realising security, if any is held; or
- the financial asset is more than 360 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade".

Life-time ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(r) Impairment (continued):

(i) Financial assets (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets

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

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

3. Material accounting policies (continued)

(r) Impairment (continued):

(i) Financial assets (continued):

Write-off (continued)

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

A provision for impairment is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees and collateral, discounted at the effective interest rate.

(ii) Non-financial assets:

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

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

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

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

3. Material accounting policies (continued)

(s) Financial instruments:

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include cash and cash equivalents, accounts receivable, other receivables and related party receivables. Similarly, financial liabilities include accounts payable, related party payables and loans.

(i) Financial assets:

Recognition and initial measurement

Accounts receivable are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified as “Held to collect” and measured at amortised cost.

Amortised cost represents the net present value (“NPV”) of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Accounts receivable
- Related party receivables
- Other receivables

Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described in their accounting policy notes.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(s) **Financial instruments (continued):**

(i) **Financial assets (continued):**

Impairment of financial assets

Impairment losses of financial assets, including receivables, are recognised using the expected credit loss model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering their measurement of past events and current conditions, as well as reasonable and supportable forecasts affecting collectability.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(ii) **Financial liabilities:**

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Group’s financial liabilities, which include accounts payable, related party payables, short-term and long-term loans, are recognised initially at fair value.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their recording as described in their accounting policy notes.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

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

(s) **Financial instruments (continued):**

(iii) **Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(t) **Fair value disclosures:**

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. Market price is used to determine fair value where an active market exists as it is the best evidence of the fair value of a financial instrument. The Group's financial instruments lack an available trading market. Further, the Group has no financial instruments that are carried at fair value. The carrying value of the Group's financial instruments approximates their fair value. Further information about the assumptions made in measuring fair value is included in the following notes 26(e) and 28.

(u) **Segment reporting:**

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

(v) **Share capital:**

(i) **Ordinary shares**

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

(ii) **Treasury shares**

When shares recognised as equity are purchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

4. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
Cash and bank balances	178,679,859	430,128,208	76,032,878	89,864,702
Short-term investments	<u>32,773,770</u>	<u>31,546,141</u>	<u>32,773,770</u>	<u>31,546,141</u>
	<u>\$211,453,629</u>	<u>461,674,349</u>	<u>108,806,648</u>	<u>121,410,843</u>

Short-term investments earn interest at 1.5% to 2% (2024: 1.5% to 2%) per annum, with maturities of three months or less from date of acquisition.

5. Accounts receivable

	Group		Company	
	2025	2024	2025	2024
Trade receivables (a)	1,187,494,901	693,718,741	265,936,151	287,553,790
Others (b)	<u>233,386,475</u>	<u>309,388,597</u>	<u>137,161,002</u>	<u>151,023,517</u>
	1,420,881,376	1,003,107,338	403,097,153	438,577,307
Less: Allowance for impairment loss [note 26(a)]	(<u>15,634,320</u>)	(<u>28,268,880</u>)	(<u>14,519,648</u>)	(<u>27,170,390</u>)
	1,405,247,056	974,838,458	388,577,505	411,406,917
Less: Other receivables non-current [5(b)(i)]	(<u>20,622,993</u>)	<u>-</u>	(<u>20,622,993</u>)	<u>-</u>
	<u>\$1,384,624,063</u>	<u>974,838,458</u>	<u>367,954,512</u>	<u>411,406,917</u>

(a) Trade receivables as detailed below:

Balances at the beginning of the year	693,718,741	291,990,394	287,553,790	272,467,706
Arising on acquisition of subsidiary	-	331,116,829	-	-
Increase/(decrease) due to credit sales/ (cash received)	<u>493,776,160</u>	<u>70,611,518</u>	(<u>21,617,639</u>)	<u>15,086,084</u>
Balances at the end of the year	<u>\$1,187,494,901</u>	<u>693,718,741</u>	<u>265,936,151</u>	<u>287,553,790</u>

Trade receivables include \$7,452,168 (2024: \$11,619,687) for Group and \$1,351,382 (2024: \$11,619,687) for Company due from a related party.

The Group's exposure to credit and currency risks and impairment loss related to trade accounts receivables are disclosed in note 26(a).

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

5. Accounts receivable (continued)

(b) Others detailed as follows:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
General consumption				
tax	35,400,327	33,318,501	35,400,327	33,318,501
Staff loans*	22,902,056	24,221,578	22,633,866	23,785,843
Prepayments	66,647,103	100,046,996	25,134,498	69,392,400
Others (1)	<u>108,436,989</u>	<u>151,801,522</u>	<u>53,992,311</u>	<u>24,526,773</u>
	<u>\$233,386,475</u>	<u>309,388,597</u>	<u>137,161,002</u>	<u>151,023,517</u>

*Staff loans attract interest at rates ranging from 2.5% to 7%. The difference between the fair value of the loans and their carrying value is not material to the financial statements.

(i) Included in “Others” is current portion of loans receivable of \$6,808,392. The loan was granted to a customer on January 1, 2025 and is payable in monthly instalments of principal and interest of \$671,354. The loan bears interest at a rate of 15% per annum and matures on December 31, 2029. The long-term portion of the loan is \$20,622,993.

6. Related party balances and transactions

(a) Identity of related parties:

The Company has related party relationships with its ultimate parent Company, its parent company, subsidiaries, fellow subsidiaries, joint venture, its directors, key management personnel and other related companies controlled by key management personnel.

(b) The statement of financial position includes the following balances arising in the ordinary course of business with related parties:

(i) Due from related parties (current):

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<i>Related companies</i>				
Chukka Caribbean Adventure Limited (Jamaica)	3,792,150	8,214,635	3,792,150	8,214,635
Reside Realty Limited (a)	39,745	27,863	39,745	27,863
<i>Fellow subsidiary</i>				
Diverze Properties Limited (b)	400,146,594	384,602,883	400,146,594	384,602,883
<i>Joint venture</i>				
Enrvate Limited (a)	23,304,434	10,931,159	20,151,503	10,931,159
Directors' current account (a)	<u>37,236,095</u>	<u>5,000,000</u>	<u>16,044,423</u>	<u>5,000,000</u>
	<u>\$464,519,018</u>	<u>408,776,540</u>	<u>440,174,415</u>	<u>408,776,540</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

6. Related party balances and transactions (continued)

(b) The statement of financial position includes the following balances arising in the ordinary course of business with related parties (continued):

(i) Due from related parties (current):

- (a) These balances are unsecured, interest-free and repayable on demand. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.
- (b) See note 17(g) for terms of loan.

(ii) Due from parent company (current):

	<u>Group and Company</u>	
	<u>2025</u>	<u>2024</u>
Dai Diverze (Jamaica) Limited	<u>\$49,428,122</u>	<u>56,112,124</u>

This balance is unsecured, interest-free and repayable on demand. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of this amount.

(iii) Due from subsidiaries (current):

	<u>Company</u>	
	<u>2025</u>	<u>2024</u>
		Restated*
Tropical Mobility Limited	5,759,186	3,560,714
Tropical Renewable Energy Limited	143,702,690	25,855,900
KAYA Energy Group SRL	8,531,373	8,531,374
Tropical Battery (USA) LLC	<u>643,896,771</u>	<u>434,464,623</u>
	<u>\$801,890,020</u>	<u>472,412,611</u>

These balances are unsecured, interest-free and repayable on demand.

(iv) Loan to subsidiary (non-current):

No expense has been recognised in the current year for bad or doubtful debts in respect of amounts owed by this subsidiary.

	<u>Company</u>	
	<u>2025</u>	<u>2024</u>
Tropical Battery (USA) LLC	3,396,039,311	3,151,242,215
Less: Current portion	(1,233,912,584)	(1,213,143,657)
Long-term portion	<u>\$2,162,126,727</u>	<u>1,938,098,558</u>

See note 17(f) and 17(i) for terms of loan.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

6. Related party balances and transactions (continued)

(b) The statement of financial position includes the following balances arising in the ordinary course of business with related parties (continued):

(v) Due to fellow subsidiary (non-current):

	Group		Company	
	2025	2024	2025	2024
Diverze Properties Limited	<u>\$517,516,278</u>	<u>500,000,000</u>	<u>500,000,000</u>	<u>500,000,000</u>

This balance comprises:

- (i) An unsecured loan of JMD \$500,000,000 to the Company, bearing interest at 11% per annum and not repayable before September 2027. The interest was waived for the financial year ended September 30, 2025.
- (ii) An unsecured loan of USD \$110,000 to Tropical Battery (USA) LLC, bearing interest at 11% per annum and not repayable before September 2028.

(vi) Due to related parties (current):

	Group	
	2025	2024
Enrvate Limited	16,388,913	-
Diverze Properties Limited	<u>226,279</u>	<u>-</u>
	<u>\$16,615,192</u>	<u>-</u>

The balances are unsecured, interest free and repayable on demand.

(vii) Interest in joint venture

	Group and Company	
	2025	2024
Enrvate Limited (i)	<u>\$5,000,000</u>	<u>5,000,000</u>

- (i) In 2021, the Group entered a strategic partnership to provide energy saving solutions to the automobile industry. To carry out this mandate, Enrvate Limited ('Enrvate') was formed as part of an arrangement in which the Company has joint control and a 50% ownership interest. Enrvate is structured as a separate entity and the Company has residual interest in its net assets. Accordingly, the Company has classified its interest in Enrvate as a joint venture. In accordance with the agreement under which Enrvate is established, the Company and the other investor have agreed to seek additional contributions from selected partners between \$24 million to \$36 million to fund the operations over the next financial year, following which, additional funding will be sought where required. There was no material trading during the financial year.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

6. Related party balances and transactions (continued)

(c) The statement of profit and loss and other comprehensive income includes the following balances arising in the ordinary course of business with related parties:

	Group		Company	
	<u>2025</u> \$	<u>2024</u> \$	<u>2025</u> \$	<u>2024</u> \$
Sale of goods and services to other related parties:				
Chukka Caribbean Adventure Limited (Jamaica)	<u>3,473,012</u>	<u>3,617,503</u>	<u>3,473,012</u>	<u>3,617,503</u>
Sale of goods and services to subsidiaries:				
Kaya Energy Group SRL	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,581,730</u>
Tropical Renewable Energy Limited	<u>-</u>	<u>-</u>	<u>8,321,054</u>	<u>-</u>
Tropical Mobility Limited	<u>-</u>	<u>-</u>	<u>192,129</u>	<u>-</u>
Purchase of goods and services from subsidiary:				
Tropical Mobility Limited	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,492,862</u>
Transactions with fellow subsidiary - Diverze Properties Limited (note 10,11):				
Interest on lease liabilities	4,520,013	12,623,857	4,520,013	12,623,857
Lease payments	9,879,986	25,048,500	9,879,986	25,048,500
Professional fees earned	-	(7,236,867)	-	(7,236,867)
Interest income earned [note 6 (b)(i)]	(28,101,121)	(63,941,534)	(28,101,121)	(63,941,534)
Transaction with subsidiaries:				
Interest income	\$ <u>-</u>	<u>-</u>	<u>(496,633,540)</u>	<u>(395,941,421)</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

6. Related party balances and transactions (continued)

(d) Key management personnel compensation:

	Group		Company	
	<u>2025</u> \$	<u>2024</u> \$ Restated*	<u>2025</u> \$	<u>2024</u> \$ Restated*
Directors' emoluments as management	67,339,928	38,574,637	29,038,035	17,944,817
Director's fees	400,000	400,000	400,000	400,000
Compensation for key management:				
Share based payments	26,766,856	49,635,156	-	30,435,156
Short-term benefits	<u>123,122,112</u>	<u>88,487,183</u>	<u>39,630,853</u>	<u>27,837,983</u>

7. Inventories

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Finished goods:				
Tyres	445,929	445,929	445,929	445,929
Batteries	572,669,237	515,459,228	538,669,821	479,835,678
Oils	53,848,541	93,400,221	53,848,541	93,400,221
Accessories	107,046,963	129,415,921	101,046,470	129,415,921
Solar	89,047,803	91,548,026	52,756,500	59,057,355
Raw material	473,224,730	497,615,991	-	-
Work-in-progress	8,648,659	35,328,671	-	-
Inventories-in-transit	<u>238,916,385</u>	<u>273,108,518</u>	<u>237,538,172</u>	<u>270,283,986</u>
	1,543,848,247	1,636,322,505	984,305,433	1,032,439,090
Written down to net realisable value	(6,412,314)	(6,355,793)	(2,519,082)	(2,519,082)
	<u>\$1,537,435,933</u>	<u>1,629,966,712</u>	<u>981,786,351</u>	<u>1,029,920,008</u>

Inventories written-off during the year amounted to \$10,061,655 (2024: \$13,767,751) for the Group and Company and were recognised as expense during the year. Inventories of \$3,744,788,870 (2024: \$3,467,739,530) for the Group and \$2,078,155,392 (2024: \$2,090,064,605) for the Company were recognised as an expense during the year and included in "cost of sales".

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

8. Accounts payable

	Group		Company	
	<u>2025</u>	<u>2024</u> Restated*	<u>2025</u>	<u>2024</u> Restated*
Trade payables	1,043,390,259	774,934,031	755,333,317	633,592,824
Dividends payable	-	2,333,070	-	2,333,070
Contingent payment payable - Rose Batteries acquisition [note 28 (a)(i)]	91,235,305	333,154,966	-	-
Accruals	247,229,700	141,184,575	172,719,131	44,057,291
Other payables	<u>130,649,316</u>	<u>179,592,828</u>	<u>29,306,538</u>	<u>112,129,456</u>
	<u><u>\$1,512,504,580</u></u>	<u><u>1,431,199,470</u></u>	<u><u>957,358,986</u></u>	<u><u>792,112,641</u></u>

9. Intangible assets and goodwill

	The Group			
	<u>Brands</u>	<u>Software</u>	<u>Goodwill</u>	<u>Total</u>
Cost or valuation:				
September 30, 2023	38,133,005	-	61,120,229	99,253,234
Arising on acquisition of subsidiary	-	77,439,256	2,831,162,172	2,908,601,428
Movement in Kaya goodwill during the year	-	-	8,682,774	8,682,774
Foreign currency adjustment	-	977,987	(2,209,188)	(1,231,201)
Additions	<u>-</u>	<u>5,209,522</u>	<u>-</u>	<u>5,209,522</u>
September 30, 2024	38,133,005	83,626,765	2,898,755,987	3,020,515,757
Foreign currency adjustment	<u>-</u>	<u>1,232,123</u>	<u>66,373,209</u>	<u>67,605,332</u>
September 30, 2025	<u>38,133,005</u>	<u>84,858,888</u>	<u>2,965,129,196</u>	<u>3,088,121,089</u>
Amortization:				
Arising on acquisition of subsidiary [see note 28(a) (iii)]	-	25,375,498	-	25,375,498
Charge for the year	-	2,053,847	-	2,053,847
Foreign currency adjustment	<u>-</u>	<u>498,657</u>	<u>-</u>	<u>498,657</u>
September 30, 2024	-	27,928,002	-	27,928,002
Charge for the year	-	14,322,791	-	14,322,791
Transfer from property, plant & equipment (note 10)	-	15,498,006	-	15,498,006
Foreign currency adjustment	<u>-</u>	<u>853,505</u>	<u>-</u>	<u>853,505</u>
September 30, 2025	<u>-</u>	<u>58,602,304</u>	<u>-</u>	<u>58,602,304</u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

9. Intangible assets and goodwill (continued)

	The Group			
	Brands	Software	Goodwill	Total
Net book values:				
September 30, 2025	\$38,133,005	26,256,584	2,965,129,196	3,029,518,785
September 30, 2024	\$38,133,005	55,698,763	2,898,755,987	2,992,587,755

This is represented on the statement of financial position as follows:

	Group	
	2025	2024
Intangible assets	64,389,589	93,831,768
Goodwill	2,965,129,196	2,898,755,987
	\$3,029,518,785	2,992,587,755
	Company	
	2025	2024
Intangible assets		
Brands (a)	\$ 38,133,005	38,133,005

(a) These brands represent the acquisition of certain assets as part of the Caribrake and Autopower Brands. These assets are carried at cost as intangible assets with indefinite life. There is no foreseeable limit on the period during which the Group expects to consume the future economic benefits embodied in the asset.

The entity projects that the use of these brands will be made indefinitely, whilst the brands would be tested for impairment in line with IAS 36. As at the reporting period no impairment was identified.

(b) The software represents computer software programs.

(c) Goodwill of \$2,831,162,172 [note 28(a)(iii)] is attributable to the acquisition of Rose Electronics Distributing Company LLC and \$67,593,815 to the acquisition of Kaya Energy Group, SRL.

In testing goodwill and intangible assets for impairment, recoverable amounts of cash-generating units were estimated based on value in use. Where the recoverable amounts exceed the carrying amount, no impairment allowance is made. The recoverable amount of the cash-generating unit (CGU) was arrived at by estimating its future cash flows and discounting those cash flows using long-term discount rates applicable to the respective jurisdiction. Future sustainable cash flows were estimated based on the most recent forecasts, based on past experience and management's plans.

In all cases, projected cash flows are taken over 5 years and a long-term growth rate is applied to determine a terminal value which is then discounted to present value using an appropriate discount rate.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

9. Intangible assets and goodwill (continued)

(c) (Continued)

Key assumptions used in the discounted cash flow projections were as follows:

	<u>2025</u>	<u>2024</u>
Kaya Energy Group, SRL (CGUs)		
Discount rate	12.71%	12.71%
Growth rate	<u>5.00%</u>	<u>5.00%</u>

The discount rate was a post-tax measure estimated based on the weighted average cost of capital, a possible debt leveraging of 60 percent at a market interest rate of 8.1 percent.

The recoverable amount of the CGU was estimated to be higher than its carrying amount and no impairment was required.

	<u>2025</u>	<u>2024</u>
Rose Batteries (CGUs)		
Discount rate	14.31%	14.31%
Growth rate	<u>5.00%</u>	<u>5.00%</u>

The discount rate was a post-tax measure estimated based on the weighted average cost of capital, a possible debt leveraging of 45 percent at a market interest rate of 8.1 percent

The recoverable amount of the CGU was estimated to be higher than its carrying amount and no impairment was required.

10. Property, plant and equipment

					The Group				
					Land and building	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
Cost:									
September 30, 2023	80,841,498	78,703,152	-	8,343,610	185,768,228	106,339,729	459,996,217		
Acquired through business combination	11,967,185	798,155	-	45,133,499	45,429,221	-	103,328,060		
Additions	7,697,549	3,823,496	950,000,000	701,770	38,259,430	62,165,024	1,062,647,269		
Disposal	-	-	-	-	(41,645,206)	(9,733,543)	(51,378,749)		
Foreign currency adjustment	62,301	5,312	-	305,019	(745,629)	(553,404)	(926,401)		
September 30, 2024	100,568,533	83,330,115	950,000,000	54,483,898	227,066,044	158,217,806	1,573,666,396		
Additions	16,310,320	80,533,098	-	2,732,873	40,830,337	2,209,386	142,616,014		
Disposal	-	(811,148)	-	(38,612)	(412,070)	(10,542,489)	(11,804,319)		
Foreign currency adjustment	185,088	(1,351,516)	-	616,300	644,915	(167,457)	(72,670)		
September 30, 2025	117,063,941	161,700,549	950,000,000	57,794,459	268,129,226	149,717,246	1,704,405,421		

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

10. Property, plant and equipment (continued)

	The Group (Continued)						
	Computers	Leasehold improvements	Land and building	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
Depreciation:							
September 30, 2023	62,406,372	19,544,390	-	8,343,610	112,354,992	77,102,293	279,751,657
Acquired through business combination	8,205,075	558,085	-	33,940,902	31,907,227	-	74,611,289
Charge for the year	11,802,818	1,789,759	-	3,887,384	15,094,588	12,164,837	44,739,386
Eliminated on disposal	-	-	-	-	(29,941,883)	(9,733,543)	(39,675,426)
Foreign currency adjustment	70,032	3,714	-	251,735	(354,133)	(9,940)	(38,592)
September 30, 2024	82,484,297	21,895,948	-	46,423,631	129,060,791	79,523,647	359,388,314
Charge for the year	8,848,550	3,538,394	13,000,000	6,797,329	18,230,439	19,765,479	70,180,191
Transfer to intangible assets (note 9)	-	-	-	(15,498,006)	-	-	(15,498,006)
Eliminated on disposal	-	(506,968)	-	(38,656)	(412,070)	(10,542,489)	(11,500,183)
Foreign currency adjustment	146,413	(1,003,871)	-	149,744	(630,268)	(104,177)	(1,442,159)
September 30, 2025	91,479,260	23,923,503	13,000,000	37,834,042	146,248,892	88,642,460	401,128,157
Net book values:							
September 30, 2025	<u>\$ 25,584,681</u>	<u>137,777,046</u>	<u>937,000,000</u>	<u>19,960,417</u>	<u>121,880,334</u>	<u>61,074,786</u>	<u>1,303,277,264</u>
September 30, 2024	<u>\$ 18,084,236</u>	<u>61,434,167</u>	<u>950,000,000</u>	<u>8,060,267</u>	<u>98,005,253</u>	<u>78,694,159</u>	<u>1,214,278,082</u>

	The Company						
	Computers	Leasehold improvements	Land and building	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
Cost:							
September 30, 2023	80,264,330	78,703,152	-	8,343,610	183,898,111	91,374,525	442,583,728
Additions	7,044,666	3,823,496	950,000,000	-	37,300,230	59,943,835	1,058,112,227
Disposal	-	-	-	-	-	(9,733,543)	(9,733,543)
September 30, 2024	87,308,996	82,526,648	950,000,000	8,343,610	221,198,341	141,584,817	1,490,962,412
Additions	12,867,033	22,402,894	-	-	36,965,073	295,300	72,530,300
Disposal	-	-	-	-	-	(10,542,489)	(10,542,489)
September 30, 2025	100,176,029	104,929,542	950,000,000	8,343,610	258,163,414	131,337,628	1,552,950,223
Depreciation:							
September 30, 2023	62,066,150	19,544,390	-	8,343,610	110,916,554	68,570,969	269,441,673
Charge for the year	10,287,294	1,789,759	-	-	13,070,640	10,505,740	35,653,433
Eliminated on disposal	-	-	-	-	-	(9,733,543)	(9,733,543)
September 30, 2024	72,353,444	21,334,149	-	8,343,610	123,987,194	69,343,166	295,361,563
Charge for the year	7,407,773	2,118,619	13,000,000	-	17,912,604	18,322,104	58,761,100
Eliminated on disposal	-	-	-	-	-	(10,542,489)	(10,542,489)
September 30, 2025	79,761,217	23,452,768	13,000,000	8,343,610	141,899,798	77,122,781	343,580,174
Net book values:							
September 30, 2025	<u>\$ 20,414,812</u>	<u>81,476,774</u>	<u>937,000,000</u>	<u>-</u>	<u>116,263,616</u>	<u>54,214,847</u>	<u>1,209,370,049</u>
September 30, 2024	<u>\$ 14,955,552</u>	<u>61,192,499</u>	<u>950,000,000</u>	<u>-</u>	<u>97,211,147</u>	<u>72,241,651</u>	<u>1,195,600,849</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

10. Property, plant and equipment (continued)

During the year additions to property, plant and equipment include cash transactions of \$142,616,014 (2024: \$112,647,269) for the Group and \$72,530,300 (2024: \$108,112,227) for the Company and non-cash transactions of \$Nil (2024: \$950,000,000) for the Group and the Company.

Property, plant and equipment are held as security for a private placement of a \$300 million bond [see notes 17(b)]. The Company shall not either in a single transaction or in a series of transactions, whether related or not and whether voluntarily or involuntarily, sell, transfer or grant a lease or otherwise dispose of all or any part of its assets exceeding 10% of tangible net worth in any transaction or series of transactions.

In the prior year, the Company purchased land and building of \$950,000,000, from Diverze Properties Limited, a fellow subsidiary. The Company had leased the land and building in previous years. The acquisition is expected to generate significant cost savings for the Group and will provide the necessary resources to expand its operations and pursue growth initiatives. Included in Land and building is land with a carrying value of \$430,000,000.

11. Leases

The Company and the Group lease property and equipment. The leases typically run for 1 to 10 years. The Group has elected not to recognise right-of-use assets and lease liabilities for leases that are short-term. Certain leased properties are held with Diverze Properties Limited, a fellow subsidiary. See note 10 above and note 6(c) for transactions with Diverze Properties Limited relating to leases.

(a) Right-of-use assets:

	Group		Company	
	Leasehold land and buildings 2025	2024	Leasehold land and buildings 2025	2024
Balance at October 1	74,081,728	164,703,065	30,358,699	164,703,065
On acquisition of subsidiary [note 28(a)(iii)]	-	77,552,444	-	-
Additions	342,756,083	-	-	-
Lease modification	-	773,579	-	-
Derecognition of lease	-	(105,342,255)	-	(105,342,255)
Foreign currency adjustment	(46,379)	-	-	-
Depreciation charge for the year [note 11(c)]	(73,021,834)	(63,605,105)	(6,313,813)	(29,002,111)
Balance at September 30	<u>\$343,769,598</u>	<u>74,081,728</u>	<u>24,044,886</u>	<u>30,358,699</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

11. Leases (continued)

(b) Lease liabilities:

Maturity analysis – contractual undiscounted cash flows:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Up to one year	82,750,096	54,864,462	7,486,969	8,218,412
One to five years	350,661,996	25,259,344	26,304,425	25,259,344
More than five years	<u>—</u>	<u>8,777,177</u>	<u>—</u>	<u>8,777,177</u>
	433,412,092	88,900,983	33,791,394	42,254,933
Less: future interest	(<u>78,804,351</u>)	(<u>8,838,193</u>)	(<u>6,364,370</u>)	(<u>8,838,193</u>)
Total discounted lease liabilities at year end	354,607,741	80,062,790	27,427,024	33,416,740
Less: current portion	(<u>55,520,133</u>)	(<u>51,372,228</u>)	(<u>5,093,084</u>)	(<u>4,726,178</u>)
Non-current	<u>\$299,087,608</u>	<u>28,690,562</u>	<u>22,333,940</u>	<u>28,690,562</u>

(c) Amounts recognised in profit or loss:

	Group		Company	
	<u>2025</u> \$	<u>2024</u> \$	<u>2025</u> \$	<u>2024</u> \$
Interest on lease liabilities (note 20)	11,385,588	13,396,665	2,258,234	12,667,257
Depreciation on right-of-use assets [note 11(a)]	73,021,834	63,605,105	6,313,813	29,002,111
Short-term lease rentals	<u>3,111,145</u>	<u>—</u>	<u>—</u>	<u>—</u>

(d) Amounts recognised in the statement of cash flows:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Total cash outflows for lease				
Interest payments	11,385,588	13,396,665	2,258,234	12,667,257
Principal payments	<u>59,632,243</u>	<u>78,267,185</u>	<u>5,987,943</u>	<u>25,482,174</u>
	<u>\$ 71,017,831</u>	<u>91,663,850</u>	<u>8,246,177</u>	<u>38,149,431</u>

12. Employee benefits

(a) Employee benefits (obligation)/assets:

	Group and Company	
	<u>2025</u>	<u>2024</u>
Present value of funded obligations[12(c)]	(309,196,000)	(248,901,000)
Fair value of plan assets[12(d)]	<u>242,441,000</u>	<u>282,112,000</u>
Recognised pension(obligation)/asset[12(b)]	<u>\$ (66,755,000)</u>	<u>33,211,000</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

12. Employee benefits (continued)

(a) Employee benefits assets (continued):

The Group operates a defined benefit pension scheme covering all permanent employees of Tropical Battery Company Limited. The Trustees of the pension scheme are required by law and the Trust deed to act in the interest of the scheme and all relevant stakeholders. The Trustees of the scheme are responsible for the investment policy with regard to the assets of the scheme. The scheme is funded at 10% of pensionable salaries, being 5% by members and 5% by the sponsoring entity within the Group. Members may contribute up to an additional 5%.

The Group expects to pay \$7,070,000 (2024: \$7,226,000) in contributions to its defined benefits scheme in 2026.

Risks associated with defined benefit pension scheme:

Through its defined benefit pension scheme, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The scheme liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields; if plan assets underperform this yield, this will create a deficit.

As the scheme matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Government bonds represent investments in Government of Jamaica securities.

The Group believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long-term strategy to manage the scheme efficiently.

Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the scheme's assets are either unaffected by fixed interest bonds; meaning that an increase in inflation will reduce the surplus or create a deficit.

(b) Movement in the amounts recognised in the statement of financial position:

	Group and Company	
	<u>2025</u>	<u>2024</u>
Balance at beginning of year	33,211,000	13,866,000
Net expense in profit or loss		
and other comprehensive income	(106,922,000)	12,494,000
Contribution paid	<u>6,956,000</u>	<u>6,851,000</u>
Balance at end of year[12(a)]	\$ <u>(66,755,000)</u>	<u>33,211,000</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

12. Employee benefits (continued)

(c) Movements in funded obligations:

	<u>2025</u>	<u>2024</u>
Balance at beginning of year	(248,901,000)	(231,249,000)
Benefits paid	14,819,000	8,492,000
Interest cost	(27,379,000)	(26,594,000)
Current service cost	(18,848,000)	(18,208,000)
Re-measurement gained due to experience	(19,256,000)	12,092,000
Re-measurement gained due to financial assumptions	(9,631,000)	6,566,000
Balance at end of year [12(a)]	<u>\$ (309,196,000)</u>	<u>(248,901,000)</u>

(d) Movement in plan assets:

	<u>2025</u>	<u>2024</u>
Fair value of plan assets at beginning of year	282,112,000	245,115,000
Contributions paid	19,159,000	19,551,000
Expected return on plan assets	30,996,000	28,719,000
Benefits paid	(19,821,000)	(10,321,000)
Re-measurement of actuarial gains	(70,005,000)	(952,000)
Fair value of plan assets at end of year [12(a)]	<u>\$242,441,000</u>	<u>282,112,000</u>
Plan assets consist of the following:		
Fixed-income securities and other investments	206,752,000	252,625,000
Net current assets	<u>35,689,000</u>	<u>29,487,000</u>
	<u>\$242,441,000</u>	<u>282,112,000</u>

The distribution of the fair value of the plan assets attributable to the defined benefit scheme, was as follows:

	<u>Group and Company</u>			
	<u>2025</u>	<u>%</u>	<u>2024</u>	<u>%</u>
	\$	%	\$	%
Equity securities	162,031,000	78	205,782,000	81
Government of Jamaica securities	15,565,000	8	22,347,000	9
Corporate bonds	<u>29,156,000</u>	<u>14</u>	<u>24,496,000</u>	<u>10</u>
	<u>206,752,000</u>	<u>100</u>	<u>252,625,000</u>	<u>100</u>

(e) Expense recognised in profit or loss, net:

	<u>2025</u>	<u>2024</u>
Interest on obligations and current service cost	\$(8,030,000)	(5,212,000)

Total expense is recognised in administration, marketing and selling expenses in profit or loss.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

12. Employee benefits (continued)

(f) Items in other comprehensive income:

	<u>Group and Company</u>	
	<u>2025</u>	<u>2024</u>
Re-measurement gains on obligations	(28,887,000)	18,658,000
Re-measurement gains on plan assets	(70,005,000)	(952,000)
	<u>\$ (98,892,000)</u>	<u>17,706,000</u>

(g) Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	<u>2025</u>	<u>2024</u>
Discount rate	9.5%	11.0%
Long-term rate of inflation	4.0%	6.0%
Future salary increases	<u>6.0%</u>	<u>8.0%</u>

Assumptions regarding future mortality are based on PA (90) Tables for Pensioners (British Mortality Tables). The expected long-term rate is based on assumed long-term rate of inflation.

(h) Sensitivity analysis of key economic assumptions:

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarises how the projected benefit obligation measured at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation.

	<u>Group and Company</u>			
	<u>2025</u>			
	<u>1%</u> <u>Increase</u> \$'000	<u>1%</u> <u>Decrease</u> \$'000	<u>2%</u> <u>Increase</u> \$'000	<u>2%</u> <u>Decrease</u> \$'000
Discount rate	276,410	346,864	249,229	388,954
Future salary increases	<u>325,652</u>	<u>294,551</u>	<u>344,160</u>	<u>281,511</u>

	<u>Group and Company</u>			
	<u>2024</u>			
	<u>1%</u> <u>Increase</u> \$'000	<u>1%</u> <u>Decrease</u> \$'000	<u>2%</u> <u>Increase</u> \$'000	<u>2%</u> <u>Decrease</u> \$'000
Discount rate	25,939	(32,162)	47,155	(71,460)
Future salary increases	(14,501)	(12,862)	(30,863)	(24,278)

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

12. Employee benefits (continued)

(i) At September 30, 2025, the weighted average duration of the defined benefit obligation was 13.5 years (2024: 13.8 years).

13. Interest in subsidiaries

	Company	
	2025	2024
Restated*		
Rose Electronics Distributing Company LLC [note 15(ii)]	71,170,012	44,403,156
Kaya Energy Group SRL	70,539,066	69,140,665
-Movement during the year	-	1,398,401
	<u>\$141,709,078</u>	<u>114,942,222</u>

14. Deferred taxation

(a) Deferred tax asset/(liability) is attributable to the following:

	Group and Company	
	2025	2024
Property, plant and equipment	14,416,917	(9,516,720)
Right-of-use assets	(6,011,222)	(7,589,675)
Employee benefits	16,688,750	(8,302,750)
Accounts receivable	947,218	-
Accounts payable	4,274,108	-
Unrealised exchange loss	1,030,254	-
Lease liabilities	<u>6,856,756</u>	<u>8,354,186</u>
	<u>\$ 38,202,781</u>	<u>(17,054,959)</u>

(b) Movement in temporary differences during the year are as follows:

	Group and Company			
	October 1, 2024	Recognised in equity	Recognised in income	September 30, 2025
Property, plant and equipment	(9,516,720)	-	23,933,637	14,416,917
Right-of-use assets	(7,589,675)	-	1,578,453	(6,011,222)
Employee benefits	(8,302,750)	24,723,000	268,500	16,688,750
Accounts receivable	-	-	947,218	947,218
Accounts payable	-	-	4,274,108	4,274,108
Unrealised exchange loss	-	-	1,030,254	1,030,254
Lease liabilities	<u>8,354,186</u>	-	(1,497,430)	<u>6,856,756</u>
	<u>\$ (17,054,959)</u>	<u>24,723,000</u>	<u>30,534,740</u>	<u>38,202,781</u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

14. Deferred taxation (continued)

(b) Movement in temporary differences during the year are as follows (continued):

	Group and Company		
	October 1, 2023	Recognised in equity	Recognised in income [note 21(a)]
Property, plant and equipment	(4,164,027)	-	(5,352,693)
Right-of-use assets	(41,175,766)	-	33,586,091
Employee benefits	(3,466,500)	(4,426,500)	(409,750)
Lease liabilities	<u>45,118,412</u>	<u>-</u>	<u>(36,764,226)</u>
	<u><u>\$(3,687,881)</u></u>	<u><u>(4,426,500)</u></u>	<u><u>(8,940,578)</u></u>
			(17,054,959)

15. Share capital

	Group		Company	
	2025	2024 Restated*	2025	2024 Restated*
Authorised:				
No maximum ordinary shares				
Issued and fully paid:				
Balance at the start of the year	254,013,268	164,287,800	254,013,268	164,287,800
Issued for cash (i)	696,599,871	-	696,599,871	-
Transaction fees	(53,142,950)	-	(53,142,950)	-
Exercise of shares (ii)	26,766,856	89,725,468	26,766,856	89,725,468
Treasury shares	<u>(16,777,266)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>\$ 907,459,779</u></u>	<u><u>254,013,268</u></u>	<u><u>924,237,045</u></u>	<u><u>254,013,268</u></u>
	Group		Company	
	2025 Units	2024 Units	2025 Units	2024 Units
		Restated*		Restated*
Issued and fully paid ordinary shares of no par value:				
Balance at the start of the year	1,369,377,273	1,303,750,000	1,369,377,273	1,303,750,000
Issued for cash (i)	372,513,300	-	372,513,300	-
Exercise of shares(ii)	-	30,400,000	-	30,400,000
Shares subject to recall (ii)	-	35,227,273	-	35,227,273
Treasury shares (iii)	<u>(8,971,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>1,732,918,773</u></u>	<u><u>1,369,377,273</u></u>	<u><u>1,741,890,573</u></u>	<u><u>1,369,377,273</u></u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

15. Share capital (continued)

Holders of these shares are entitled to dividends as declared from time to time and entitled to one vote per share at general meetings of the Company.

- (i) On July 4, 2025 Tropical Battery issued shares of 372,513,300 units valued at \$696,599,871 in an Additional Public Offering.
- (ii) In the prior year a total of 30,400,000 shares were issued to key management personnel of the company and subsidiary, financial institution and legal advisor. A further 35,227,273 shares were issued to key management personnel of a subsidiary. These shares were subject to certain vesting conditions over a five year period and during the current year 7,045,455 shares became vested. See note 23. The shares granted by Company to employees of its subsidiary were treated as interest in subsidiary, see note [3(n)(iv)] and 13. The subsidiary accounted for these costs in its profit and loss account.
- (iii) As at September 30, 2025 a subsidiary within the Group held ordinary stock units of the Company totaling 8,971,800. These shares are reported by the Group as Treasury shares.

16. Capital contribution

This represents capital injection by the ultimate parent company.

17. Loans and borrowings

(i) Long-term loans

	Group		Company	
	2025	2024 Restated*	2025	2024 Restated*
(a) Related party loan	5,685,102	7,758,150	5,685,102	7,758,150
(c) Bank loan	60,000,000	100,000,000	60,000,000	100,000,000
(d) Stewart Finance Ja. Ltd	17,306,858	19,494,274	17,306,858	19,494,274
(e) Bond - April 2026	248,000,000	242,405,546	248,000,000	242,405,546
(f) Convertible cumulative redeemable preferred equity	2,245,560,966	2,043,087,848	2,245,560,966	2,043,087,848
(g) CIBC Loan	292,500,000	345,151,786	292,500,000	345,151,786
(h) Other long-term- loans	<u>23,060,389</u>	<u>29,358,321</u>	<u>-</u>	<u>-</u>
	2,892,113,315	2,787,255,925	2,869,052,926	2,757,897,604
Less: Current portion	<u>362,068,460</u>	<u>98,281,573</u>	<u>356,494,380</u>	<u>98,281,573</u>
Non-current	<u>\$2,530,044,855</u>	<u>2,688,974,352</u>	<u>2,512,558,546</u>	<u>2,659,616,031</u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

17. Loans and borrowings (continued)

(ii) Short-term loans

	Group		Company	
	2025	2024	2025	2024
(b) Bonds – April 2025	300,000,000	300,000,000	300,000,000	300,000,000
(i) CIBC US\$9.5m loan	885,868,576	1,448,164,562	885,868,576	1,448,164,562
(j) Line-of-credit	<u>240,387,141</u>	<u>238,052,400</u>	<u>-</u>	<u>-</u>
	<u>\$1,426,255,717</u>	<u>1,986,216,962</u>	<u>1,185,868,576</u>	<u>1,748,164,562</u>
Total loans and borrowings	<u>\$4,318,369,032</u>	<u>4,773,472,887</u>	<u>4,054,921,502</u>	<u>4,506,062,166</u>

- (a) The Company has an unsecured loan from the ultimate parent company. The loan attracts interest of 11% per annum and matures in October 2027.
- (b) In April 2019, the Company authorised the private placement of secured J\$ notes for an aggregate principal amount of \$300 million. These notes attracted interest at the rate of 7.5% per annum up to April 10, 2024. Effective April 11, 2024, certain terms within the Trust Deed were amended. The amendments primarily impacted the interest rate which was amended to 11.75% per annum and the maturity date of the bond which was amended to April 1, 2025. Hence, the bond was reclassified from long-term loans to short term borrowings in the prior financial year. As at September 30, 2025, the bond remained outstanding and is classified as a short-term borrowing. Subsequent to the reporting date and as at the date of signing of the financial statements, management is in active negotiations with the bondholders to extend the maturity date of the bond.
- (c) This represents a loan facility obtained in June 2022 from First Caribbean International Bank Limited in the amount of \$200 million. The loan is secured by a promissory note, attracts interest of 6.75% per annum and matures in October 2027.
- (d) This represents a motor vehicle loan facility from Stewart Finance Jamaica Ltd. in the amount of \$23.7 million. The loan is secured by the motor vehicle and attracts interest at the rate of 13% per annum and is set to mature in November 2030.
- (e) In February 2023, the Company authorised the private placement of secured J\$ notes for an aggregate principal amount of \$250 million. These notes attract interest at the rate of 11% per annum and they mature in April 2026.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

17. Loans and borrowings (continued)

(f) On January 29, 2024 the Company issued US\$13m convertible cumulative redeemable preferred equity to Sygnus Credit Investments Limited. This was used to facilitate off-lending to Tropical Battery USA LLC in the acquisition of Rose Electronics Distributing Company LLC. See notes [6(b)(iv) and 28(a)]. Interest is payable quarterly, at a rate of 10% per annum and the loan matures in January 2027. Dividend is capitalized quarterly at a rate of 5% and payable upon maturity.

The terms of the equity conversion events are stated below:

As long as the Preferred Equity is outstanding:

(1) The Purchasers will have the right to *convert all or part* of the Preferred Equity into Ordinary Shares including accrued dividends at valuation at a Liquidity/Conversion Event.

Conversion Event may take place at:

- a. Maturity
- b. Initial Public Offering
- c. At a liquidity event involving the sale of shares in the Issuer or the Targets.
- d. Change of Control or Ownership in the Issuer

(2) The conversion of such shares will be capped such that the Purchaser will not own more than 30% of the Target at Conversion.

or

(3) Conversion of all or part of the Preferred shares into ordinary shares in the capital of the Company at a price equivalent to a 10% discount in the Qualified Public Offering. In the event of an Additional Public Offering, the holders of the preference shares will convert their shares to ordinary shares of the Company, immediately prior to the offer and their shares will be sold as part of the offer.

(g) The CIBC loan facility commenced in October 2023 for a tenure of 7 years. The loan was granted to facilitate off-lending to a related party [6 (b)(i)]. Interest is payable quarterly at a fixed rate of 8.5% per annum for 2 years. Thereafter, interest is charged at 3 month Weighted Average Treasury Bill Yield (WATBY) plus 2% with the interest rate reset based on the most recent 3-month Treasury Bill rate immediately prior to the date of reset. The facility will have a WATBY floor of 3% which itself is subject to review. The same terms are applied to the amount due from fellow subsidiary as described in note [6 (b)(i)(b)].

(h) These are unsecured loans totaling \$8.75 million from Banco BHD at 8% interest maturing in November 2025, \$3.4 million from Changan Vehicle Credit Engine at 15.95% interest maturing in April 2029 and loan from directors of \$9.5 million at 11% interest maturing in April 2027.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

17. Loans and borrowings (continued)

- (i) This represents a Senior Secured Bridge loan from First Caribbean International Bank (Jamaica) Limited of US\$9.5 million. The Bridge loan was issued in June 2024, replaced the US\$9 million loan from Sygnus Credit Investments Ltd. and is secured by second debenture over present and future property, assets and corporate guarantees. Interest is charged at a rate of 8.5% per annum. The maturity date on the loan was extended from May 2025 to June 24, 2026. The loan was used to facilitate off-lending to Tropical Battery USA LLC in the acquisition of Rose Electronics Distributing Company LLC. See notes [6(b)(iv) and 28(a)]. An amount of USD \$4,000,624 was paid down during the financial year.
- (j) Two subsidiaries within the Group have an approved short-term revolving credit line of up to US\$1,500,000 and RD\$5,000,000. Both loans were fully drawn down as at September 30, 2025. The facilities attracted an annual interest rate of 8.58% and 16.95%, respectively.
- (k) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Company's and the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's and Group's statements of cash flows as cash flows from financing activities.

The Group				
	Loans		Leases	
	<u>2025</u>	<u>2024</u> Restated*	<u>2025</u>	<u>2024</u>
Balance at October 1	<u>4,773,472,887</u>	<u>756,682,254</u>	<u>80,062,790</u>	<u>180,473,648</u>
Proceeds from loans	87,062,117	4,182,484,670	-	-
Repayment of loans	(820,135,080)	(96,502,888)	-	-
Debt issuance cost amortised	44,128,066	-	-	-
Debt issuance costs	-	(86,384,129)	-	-
Capitalisation of interest	108,041,835	17,192,980	-	-
Foreign currency adjustment	125,799,207	-	-	-
Repayment of lease liabilities	-	-	(59,632,243)	(78,267,185)
	<u>(455,103,855)</u>	<u>4,016,790,633</u>	<u>(59,632,243)</u>	<u>(78,267,185)</u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

17. Loans and borrowings (continued)

(k) Reconciliation of liabilities arising from financing activities (continued):

	The Group (continued)			
	Loans		Leases	
	2025	2024 Restated*	2025	2024
Balance b/f	(455,103,855)	4,016,790,633	(59,632,243)	(78,267,185)
Lease modification	-	-	(8,578,889)	(22,143,673)
Additions to leases	-	-	342,756,083	-
Interest expense	-	-	11,385,588	13,396,665
Interest paid	-	-	(11,385,588)	(13,396,665)
	-	-	334,177,194	(22,143,673)
Balance at September 30 for loans	\$4,318,369,032	4,773,472,887	354,607,741	80,062,790
The Company				
	Loans		Leases	
	2025	2024 Restated*	2025	2024
Balance at October 1	4,506,062,166	718,321,953	33,416,740	180,473,648
Proceeds from loans	-	3,942,734,250	-	-
Repayment of loans	(738,075,221)	(85,802,888)	-	-
Debt issuance cost amortised	44,128,066	-	-	-
Debit issuance costs incurred		(86,384,129)	-	-
Foreign currency adjustment	134,764,656		-	-
Capitalisation of interest	108,041,835	17,192,980	-	-
Repayment of lease liabilities	-	-	(5,987,943)	(25,482,174)
	(451,140,664)	3,787,740,213	(5,987,943)	(25,482,174)
Lease modification	-	-	(1,773)	(121,574,734)
Interest expense	-	-	2,258,234	12,667,257
Interest paid	-	-	(2,258,234)	(12,667,257)
	-	-	(1,773)	(121,574,734)
Balance at September 30 for long-term loans	\$4,054,921,502	4,506,062,166	27,427,024	33,416,740

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

18. Gross operating revenue

Gross operating revenue represents the invoiced value of sales after deduction of discounts and is measured net of consumption taxes. Revenue is recognised when goods are provided to the customers based on the terms specified in the contract. Invoices are generated and the revenue is recognised at that point in time.

	Group		Company	
	2025	2024	2025	2024
Net Battery Sales	5,689,963,255	4,824,372,974	2,716,373,409	2,548,921,033
Net Tyre Sales	1,744,786	5,649,392	1,744,786	5,649,392
Renewable Energy Solutions	382,396,728	354,208,765	-	-
Total Oil and Accessories	<u>445,043,149</u>	<u>477,676,326</u>	<u>442,568,231</u>	<u>449,183,464</u>
Net Sales before discounts	6,519,147,918	5,661,907,457	3,160,686,426	3,003,753,889
Discounts on All Products	(<u>76,469,000</u>)	(<u>39,605,986</u>)	(<u>35,910,942</u>)	(<u>28,957,316</u>)
Net Sales	<u>\$6,442,678,918</u>	<u>5,622,301,471</u>	<u>3,124,775,484</u>	<u>2,974,796,573</u>

19. Expenses by nature

	Group		Company	
	2025	2024	2025	2024
(a) Cost of operating revenue:				
Tyres	1,620,384	7,101,788	1,620,384	7,101,788
Batteries	3,350,545,891	2,967,119,887	1,654,987,648	1,571,997,931
Spent batteries	30,573,968	28,932,616	30,573,968	28,932,616
Oils	145,549,683	225,009,324	145,549,683	225,009,324
Accessories	251,487,591	273,515,808	249,873,847	257,022,946
Renewable energy	297,086,765	242,705,251	-	-
Inventory obsolescence	<u>10,061,655</u>	<u>13,767,751</u>	<u>10,061,655</u>	<u>13,767,751</u>
	<u>\$4,086,925,937</u>	<u>3,758,152,425</u>	<u>2,092,667,185</u>	<u>2,103,832,356</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

19. Expenses by nature (continued)

	Group		Company	
	2025	2024 Restated*	2025	2024 Restated*
(b) Administration, marketing and selling expenses:				
Salaries, wages and related costs	1,143,732,310	797,768,501	406,868,187	369,773,735
Equity settled share-based payments [note 15(ii)]	26,766,856	89,725,468	-	45,322,312
Staff and canteen expenses	<u>20,985,597</u>	<u>22,111,549</u>	<u>20,641,691</u>	<u>22,111,549</u>
	<u>1,191,484,763</u>	<u>909,605,518</u>	<u>427,509,878</u>	<u>437,207,596</u>
Other administration, marketing and selling expenses:				
Accommodation	875,301	801,118	875,301	801,118
Advertising	31,172,585	38,107,753	11,130,844	14,613,782
Audit fees:				
- current year	37,943,718	23,036,375	24,540,000	21,000,000
- prior years under accrual	9,700,000	15,925,711	9,700,000	15,925,711
- taxation services	2,240,000	1,435,000	2,240,000	1,435,000
- out of pocket expenses	55,000	50,000	55,000	50,000
Computer services	12,830,505	11,104,454	10,078,815	10,577,235
Director's remuneration	67,339,928	38,574,637	29,038,035	17,944,817
Electricity	21,467,703	20,175,615	13,369,685	15,166,411
Gas and oil	25,384,444	27,407,219	25,369,023	27,386,867
Insurance	75,582,236	44,111,080	9,194,202	8,453,053
Impairment (credit)/loss on trade receivables [note 26(a)]	(12,634,560)	4,323,270	(12,650,742)	4,296,671
Miscellaneous expenses	44,711,993	23,374,328	21,633,560	17,499,461
Motor vehicle expenses	14,824,771	19,056,091	14,398,008	19,056,091
Postage and telephone	25,172,177	21,986,861	18,752,663	18,248,321
Printing and stationery	6,725,178	7,578,442	6,725,178	7,578,442
Professional fees	118,543,577	35,947,875	46,709,584	22,047,792
Acquisition related costs [note 28(a)(ii)]	-	77,000,000	-	-
Rent, rates and taxes	30,382,232	17,287,342	12,795,552	9,220,500
Repairs and maintenance	22,442,773	16,494,326	7,055,550	6,810,631
Safety supplies	99,996	152,835	99,996	152,835
Sales promotion	3,514,886	3,613,610	3,320,540	3,613,610
Security	35,114,012	31,965,409	35,114,012	31,965,409
Subscription and donations	21,457,826	14,816,136	6,328,422	6,140,413
Travel and entertainment	<u>42,346,924</u>	<u>41,403,815</u>	<u>6,885,255</u>	<u>9,971,389</u>
	<u>637,293,205</u>	<u>535,729,302</u>	<u>302,758,483</u>	<u>289,955,559</u>
	<u>\$1,828,777,968</u>	<u>1,445,334,820</u>	<u>730,268,361</u>	<u>727,163,155</u>

*Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

19. Expenses by nature (continued)

	Group		Company	
	2025	2024	2025	2024
(c) Other income:				
Gain on disposal of property, plant and equipment	4,672,283	2,360,575	3,242,000	2,360,575
Fair value of contingent consideration net				
[note 28(a)(i)]	235,286,784	(1,820,146)	-	-
Other income	10,548,758	1,335,673	-	-
Reimbursable expenses with related party *	7,655,019	7,236,867	7,655,019	7,236,867
Miscellaneous	<u>-</u>	<u>1,720,466</u>	<u>-</u>	<u>1,720,466</u>
	<u>\$258,162,844</u>	<u>10,833,435</u>	<u>10,897,019</u>	<u>11,317,908</u>

* This relates to reimbursable expenses incurred on behalf of Diverze Properties Limited.

20. Net finance costs

	Group		Company	
	2025	2024	2025	2024
	Restated*		Restated*	
Finance costs:				
Loan interest	596,934,470	484,503,971	594,387,048	485,520,818
Lease interest [note 11(c)]	11,385,588	13,396,665	2,258,234	12,667,257
Bank charges	<u>49,166,374</u>	<u>29,500,692</u>	<u>20,083,409</u>	<u>16,888,755</u>
	<u>657,486,432</u>	<u>527,401,328</u>	<u>616,728,691</u>	<u>515,076,830</u>
Finance income:				
Interest income recognised using the effective interest rate method	(44,235,219)	(84,621,784)	(536,403,379)	(475,528,465)
Gain on foreign exchange	(32,655,547)	(16,575,099)	(2,952,132)	(26,555,812)
	<u>(76,890,766)</u>	<u>(101,196,883)</u>	<u>(539,355,511)</u>	<u>(502,084,277)</u>
	<u>\$580,595,666</u>	<u>426,204,445</u>	<u>77,373,180</u>	<u>12,992,553</u>

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

21. Taxation

(a) Depending on the jurisdiction and nature of business, income tax is computed at 25% for the Company, 0% for subsidiaries in United States of America and 27% for the Dominican subsidiary of the profit for the year, as adjusted for taxation purposes, and is made up as follows:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current tax:				
Income tax at 25%	44,511,262	39,031,242	44,428,794	39,031,242
Income tax at 27%	13,152,646	5,547,560	-	-
Less: Remission of income tax and employment tax credit	(39,827,675)	(39,031,242)	(39,827,675)	(39,031,242)
	17,836,233	5,547,560	4,601,119	-
Deferred taxation [note 14(b)]:				
Origination and reversal of other temporary differences	(30,534,740)	8,940,578	(30,534,740)	8,940,578
	\$12,698,507	14,488,138	(25,933,621)	8,940,578

(b) Reconciliation of actual tax (credit)/charge and effective tax rate:

	Group		Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
		Restated*		Restated*
Profit/(loss) before taxation				
Computed "expected"	\$47,017,375	(106,955,122)	170,288,864	77,470,873
tax expense @ 25%	42,654,684	30,698,296	42,572,216	30,698,295
Computed "expected"	13,152,646	19,703,422	-	-
Tax rate differential:				
Depreciation charge and capital allowances	(27,264,657)	4,964,048	(27,812,255)	12,041,979
Disallowable (income)/ expenses	(1,413,505)	(1,846,386)	(865,907)	5,231,546
Tax recognised in profit or loss	27,129,168	53,519,380	13,894,054	47,971,820
Less: Remission of income tax and employment tax credit	(39,827,675)	(39,031,242)	(39,827,675)	(39,031,242)
	\$12,698,507	14,488,138	(25,933,621)	8,940,578

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

21. Taxation (continued)

(c) Remission of income tax:

By notice dated August 13, 2009, the Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) (Remission) Notice, 2009. The Notice effectively granted a remission of income tax to eligible companies that were admitted to the Junior Market of the Jamaica Stock Exchange (JMSE) if certain conditions were achieved after the date of initial admission.

Effective September 29, 2020, the Company's shares were listed on the JMSE. Consequently, the Company is entitled to a remission of income taxes for ten years in the proportion set out below, provided the shares remain listed for at least 15 years.

Years 1 to 5: (October 1, 2021 – September 30, 2025) – 100%
 Years 6 to 10: (October 1, 2025 – September 30, 2030) – 50%

Effective August 19, 2025 the Company would not qualify for these tax remissions as they moved from JMSE to the main market of JSE. See note 1.

The financial statements have been prepared on the basis that the Company will have the full benefit of the tax remissions up to August 18, 2025 because the conditions at law were met.

22. Basic and diluted earnings per ordinary stock unit

Basic and diluted earnings per stock unit is calculated by dividing the net profit/(loss) attributable to stockholders by the weighted average number of ordinary stock units in issue during the year.

	Group	
	<u>2025</u>	<u>2024</u> Restated*
Profit/(loss) for the year attributable to the shareholders of the Group	\$ <u>56,322,855</u>	(<u>154,483,017</u>)
Basic weighted average ordinary stock units held during the year	<u>1,426,469,595</u>	<u>1,325,091,370</u>
Diluted weighted average ordinary stock units held during the year	<u>1,442,955,279</u>	<u>1,329,359,060</u>
Basic earnings per stock unit	<u>3.9¢</u>	(<u>11.7¢</u>)
Diluted earnings per stock unit	<u>3.9¢</u>	(<u>11.7¢</u>)

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

22. Basic and diluted earnings per ordinary stock unit (continued)

(i) Reconciliation of basic weighted average ordinary stock units:

	Group	
	<u>2025</u>	<u>2024</u> Restated*
Issued shares as at October 1	1,334,150,000	1,303,750,000
Effect of shares issued in share option	4,671,233	21,341,370
Issue of shares for cash	89,811,426	-
Effect of treasury shares	(<u>2,163,064</u>)	<u>-</u>
	<u>1,426,469,595</u>	<u>1,325,091,370</u>

(ii) Reconciliation of diluted weighted average ordinary stock units:

	Group	
	<u>2025</u>	<u>2024</u> Restated*
Weighted average number of basic ordinary shares	1,426,469,595	1,325,091,370
Effect of shares issued in share option[note 23(c)]	<u>16,485,684</u>	<u>4,267,690</u>
	<u>1,442,955,279</u>	<u>1,329,359,060</u>

23. Share-based payment arrangements

(a) Description of share-based payment arrangements (equity settled share based payments):

The Group granted instruments to:

- (i) Key management personnel of a subsidiary as a part of their compensation package;
- (ii) A financial institution which it transacted business with as compensation for services rendered with Rose acquisition; and
- (iii) A legal advisory services firm which it transacted business with as compensation for services rendered with Rose acquisition.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

23. Share-based payment arrangements (continued)

(a) Description of share-based payment arrangements (equity settled share based payments) (continued):

The key terms and conditions related to the grants are as follows:

Grant date	Instruments granted to:	Number of units	Vesting conditions
On January 11, 2024	Financial institution	20,000,000	None
On February 1, 2024	Key management personnel of subsidiary	35,227,273	Vesting commences on February 1, 2024 and continues over a five year period provided that the employee remains in employment. The employee/holder of the instruments is entitled to receive the shares at nil cost.
On January 31, 2024	Key management personnel of subsidiary	8,000,000	None
On January 30, 2024	Key management personnel	2,400,000	None

(b) Measurement of fair values:

The input used in the measurement of the fair values at grant date of the equity-settled share based payment plans were as follows:

	2025	2024
Employees		
Share price at grant date	2.35	N/A
Exercise price	N/A	N/A
Share price at grant date	N/A	2.40
Exercise price	N/A	2.40
Non-Employees		
Share price at grant date	N/A	2.05

Fair value has been determined based on level 1 inputs that are quoted observable market prices.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

23. Share-based payment arrangements (continued)

(c) Reconciliation of outstanding shares:

In the prior 35,227,273 shares were issued to key management personnel of the subsidiary. These shares were subject to vesting over a five year period. During the current year, 7,045,455 shares became vested.

(d) Expense recognised in profit or loss

For details of the related employee benefit expenses, see note 19(b).

24. Dividends

No dividend was declared in the current year or prior year.

25. Guarantees

The Company has guaranteed a loan of \$125 million made to its joint venture entity EnRvate Limited. The amount drawn down as at September 30, 2025 was \$25 million (2024: was \$25 million) and it will mature in March 2028. This guarantee did not result in any material impairment.

26. Financial instruments

Overview:

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

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

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

26. Financial instruments (continued)

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises principally from the Group's receivables from customers, related parties and cash and cash equivalents.

Management has a credit policy in place to minimise exposure to credit risk. Credit evaluations are performed on all customers requiring credit. The Group generally does not require collateral in respect of financial assets, materially, trade receivables. Maximum exposure to credit risk is represented by the carrying amount of financial assets on the statement of financial position.

Cash and cash equivalents

Cash and cash equivalents are placed with financial institutions with minimum risk of default. The Group considers that cash resources have low credit risk base on external credit ratings. No material impairment allowances were recognised in the prior year and there was no change during the period.

Related party balances

The Group assesses related parties' ability to pay if payment is demanded at the reporting date. Management reviews recovery scenarios considering given economic conditions and the borrowers' liquidity over the expected life of the recoverable. The expected credit losses are calculated on this basis. This is measured on the same basis as trade receivables.

Accounts receivable

The Group allocates each exposure to a credit risk grade based on the data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and the available press information about its customers) and applying experienced credit judgement.

The Group uses a provision matrix to measure ECLs on trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. In determining forward-looking estimates, the Group considers macro-economic factors such as:

	<u>2025</u>	<u>2024</u>
Gross domestic product	0.40%	1.70%
Inflation	2.00%	5.30%
Unemployment rate	3.00%	4.20%

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

26. Financial instruments (continued)

(a) Credit risk (continued):

Accounts receivable (continued)

Loss rates are calculated based on the probability of a receivable progressing through successive stages of delinquency to write-off, current conditions and the economic conditions over the expected lives of the receivables.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 330 days past due.

The following table provides information about the exposure to credit risk and ECL for trade receivables as at September 30 (see also note 5).

		Group 2025	
	Weighted average loss rate %	Gross carrying amount \$	Expected credit loss \$
0-30 days	0.29	1,037,855,202	2,999,468
31-60 days	1.95	32,550,860	635,907
61-90 days	1.02	14,065,887	143,965
91-120 days	0.06	84,071,758	54,440
121-150 days	36.11	2,181,676	787,864
151-180 days	0.95	5,588,461	53,358
181-210 days	0.00	134,617	-
211-240 days	67.67	261,462	176,933
271-300 days	95.22	54,201	51,608
More than 330 days	100.00	<u>10,730,777</u>	<u>10,730,777</u>
		<u>\$1,187,494,901</u>	<u>15,634,320</u>

		Group 2024	
	Weighted average loss rate %	Gross carrying amount \$	Expected credit loss \$
0-30 days	0.78	497,644,213	3,894,387
31-60 days	0.39	110,701,377	427,352
61-90 days	95.75	457,093	437,675
91-120 days	3.57	40,482,090	1,446,732
121-150 days	4.67	538,687	25,142
151-180 days	20.23	9,605,723	1,943,306
181-210 days	23.34	14,947,596	3,489,384
211-240 days	5.82	916,027	53,317
241-270 days	0.14	1,719,375	2,408
271-300 days	37.70	114,470	43,153
301-330 days	47.89	165,157	79,091
More than 330 days	100.00	<u>16,426,933</u>	<u>16,426,933</u>
		<u>\$693,718,741</u>	<u>28,268,880</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

26. Financial instruments (continued)

(a) Credit risk (continued):

Accounts receivable (continued)

The following table provides information about the exposure to credit risk and ECL for trade receivables as at September 30 (see also note 5) (continued).

	Company			
	2025			
	Weighted average loss rate %	Gross carrying amount \$	Expected credit loss \$	Credit impaired
0-30 days	0.81	233,364,105	1,884,796	No
31-60 days	3.63	17,502,990	635,907	No
61-90 days	11.46	1,256,530	143,965	No
91-120 days	22.75	239,260	54,440	No
121-150 days	32.82	2,400,528	787,864	No
151-180 days	41.96	127,161	53,358	No
211-240 days	67.89	260,599	176,933	No
271-300 days	95.22	54,201	51,608	No
More than 330 days	100.00	<u>10,730,777</u>	<u>10,730,777</u>	Yes
		<u>\$265,936,151</u>	<u>14,519,648</u>	

	Company			
	2024			
	Weighted average loss rate %	Gross carrying amount \$	Expected credit loss \$	Credit impaired
0-30 days	2.58	108,437,175	2,795,897	No
31-60 days	0.59	72,864,841	427,352	No
61-90 days	1.45	30,111,816	437,675	No
91-120 days	4.00	36,136,681	1,446,732	No
121-150 days	7.69	326,835	25,142	No
151-180 days	22.41	8,670,089	1,943,306	No
181-210 days	24.88	14,023,647	3,489,384	No
211-240 days	19.96	267,146	53,317	No
241-270 days	26.76	9,000	2,408	No
271-300 days	37.70	114,471	43,153	No
301-330 days	47.89	165,156	79,091	No
More than 330 days	100.00	<u>16,426,933</u>	<u>16,426,933</u>	Yes
		<u>\$287,553,790</u>	<u>27,170,390</u>	

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

26. Financial instruments (continued)

(a) Credit risk (continued):

Accounts receivable (continued)

The following table provides information about the exposure to credit risk and ECL for trade receivables as at September 30 (see also note 5) (continued).

The movement in the allowance for impairment in respect of trade receivables during the year is as follows:

	Group		Company	
	2025	2024	2025	2024
Balance at beginning of year	28,268,880	22,873,719	27,170,390	22,873,719
Arising on acquisition of Rose Batteries	-	1,071,891	-	-
Movement during the year	(12,634,560)	4,323,270	(12,650,742)	4,296,671
Balance at end of year	<u>\$15,634,320</u>	<u>28,268,880</u>	<u>14,519,648</u>	<u>27,170,390</u>

(b) Concentration risk:

(i) Trade receivables:

Trade receivables are primarily receivable from customers in Jamaica, United States of America and Dominican Republic. The following table summarises the Company and the Group's credit exposure for trade receivables at their carrying amounts, as categorised by the concentration of customers:

	Group		Company	
	2025	2024	2025	2024
Top ten customers	851,455,494	456,107,007	69,951,477	133,739,244
Others	<u>336,039,407</u>	<u>237,611,734</u>	<u>195,984,674</u>	<u>153,814,546</u>
	1,187,494,901	693,718,741	265,936,151	287,553,790
Less: Provision for credit losses	(<u>15,634,320</u>)	(<u>28,268,880</u>)	(<u>14,519,648</u>)	(<u>27,170,390</u>)
	<u>\$1,171,860,581</u>	<u>665,449,861</u>	<u>251,416,503</u>	<u>260,383,400</u>

(c) Liquidity risk:

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities, by maintaining lines of credit with its bankers and by monitoring expenditure commitments.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

26. Financial instruments (continued)

(c) Liquidity risk (continued):

The Group's liquidity risk management process includes:

- (i) Maintaining flexibility in funding by keeping lines of funding available with relevant suppliers and bankers, sourcing the appropriate currency through open market purchase to match foreign currency liabilities and by pursuing prompt payment policies.
- (ii) Maintaining committed lines of credit.
- (iii) Monitoring the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Financial liabilities cash flows

The table below presents the undiscounted cash flows payable (both interest and principal cash flows) on the Group's and Company's financial liabilities based on contractual repayment obligations at the reporting date.

	Group					
	2025					
	Within 1 year	1 to 5 years	Over 5 years	Non-specific maturity	Total	Carrying amount
	\$	\$	\$	\$	\$	\$
Accounts payable	1,512,504,580	-	-	-	1,512,504,580	1,512,504,580
Short-term loans	1,528,128,539	-	-	-	1,528,128,539	1,426,255,717
Due to fellow subsidiary	-	629,443,070	-	-	629,443,070	517,516,279
Due to related parties	16,615,192	-	-	-	16,615,192	16,615,192
Long-term loans	637,124,075	2,779,667,294	1,339,058	15,185,102	3,433,315,529	2,892,113,315
Leases	<u>82,750,096</u>	<u>350,661,996</u>	<u>-</u>	<u>-</u>	<u>433,412,092</u>	<u>354,607,741</u>
	<u>3,777,122,482</u>	<u>3,759,772,360</u>	<u>1,339,058</u>	<u>15,185,102</u>	<u>7,553,419,002</u>	<u>6,719,612,824</u>
Group						
2024 Restated*						
	Within 1 year	1 to 5 years	Over 5 years	Non-specific maturity	Total	Carrying amount
	\$	\$	\$	\$	\$	\$
Accounts payable	1,431,199,470	-	-	-	1,431,199,470	1,431,199,470
Short-term loans	2,082,330,619	-	-	-	2,082,330,619	1,986,216,962
Due to fellow subsidiary	-	610,000,000	-	-	610,000,000	500,000,000
Long-term loans	618,676,326	3,367,697,778	92,625,169	17,258,150	4,096,257,423	2,787,255,925
Leases	<u>54,864,462</u>	<u>25,259,344</u>	<u>8,777,177</u>	<u>-</u>	<u>88,900,983</u>	<u>80,062,790</u>
	<u>4,187,070,877</u>	<u>4,002,957,122</u>	<u>101,402,346</u>	<u>17,258,150</u>	<u>8,308,688,495</u>	<u>6,784,735,147</u>

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

26. Financial instruments (continued)

(c) Liquidity risk (continued):

Financial liabilities cash flows (continued)

The table below presents the undiscounted cash flows payable (both interest and principal cash flows) on the Group's and Company's financial liabilities based on contractual repayment obligations at the reporting date (continued).

	Company					
	2025					
	Within 1 year	1 to 5 years	Over 5 years	Non-specific maturity	Total	Carrying amount
Accounts payable	957,358,986	-	-	-	957,358,986	957,358,986
Short-term loan	1,270,403,457	-	-	-	1,270,403,457	1,185,868,576
Due to fellow subsidiary	-	610,000,000	-	-	610,000,000	500,000,000
Long-term loans	606,790,625	2,779,667,294	1,339,058	5,685,102	3,393,482,079	2,869,052,926
Leases	7,486,969	26,304,425	-	-	33,791,394	27,427,024
	<u>\$2,842,040,037</u>	<u>3,415,971,719</u>	<u>1,339,058</u>	<u>5,685,102</u>	<u>6,265,035,916</u>	<u>5,539,707,512</u>

	Company					
	2024 Restated*					
	Within 1 year	1 to 5 years	Over 5 years	Non-specific maturity	Total	Carrying amount
Accounts payable	792,112,641	-	-	-	792,112,641	792,112,641
Short-term loan	1,844,278,219	-	-	-	1,844,278,219	1,748,164,562
Due to fellow subsidiary	-	610,000,000	-	-	610,000,000	500,000,000
Long-term loans	581,976,261	3,367,697,778	92,625,169	7,758,150	4,050,057,358	2,757,897,604
Leases	8,218,412	25,259,344	8,777,177	-	42,254,933	33,416,740
	<u>\$3,226,585,533</u>	<u>4,002,957,122</u>	<u>101,402,346</u>	<u>7,758,150</u>	<u>7,338,703,151</u>	<u>5,831,591,547</u>

(d) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the value of the Group's assets, the amount of its liabilities and/or the Group's income. Market risk arises from fluctuations in the value of liabilities and the value of investments held. The Group is exposed to market risk on certain of its financial assets. There is no significant exposure to equity price risk. Derivative financial instruments are not used to reduce exposure to market risk.

(i) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

26. Financial instruments (continued)

(d) Market risk (continued):

(i) Interest rate risk (continued):

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and liabilities.

The Group materially contracts financial liabilities at interest rates for the duration of the exposure. The bank loans are subject to interest rates which may be varied with appropriate notice by the lender.

Interest-bearing financial assets are primarily represented by short-term bank deposits, which are contracted at fixed interest rates for the duration of the term.

At the reporting date the interest profile of the Group and Company's interest-bearing financial instruments was:

	Group	
	Carrying amount	
	2025	2024
		Restated*
	\$	\$
Variable rate liabilities	<u>292,500,000</u>	<u>345,151,786</u>
Fixed rate liabilities	<u>4,299,570,868</u>	<u>4,700,055,009</u>
Variable rate assets	<u>32,773,769</u>	<u>40,470,318</u>

	Company	
	Carrying amount	
	2025	2024
		Restated*
	\$	\$
Variable rate: liabilities	<u>292,500,000</u>	<u>345,151,786</u>
Fixed rate liabilities	<u>4,036,123,339</u>	<u>4,432,644,288</u>
Variable rate assets	<u>32,773,769</u>	<u>40,470,318</u>

* Restated, see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

26. Financial instruments (continued)

(d) Market risk (continued):

(i) Interest rate risk (continued):

Fair value sensitivity analysis for fixed rate instruments

The Group does not hold any fixed rate financial assets that are subject to material changes in fair value. Therefore, a change in interest rates at the reporting date would not affect profit or equity.

Cash flow sensitivity analysis for variable rate instruments

A change in interest rates at the reporting date would have (decreased)/increased profit by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2024.

Cash flow sensitivity analysis for variable rate instruments

	Group			
	2025		2024	
	Effect on profit		Effect on profit	
	25bp	100bp	25bp	100bp
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
	\$	\$	\$	\$
Cash flow sensitivity (net)	<u>351,051</u>	<u>1,404,204</u>	<u>177,494</u>	<u>709,972</u>

	Company			
	2025		2024	
	Effect on profit		Effect on profit	
	25bp	100bp	25bp	100bp
	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
	\$	\$	\$	\$
Cash flow sensitivity (net)	<u>351,051</u>	<u>1,404,204</u>	<u>177,494</u>	<u>709,972</u>

(ii) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

26. Financial instruments (continued)

(d) Market risk (continued):

(ii) Foreign currency risk (continued):

The Group incurs foreign currency risk primarily on purchases and borrowings that are denominated in a currency other than the Jamaican dollar. Such exposures comprise the monetary assets and liabilities of the Group that are not denominated in that currency. The main foreign currency risks of the Group are denominated in United States dollars (US\$), which is the principal intervening currency for the Group.

The Group manages foreign exchange exposure by maintaining adequate liquid resources in appropriate currencies and by managing the timing of payments on foreign currency liabilities.

The following significant exchange rates have been applied:

	<u>2025</u>	<u>2024</u>
USD 1	160.23	155.39
Dominican Peso 1	<u>2.57</u>	<u>2.61</u>

The table below shows the Group's and Company's main foreign currency exposure at the reporting date:

	Net foreign currency monetary assets/(liabilities)				Company	
	Group					
	2025	2024	2025	2024	US\$	US\$
	US\$	Peso	US\$	Peso	US\$	US\$
Cash and cash equivalents	442,858	15,686,541	1,965,821	11,638,585	61,037	19,516
Accounts receivable	4,300,637	10,111,269	2,049,333	32,374,115	-	-
Other receivable	363,594	15,847,602	766,008	26,273,304	160,494	-
Accounts payable	(7,328,592)	(15,208,812)	(7,000,284)	(33,228,564)	(4,378,008)	(3,054,323)
Short-term loans	(7,031,216)	-	(10,781,685)	-	(5,499,376)	(9,264,723)
Long-term loans	(13,654,306)	(9,779,695)	(12,942,993)	(12,189,984)	(13,621,096)	(12,909,782)
Net exposure	<u>(22,907,025)</u>	<u>16,656,905</u>	<u>(25,943,800)</u>	<u>24,867,456</u>	<u>(23,276,949)</u>	<u>(25,209,312)</u>

Foreign currency sensitivity analysis:

A 1% (2024: 1%) weakening of the United States dollar (US\$) against the Jamaica dollar (J\$) at the year-end would have increased profit by \$36,704,201 (2024: \$40,943,039) for the Group and \$37,296,935 (2024: \$38,783,913) for the Company. This analysis assumes that all other variables in particular interest rates, remained constant.

A 3.5% (2024: 4%) strengthening of the United States dollar (US\$) against the Jamaica dollar (J\$) at the year-end would have increased loss by \$128,464,704 (2024: \$163,772,157 for the Group and decreased profit by \$130,539,271 (2024: \$159,135,652) for the Company. This analysis assumes that all other variables in particular interest rates, remained constant.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

26. Financial instruments (continued)

(e) Fair value:

The fair values of cash and cash equivalents, accounts receivable, related party receivables, related party payables, short-term loans and accounts payable with exception of contingent consideration are assumed to approximate to their carrying value due to their short-term nature. These are included in level 2 fair value hierarchy. The carrying value of the long-term loans is assumed to approximate fair value as the loans bear interest at market rates.

The following table below shows the valuation techniques used in measuring level 3 fair value as at September 30, 2025.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Contingent consideration	Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.	<ul style="list-style-type: none"> Expected cash flows of \$375,000 per quarter. Risk-adjusted discount rate, September 30, 2025 13.92%.(January 31, 2024 13.92% September 30, 2024 14.3%) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> the expected cash flows were higher/(lower); or the risk-adjusted discount rate were lower/(higher).

(f) Capital management:

The Board of Directors monitors the return on capital, which is defined as total shareholders' equity. The board's policy is to maintain adequate capital to sustain future development of the business. There were no changes to capital management during the year.

27. Segment reporting

The Board of Directors has determined the Group's operating segments based on the reports reviewed by them that are used to make strategic decisions. The Group is organised and managed in two main business segments based on its business activities. The segment arose upon the acquisition of Kaya Energy Group SRL and Rose Batteries. The primary business of the subsidiaries is the distribution of renewable energy batteries and provider of specialised batteries for medical devices and aerospace sectors. The revenue segment for energy storage segment includes the following revenue categories: net battery, net tyre and accessories. The renewable energy segment includes revenues for renewable energy solutions.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

27. Segment reporting (continued)

	2025			
	Energy storage	Renewable energy solutions	Elimination	Total
	\$	\$	\$	\$
Revenues	6,068,603,244	382,396,728	(8,321,054)	6,442,678,918
Operating profit	477,446,105	30,238,899	8,252,130	515,937,134
Profit before taxation	(9,495,287)	28,956,689	16,518,094	35,979,496
Depreciation and amortisation	(149,374,086)	(4,688,290)	(3,462,440)	(157,524,816)
Interest income	566,767,301	139,641	(522,671,723)	44,235,219
Finance costs	(1,180,872,105)	(3,452,123)	526,837,796	(657,486,432)
Taxation	12,780,975	(82,468)	-	12,698,507
Impairment (credit)/loss on trade receivables	(12,634,560)	-	-	(12,634,560)
Assets	13,130,742,546	413,737,959	(5,160,681,021)	8,383,799,484
Liabilities	(11,079,716,141)	(297,997,329)	4,586,831,442	(6,790,882,028)
Joint venture	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>5,000,000</u>
	2024			
	Restated*			
	Energy storage	Renewable energy solutions	Elimination	Total
	\$	\$	\$	\$
Revenues	5,268,092,706	354,208,765	-	5,622,301,471
Operating profit	358,477,408	85,539,974	-	444,017,382
Loss before taxation	(154,390,338)	75,354,989	(2,716,617)	81,751,966
Depreciation and amortisation	(108,471,795)	(1,926,543)	-	(110,398,338)
Interest income	480,230,605	332,600	(395,941,421)	84,621,784
Finance costs	(920,724,189)	(2,618,560)	395,941,421	(527,401,328)
Taxation	(8,940,578)	(5,547,560)	-	(14,488,138)
Impairment loss on trade receivables	(4,323,270)	-	-	(4,323,270)
Assets	11,965,715,301	209,758,058	(4,328,971,649)	7,846,501,710
Liabilities	(10,435,420,172)	(122,135,786)	3,755,765,852	(6,801,790,106)
Joint venture	<u>5,000,000</u>	<u>-</u>	<u>-</u>	<u>5,000,000</u>

* Restated see note 30

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

27. Segment reporting (continued)

Geographic information:

The geographic information analyses the Groups revenue and non-current assets by the Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

(i) Revenue:

	<u>2025</u>	<u>2024</u>
Jamaica	3,352,237,176	3,006,870,477
United States	2,933,031,788	2,261,222,229
Dominican Republic	<u>157,409,954</u>	<u>354,208,765</u>
	<u><u>\$6,442,678,918</u></u>	<u><u>5,622,301,471</u></u>

(ii) Non-current assets:

	<u>2025</u>	<u>2024</u>
Jamaica	1,502,535,637	1,372,842,619
United States	3,229,368,182	2,938,854,764
Dominican Republic	<u>8,487,602</u>	<u>7,461,182</u>
	<u><u>\$4,740,391,421</u></u>	<u><u>4,319,158,565</u></u>

28. Effect of purchase of business

(a) Acquisition of Rose Batteries:

Effective December 22, 2023, Tropical Battery (USA) LLC (“TBC USA”), a subsidiary of Tropical Battery Company Limited, entered into a member interest agreement to purchase 100% of the shares in Rose Electronics Distributing Company LLC, for a consideration of \$3.547 billion (US\$22.8 million). The closing date of the acquisition was January 30, 2024. The acquisition was partially financed by a convertible cumulative redeemable preferred equity facility from Sygnus Credit Investments Ltd [see note 17(f)] and US\$9m loan from CIBC [see note 17(i)].

Included in the identifiable assets and liabilities acquired at the date of acquisition of Rose Batteries Distributing Company LLC are inputs (inventories and property, plant and equipment), production processes and an organized workforce. The Group determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

28. Effect of purchase of business (continued)

(a) Acquisition of Rose Batteries (continued):

Rose Batteries specialises in custom battery packs for critical sectors such as aerospace, defence and medical devices. The acquisition of Rose Batteries enables the Group to expand its market presence and operational scale. The Group also expects to capitalise on the synergies with the other entities within the Group. This will lead to increased growth, profitability and cost efficiencies.

In the nine months to September 30, 2024, Rose Batteries contributed revenue of \$2.08 billion and profit of \$280 million to the Group's results. If the acquisition had occurred on October 1, 2023, management estimates that the consolidated revenue would have been \$4.25 billion and consolidated profit would have been \$472.6 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on October 1, 2023.

(i) Consideration transferred:

The following table summarises the acquisition date fair value of each major class of consideration transferred.

Cash	3,080,617,512
Contingent consideration (see note below)	<u>433,977,836</u>
Total consideration transferred	<u>\$3,514,595,348</u>

The Group has agreed to pay the selling shareholders additional consideration of \$472.07 million (USD \$3 million) if the acquiree's customer revenues are achieved as per the agreed targets over the next two years. Payments of USD \$375,000 to be paid each quarter if agreed targets are met. The fair value of contingent consideration is \$433.97 million at the acquisition date. It was estimated by applying discounted cash flow model and estimating the present value of the quarterly payments of \$375,000 using a risk adjusted discount rate of 13.92%. See below table for movement in contingent consideration during the year.

Contingent consideration	466,671,750
Fair value adjustment at acquisition	(<u>32,693,914</u>)
Fair value contingent consideration at acquisition	433,977,836
Payments during the year	(99,002,724)
Fair value of contingent consideration recognised in profit or loss [note 19(c)]	(<u>1,820,146</u>)
Contingent consideration at September 30, 2024	<u>333,154,966</u>
Fair value of contingent consideration recognised in profit or loss [note 19(c)]	(235,286,784)
Foreign currency adjustment	(<u>6,632,877</u>)
Contingent consideration at September 30, 2025	<u>\$ 91,235,305</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

28. Effect of purchase of business (continued)

(a) Acquisition of Rose Batteries (continued):

(ii) Acquisition related costs:

The Group has incurred acquisition related costs of \$77 million [note 19(b)] relating to external legal fees and due diligence costs. These have been included in “administration, marketing and selling expenses” in the statement of profit or loss and other comprehensive income.

(iii) Identifiable assets acquired and liabilities assumed and goodwill:

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	<u>January 30, 2024</u>
Property, plant and equipment	28,655,521
Intangible assets	52,063,758
Right-of-use assets [note 11(a)]	77,552,444
Inventories	499,844,960
Accounts receivable	464,845,507
Cash	13,405,923
Lease liabilities	(81,182,062)
Accounts payable	(371,752,875)
Total identifiable net assets acquired	<u>683,433,176</u>
Total consideration transferred	3,514,595,348
Total identifiable net assets acquired	(683,433,176)
Goodwill [note 9(c)]	<u>\$2,831,162,172</u>

The fair value of the goodwill acquired has been provisional determined and no adjustment have been made for intangible assets and the associated deferred tax, if any.

The goodwill is attributed mainly to the skills and technical talent of the work force of Rose Batteries and products offered that will expand the Group’s market presence.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued) September 30, 2025

29. Non-controlling interest

The following table summarises the Group's material non-controlling interest (NCI) in Kaya Energy Group before any intra Group eliminations: The non-controlling interest for Tropical Renewable Energy Limited, Tropical Finance Limited and Tropical Mobility Limited were not considered material for consolidation and disclosure.

(a) Statement of financial position:

	<u>2025</u>	<u>2024</u>
Total assets	155,237,042	202,346,118
Total liabilities	(63,825,442)	(117,103,198)
Net assets	\$ 91,411,600	85,242,920
Carrying amount of NCI	\$ 44,791,684	41,769,031
NCI percentage	49%	49%

(b) Statement of profit and loss and other comprehensive income:

Revenue	<u>157,409,954</u>	<u>354,208,765</u>
Profit	6,924,544	67,428,075
Other comprehensive income/(loss)	(755,865)	(9,356,061)
Total comprehensive income	\$ 6,168,679	58,072,014
Profit allocated to NCI	3,393,027	33,039,757
Other comprehensive loss allocated to NCI	(370,374)	(4,584,470)
Total comprehensive profit allocated to NCI	\$ 3,022,653	28,455,287

(c) Statement of cash flows:

Cash flows provided in operating activities	19,979,700	39,853,185
Cash flows used in investment activities	(2,714,937)	(11,368,462)
Cash flows used in financing activities	(6,450,367)	(6,930,716)
Net increase in cash and cash equivalents	\$ 10,814,396	21,554,007

30. Prior year restatement

(I) Interest expense:

During 2025, the Company discovered that the interest expense for August and September 2024 on the US\$13M Sygnus loan was not recorded. This loan was on-lent to Tropical Battery (USA) LLC to facilitate the Rose acquisition. Further, the corresponding interest income from Tropical Battery (USA) LLC was also omitted. As a result, both interest expense and interest income were understated at the Company level, resulting in a nil impact on profit. At the statement of financial position level for the Company, the due from subsidiaries, accounts payable and loans payable were understated. At the Group level, the omission resulted in an understatement of interest expense, accounts payable and long- term loan.

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

30. Prior year restatement (continued)

(II) Share-based payment:

The Company and its subsidiary did not account for share-based payment transactions granted to its employees and non-employees during the prior reporting period. Consequently, the share capital and administrative expenses of the Company and Group were understated.

The above errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarise the impacts on the Company and Group's financial statements.

(a) Statement of Financial Position:

	Group 2024		
	As previously reported	Adjustments	As restated
CURRENT ASSETS	<u>3,532,343,145</u>	<u>-</u>	<u>3,532,343,145</u>
CURRENT LIABILITIES			
Accounts payable	1,396,814,137	34,385,333	1,431,199,470
Others	<u>2,135,870,763</u>	<u>-</u>	<u>2,135,870,763</u>
	<u>3,532,684,900</u>	<u>34,385,333</u>	<u>3,567,070,233</u>
NET CURRENT LIABILITIES	(<u>341,755</u>)	(<u>34,385,333</u>)	(<u>34,727,088</u>)
NON-CURRENT ASSETS	<u>4,319,158,565</u>	<u>-</u>	<u>4,319,158,565</u>
	<u>\$4,318,816,810</u>	<u>(34,385,333)</u>	<u>4,284,431,477</u>
SHAREHOLDERS' EQUITY			
Share capital	164,287,800	89,725,468	254,013,268
Capital contribution	459,207,861	-	459,207,861
Accumulated profit	430,754,843	(141,303,781)	289,451,062
Foreign currency translation	<u>5,270,382</u>	<u>-</u>	<u>5,270,382</u>
Equity attributable to owners of the company	1,059,520,886	(51,578,313)	1,007,942,573
Non-controlling interest	<u>41,769,031</u>	<u>-</u>	<u>41,769,031</u>
	<u>1,101,289,917</u>	<u>(51,578,313)</u>	<u>1,049,711,604</u>
NON-CURRENT LIABILITIES			
Long-term loans	2,671,781,372	17,192,980	2,688,974,352
Others	<u>545,745,521</u>	<u>-</u>	<u>545,745,521</u>
	<u>3,217,526,893</u>	<u>17,192,980</u>	<u>3,234,719,873</u>
	<u>\$4,318,816,810</u>	<u>(34,385,333)</u>	<u>4,284,431,477</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

30. Prior year restatement (continued)

(a) Statement of Financial Position (continued):

	<u>Company</u>		
	<u>2024</u>		
	As previously reported	Adjustments	As restated
CURRENT ASSETS			
Due from subsidiaries	420,834,298	51,578,313	472,412,611
Others	<u>3,241,745,052</u>	—	<u>3,241,745,052</u>
	<u>3,662,579,350</u>	<u>51,578,313</u>	<u>3,714,157,663</u>
CURRENT LIABILITIES			
Accounts payable	757,727,308	34,385,333	792,112,641
Others	<u>1,851,172,313</u>	—	<u>1,851,172,313</u>
	<u>2,608,899,621</u>	<u>34,385,333</u>	<u>2,643,284,954</u>
NET CURRENT ASSETS	<u>1,053,679,729</u>	<u>17,192,980</u>	<u>1,070,872,709</u>
NON-CURRENT ASSETS			
Interest in subsidiaries	70,539,066	44,403,156	114,942,222
Others	<u>3,240,402,111</u>	—	<u>3,240,402,111</u>
	<u>3,310,941,177</u>	<u>44,403,156</u>	<u>3,355,344,333</u>
	<u>\$4,364,620,906</u>	<u>61,596,136</u>	<u>4,426,217,042</u>
SHAREHOLDERS' EQUITY			
Share capital	164,287,800	89,725,468	254,013,268
Capital contribution	459,207,861	—	459,207,861
Accumulated profit	<u>552,956,673</u>	<u>(45,322,312)</u>	<u>507,634,361</u>
	<u>1,176,452,334</u>	<u>44,403,156</u>	<u>1,220,855,490</u>
NON-CURRENT LIABILITIES			
Long-term loans	2,642,423,051	17,192,980	2,659,616,031
Others	<u>545,745,521</u>	—	<u>545,745,521</u>
	<u>3,188,168,572</u>	<u>17,192,980</u>	<u>3,205,361,552</u>
	<u>\$4,364,620,906</u>	<u>61,596,136</u>	<u>4,426,217,042</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

30. Prior year restatement (continued)

(b) Statement of Profit or loss and Other Comprehensive Income:

	Group 2024		
	As previously reported	Adjustments	As restated
Gross profit	1,864,149,046	-	1,864,149,046
Administration, marketing and selling expenses	(1,355,609,352)	(89,725,468)	(1,445,334,820)
Operating profit	508,539,694	(89,725,468)	418,814,226
Other income	<u>10,833,435</u>	<u>-</u>	<u>10,833,435</u>
Profit before depreciation and amortisation, net finance costs and taxation	519,373,129	(89,725,468)	429,647,661
Depreciation and amortisation	(110,398,338)	<u>-</u>	(110,398,338)
Profit before net finance costs and taxation	<u>408,974,791</u>	(89,725,468)	<u>319,249,323</u>
Interest income recognised using the effective interest rate	84,621,784	-	84,621,784
Finance costs	(475,823,015)	(51,578,313)	(527,401,328)
Gain on foreign exchange	<u>16,575,099</u>	<u>-</u>	<u>16,575,099</u>
Net finance costs	(374,626,132)	(51,578,313)	(426,204,445)
Profit/(loss) before taxation	34,348,659	(141,303,781)	(106,955,122)
Taxation	(14,488,138)	<u>-</u>	(14,488,138)
Profit/(loss) for the year	<u>\$ 19,860,521</u>	(141,303,781)	(121,443,260)
Profit for the year attributed to:			
Owners of Topical Battery Co. Ltd.	(13,179,236)	(141,303,781)	(154,483,017)
Non-controlling interest	<u>33,039,757</u>	<u>-</u>	<u>33,039,757</u>
	<u>\$ 19,860,521</u>	(141,303,781)	(121,443,260)
Total comprehensive (loss)/income for the year	<u>\$ 33,829,541</u>	(141,303,781)	(107,474,240)
Total comprehensive (loss)/income attributable to			
Owners of Tropical Battery Co. Ltd.	5,374,254	(141,303,781)	(135,929,527)
Non-controlling interest	<u>28,455,287</u>	<u>-</u>	<u>28,455,287</u>
	<u>\$ 33,829,541</u>	(141,303,781)	(107,474,240)
Earnings per stock unit (Basic)	(1.00¢)		(11.7¢)
Earnings per stock unit (Diluted)	(1.00¢)		(11.7¢)

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

30. Prior year restatement (continued)

(b) Statement of Profit or loss and Other Comprehensive Income (continued):

	<u>Company</u>		
	<u>2024</u>		
	As previously reported	Adjustments	As restated
Gross profit	870,964,217	-	870,964,217
Administration, marketing and selling expenses	<u>(681,840,843)</u>	<u>(45,322,312)</u>	<u>(727,163,155)</u>
Operating profit	189,123,374	(45,322,312)	143,801,062
Other income	<u>11,317,908</u>	<u>-</u>	<u>11,317,908</u>
Profit before depreciation and amortisation, net finance costs and taxation	200,441,282	(45,322,312)	155,118,970
Depreciation and amortisation	<u>(64,655,544)</u>	<u>-</u>	<u>(64,655,544)</u>
Profit before net finance costs and taxation	<u>135,785,738</u>	<u>(45,322,312)</u>	<u>90,463,426</u>
Interest income recognised using the effective interest rate method	423,950,152	51,578,313	475,528,465
Finance costs	<u>(463,498,517)</u>	<u>(51,578,313)</u>	<u>(515,076,830)</u>
Gain on foreign exchange	<u>26,555,812</u>	<u>-</u>	<u>26,555,812</u>
Net finance costs	<u>(12,992,553)</u>	<u>-</u>	<u>(12,992,553)</u>
Profit before taxation	122,793,185	(45,322,312)	77,470,873
Taxation	<u>(8,940,578)</u>	<u>-</u>	<u>(8,940,578)</u>
Profit for the year	113,852,607	(45,322,312)	68,530,295
Other comprehensive income net of taxation	<u>13,279,500</u>	<u>-</u>	<u>13,279,500</u>
Total comprehensive income for the year	<u>\$127,132,107</u>	<u>(45,322,312)</u>	<u>81,809,795</u>

TROPICAL BATTERY COMPANY LIMITED

Notes to the Financial Statements (Continued)
September 30, 2025

30. Prior year restatement (continued)

(c) Statement of Cash Flows:

	Group		
	2024		
	As previously reported	Adjustments	As restated
	\$	\$	\$
Cashflows from operating activities			
Profit/(loss) for the year	19,860,521	(141,303,781)	(121,443,260)
Interest on loans	432,925,658	51,578,313	484,503,971
Interest income	(84,621,784)	-	(84,621,784)
Equity settled share-based payments	-	89,725,468	89,725,468
Others	<u>59,406,218</u>	<u>-</u>	<u>59,406,218</u>
	427,570,613	-	427,570,613
Other working capital	(<u>805,475,816</u>)	<u>-</u>	(<u>805,475,816</u>)
Net cash used in operating activities	(<u>377,905,203</u>)	<u>-</u>	(<u>377,905,203</u>)
	Company		
	2024		
	As previously reported	Adjustments	As restated
	\$	\$	\$
Cashflows from operating activities			
Profit for the year	113,852,607	(45,322,312)	68,530,295
Interest on loans	433,942,505	51,578,313	485,520,818
Interest income	(423,950,152)	(51,578,313)	(475,528,465)
Equity settled share-based payments	-	45,322,312	45,322,312
Others	<u>80,645,827</u>	<u>-</u>	<u>80,645,827</u>
	204,490,787	-	204,490,787
Other working capital	(<u>750,754,369</u>)	<u>-</u>	(<u>750,754,369</u>)
Net cash used in operating activities	(<u>546,263,582</u>)	<u>-</u>	(<u>546,263,582</u>)

The prior year restatements did not have a material impact on the total investing and financing cash flows for the Group and Company for the year ended September 30, 2024.

TROPICAL BATTERY COMPANY LIMITEDNotes to the Financial Statements (Continued)
September 30, 202531. Subsequent events

(i) On October 28, 2025, Category 5 Hurricane Melissa made landfall in Jamaica, causing extensive damage to the country's infrastructure, displacing residents, and disrupting business activities especially in the Western section of the island. The Government of Jamaica declared the island a disaster area on October 28, 2025.

The Company's facilities in Montego Bay sustained damage from flooding and were closed until November 9, 2025. Management has not been able to accurately estimate the total loss due to the delay in getting a quotation. The Company is in discussions with its insurer regarding an insurance claim. However, no estimates can be made at this stage, as the insurer is still considering the claims and the actual costs of the damage have yet to be determined.

Management has assessed the impact of this event on the entity's operations, including potential effects on November 2025 revenues resulting from the closure of the location and concluded that there was no material effect on sales. They also intend to submit a claim for consequential loss after the property damage claim is finalised.

As at the date of authorisation of these financial statements, management continues to assess the economic impact of this event. While the full effect is not yet determined, management does not currently expect any significant adverse impact on the Company's profitability, capital adequacy, or overall financial position.

(ii) Subsequent to the year end, the Group announced a restructuring of its solar operations, including the combination of its two subsidiaries; Kaya Energy in the Dominican Republic and Tropical Renewable Energy in Jamaica.