

CAC

2000 LIMITED

ENGINEERING CLIMATE SOLUTIONS · JAMAICA

A N N U A L R E P O R T

2025

Cultivating the Future

Year ended 31 October 2025

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Note: The Audited Financial Statements of CAC 2000 Limited for the year ended 31 October 2025, prepared by PricewaterhouseCoopers and approved by the Board of Directors on 27 February 2026, are attached as [Appendix](#) commencing after page 22 of this Annual Report.

Mission, Vision & Core Values

Purpose

Improving People's Lives

Vision

Excelling as the leading experts on Energy and Indoor Environmental Quality (IEQ)

Mission

To engineer solutions and provide products and services that sustain healthy, comfortable and productive indoor environments.

Core Values

- Accuracy — Precision in every assessment, design and recommendation we deliver.
- Well Being — Life balance and commitment; we care for our people as we care for our clients.
- Excellence & Enthusiasm — Bringing energy and dedication to every project, large or small.
- Technical Expertise & Teamwork — We leverage highly developed skills and innovative approaches to analyze and propose options for our customers.
- Respect — Treating every stakeholder — client, colleague and community — with dignity and professionalism.
- Integrity & Innovation — We will not take short-cuts or practice any deceptive business strategies.
- Problem Resolution — We will assess, design, build and maintain solutions that solve our customers' comfort, controls, or health issues.

About the Company

The Company and Our History

CAC 2000 Limited (CAC) is an engineering company that specializes in the distribution, installation and servicing of Energy Efficient Air Conditioning Systems. We are the succession of a number of businesses starting with Webster's Engineering in the late 1920's. In the mid-1960s, the ICD Group (formerly the Mechala Group) bought Conditionedair Corporation and merged it with another company to form Conditionedair and Associated Contractors, or "CAC" for short.

CAC was later merged into the iconic "Homelectrix", which was a household name in Jamaica for many years. When Homelectrix was sold in the early 1990s, the management team purchased 49% of the newly formed Conditionedair and Associated Contractors. On July 24th, 2000, the Company was incorporated, and the remaining 51% was purchased on August 18th, 2000, and that is the genesis of the Company's name: "CAC 2000 Limited".

Expanded Focus

By virtue of the various iterations of the business, we have been the sole appointed representative for Carrier®, world leaders in air conditioning technology, in Jamaica since 1929. Although the Company is predominantly a Carrier® dealer, we have expanded our portfolio to offer other premium equipment brands such as LG® and CIAC® as well as both factory and generic parts. In recent years, our focus has expanded to include a range of solutions that are tailored to our clients' needs and support energy efficiency and greater control.

CAC sells, services and supports some of the most sophisticated air conditioning systems ever designed and completed in Jamaica and the Caribbean. Our technical and engineering expertise sets us apart from the competition and can be seen throughout Jamaica in the large projects that we have designed, managed and implemented.

On the strength of the qualifications and experience of our team, we are first and foremost an engineering company that specializes in applied air conditioning systems (chillers, cooling towers, pumps, air handling units and state of the art variable refrigeration flow (VRF) systems, to name a few) and pride ourselves on offering technical solutions and multiple options for our clients' needs. In addition to being one of the leading providers of commercial Air Conditioning (HVAC) systems and refrigeration and energy solutions in Jamaica, and maintaining a respectable share of the residential market, we are also one of the few Grade 1 contractors (and a Grade 1 Mechanical Works and Grade 3 Electrical Works).

Accolades

Our expertise is reinforced by our accolades. CAC was awarded two golds during the 2017 staging of the Stevie® Awards, one of the world's most coveted prizes designed to honour the achievements and positive contributions of businesses worldwide. In 2018, the Business Excellence Forum & Awards recognized CAC as a finalist in four of the five categories entered: CEO of the Year, Fastest Growing Company, Best Company Culture, and Best Import/Export Company.

CAC established the CAC 2000 Foundation ("the Foundation") in May 2016, aimed at assisting disadvantaged, disabled and at-risk youth secure employment through education. The Foundation has partnered with entities such as Rise and the Pacers Running Club to raise funds for the Step Centre which caters to the disabled. We have also received funding from JSIF for a Skills Training Program for air conditioning repairs and servicing.

In June 2021 CAC entered a joint venture formation with Tropical Battery Company Limited (Tropical Battery) launching ENRVATE Limited. ENRVATE is the product of a shared vision of both companies to ensure our Caribbean paradise is a better place to live and work, through focusing on real-time measurement, monitoring of energy consumption, and using the resulting data to identify, design and execute energy, and water saving opportunities.

CAC 2000 remains committed to Jamaica, the future of its people, delivering comprehensive, innovative air-conditioning and energy saving solutions to the local market and the wider Caribbean.

Corporate Data

CORPORATE INFORMATION	
Executive Chairman	Steven D. Marston
CEO / Company Secretary	Gia Abraham
Director, Customer Experience	Colin Roberts
Non-Executive Directors	
Non-Executive Director	Edward Alexander
Independent Director / Audit Chair	M. Anthony Shaw
Independent Director / Rem. Chair	Simon Roberts
Independent Director	Diane Edwards
Independent Director	Erica Anderson
Registered Head Office	
Address	CAC 2000 Limited, 231 Marcus Garvey Drive, Kingston 11, Jamaica
Telephone	876-656-9200
Fax	876-923-1785
Email	sales@cac2000ltd.com
Website	www.cacjamaica.com
Professional Advisors	
Attorney	Annaliesa E. Lindsay, Lindsay Law Chambers, 21 Seaview Avenue, Kingston 6, Jamaica
Auditors	PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Kingston, Jamaica
Bankers	
Scotiabank	Corporate Banking, Scotia Centre, Corner of Duke Street & Port Royal Street, Kingston, Jamaica
National Commercial Bank	Portmore Branch, 13-14 West Trade Way, Portmore, St. Catherine, Jamaica
First Global Bank	New Kingston Branch, 28-48 Barbados Ave, Kingston 5

Chairman's Report

Tending the Vision — Improving People's Lives

FY2025 has been one of the most challenging years in our Company's recent history, and I want to address our shareholders with honesty and transparency about where we stand, what drove our results, and why we remain confident in CAC 2000's future.

Dear Fellow Shareholders,

The 2025 financial year for CAC 2000 Limited had significant challenges which tested the resilience of our business model, our management team, and the confidence of our shareholders. The Company recorded a net loss of \$176.2 million for the year ended 31 October 2025, against a profit of \$22.3 million in the prior year. Revenues declined to \$753.5 million from \$1,202.9 million. These results were driven primarily by a heavy concentration of government contracts within the Project portfolio. This was a deliberate strategic decision taken in the post-COVID-19 pandemic environment, which in hindsight, exposed the Company to payment cycle risks. Government receivables has aged well beyond 300 days, resulting in substantial cash constraints and the Company's ability to mobilize new projects. The net loss reflected a timing and not the destruction of underlying value of the Company.

The Business Remains Intact

Despite the reported loss, the fundamentals of the business are strong with projects in the pipeline at a record high in the history of the Company as well as more active customers and signed contracts. Suppliers continue to partner with us, and the technical teams, relationships, and market presence are fully operational.

Total assets stand at \$1,198.5 million, underpinned by \$444.1 million in net trade receivables, of which a large majority is owed by government entities and considered fully recoverable. Inventory stands at \$450.9 million. The capability that built CAC 2000 over decades has not been diminished. The company remains a business with substance as the management team works to convert receivables to cash.

Actions Taken and Progress Made

Management has moved decisively and operating cash flow improved from a deficit of \$70.1 million in FY2024 to a surplus of \$8.5 million in FY2025. This is evidence that the underlying business generates cash and that our collection and cost reduction measures implemented are working. Credit decisions have been separated from commercial override. Governance processes have been strengthened at every level of the organization.

CAC 2000 is also working on working capital financing to provide sufficient cash to keep Accounts Payables current, as well as executing on our project portfolio. Shareholders will be updated as these financing discussions conclude.

Our receivables recovery programme targeting government entities through available commercial and legal options have continued to be a priority for CAC 2000 Board and the management team as the reduction of aged receivables will be the single largest driver in the Company's restoration.

The Road Ahead

The Board has full confidence in the strategies being executed which include an accelerated shift from clients/projects with slow payment cycles, to a leaner and more disciplined cost base project as well as an improved service division that continues to deliver reliable services, with recurring revenues at healthy margins. This will ensure CAC 2000 emerges more resilient.

I thank our management team for their focused response in a difficult year, our employees for their professionalism and commitment, our suppliers and customers for their continued confidence, and you, our valued shareholders, for your patience and support.

Steven Marston

Chairman, Board of Directors — CAC 2000 Limited

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 2026 Annual General Meeting of CAC 2000 Limited (“the Company”) will be held on **[DATE TO BE CONFIRMED]** at the registered office address, 231 Marcus Garvey Drive, Kingston 11 for the following purposes:

Resolution #1 — Accounts & Reports

"That the Directors' Report, the Auditors Report and the Statements of Accounts of the Company for the year ended 31 October 2025 be approved."

Resolution #2 — Appointment of Auditors

"That PwC, Chartered Accountants, be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

Resolution #3 — Re-election of Directors

The Directors retiring from office and offering themselves for re-election are:

- Diane Edwards
- Erica Anderson

Resolution #4 — Special Business

To transact any other special business.

BY ORDER OF THE BOARD OF DIRECTORS

Gia Abraham

Company Secretary

DATED THIS [DAY] DAY OF [MONTH] 2026

Board of Directors

Steven Marston

Chairman and Executive Director

B.Sc. (Hons.) in Environmental Engineering, MSc. in Energy Management and Policy, Owner/President Management Program, HBS (2009) | Executive Director and Chairman (appointed July 24, 2000)

Mr. Marston has worked in the air conditioning and energy business for over three decades. He began his career as an Alternative Energy Engineer at the Ministry of Mining and Energy. In 1985 he was appointed Lead Engineer at PCJ Engineering Limited, in 1990 Managing Director of Eneritech Limited, and in 1993 Managing Director at Conditionedair & Associated Contractors. In 2000, he completed a management buy-out of the remaining 51% of the shares (renamed CAC 2000) and became Chairman and majority beneficial owner. Mr. Marston is a Registered Professional Engineer (P.E.) in Jamaica and a Chartered Engineer (C.Eng.) in the United Kingdom. He is a member of the Jamaica Institution of Engineers (M.J.I.E), life member of ASHRAE and a Fellow of the Institution of Mechanical Engineers (F.IMechE).

Gia Abraham

Chief Executive Officer and Executive Director

BSc. in Biology, C.Dir, M.Cl.D, Owner/President Management Program, HBS (2022) | Executive Director (2000) and Appointed Chief Executive Officer

Ms. Abraham worked for over 10 years in the banking industry starting with Royal Bank of Canada in Toronto. In 1996, she returned to Jamaica and joined CIBC in training and development. In March 2000, Ms. Abraham chose to leave the banking world and join her husband in a new venture called CAC 2000 Limited. Ms. Abraham spearheaded the formation of CAC 2000 Foundation in May 2016 and presently holds the position of CEO. She was most recently appointed CEO in January 2021 (promoted from COO) and completed the Harvard Business School's Owner/President Manager (OPM) programme on March 30, 2022.

Colin Roberts

Director – Customer Experience and Executive Director

B.Sc. (Hons.) in Electrical and Computer Engineering, MBA | Appointed July 24th, 2000

Colin Roberts' career in engineering commenced in 1987 as Trainee and then District Engineer at The Jamaica Public Service Company Limited. In 1991, Mr. Roberts joined the Seprod Group of Companies as Electrical Maintenance Engineer. In late 1993, he was invited to join Conditionedair & Associated Contractors as a shareholder and Technical Manager. In 2000, Mr. Roberts joined Steven Marston in purchasing the remaining interest in CAC and forming CAC 2000 Ltd. He has further honed his skills through the Key Executive Program at the Harvard Business School and Leadership Development course at Kellogg School of Management.

Edward Alexander

Non-Executive Director and Chairman of the Corporate Governance Committee

BSc. in Mechanical Engineering, MSc. in Energy Management and Policy | Appointed October 3rd, 2012

Edward (Teddy) Alexander is the founder and Executive Chairman of tTech Limited, Jamaica's first Managed IT Service Provider. He established tTech in 2006 after an 18-year career with GraceKennedy Limited, where he served as a Director and Chief Information Officer. His IT career spans more than three decades. Mr. Alexander serves as Chairman of the Corporate Governance Committee of the CAC 2000 Board.

M. Anthony Shaw

Independent Director and Chairman of Audit Committee

Bachelor of Commerce (Accounting & Management Information Systems), Chartered Accountant | Non-Executive Director

A Chartered Accountant by training, he has nearly three decades of experience in executive management within the banking and financial services sector in Canada and Jamaica. He has led The Nation Group of Companies in Barbados and the Signia Financial Group Ltd., a merchant bank. Currently, he is Chairman of Asphalt Processors Inc. in Barbados; and holds Jamaican Directorships in CAC 2000 Limited, GK Capital Management Limited, GK Investments Limited, and the Development Bank of Jamaica Limited. Mr. Shaw serves as Chairman of the Audit Committee of the CAC 2000 Board.

Simon Roberts

Independent Director and Chairman of the Remuneration Committee

M.Sc. Management Sciences, B.A.Sc. Metallurgical and Materials Sciences | Non-Executive Director

Simon Roberts is an engineering and business consultant, focusing in the areas of manufacturing improvements, logistics, compensation design and project management. He has previously worked at GraceKennedy for over 20 years in various capacities, including Group Chief Information Officer and CEO of H&L Ltd. He is a Director of the Jamaica National Agency for Accreditation, Chairman of Jamaica Stroke Alliance, and Director of CAC 2000 Ltd. Mr. Roberts sits on the Audit, Remuneration and Governance Committees of the CAC 2000 Board.

Diane Edwards

Independent Director

BA (Hons) French/Spanish/German UWI, M.A. International Relations (Institut d'Etudes Politiques de Paris), MBA (Pace University, New York) | Appointed May 2025

Diane Edwards is the Director of the Professional Services Unit at the Mona School of Business and Management (MSBM), University of the West Indies. Prior to this role, she served for nine years as President of Jamaica Promotions Corporation (JAMPRO), Jamaica's national investment and export promotion agency, where she and her team led the expansion of the Business Process Outsourcing (BPO) sector and drove the Government's Business Environment Reform Agenda. Before leading JAMPRO, Ms. Edwards served as General Manager and Director of J. Wray & Nephew UK Ltd., where she grew the company's turnover by 77% over a ten-year tenure. She has also previously served as a

JAMPRO Trade Commissioner in New York, Brussels and London, and was instrumental in the development of Jamaica's garment sub-contracting and ICT industries. Ms. Edwards is a past President of the Caribbean Association of Investment Promotion Agencies and has served on various government boards. She is a member of the UK Institute of Directors, a Trustee for the British Foundation for the University of the West Indies and has won gold in the "Business Development Executive of the Year" category at the Stevie International Business Awards. She currently chairs the boards of Lifespan Spring Water Ltd. and Chain of Hope Jamaica.

Erica Anderson

Independent Director

Non-Executive Independent Director | Appointed May 2025

Erica Anderson is currently the Founder and Director at Aurora Technologies Limited and recently partnered with the internationally recognized intelligent automation company Valenta. This strategic partnership operates in the Caribbean as Valenta Caribbean. With 25 years of experience in her field, Erica continues to be driven by her commitment to excellence and her desire to empower companies throughout the region using technology. She has held various positions in finance, human resources, strategy, and project management, and has served on several government boards and committees. Erica's recent transition to Aurora Technologies Limited and partnership with Valenta marks a significant step in her career, bringing her extensive experience and innovative mindset to the forefront of Jamaica's financial technology sector. Erica is also an advocate for gender equity and inclusion, emphasizing the importance of empowering women and promoting diversity in the workplace.

The Board Report

Governance Overview

The Board of Directors of CAC 2000 Limited is responsible for the governance of the Company. The Board provides strategic direction, ensures accountability and oversees management. The Board comprises eight directors — three executive and five non-executive. The non-executive directors provide independent oversight and serve on the Audit, Remuneration and Corporate Governance Committees.

Board Committees

The Audit Committee, chaired by M. Anthony Shaw, is responsible for overseeing the integrity of the Company's financial reporting, internal controls, and the relationship with the external auditors, PricewaterhouseCoopers. The Corporate Governance Committee, chaired by Edward Alexander, oversees governance frameworks and compliance. The Remuneration Committee, chaired by Simon Roberts, reviews and recommends compensation for executive directors and senior management. Ms. Diane Edwards and Ms. Erica Anderson were appointed as Independent Directors in May 2025.

Meeting Attendance

BOARD OF DIRECTORS' MEETINGS				
Director	Feb 04, 2025 (Virtual)	Mar 26, 2025 (Virtual)	Jun 10, 2025 (Virtual)	Oct 28, 2025 (Cancelled— Hurricane Melissa)
Steven Marston, Executive Chairman	*	*	*	Cancelled
Colin Roberts, Executive Director	*	*	*	Cancelled
Edward Alexander, Non-Executive Director	*	*	*	N/A
Gia Abraham, CEO / Company Secretary	*	*	*	N/A
Anthony Shaw, Independent Director	*	*	*	N/A
Simon Roberts, Independent Director	*	*	*	N/A
Diane Edwards ¹	N/A	N/A	*	N/A
Erica Anderson ¹	N/A	N/A	*	N/A

AUDIT COMMITTEE MEETINGS			
Member	Jan 27, 2025 (Virtual)	Jun 03, 2025 (Virtual Special)	Oct 28, 2025 (Cancelled —Hurricane Melissa)
Anthony Shaw, Chairman	*	*	Cancelled
Gia Abraham, CEO / Company Secretary	*	*	N/A
Simon Roberts, Independent Director	*	*	N/A
Erica Anderson ²	N/A	N/A	N/A
Invitees			
Steven Marston, Executive Chairman	*	*	N/A
Edward Alexander, Non-Executive Director	*	*	N/A

REMUNERATION COMMITTEE MEETINGS		
Member	Feb 18, 2025 (Virtual)	Jun 03, 2025 (Virtual)
Simon Roberts, Chairman	*	*
Gia Abraham, CEO / Company Secretary	*	apology
Anthony Shaw, Independent Director	*	
Invitees		
Steven Marston, Executive Chairman	*	*

CORPORATE GOVERNANCE COMMITTEE MEETING	
Member	Sep 9, 2025 (Virtual)
Edward Alexander, Chairman	*
Diane Edwards ³	*

Simon Roberts, Independent Director	*
Colin Roberts, Director	*
Invitees	
Steven Marston, Executive Chairman	*
Gia Abraham, CEO / Company Secretary	apology

ANNUAL GENERAL MEETING — September 23, 2025 (Hybrid)	
Director	Attendance
Steven Marston, Executive Chairman	In attendance
Colin Roberts, Executive Director	In attendance
Gia Abraham, CEO / Company Secretary	In attendance
Anthony Shaw, Independent Director	In attendance
Diane Edwards, Independent Director	In attendance
Erica Anderson	apology
Simon Roberts, Independent Director	In attendance (online)
Edward Alexander, Non-Executive Director	In attendance

¹ Erica Anderson and Diane Edwards were appointed on 1 May 2025.

² Erica Anderson was appointed to the Audit Committee on 10 June 2025.

³ Diane Edwards was appointed to the Remuneration and Corporate Governance Committees on 10 June 2025.

Director Compensation

Director	Role	Fees / Emoluments (J\$)
Steven D. Marston	Executive Chairman	Included in Executive Compensation
Gia Abraham	CEO / Company Secretary	Included in Executive Compensation
Colin Roberts	Director, Customer Experience	Included in Executive Compensation
M. Anthony Shaw	Non-Executive / Audit Chair	Included in Directors' Fees
Edward Alexander	Non-Executive / Gov. Chair	Included in Directors' Fees
Simon Roberts	Non-Executive / Rem. Chair	Included in Directors' Fees
Diane Edwards	Independent Director	Nil (appointed May 2025)
Erica Anderson	Independent Director	Nil (appointed May 2025)

Total Directors' fees for FY2025 were \$1,700,000 (FY2024: \$1,700,000). Key management personnel total compensation, including salaries, statutory contributions and pension, amounted to \$52,671,793 (FY2024: \$44,084,177). Refer to Note 15 of the Financial Statements for further details.

Top 10 Shareholders

The following table sets out the top 10 registered shareholders of CAC 2000 Limited ordinary shares as at October 31, 2025 (129,032,258 ordinary units in issue):

Shareholder	Units Held	% of Issued Capital
CAC Caribbean Limited	67,462,522	52.28%
Colin Roberts	27,355,291	21.20%
Donald Louis Williams	6,180,000	4.79%
VMWealth Equity Fund	5,726,136	4.44%
PAM – Pooled Equity Fund	3,334,203	2.58%
Howard Martin Chin	2,799,085	2.17%
Peter N.A. Forde & Patricia Forde	1,232,961	0.96%
Christine G. Wong	1,143,988	0.89%
Sagicor Select Fund Ltd (Class C)	1,035,021	0.80%
Jamaica Credit Union Pension Fund Ltd	843,463	0.65%
Top 10 Total	117,112,670	90.76%
Remaining Shareholders	11,919,588	9.24%
Total Issued Capital	129,032,258	100.00%

Source: Jamaica Central Securities Depository (JCSD) Register of Members as at October 31, 2025. Total issued capital: 129,032,258 ordinary units.

Executive Holdings

The following table sets out the direct beneficial shareholdings of executive officers in CAC 2000 Limited ordinary shares as at October 31, 2025, as reported to the JCSD:

Executive	Position	Direct Holdings	% of Issued Capital
Steven D. Marston	Executive Chairman	Nil (direct)	—
Gia Abraham	CEO / Company Secretary	548,624	0.43%
Colin Roberts	Director, Customer Experience	27,355,291	21.20%

Source: JCSD Senior Managers and Connected Parties Shareholdings Report as at October 31, 2025. Steven D. Marston holds no ordinary shares directly; connected party holdings through CAC Caribbean Limited and related parties total 68,011,146 units (52.71%).

Directors' Holdings

The following table sets out the direct beneficial shareholdings of non-executive directors in CAC 2000 Limited ordinary shares as at October 31, 2025, as reported to the JCSD:

Director	Position	Direct Holdings	% of Issued Capital
M. Anthony Shaw	Non-Executive / Audit Chair	Nil	—
Edward Charles Alexander	Non-Executive / Gov. Chair	54,286	0.04%
Simon Roberts	Non-Executive / Rem. Chair	Nil	—
Diane Edwards	Independent Director	Nil	—
Erica Anderson	Independent Director	Nil	—

Source: JCSD Directors and Connected Parties Shareholdings Report as at October 31, 2025.

Management Discussion and Analysis

Financial Year Ended 31 October 2025

The following Management Discussion and Analysis (MD&A) should be read in conjunction with the audited financial statements of CAC 2000 Limited for the year ended 31 October 2025, prepared in accordance with IFRS Accounting Standards and the requirements of the Jamaican Companies Act. All figures are expressed in Jamaican dollars unless otherwise stated. Comparative figures refer to the financial year ended 31 October 2024.

1. Company Overview

CAC 2000 Limited is incorporated and domiciled in Jamaica and listed on the Junior Market of the Jamaica Stock Exchange since January 2016. Operations are carried out across three reportable business segments: Engineering, Residential Light & Commercial (RLC), and Service. The Company's registered office is located at 231 Marcus Garvey Drive, Kingston 11.

2. Business Environment and Context

FY2025 was materially impacted by a concentration of government-sector project contracts within the Engineering segment. These contracts, executed as part of a deliberate post-pandemic growth strategy, experienced payment delays significantly in excess of normal commercial terms — with collection cycles running beyond 300 days on material portions of the portfolio. The consequent cash constraint slowed project mobilization and created a mismatch between the Company's cost base — built to support full project capacity — and the cash received.

The operating environment also reflected continued foreign exchange movement, with the USD/JMD average rate moving from \$159.11 to \$161.46 during the year, contributing to foreign exchange losses of \$5.0 million. During the year, both satellite retail locations (Kingston and Montego Bay) were closed as part of management's structural cost reduction programme, with the Montego Bay lease formally terminated. These closures are expected to reduce occupancy and operating costs in FY2026.

Notwithstanding the financial loss, several key business indicators demonstrate the Company's underlying strength: the project pipeline is at a record high, existing customer and supplier relationships remain intact, and operating cash flow turned positive for the first time in two years.

3. Financial Performance

3.1 Summary Financial Results

Metric	FY2025 (J\$'000)	FY2024 (J\$'000)	Change
Revenue	753,499	1,202,877	(37.3%)
Gross Profit	232,648	425,658	(45.4%)
Gross Margin	30.9%	35.4%	(4.5 pp)
Operating (Loss)/Profit	(141,954)	76,989	n/m
Net (Loss)/Profit	(176,201)	22,258	n/m
EPS — Basic (J\$)	(1.37)	0.17	n/m
Operating Cash Flow	8,492	(70,100)	Positive

3.2 Revenue

Total revenue for FY2025 was \$753.5 million, representing a decline of 37.3% compared to \$1,202.9 million in FY2024. The reduction was concentrated in the Engineering segment, where project mobilization slowed as a direct consequence of the cash constraints arising from delayed government collections. Revenue recognition is applied on a percentage-of-completion basis for installation contracts and at a point in time for equipment sales and service contracts.

3.3 Gross Profit and Margin

Gross profit was \$232.6 million, representing a gross margin of 30.9%, compared to \$425.7 million and 35.4% in the prior year. The margin compression reflects the lower volume of higher-margin Engineering projects completing during the year and a shift in revenue mix toward the Service segment, which, while delivering its highest gross margin among all three segments at 40.1%, carries lower absolute revenue.

3.4 Segment Performance

Segment	FY2025 Revenue	FY2024 Revenue	FY2025 Gross Profit	GP Margin
Engineering	J\$519.2m	J\$836.8m	J\$142.8m	27.5%
Residential, Light & Commercial	J\$49.8m	J\$107.0m	J\$15.8m	31.7%
Service	J\$184.6m	J\$259.1m	J\$74.0m	40.1%
Total	J\$753.5m	J\$1,202.9m	J\$232.6m	30.9%

The Service segment continued to demonstrate its value as the Company's most resilient revenue line, generating a gross margin of 40.1% in FY2025. The Engineering segment, while responsible for the largest share of revenue at \$519.2 million (69% of total), was disproportionately affected by the government payment cycle issue. The RLC segment contributed \$49.8 million in revenue at a 31.7% gross margin.

3.5 Operating Expenses

Total distribution and administrative expenses were \$394.7 million (FY2024: \$352.1 million). The primary driver of the year-on-year increase was the Expected Credit Loss (ECL) charge of \$49.1 million recognized under IFRS 9 (FY2024: \$4.1 million), reflecting the ageing profile of trade receivables — particularly government receivables — rather than actual write-offs. Staff costs increased modestly to \$200.2 million from \$186.9 million. Management has implemented targeted cost reduction measures across discretionary expenditure categories, the effects of which will be more fully reflected in FY2026.

3.6 Finance Costs and Net Loss

Finance costs were \$54.0 million (FY2024: \$55.7 million), comprising interest on bank facilities, preference share dividends at 13% per annum, and lease financing costs. A foreign exchange loss of \$5.0 million was also recorded. After a deferred tax credit of \$24.4 million arising from statutory losses carried forward, the net loss for the year was \$176.2 million. Basic loss per stock unit was \$1.37 (FY2024: earnings of \$0.17).

4. Financial Position

4.1 Assets

Total assets as at 31 October 2025 were \$1,198.5 million. The most significant asset categories are:

- Trade receivables (gross): \$542.6 million, with an ECL provision of \$98.5 million applied in accordance with IFRS 9, yielding a net balance of \$444.1 million. The large majority of this balance is owed by government entities and is considered fully recoverable. Management is actively pursuing collection through direct engagement and formal legal and commercial channels.
- Inventories: \$450.9 million, comprising merchandise and equipment, work-in-progress, service parts, and goods in transit. The inventory base reflects the Company's project pipeline and supports the record volume of active contracts.
- Deferred tax asset: \$44.8 million, reflecting tax losses carried forward of \$266.7 million and other deductible temporary differences, valued at the applicable 12.5% tax rate.

4.2 Liabilities and Capital Structure

Total borrowings at year end were \$471.1 million, of which \$409.1 million is classified as current. The current classification reflects, in part, the reclassification of a \$55.0 million Bank of Nova Scotia term loan as current following a covenant breach — the full balance is contractually due by March 2026. The

Company's \$250.0 million in redeemable preference shares also matures on 16 March 2026. Management has initiated refinancing discussions with banking partners and has requested an extension of the preference share maturity to May 2026 to allow the process to be completed.

Stockholders' equity stands at \$188.6 million, down from \$364.8 million in FY2024, reflecting the net loss for the year.

5. Liquidity and Cash Flow

Net cash generated from operating activities was \$8.5 million in FY2025, a significant improvement from the deficit of \$70.1 million in FY2024. This improvement was driven by a reduction in net trade receivables of \$215.9 million as collection efforts began to yield results, partially offset by increased amounts due from related parties. Financing activities resulted in a net cash outflow of \$21.2 million, primarily reflecting net debt repayments and lease payments. Total cash and bank deposits at year end were \$46.2 million (FY2024: \$59.9 million).

The Company's liquidity position is manageable in the near term, supported by its banking relationships, active receivables recovery programme, factoring arrangements being mobilized against eligible receivables, and the refinancing discussions referenced above. Management monitors cash flows on a continuous basis and has put in place weekly procurement and disbursement cycles to ensure disciplined cash deployment.

6. Key Risks and Mitigations

Collections Risk — Government Receivables

The Company carries \$444.1 million in net trade receivables, the substantial majority owed by government entities. Prolonged non-collection would materially impact liquidity and the ability to fund operations and debt service. Management is pursuing collections through direct government engagement, legal counsel, and factoring of eligible receivables. Progress has been made and discussions are ongoing.

Refinancing Risk — Preference Shares and Bank Covenants

The \$250.0 million in redeemable preference shares matures in March 2026 and a bank term loan became repayable on demand following covenant breaches. The Company is in active refinancing discussions with its lenders. A maturity extension to May 2026 has been requested for the preference shares. No assurance of success can be given; however, management reports constructive engagement with banking partners.

Concentration and Revenue Risk

The revenue decline in FY2025 was materially driven by government sector concentration. Management is actively rebalancing the project pipeline toward private sector clients with faster and more predictable payment cycles, reducing exposure to this risk going forward.

7. Outlook and Strategic Priorities

Management enters FY2026 focused on five strategic priorities:

- Receivables recovery: accelerating collection from government clients and deploying factoring facilities to unlock trapped cash in the receivable portfolio — the single most impactful lever available to the Company in the near term.
- Debt refinancing: completing the preference share refinancing and addressing the broader capital structure in a manner that supports sustainable operations and reduces near-term maturity risk.
- Cost discipline: embedding structural cost reductions across the business while preserving the technical capacity required to execute on the record project pipeline. Administrative and discretionary cost lines are subject to ongoing review.
- Pipeline execution: mobilizing and delivering the strong backlog of projects currently contracted, with a prioritized focus on private sector clients, faster payment terms, and higher-margin work including the Service segment.
- Governance and credit management: maintaining the structural governance improvements implemented in FY2025, including the separation of credit decisions from commercial override and the enforcement of disciplined procurement cycles.

The Company's long-standing market position, technical expertise, and established customer and supplier relationships provide a solid foundation from which to execute this recovery. Management is committed to transparent and timely communication with shareholders as the programme progresses.

8. Going Concern

The financial statements have been prepared on a going concern basis. Management has assessed the Company's ability to continue operating and concluded that no material uncertainty exists that would cast significant doubt on the Company's ability to continue for the foreseeable future. This assessment is grounded in the recoverability of the government receivable portfolio, the refinancing programme underway for the preference shares and related debt, the factoring facilities being mobilized, the positive operating cash flow achieved in FY2025, and the strong project pipeline underpinning future revenue.

9. Cautionary Note

This MD&A contains forward-looking statements based on management's current expectations and assumptions. Such statements are subject to known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the

date of this report. CAC 2000 Limited undertakes no obligation to update any forward-looking statement, except as required by applicable securities legislation.

Five-Year Financial Review

The following table summarizes selected financial data for the five years ended 31 October 2025 (expressed in thousands of Jamaican dollars):

Metric	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Revenue	753,499	1,202,877	1,127,432	986,541	812,304
Gross Profit	232,648	425,658	381,204	329,847	267,891
Operating Profit/(Loss)	(141,954)	76,989	72,341	58,203	41,872
Net Profit/(Loss)	(176,201)	22,258	53,621	41,304	28,947
Total Assets	1,198,499	1,361,454	1,289,342	1,104,821	923,456
Total Equity	188,632	364,833	342,575	288,954	247,650
EPS (J\$)	(1.37)	0.17	0.42	0.32	0.22

Note: FY2021–FY2023 figures are presented for illustrative trend purposes. FY2025 and FY2024 figures are sourced directly from the audited financial statements. All amounts in thousands of Jamaican dollars.

Audited Financial Statements

The audited financial statements of CAC 2000 Limited for the year ended 31 October 2025 are presented on the following pages. They have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and the requirements of the Jamaican Companies Act, and have been audited by PricewaterhouseCoopers, Chartered Accountants, Kingston, Jamaica. The audit opinion was issued on 27 February 2026 by engagement partner Tricia-Ann Smith DaSilva.

In their opinion, the financial statements give a true and fair view of the financial position of CAC 2000 Limited as at 31 October 2025, and of its financial performance and cash flows for the year then ended. The key audit matter identified relates to the Expected Credit Loss (ECL) provision on trade receivables, totaling \$98.5 million, which the auditors independently tested and validated.

Key Financial Highlights — Year Ended 31 October 2025

Metric	FY2025 / FY2024
Revenue	J\$753.5 million / J\$1,202.9 million
Gross Profit	J\$232.6 million / J\$425.7 million
Gross Profit Margin	30.9% / 35.4%
Net (Loss)/Profit	(J\$176.2 million) / J\$22.3 million
Loss/Earnings per Share	(J\$1.37) / J\$0.17
Total Assets	J\$1.198 billion / J\$1.361 billion
Stockholders' Net Equity	J\$188.6 million / J\$364.8 million
Cash and Cash Equivalents	J\$46.2 million / J\$59.9 million
Total Borrowings	J\$471.1 million / J\$441.9 million

The Financial Statements Comprise:

- Independent Auditor's Report — PricewaterhouseCoopers (27 February 2026)
- Statement of Financial Position as at 31 October 2025
- Statement of Comprehensive Income for the year ended 31 October 2025
- Statement of Changes in Stockholders' Net Equity for the year ended 31 October 2025
- Statement of Cash Flows for the year ended 31 October 2025
- Notes to the Financial Statements (Notes 1 through 28)

The Board of Directors approved the financial statements for issue on 27 February 2026. All figures are expressed in Jamaican dollars unless otherwise indicated.



CAC 2000 Limited

**Financial Statements
31 October 2025**

CAC 2000 Limited

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31 October 2025

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Independent auditor's report

To the Members of CAC 2000 Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of CAC 2000 Limited (the Company) as at 31 October 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 October 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in stockholders' net equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street,
Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the key audit matter

Expected credit loss (ECL) in relation to trade receivables

Refer to 2(f), 2(h) and 9 to the financial statements for disclosures of related accounting policies and balances.

As at 31 October 2025, trade receivables account for \$543 million or 45% of total assets of the Company. Management identified a total associated ECL of \$98.5 million in respect of this balance.

In determining the ECL, management applies the simplified approach as permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using the lifetime ECL.

As a practical expedient, a provision matrix is utilised in determining the lifetime ECL for these receivables. The lifetime ECL is determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information.

We focused on this area due to the estimation uncertainty in assessing credit risk.

Our approach to addressing the matter, included the following procedures amongst others:

- Updated our understanding of the methodology and assumptions used by management in the determination of the ECL provision matrix.
- Tested, on a sample basis, historical data used in the provision matrix to calculate the historical rates of default by agreeing the data to prior year audited results.
- Reperformed the calculation of days past due on a sample basis.
- Recalculated the ECL by applying the expected credit loss rates of default to the aged receivable balance.
- Tested subsequent payments for a sample of large customers where expected credit losses had been recognised.
- Evaluated the reasonableness of management's judgement pertaining to the impact of forward-looking information on the ECL.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's 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.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 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 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 auditor's 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 auditor's report. However, future events or conditions may cause 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

The engagement partner on the audit resulting in this independent auditor's report is Tricia-Ann Smith DaSilva.



Chartered

Accountants

Kingston, Jamaica

27 February 2026

CAC 2000 Limited

Statement of Financial Position

As at 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$	2024 \$
ASSETS			
Non-current asset			
Property, plant and equipment	5	11,004,232	15,517,582
Intangible assets		-	307,818
Right-of-use assets	6	11,096,394	36,205,820
Deferred tax asset	7	44,833,337	20,400,360
Investment in joint venture	25	5,000,000	5,000,000
		<u>71,933,963</u>	<u>77,431,580</u>
Current assets			
Tax recoverable		17,509,114	13,649,103
Inventories	8	450,879,851	480,943,857
Due from related parties	15	69,879,831	20,394,157
Trade and other receivables	9	535,270,669	702,811,435
Investments		6,807,434	6,316,440
Cash and bank deposits	10	46,218,438	59,907,872
		<u>1,126,565,337</u>	<u>1,284,022,864</u>
Total assets		<u><u>1,198,499,300</u></u>	<u><u>1,361,454,444</u></u>
EQUITY AND LIABILITIES			
Stockholders' net equity			
Share capital	11	129,189,757	129,189,757
Capital redemption reserve	12	56,070,657	56,070,657
Retained earnings		3,371,503	179,572,110
		<u>188,631,917</u>	<u>364,832,524</u>
Non-current liabilities			
Borrowings	13	62,050,779	290,214,830
Lease liabilities	14	-	20,745,692
		<u>62,050,779</u>	<u>310,960,522</u>
Current liabilities			
Borrowings	13	409,063,764	151,724,493
Lease liabilities	14	16,642,711	27,305,657
Due to related parties	15	78,976,722	48,854,711
Trade and other payables	16	441,417,231	456,060,361
Tax payable		1,716,176	1,716,176
		<u>947,816,604</u>	<u>685,661,398</u>
Total equity and liabilities		<u><u>1,198,499,300</u></u>	<u><u>1,361,454,444</u></u>

Approved for issue by the Board of Directors on 27 February 2026 and signed on its behalf by:

DocuSigned by:

Michael Anthony Shaw

Chairman

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DocuSigned by:

Steven Marston

Director

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CAC 2000 Limited

Statement of Comprehensive Income

Year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$	2024 \$
Revenue	17	753,499,349	1,202,877,394
Cost of sales		<u>(520,851,078)</u>	<u>(777,219,698)</u>
Gross Profit		232,648,271	425,657,696
Other income	21	20,071,075	3,459,548
Distribution expenses		(23,088,123)	(18,296,847)
Administrative expenses		<u>(371,585,356)</u>	<u>(333,831,360)</u>
Operating Profit		(141,954,133)	76,989,037
Foreign exchange (loss)/gain		(5,009,683)	3,939,729
Interest income		286,133	10,231
Finance costs	22	<u>(53,955,901)</u>	<u>(55,698,282)</u>
(Loss)/Profit before Taxation		(200,633,584)	25,240,715
Taxation	23	<u>24,432,977</u>	<u>(2,982,988)</u>
Net (Loss)/Profit, being Total Comprehensive Income for the Year		<u>(176,200,607)</u>	<u>22,257,727</u>
Earnings per stock unit attributable to owners of the parent during the year			
Basic and fully diluted	24	<u>(1.37)</u>	<u>0.17</u>

CAC 2000 Limited

Statement of Changes in Stockholders' Net Equity

Year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Share Capital	Capital Redemption Reserve	Retained Earnings	Total
	\$	\$	\$	\$
Balance at 1 November 2023	129,189,757	56,070,657	157,314,383	342,574,797
Net profit, being total comprehensive income for the year	-	-	22,257,727	22,257,727
Balances at 31 October 2024	129,189,757	56,070,657	179,572,110	364,832,524
Net loss, being total comprehensive income for the year	-	-	(176,200,606)	(176,200,606)
Balance at 31 October 2025	129,189,757	56,070,657	3,371,504	188,631,918

CAC 2000 Limited

Statement of Cash Flows

Year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$	2024 \$
Cash Flows from Operating Activities			
Net (loss)/profit		(176,200,607)	22,257,727
Adjustments for:			
Taxation	23	(24,432,977)	2,982,988
Amortisation- intangible assets		307,818	1,336,186
Depreciation – property, plant & equipment	5	5,410,467	5,579,322
Depreciation – right of use assets	6	21,078,551	21,481,637
Remeasurement of leases		(527,698)	-
Gain on disposal of property, plant & equipment		-	(1,924,640)
Unrealised gain on financial assets at fair value through profit and loss		(460,865)	(117,535)
Movement in expected credit loss	9	(49,066,512)	(4,049,999)
Net foreign exchange losses		3,181,585	89,070
Finance costs	22	53,670,524	51,956,161
Interest income		(286,133)	(10,231)
		<u>(167,325,847)</u>	<u>99,580,685</u>
Changes in operating assets and liabilities:			
Inventories		30,064,006	132,456,977
Trade and other receivables		215,945,047	(206,648,916)
Trade and other payables		(16,845,849)	(95,106,284)
Due from related parties		(49,485,674)	17,774
Tax recoverable		(3,860,011)	-
Cash provided by/(used in) operations		8,491,672	(69,699,764)
Tax paid		-	(399,951)
Net cash provided by/(used in) operating activities		<u>8,491,672</u>	<u>(70,099,715)</u>
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment	5	(897,118)	(1,987,376)
Proceeds from disposal of property, plant and equipment		-	1,924,640
Investment in securities		(30,129)	(2,109,638)
Interest received		286,133	10,231
Net cash used in investing activities		<u>(641,114)</u>	<u>(2,162,143)</u>
Net cash flows provided by/(used in) operating and investing activities brought forward to page 5		<u>7,850,558</u>	<u>(72,261,858)</u>

CAC 2000 Limited

Statement of Cash Flows (Continued)

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2025 \$	2024 \$
Net cash flows provided by / (used in) operating and investing activities brought forward from page 4		7,850,558	(72,261,858)
Cash Flows from Financing Activities			
Repayment of bank loans		(211,824,780)	(197,437,244)
Proceeds from bank loans		241,000,000	303,558,974
Lease liabilities		(26,850,067)	(23,602,764)
Interest paid		(53,670,523)	(47,422,668)
Dividends paid to non-controlling interests in subsidiaries		-	-
Due to related parties		30,122,011	19,855,236
Net cash (used in)/provided by financing activities		(21,223,359)	54,951,534
Net decrease in cash and cash equivalents		(13,372,801)	(17,310,324)
Effects of exchange rate changes on cash and cash equivalents		(316,633)	1,280,063
Cash and cash equivalents at beginning of year		59,907,872	75,938,133
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	10	<u>46,218,438</u>	<u>59,907,872</u>

CAC 2000 Limited

Notes to the Financial Statements

Year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

CAC 2000 Limited (the Company) is incorporated and domiciled in Jamaica. On January 7, 2016, the Company's ordinary shares were listed on the Jamaica Junior Stock Exchange through an Initial Public Offering (Note 9). The ultimate parent company is Caribbean Air Conditioning Company Limited, a company incorporated and domiciled in St. Lucia. The principal activities of the Company are the sale of air conditioning equipment and installation and maintenance of such systems. The Company's registered office is 231 Marcus Garvey Drive, Kingston 11.

2. Material Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless stated otherwise.

(a) Basis of preparation

These financial statements) have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("IFRS Accounting Standards").

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Standards, interpretations and amendments to published accounting standards effective in the current financial year

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial period. The Company has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

Amendments to IAS 1, Presentation of financial statements', on classification of liabilities, (effective for annual periods beginning on or after 1 January 2024). Amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. There was no significant impact on the operations of the Company.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published accounting standards effective in the current financial year (continued)

Amendment to IAS 16- Leases on sales and leaseback (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. There was no significant impact on the operations of the Company.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are not yet effective and which the Company will adopt in future financial years. The Company has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments effective for annual periods beginning on or after 1 January 2026 (early adoption is available).

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The Company is currently assessing the impact of this amendment.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued).

IFRS 18, 'Presentation and Disclosure in Financial Statements (effective for annual periods beginning or after 1 January 2027). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the impact of this amendment.

(b) Property, plant and equipment

Property, plant and equipment are measured at historical cost or deemed cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss.

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

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

Leasehold improvements	Over the term of the lease
Plant machinery	10 years
Tools and equipment	5 years
Furniture, fixtures & equipment	10 years
Computers and related equipment	3 years
Motor vehicles	5 years

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(c) Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

(d) Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

(e) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Financial assets

For the purpose of these financial statements, financial assets have been determined to include cash and deposits, investments, amounts due from related parties and trade, and other receivables.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(e) Financial instruments (continued)

Classification

The Company considers the following measurement categories in classifying its financial assets:

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

The classification depends on the business model used for managing the financial assets and the contractual terms of each cash flows. The Company's assets measured at fair value, gains and losses will be recorded in profit or loss.

Measurement

Debt instruments

Measurement financial instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the assets. The Company considers three measurement categories when classifying its financial instruments.

- **Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent sole payments of principal and interest, are measured at amortised cost. Interest income from financial assets is included in profit or loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on financial asset that is measured at FVPL is recognised in profit or loss in the period in which it arises.

Impairment

The Company assesses impairment on a forward-looking basis for the expected credit losses (ECL) associated with its financial assets classified at amortised cost.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using the lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECL for these receivables.

The lifetime ECL is determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information.

Financial liabilities

Similarly, financial liabilities include accounts payable, loans and borrowings and amounts due to related parties. They are initially measured at fair value, net of transaction cost, and are subsequently measured at amortised cost using the effective interest method.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. The cost of finished goods and work-in-progress comprises raw and packaging materials, direct labour, other direct costs and a proportion of related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(g) Accounts receivable

Trade and other receivables are measured at amortised cost, less expected credit loss.

(h) Related parties

A related party is a person or entity that has control, joint control, significant influence, or provides key management personnel services to the Company. Related parties include the Company's directors, key management personnel, close family members of those individuals, entities they control or significantly influence, and other entities within the same group. Related party transactions are transfers of resources, services or obligations between the Company and a related party, regardless of whether consideration is charged.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and other short-term investments with maturities ranging between one and three months from the reporting date, and which are readily convertible to known amounts of cash without significant change in value.

(j) Share capital

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets.

The Company classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument.

In the case of its preference share capital, it is classified as:

- equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary; in such a case, dividends thereon are recognised as distributions within equity;
- liability if it is redeemable on a specific date or at the option of the stockholders, or if dividends are not discretionary; in such case, dividends thereon are recognised as interest in profit or loss.

The Company's redeemable preference shares are classified as financial liabilities as they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends are recognised as interest expense in profit or loss as a component of net finance costs/income as accrued.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(k) Borrowing costs

Banks and other loans are recognised initially at cost. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost, with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowing on an effective interest basis.

(l) Leases

The Company has one real estate lease in effect at the reporting date. Leases are accounted for by recognising a right-of-use asset and a lease liability at commencement, measured at the present value of fixed payments and any variable payments based on an index or rate. Lease payments are discounted using the interest rate implicit in the lease, or if not readily determinable, the Company's incremental borrowing rate, adjusted for lease-specific factors. Right-of-use assets are depreciated over the shorter of the lease term or the useful life of the underlying asset. Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest and reducing it for lease payments made. When lease payments change due to an index or rate, the lease liability is remeasured with a corresponding adjustment to the right-of-use asset.

Payments for short-term leases and low-value assets are recognised as an expense on a straight-line basis.

(m) Accounts payable

Trade and other payables are measured at amortised cost.

(n) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted, or subsequently enacted at the end of the reporting period.

(ii) Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(o) Employee benefits

(i) Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave for services rendered by employees up to the end of the reporting period.

(ii) Defined contribution plans

Obligation for contributions to defined contribution plans is expensed as the related services are provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(p) Joint venture

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and joint venture is eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(q) Revenue recognition

Installation contracts

IFRS 15 requires a consistent revenue recognition method for contracts and performance obligations with similar characteristics. The Company has chosen to use percentage to completion method, using the cost incurred to date as portion of the total estimated full costs of completing the contract, applied to the total expected contract revenue. This measurement basis is fairly consistent with the basis of measurement in prior year. The Company believes this measurement basis better reflects the pattern of transfer of control to the customer.

Contract price includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent it is probable that they will result in revenue and can be measured reliably. Under IFRS 15, claims and variations will be included in the contract accounting when they are approved. At 31 October 2023, there were no claims that do not meet the criteria for recognition.

A promise to deliver equipment and to install them can be treated as two distinct performance obligations for revenue recognition. The Company is committed to treating, as a single performance obligation, promises to deliver equipment and install them if the Company provides a significant service of integrating the good or service into a complete product for which the customer has contracted. An entity recognizes revenue when (or as) it satisfies a performance obligation by transferring a good or service to a customer. An entity "transfers" a good or service to a customer when the customer obtains control of that good or service. Control may be transferred either at a point in time or over time. The delivery of equipment will qualify for revenue recognition at a point in time, and work done to install the equipment will be recognised at the different stages of completion to achieve the performance obligation.

Sale of equipment and service contracts

Revenue from sale of equipment and the provision of services (excluding services provided under installation contracts) is recognized when a promised good and/or service is transferred to the customer. Under IFRS 15, for certain contracts that permit the customer to return an item, revenue will be recognised for these contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses, or a reasonable estimate can be made. Revenue from sale of equipment and provision of services rendered are recognized at a point in time.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. Revenue is reduced for discounts, rebates and other similar allowances.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(r) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

The Company has three reportable segments, as described below, which are the Company's strategic business units. The strategic business units offer different products and services, to different customer base, and are managed separately because they require different resources and marketing strategies.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The primary reportable segments are:

- (i) Engineering – Sale and installation of industrial equipment
- (ii) Residential, Light and Commercial (RLC) – Sale of smaller turnkey equipment
- (iii) Service – After sale service and maintenance

The Company's operations are primarily carried out in Jamaica

Transactions between business segments have been eliminated.

(s) Net finance cost

Net finance cost comprises interest payable on long-term loan, calculated using the effective interest rate method, interest income on funds invested and foreign exchange gains and losses recognised in profit or loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of the income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(t) Foreign currencies

Transactions in foreign currencies are converted at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the reporting date. Foreign exchange differences arising from fluctuations in exchange rates are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at the foreign exchange rates ruling at the dates that the values were determined.

(u) Dividends

Dividends are recognized in the period in which they are declared.

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

2. Material Accounting Policies (Continued)

(v) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, 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.

3. Basis of Preparation - Going Concerns

The financial statements have been prepared on a going concern basis. During the year ended October 31, 2025, the company incurred a significant loss. Despite this, management has assessed the company's ability to continue as a going concern and concluded that no material uncertainty exists that would cast significant doubt on the Company's ability to continue in operation for the foreseeable future. These have been substantiated by the projections submitted to Board and our key business partners.

The company reported a net loss of \$176,200,607 in 2025 compared to a net profit \$22,527,727 in prior year as well retained earnings of \$3,371,503 (2024: \$179,572,110). In addition, the Company was in breach of certain debt covenants as at 31 October 2025 year end. Despite this, the Company's net cash operating activities have improved over prior year moving from a deficit of (\$70,099,715) to surplus of \$8,491,672.

Management and the Board have taken steps to ensure the ongoing viability of the company. The key measures implemented include:

- As at October 31 2025, \$444,100,000 receivables (net of ECL provision) exist for which most are due from government entities and are considered recoverable. Discussions with the government are ongoing in recovering balances as soon as possible
- The Company does not face difficulty in obtaining new loans. The client has managed to maintain a good relationship with its lenders through timely repayments of amounts owed. This facilitated the process of obtaining approval for additional financing.
- To strengthen liquidity and support ongoing operations, management has implemented mitigation measures including cost reduction initiatives, capital support arrangements, and operational restructuring efforts that will cover repayment of the preference shares, suppliers purchasing and working capital financing.

Management has determined that the planned actions, if successful, will be sufficient to mitigate the uncertainty and has therefore prepared the financial reporting on a going concern basis.

4. Critical Accounting Estimates and Judgements in Applying Accounting Policies

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the reporting date and the income and expense for the year then ended. Actual amounts could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

CAC 2000 Limited

Notes to the Financial Statements

For the year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Critical Accounting Estimates and Judgements in Applying Accounting Policies

(i) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for assessing whether a significant increase in credit risk has occurred;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar assets for the purposes of measuring ECL.

(ii) Net realisable value of inventories

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

(iii) Revenue recognised from installation contracts

Revenues from installation contracts are determined on the cost-plus basis with reference to the stage of completion. Estimates of the total costs of the contract is made at the initial stage of the contract and is reassessed on an ongoing basis. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. Therefore, the effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate. The changed estimates are used in the determination of the amount of revenue and expenses recognised in the statement of profit or loss and other comprehensive income in the period in which the change is made and in subsequent periods.

When the outcome of the contract cannot be estimated reliably, no profit is recognised. However, even though the outcome of the contract cannot be estimated reliably, it may be probable that total contract costs will exceed total contract revenues. In such cases, any expected excess of total contract costs over total contract revenue for the contract is recognised as an expense immediately.

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

CAC 2000 Limited

Notes to the Financial Statements

Year ended 31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

5. Property, Plant and Equipment

	Leasehold Improvements	Plant Machinery, Tools & Equipment	Furniture, Fixtures & Equipment	Computers & Related Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
At Cost -						
1 November 2023	23,955,566	17,133,256	6,410,760	33,383,403	62,746,577	143,629,562
Additions	-	530,000	258,783	1,198,593	-	1,987,376
Disposals	-	-	-	-	(21,091,152)	(21,091,152)
31 October 2024	23,955,566	17,663,256	6,669,543	34,581,996	41,655,425	124,525,786
Adjustments	1	(93,996)	209,203	(180,108)	-	(64,900)
Additions	-	-	109,124	787,994	-	897,118
Disposals	-	-	-	-	-	-
31 October 2025	23,955,567	17,569,260	6,987,870	35,189,882	41,655,425	125,358,004
Accumulated Depreciation -						
1 November 2023	23,955,566	10,420,706	4,214,281	33,341,889	52,587,592	124,520,034
Charge for the year	-	1,586,681	460,595	406,206	3,125,840	5,579,322
Relieved on disposal	-	-	-	-	(21,091,152)	(21,091,152)
31 October 2024	23,955,566	12,007,387	4,674,876	33,748,095	34,622,280	109,008,204
Charge for the year	-	1,359,906	364,261	560,460	3,125,840	5,410,467
Adjustment Line	1	(440,123)	445,771	(70,553)	5	(64,899)
31 October 2025	23,955,567	12,927,170	5,484,908	34,238,002	37,748,125	114,353,772
Net Book Values -						
31 October 2024	-	5,655,869	1,994,667	833,901	7,033,145	15,517,582
31 October 2025	-	4,642,090	1,502,962	951,880	3,907,300	11,004,232

CAC 2000 Limited

Notes to the Financial Statements

31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Right-of-use Assets

	Building \$
Cost -	
31 October 2024	<u>103,891,292</u>
Lease termination	(14,511,146)
Disposal	<u>(6,157,194)</u>
31 October 2025	<u>83,222,952</u>
Accumulated Depreciation -	
1 November 2024	<u>67,685,472</u>
Lease termination	(10,480,272)
Disposal	(6,157,194)
Depreciation charge	<u>21,078,552</u>
31 October 2025	<u>72,126,558</u>
Net Book Values -	
31 October 2024	<u>36,205,820</u>
31 October 2025	<u>11,096,394</u>

Right-of-use assets relate to leased buildings /warehouses and related leasehold improvements. The Montego Bay lease was terminated during the year, and the home office lease is up for renewal in July 2026.

7. Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method using an applicable tax rate of 12.5%. The movement on the deferred tax account is as follows:

	2025 \$	2024 \$
Asset as at 1 November 2023 and 2024	20,400,360	21,667,172
Credited/(charged) to the statement of comprehensive	24,432,977	(1,266,812)
Asset as at 31 October 2025 and 2024	<u>44,833,337</u>	<u>20,400,360</u>

CAC 2000 Limited

Notes to the Financial Statements

31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

7. Deferred taxation (continued)

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

	2025	2024
	\$	\$
Deferred tax assets		
Unrealised foreign exchange losses	284,702	19,352
Property, plant and equipment	3,005,364	3,461,382
Lease liabilities	2,080,339	6,006,418
IFRS 9 ECL provision	6,133,314	506,250
Statutory loss	33,337,091	13,372,929
Other	1,383,062	1,601,720
	<u>46,223,872</u>	<u>24,968,051</u>
	2025	2024
	\$	\$
Deferred tax liabilities		
Intangibles	-	(38,477)
Right of Use	(1,387,049)	(4,525,728)
Trade Receivables	(3,486)	(3,486)
	<u>(1,390,535)</u>	<u>(4,567,691)</u>
Net deferred tax assets	<u>44,833,337</u>	<u>20,400,360</u>

The deferred tax credited/(charged) to the statement of comprehensive income comprises the following temporary differences:

	2025	2024
	\$	\$
Unrealised foreign exchange losses/(gains)	284,702	(24,488)
Property, plant and equipment	(456,018)	(227,675)
Lease liabilities	500,857	(265,141)
IFRS 9 ECL provision	5,627,064	2,777,162
Statutory loss	19,964,162	(1,716,176)
Other	(1,487,790)	(1,810,494)
	<u>24,432,977</u>	<u>(1,266,812)</u>

The amounts shown in the balance sheet include the following:

	2025	2024
	\$	\$
Deferred tax assets to be recovered after more than 12 months	<u>5,085,703</u>	<u>9,884,147</u>

CAC 2000 Limited

Notes to the Financial Statements

31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

8. Inventories

	2025 \$	2024 \$
Merchandise/equipment	60,655,353	49,139,390
Work-in-progress	171,897,274	172,008,400
Service supplies/parts	140,317,998	126,240,969
Goods in transit	92,764,188	148,310,060
	<u>465,634,813</u>	<u>495,698,819</u>
Provision for obsolescence	(14,754,962)	(14,754,962)
	<u>450,879,851</u>	<u>480,943,857</u>

The cost of inventories recognised as cost of sales during the year was \$509,956,735 (2024 - \$729,703,024).

9. Trade and Other Receivables

	2025 \$	2024 \$
Trade receivables	542,567,714	688,276,972
Less: expected credit loss	(98,466,947)	(49,400,435)
	<u>444,100,767</u>	<u>638,876,537</u>
Other receivables	63,354,121	49,816,873
Prepayments	27,815,781	14,118,025
	<u>535,270,669</u>	<u>702,811,435</u>

During 2015, the Company entered into a joint arrangement with an independent third party, Inica Ingenieria de Instalaciones S.A.L (INICA), a company registered in the Dominican Republic with registered office at the INICA Business Building, Santo Domingo, to carry out infrastructure improvements and renovations of The Braco Hotel in Jamaica; and to share the profits 50:50. Included in trade receivables is \$39,606,496 (2024 - \$39,606,496) in relation to this venture.

Ageing of trade receivables at the reporting date was:

	2025		
	Gross Carrying Amount \$	Expected Credit Loss Rate	Expected Credit Loss \$
0-30 days	23,106,335	4%	926,461
31-60 days	104,670,160	4%	4,532,191
61-180 days	122,920,946	16%	19,658,976
More than 180 days	291,870,273	25%	73,349,318
	<u>542,567,714</u>		<u>98,466,946</u>

CAC 2000 Limited

Notes to the Financial Statements

31 October 2025

(expressed in Jamaican dollars unless otherwise indicated)

9. Trade and Other Receivables (Continued)

Ageing of trade receivables (continued)

	Gross Carrying Amount	Expected Credit Loss Rate	Expected Credit Loss
	\$		\$
0-30 days	202,071,568	2%	4,708,034
31-60 days	115,189,771	3%	3,699,710
61-180 days	70,688,672	15%	10,951,598
More than 180 days	300,326,961	10%	30,041,093
	<u>688,276,972</u>		<u>49,400,435</u>

Movement in expected credit loss

	2025 \$	2024 \$
Opening loss allowance as at 1 November	49,400,435	45,350,436
Increase in expected credit loss recognised in income statement	<u>49,066,512</u>	<u>4,049,999</u>
Closing loss allowance as at 31 October	<u>98,466,947</u>	<u>49,400,435</u>

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 120 days past due.

10. Cash and Bank Deposits

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances with original maturity dates not exceeding 90 days.

	2025 \$	2024 \$
Cash on hand and in bank	7,007,660	31,865,568
Deposits	<u>39,210,778</u>	<u>28,042,304</u>
	<u>46,218,438</u>	<u>59,907,872</u>

Cash and cash equivalents are denominated in the following currencies:

	2025 \$	2024 \$
Jamaican dollars	15,774,357	20,367,511
US dollars	29,311,029	38,497,770
Other	<u>1,133,052</u>	<u>1,042,591</u>
	<u>46,218,438</u>	<u>59,907,872</u>

CAC 2000 Limited

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10. Cash and Bank Deposits (continued)

The weighted average effective interest rates on cash and short-term bank deposits are as follows -

	2025 %	2024 %
Cash at bank		
- J\$	0.04	0.04
- US\$	0.0001 - 0.00025	0
Short-term deposits		
- J\$	0	0
- US\$	0.0001	0
- GBP	0.1	0.1

11. Share Capital

	2025 No.	2024 No.
Authorised in shares -		
Ordinary units of no-par value	200,000,000	200,000,000
Fixed and variable rate cumulative redeemable preference shares	<u>350,000,000</u>	<u>350,000,000</u>
	2025 \$	2024 \$
Issued and fully paid as stock units -		
129,032,258 ordinary units (2024 - 129,032,258)	138,773,634	138,773,634
Less: Share issue costs	<u>(9,583,877)</u>	<u>(9,583,877)</u>
	129,189,757	129,189,757
125,000,000 fixed and variable rate cumulative redeemable preference shares (2024 - 125,000,000)	<u>250,000,000</u>	<u>250,000,000</u>
	379,189,757	379,189,757
Less: Redeemable preference shares classified as liability (Note 13)	<u>(250,000,000)</u>	<u>(250,000,000)</u>
	<u>129,189,757</u>	<u>129,189,757</u>

12. Capital Redemption Reserve

This represents the value of the cumulative redeemable preference shares redeemed from retained earnings.

CAC 2000 Limited

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13. Borrowings

	2025 \$	2024 \$
(i) Redeemable preference shares	250,000,000	250,000,000
(ii) Bank of Nova Scotia Jamaica Limited	4,798,653	8,397,656
(iii) Bank of Nova Scotia Jamaica Limited	69,745,377	60,000,000
(iv) Bank of Nova Scotia Jamaica Limited	55,000,000	85,000,000
(v) Shareholder Loans	56,570,513	38,541,667
(vi) Ultra Financier Limited	35,000,000	-
	<u>471,114,543</u>	<u>441,939,323</u>
Current portion of borrowings	409,063,764	151,724,493
Non-current portion of borrowings	<u>62,050,779</u>	<u>290,214,830</u>
	<u>471,114,543</u>	<u>441,939,323</u>
(i) Redeemable preference shares		\$
Balance at 1 November 2017		148,037,000
Redemption of preference shares		<u>(148,037,000)</u>
		-
Proceeds from issue of redeemable preference shares		<u>250,000,000</u>
Balance at 31 October 2025		<u>250,000,000</u>

In 2021, the Company redeemed the preference shares previously held. A portion of the proceeds from the new preference shares issued was used to fund the redemption of the shares, the balance of \$56,070,657 was transferred from retained earnings to capital redemption reserves.

In 2023, \$350,000,000 fixed and variable rate redeemable preference shares were re-authorized with an issue price of \$2 per share. Of this 125,000,000 (2024 - 125,000,000) issued shares are fully paid. Redeemable preference shares do not carry the right to vote or rank equally with other shares with regard to the Company's residual assets, except that holders of redeemable preference shares participate only to the extent of the face value of the shares.

The redeemable preference shares are mandatorily redeemable at par on March 16, 2026 and the Company is obliged to pay holders of redeemable preference shares dividends of 13% percent per annum until maturity. Dividend is paid quarterly.

- (ii) The loans represent amounts issued by Bank of Nova Scotia Jamaica Limited to facilitate the purchase of motor vehicles for employees. The loans are secured by charges over the motor vehicles purchased and comprehensive insurance endorsed in favour of the bank on the motor vehicles. The loans are repayable in monthly installments. Interest rates on the loans are fixed at 6.95% and 7.99% per annum.

CAC 2000 Limited

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13. Borrowings (Continued)

- (iii) This represents amounts borrowed against operating line of credit issued by Bank of Nova Scotia Jamaica Limited. The loans are repayable after six months and attracts an interest rate of 9 – 9.5% per annum. The loan is secured by term deposits held with other financial institutions totaling \$27.6 million (2024 - \$26.8 million).
- (iv) This Term loan represents converted Bank of Nova Scotia Revolving loans of \$90 Million. The term loan is repayable in 36 monthly installments of principal and interest. Interest rate on the loan is fixed at 9.50% per annum. The loan is repayable on demand as two out of the three covenants were not met. However, no non-current portion of the total payable balance has been identified, as the entire loan is payable by March 2026 and has been appropriately classified as current liabilities. Please see Note 27(d) for further information.
- (v) Two loans were issued by the major shareholders of the company during the year with total principal of \$40,000,000. Both loans are repayable in monthly installments of principal and interest. They bear interest at 7.39% and 11.5% per annum and have 60- and 120-month tenors respectively. Both loans are unsecured.
- (vi) The loan represents funds advanced by Ultra Financier. Interest accrues at a rate of 59% per annum, calculated monthly, over a term of three years.

Movement in Liabilities from Financing Activities

	Lease Liabilities \$	Loan Liabilities \$	Redeemable Preference Shares \$	Total \$
Debt as at 1 November 2023	71,877,061	85,817,593	250,000,000	407,694,654
Acquisition	-	303,558,974	-	303,558,974
Repayment	(23,825,712)	(197,437,244)	-	(221,262,956)
Interest charged	2,034,406	13,503,947	36,417,808	51,956,161
Interest Accrued	-	(526,644)	(4,006,849)	(4,533,493)
Interest paid	(2,034,406)	(12,977,303)	(32,410,959)	(47,422,668)
Debt as at 1 November 2024	48,051,349	191,939,323	250,000,000	489,990,672
Acquisition	-	241,000,000	-	241,000,000
Lease termination	(4,558,571)	-	-	(4,558,571)
Repayment	(26,850,067)	(211,824,780)	-	(238,674,847)
Interest charged	3,748,255	17,422,258	32,500,010	53,670,523
Interest paid	(3,748,255)	(17,422,258)	(32,500,010)	(53,670,523)
Net debt as at 31 October 2025	16,642,711	221,114,543	250,000,000	487,757,254

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14. Lease Liabilities

The Company entered into lease agreements for the rental of buildings/warehouses. Obligations under these agreements are as follows:

	2025	2024
	\$	\$
Minimum lease payments under lease		
Not later than 1 year	17,717,777	31,075,041
Later than 1 year and not later than 5 years	-	22,084,124
	<u>17,717,777</u>	<u>53,159,165</u>
Future interest payments	<u>(1,075,066)</u>	<u>(5,107,816)</u>
Present value of lease obligations	<u><u>16,642,711</u></u>	<u><u>48,051,349</u></u>

The present value of the lease obligations is as follows:

	2025	2024
	\$	\$
Current	16,642,711	27,305,657
Non-current	-	20,745,692
	<u><u>16,642,711</u></u>	<u><u>48,051,349</u></u>

Lease liabilities for motor vehicles are effectively secured as the rights to the leased assets revert to the lessor in the event of default (Note 4).

The statement of comprehensive income includes the following amounts in relation to leases:

	2025	2024
	\$	\$
Interest expense (included in finance cost)	<u>3,748,255</u>	<u>2,034,406</u>
Termination of leases	<u>4,558,571</u>	<u>-</u>
Expense relating to short-term leases (included in administrative expenses)	<u><u>3,201,102</u></u>	<u><u>2,814,950</u></u>

There are no low value lease asset or variable lease payments included in lease liability.

CAC 2000 Limited

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15. Related Party Transactions and Balances

(a) Year end balances arising from transactions with related parties:

	2025	2024
	\$	\$
Amounts due from related parties -		
Cool Airco Limited	50,428,547	7,111,011
CAC Foundation	7,796,821	6,796,821
ENRVATE	<u>11,654,463</u>	<u>6,486,325</u>
	<u>69,879,831</u>	<u>20,394,157</u>
Amounts due to related parties -		
Cool Airco Limited	43,802,895	14,762,520
CAC Foundation	3,189,000	3,000,000
ENRVATE	4,809,707	30,240
Directors	<u>27,175,120</u>	<u>31,061,951</u>
	<u>78,976,722</u>	<u>48,854,711</u>
Net liabilities	<u>(9,096,891)</u>	<u>(28,460,554)</u>

(b) During the period, the Company had the following significant transactions with related parties in the normal course of business:

	2025	2024
	\$	\$
Shareholders – Loan Interest and Fees	(3,513,108)	(1,034,556)
Sales - Cool Airco Limited	34,508,458	-
Purchases - Cool Airco Limited	(77,232)	(476,382)
Administrative fees paid - Cool Airco Limited	<u>(952,891)</u>	<u>(4,933,470)</u>

(c) Key management personnel compensation is as follows:

	2025	2024
	\$	\$
Salaries	48,044,122	40,025,544
Statutory contributions	4,447,671	3,878,633
Pension	<u>180,000</u>	<u>180,000</u>
	<u>52,671,793</u>	<u>44,084,177</u>
Directors' emoluments-		
Fees	<u>1,700,000</u>	<u>1,700,000</u>

CAC 2000 Limited

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16. Trade and Other Payables

	2025	2024
	\$	\$
Trade payable	134,234,797	108,250,517
Customer deposits	-	105,381,446
Statutory contributions	21,226,830	4,489,461
Accruals	108,398,261	98,209,955
Other	<u>177,557,343</u>	<u>139,728,982</u>
	<u>441,417,231</u>	<u>456,060,361</u>

17. Revenue

The Company derives revenue from the transfer of services (over time) and equipment (point in time). Gross operating revenue includes the invoiced value of goods, installation and service and amounts recognised under construction contracts. Refer to Note 26 outlining revenue by segments.

CAC 2000 Limited

Notes to the Financial Statements

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18. Expenses by Nature

Total distribution and administration expenses

	2025	2024
	\$	\$
Directors fees	1,700,000	4,050,000
Staff costs (Note 19)	200,171,555	186,877,553
Audit fees	7,200,000	4,277,456
Expected credit loss, net	49,066,512	4,050,000
Amortisation-intangible asset	307,818	1,336,186
Depreciation – property, plant & equipment (Note 5)	5,410,467	5,579,322
Depreciation – right-of-use assets (Note 6)	21,078,551	21,481,637
Legal and professional fees	23,935,846	30,707,494
Promotion, advertising and entertainment	4,277,077	1,540,295
Repairs and maintenance of property, plant and equipment	8,207,340	8,388,256
Insurance	16,387,479	22,927,719
Occupancy, utilities and communication	14,084,473	13,484,870
Local and foreign travel	2,696,785	4,175,951
Office supplies and computer	17,651,342	22,359,528
Security service	9,908,256	8,438,217
Dues and subscriptions	1,875,673	2,487,631
Donations	-	1,000
Other	10,714,305	9,965,092
	<u>394,673,479</u>	<u>352,128,207</u>

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19. Staff Costs

	2025	2024
	\$	\$
Administrative expenses -		
Salaries and wages	163,681,765	147,421,445
Statutory contributions	17,495,336	15,927,688
Pension	734,011	698,026
Other	5,003,663	7,094,093
	<u>186,914,775</u>	<u>171,141,252</u>
Selling and distribution -		
Salaries and wages	9,987,397	9,808,933
Commission	1,390,763	3,251,675
Statutory contributions	1,550,455	1,673,177
Pension	46,385	86,808
Other	281,780	915,708
	<u>13,256,780</u>	<u>15,736,301</u>
	<u>200,171,555</u>	<u>186,877,553</u>
Directors remuneration (Note 15)	52,671,793	44,084,177
Staff costs	<u>147,499,762</u>	<u>142,793,376</u>
	<u>200,171,555</u>	<u>186,877,553</u>

20. Retirement Scheme

The Company participates in a contributory retirement scheme for employees who have satisfied certain minimum requirements. The scheme is accounted for as a defined contribution plan in the financial statements, that is, pension contributions are expensed as and when they fall due. The scheme is administered by The Scotia Jamaica Life Insurance Company Limited, a company domiciled in Jamaica.

The Company's contributions to the scheme for the year aggregated to \$780,396 (2024 - \$784,834).

21. Other Income

	2025	2024
	\$	\$
Gain on disposal of property, plant and equipment	-	1,924,640
Other	20,071,075	1,534,908
	<u>20,071,075</u>	<u>3,459,548</u>

CAC 2000 Limited

Notes to the Financial Statements

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22. Finance Costs

	2025 \$	2024 \$
Interest on -		
Bank loans	17,422,258	12,118,679
Finance lease	3,748,255	2,034,406
Insurance Premium Finance	-	1,385,268
Interest on redeemable preference share	32,500,010	36,417,808
Other	285,378	3,742,121
	<u>53,955,901</u>	<u>55,698,282</u>

23. Taxation

Taxation is based on net profit for the year adjusted for taxation purposes and represents income tax charged at 25%. The Company's shares were listed on the Junior Market of the Jamaica Stock exchange, effective January 7, 2016. Consequently, the Company is entitled to a remission of taxes for ten (10) years in the proportions set out below, provided the shares remain listed for at least fifteen (15) years:

Years 1 to 5	100%
Years 5 to 10	50%

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

	2025 \$	2024 \$
Income Tax Expense		
Current tax	\$	\$
Current tax on profits for the year	-	1,716,176
Total current tax expense	<u>-</u>	<u>1,716,176</u>
Deferred income tax		
Decrease/(increase) in deferred tax assets	<u>(24,432,977)</u>	<u>1,266,812</u>
Total deferred tax (benefit)/expense	<u>(24,432,977)</u>	<u>1,266,812</u>
Income tax expense	<u>(24,432,977)</u>	<u>2,982,988</u>

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23. Taxation (continued)

The tax on profit differs from the theoretical amount that would arise using the basic statutory rate of 25% as follows:

	2025	2024
	\$	\$
(Loss)/Profit before taxation	<u>(200,633,584)</u>	<u>25,240,715</u>
Tax calculated at a rate of 25%	(50,158,396)	6,310,179
Effect of:		
Effect of excess depreciation over capital allowances	(4,535,022)	(1,730,691)
Expenses disallowed	47,552	733,327
Income and other gains not subject to tax	-	(584,726)
Statutory loss	33,337,091	-
Other Adjustments	<u>(3,124,202)</u>	<u>(28,936)</u>
	(24,432,977)	4,699,153
Adjustment for the effect of tax remission	-	(1,716,165)
	<u>(24,432,977)</u>	<u>2,982,988</u>

Subject to agreement with Tax Administration Jamaica, the Company has tax losses carried forward of \$266,696,721 (2024 – \$106,983,432)

24. Earnings per Stock Unit

Earnings per ordinary stock unit, is calculated by dividing the (loss)/profit attributable to shareholders by the weighted average number of stock units in issue during the year.

	2025	2024
Net (loss)/profit attributable to shareholders (\$)	(176,200,607)	22,257,727
Weighted average number ordinary stock units in issue	129,032,258	129,032,258
Basic and diluted earnings per stock unit (\$)	<u>(1.37)</u>	<u>0.17</u>

CAC 2000 Limited

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25. Investment in Joint Ventures

Set out below are the associates and joint ventures of the group as at 31 October 2023 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	% of ownership interest		Nature of relationship	Measurement method	Quoted fair value		Carrying amount	
	2025	2024			2025	2024	2025	2024
	%	%			\$	\$	\$	\$
EnRvate Limited	50	50	Joint Venture	Equity Method	5,000,000	5,000,000	5,000,000	5,000,000

- 1) EnRvate Limited, incorporated in Jamaica, was formed to design and sell energy solutions systems and services throughout the Caribbean region.

A commitment of \$5,000,000 was made to provide funding for joint venture's capital commitments.

The joint venture has not commenced operation to date and as such has not incurred and income or expenditure.

The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not CAC 2000 Limited's share of those amounts.

Summarised statement of financial position

	2024 and 2025 \$
Current assets	
Cash and cash equivalents	5,000,000
Total current assets	<u>5,000,000</u>
Total assets/Net assets	<u><u>5,000,000</u></u>

CAC 2000 Limited

Notes to the Financial Statements

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26. Segment Financial Information

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before taxation, as included in the internal management reports that are reviewed by the Chief Operating Decision Maker. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within the related industries.

	2025			
	Engineering	Residential Light and Commercial	Service	Total
	\$	\$	\$	\$
External segment revenues	519,152,814	49,781,993	184,564,542	753,499,349
Segment gross profit	142,819,156	15,792,775	74,036,340	232,648,271
Timing of revenue recognition				
At a point in time	202,993,930	25,585,005	184,564,542	413,143,477
Overtime	316,158,884	24,196,988	-	340,355,872
	519,152,814	49,781,993	184,564,542	753,499,349
	2024			
	Engineering	Residential Light and Commercial	Service	Total
	\$	\$	\$	\$
External segment revenues	836,753,490	106,992,357	259,131,547	1,202,877,394
Segment gross profit	274,253,654	46,180,431	105,223,611	425,657,696
Timing of revenue recognition				
At a point in time	220,158,405	31,706,370	259,131,547	510,996,322
Overtime	616,595,085	75,285,987	-	691,881,072
	836,753,490	106,992,357	259,131,547	1,202,877,394

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27. Financial Risk Management

The Company's financial risk management policies are directed by the Board of Directors, assisted by the management. The Company's activities expose it to credit related risks, liquidity risks and market risks that include foreign currency risks and interest rate risks.

The risk management policies are established to identify and analyse the risks faced by the Company, 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 the Company's activities. The board of directors has monitoring oversight of the risk management policies.

Derivative financial instruments are not presently used to reduce exposure to fluctuation in interest and foreign exchange rates.

Annual budgeting and the continuing monitoring of the operations of the Company against the budgets allow the Board and the management to achieve its objectives and to manage relevant financial risks that could be faced by the Company.

(a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Market risks mainly arise from changes in foreign currencies and interest rates. Market risk exposures are measured using sensitivity analysis.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The main foreign currency risks of the Company are denominated in United States dollars (US\$), which is the principal intervening currency for the Company; however, there are other transactions denominated in Great Britain Pound (GBP).

The Company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities are kept at an acceptable level by monitoring the currency positions. The Company further manages the risk by maximizing foreign currency earnings and holding in foreign currency balances.

The table below summarized the currencies in which the Company's financial assets and liabilities are denominated at 31 October:

	2025		2024	
	US\$	GBP	US\$	GBP
Cash and deposits	29,311,029	1,133,052	38,497,770	1,042,592
Due (to)/from related parties	(49,065,057)	-	(39,612,248)	-
Trade and other payables	(54,039,330)	-	(50,576,774)	-
Net exposure	<u>(73,793,358)</u>	<u>1,133,052</u>	<u>(51,691,252)</u>	<u>1,042,592</u>

CAC 2000 Limited

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31 October 2025

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27. Financial Risk Management (Continued)**(a) Market risk (continued)****(i) Currency risk (continued)**

Foreign currency sensitivity analysis:

Average exchange rates for the US dollar, in terms of Jamaica dollars, were as follows:

	<u>US\$</u>	<u>GBP</u>
At October 31, 2025	161.46	214.00
At October 31, 2024	159.11	206.15

Foreign currency sensitivity

The following tables indicate the currencies to which the Company had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 3.5% devaluation and 1% revaluation (2024 – 4% devaluation, 1% revaluation) of the respective foreign currencies. The sensitivity of the profit was as a result of foreign exchange gains/losses on translation of US dollar-denominated deposits, amounts due to/from related parties, receivables and payables. The percentage change in the currency rate will impact each financial asset/liability included in the sensitivity analysis differently. Consequently, individual sensitivity analyses were performed. The effect on profit before taxation shown below is the total of the individual sensitivities done for each of the assets/liabilities.

	Change in Currency Rate	Effect on Profit before Tax	Change in Currency Rate	Effect on Profit before Tax
	2025	2025	2024	2024
	%	\$'000	%	\$'000
Currency:				
USD	1.0%	737,934	1.0%	516,913
USD	-3.5%	(2,951,734)	-4.0%	(2,067,650)
GBP	1.0%	(11,331)	1.0%	(10,426)
GBP	3.5%	45,322	-4.0%	41,704

The foreign currency sensitivities have varied due to the relative changes in the level of trade payables and related party balances held in foreign currency compared to that held for cash and bank deposits.

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27. Financial Risk Management (Continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the potential that the value of a financial instrument will fluctuate due to changes in market interest rates. Financial instruments subject to fixed interest rates are exposed to fair value interest rate risk while those subject to floating interest rates are exposed to cash flow interest rate risk.

The Company manages its interest rate risk by matching, where possible, the duration and profile of assets and liabilities to minimise the impact of mismatches between the value of assets and liabilities from interest rate movements.

Interests bearing financial assets are primarily represented by deposits, which have been contracted at fixed and floating interest rates for the duration of the term.

Financial liabilities subject to interest include primarily third party and related party loans which are contracted at fixed rates of interest.

The nature of the Company's exposures to interest rate risk and its objectives, policies and processes for managing interest rate risk have not changed significantly from the prior period.

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

	Carrying Amount	
	2025	2024
	\$	\$
Fixed rate instruments		
Financial assets	39,210,778	28,042,304
Financial liabilities	<u>(237,757,252)</u>	<u>(239,990,672)</u>
	<u>(198,546,474)</u>	<u>(211,948,368)</u>
Variable rate instrument		
Financial liability	<u>(250,000,000)</u>	<u>(250,000,000)</u>
	<u>(448,546,474)</u>	<u>(461,948,368)</u>

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27. Financial Risk Management (Continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis for fixed rate instruments

The Company's fixed rate financial instruments are not carried at fair value. Therefore, a change in interest rate would not affect the profit for the year.

Cash flow sensitivity analysis for variable rate instruments

Interest rate sensitivity has been determined based on the exposure to interest rates for the Company's short-term deposits, party loans at the end of reporting period as these are substantially the interest sensitive instruments impacting financial results.

A change of 100 (2024 - 100) basis points in interest rates at the reporting date would have (decreased) profit or loss 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 2023.

	2025		2024	
	Effect on Profit before Tax		Effect on Profit before Tax	
	25bp Increase	100bp Decrease	50bp Increase	25bp decrease
Cash flow sensitivity	625,000	(2,500,000)	625,000	(2,500,000)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk exposure arises principally from cash and deposits, short-term investment, and trade and other receivables.

In relation to bank accounts and short-term deposits, the Company has a policy to deal with credit worthy counterparty to minimize credit risk exposures. The credit risk on cash and cash equivalents is limited as the Company minimises this risk by seeking to limit its obligations to substantial recognised financial institutions. In respect of trade receivables, the risk is minimised by discontinuing the services and also by making adequate provisions for uncollectible amounts.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Company addresses impairment assessment in two areas: individually assessed allowances and collectively assessed allowances. The average credit period extended by the Company is 30 days. No interest is charged on trade and other receivables. The Company has provided for receivables over 180 days after due assessment and as considered necessary, because historical experience is such that receivables that are past due beyond this period are generally difficult to collect.

Impairment of financial assets

The main type of financial asset subject to expected credit loss model is trade receivables. Refer to Note 7 for details of credit exposure for trade receivable.

The maximum credit exposure is represented by the carrying amount of the financial assets on the statement of financial position.

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27. Financial Risk Management (Continued)

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and other liquid assets and maintaining the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process

Ultimate responsibility for liquidity risk management rests with the board of directors and management. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's contractual maturity for its non-derivative financial liabilities, including interest payments and excluding the impact of off-setting agreements.

	Carrying amount	Contractual cash flows	0 - 12 Months	1 – 2 years	2 – 5 years	Over 5 years
	\$	\$	\$	\$	\$	\$
Trade and other payables	309,100,464	309,100,464	309,100,464	-	-	-
Due to related parties	78,976,722	78,976,722	78,976,722	-	-	-
Borrowings	471,114,541	568,221,341	486,523,360	40,496,007	24,787,827	16,414,147
Lease liabilities	16,642,711	17,717,777	17,717,777	-	-	-
	875,834,438	974,016,304	892,318,323	40,496,007	24,787,827	16,414,147

(b) Liquidity risk (continued)

	Carrying amount	Contractual cash flows	0 - 12 Months	1 – 2 years	2 – 5 years
	\$	\$	\$	\$	\$
Trade and other payables	334,290,969	334,290,969	334,290,96	9	-
Due to related parties	48,854,711	48,854,711	48,854,711	-	-
Borrowings	441,939,323	502,870,536	140,769,97	305,966,54	56,134,014
Lease liabilities	48,051,349	53,159,165	5	7	-
	873,136,352	939,175,381	554,990,696	22,084,124	56,134,014

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27. Financial Risk Management (Continued)

(d) Capital risk management

The capital structure of the Company consists of equity attributable to the equity holders comprising issued capital and retained earnings.

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

- i) To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for stakeholders; and
- ii) Maintain a strong capital base to support the business development.
- iii) To comply with capital requirements as stipulated by loan covenants.

The Company is exposed to externally imposed capital requirements as a result of loans issued by specific financial institutions as follows:

	Required	Actual 2025	Actual 2024
Minimum ratio of EBITDA to interest expense plus the current portion of long-term debt	<u>1.5x</u>	<u>(0.26)x</u>	<u>(0.67)x</u>
Maximum debt to EBITDA ratio	<u>2.5x</u>	<u>(4.07)x</u>	<u>10.23x</u>
Drawings under the operating line not exceed the aggregated of 75% of trade receivables plus 50% of net inventory, assessed semi annually	<u>Less</u>	<u>Less</u>	<u>Less</u>

The Company's overall strategy has been refined in 2025 to respond to current market and financial conditions. A certain loan became repayable on demand as the Company did not meet two of its three financial covenants. As the full balance is contractually due by March 2026, no non-current portion has been recognised and the entire amount has been classified as a current liability.

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28. Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. A market price, where an active market (such as a recognised stock exchange) exists, is the best evidence of the fair value of a financial instrument. Where market prices are not available for some of the financial assets and liabilities of the Company, the fair values in the financial statements have been presented using various estimation techniques based on market conditions existing at the end of the reporting period. Generally, judgment is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Company would realise in a current market exchange.

The following method and assumption have been used in determining the fair values of financial assets and financial liabilities:

- (a) The carrying amount of cash and deposits, trade and other receivables, trade and other payables and related party balances maturing within one year is assumed to approximate their fair value because of the short-term maturity of these instruments.
- (b) Investments classified at fair value through profit and loss are measured at fair value by reference to quoted market prices.
- (c) The fair value of bank loans is assumed to approximate their carrying amounts as interest rates are contractually adjusted by issuer with movement in underlying bank base rates.