



WE DO IT ALL FOR YOU

ANNUAL
REPORT
2025



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Mission

Our mission is to provide quality petroleum and related products to households and businesses, ensuring consistent supply at the lowest possible price.

Core Values

1. God & Family-Driven: Ethical, community-oriented leadership
2. National Development: Pride in contributing to Jamaica's growth
3. Innovation: Openness to reinvent and evolve
4. Confidence & Discipline: Consistency in execution and decision-making
5. Teamwork & Respect: Shared responsibility & accountability

Chairman & CEO's Combined Statement

Dr. André Foote
Chairman of the Board of Directors
Regency Petroleum Company Limited

Andrew Williams
Founder & Chief Executive Officer
Regency Petroleum Company Limited

Dear shareholders,

Regency Petroleum Company Limited (RPL) had an exceptional year as revenue exceeded \$2 billion during 2025. We achieved this 24% improvement due to higher volumes sold from our service stations which continue to gain brand recognition alongside our LPG (liquified petroleum gas) business.

The period under review saw the company open its Spanish Town Road service station, successfully win the bid for a new service station at the Norman Manley International Airport (NMIA) and announce its move to be the exclusive fuel provider to Jamaica's first official truck stop. The company also completed its third year as a listed company on the Junior Market of the Jamaica Stock Exchange (JSE).

Our disciplined management of a larger company resulted in RPL's operating profit rising 67% to \$158.88 million. Despite the company's finance costs moving up by four times due to the inclusion of a new lease, RPL's net profit grew 33% from \$86.85 million to \$114.47 million. This was the first time RPL earned more than \$100 million in net profit since it began operating in January 2019. RPL's asset base also increased 45% to \$1.28 billion due to the continued investment in our proprietary service stations.

However, the year presented challenges as different external factors affected the operations of the company. The company ceased fuel operations for 90 octane gasoline at its 93 George Street location in Savanna-la-Mar, Westmoreland after a fire at an adjacent location disrupted the surrounding environment.



RPL was then impacted by the passage of Hurricane Melissa in October which temporarily disrupted the operations of our service stations in Westmoreland and caused significant damage to our LPG filling station in Crawford, St. Elizabeth. Despite the adversity faced by these events, our vision did not dim as we looked to the brighter side by learning from these experiences.

Our committed team members showed up in the subsequent days after the storm where we were able to provide fuel to our community members who needed to power generators and traverse the parish. Through our strong distribution network and resource management strategy, RPL was able to operate in the aftermath of the storm and supply different areas in Westmoreland with the necessary fuel to recover from the hurricane. While we are still completing repairs on some of our operating locations, we are positive that the company is well positioned to navigate the headwinds in Western Jamaica.

Strengthening Governance

RPL maintained a Corporate Governance Index Rating of BB (76.94%) for the 2024/2025 period. We were pleased with this improved score and have set a goal of achieving an A rating in the near term. The company has made improvements to its disclosure framework and is undertaking additional measures at the board level to bring the company in line with best standards.

We continue to push for open communication via our quarterly earnings calls as part of our continued engagement with shareholders. Our annual general meeting (AGM) serves as a key platform for our shareholders to engage the RPL board and management team. RPL's quarterly earnings calls and AGMs are all available online for existing and potential shareholders to listen to ongoing developments.

Continued Growth

The company's stock price increased by 23 per cent during the year from \$3.30 to \$4.07, with the stock peaking at \$4.68 on August 4. We garnered additional institutional interest as other managed funds joined the company's ten largest shareholder list. The RPL team is proud to continue our focus on growing a fantastic business which delivers returns to investors through our rising stock price.

The company is also diversifying into complementary products as we embark on our continued growth strategy. To that end, the company launched the quality pavement repair (QPR) pothole filler solution in conjunction with D&O

Technologies LLC in February 2026. This solution is meant to address a recurring problem on the Jamaican roads while deepening our international relationships. RPL has other potential projects in the pipeline, but each project will be revealed as the Board approves after relevant due diligence.

At the time of writing this report, global oil prices have increased by more than 60% due to disruptions in the Middle East. While this has created an opportunity for the company to earn more revenue in the short term, stable prices are more conducive to consumers who are still recovering from the passage of a hurricane. We pray that this situation is resolved in the shortest possible time and will update shareholders in subsequent quarterly reports on the ongoing developments.

RPL intends to deliver higher earnings in 2026 through the sale of additional volumes to customers and execution of announced projects. Our business has more than doubled since listing and we look forward to maintaining our growth trajectory.

We remain committed to our customers, stakeholders, and shareholders through the delivery of a quality product and quality service. I extend thanks to other members of RPL's Board of Directors for their guidance throughout the year. I look forward to meeting all our shareholders at our hybrid annual general meeting (AGM) and welcome everyone to watch our quarterly earnings calls which is one avenue we utilize to keep our shareholders abreast of the ongoing developments.



Dr. André Foote
Chairman



Andrew Williams
Chief Executive Officer

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **REGENCY PETROLEUM COMPANY LIMITED** (The Company) will be held on **Monday, June 8, 2026 at 3:30pm at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston, St Andrew** to consider and, if thought fit, pass the following Resolutions:

ORDINARY BUSINESS:

1. To receive the report of the Directors and the Audited Financial Statements for the year ended 31 December 2025:

Resolution No. 1

"THAT the Audited Accounts and the Reports of the Directors and Auditors for the year ended December 31, 2025, be and are hereby received and adopted."

2. To appoint Directors:

Article 102 of the Company's Amended Articles of Incorporation provides that at the annual general meeting subsequent to the first Annual General Meeting of the Company 1/3 of the Directors (except the Managing Director) shall retire every year. One (1) director will retire under this Article - Director Edgar Bennett who being eligible offers himself re-election.

Resolution No. 2

THAT Director Edgar Bennett retiring by rotation and being eligible for re-appointment be and is hereby re-elected a Director of the Company.

3. To fix the remuneration of the Directors.

REGISTERED OFFICE: 93 Great George Street, Savanna la Mar, Westmoreland

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A Proxy need not be a member of the Company

If you are unable to attend, we enclose a Form of Proxy for your convenience. This should be completed and deposited with the Secretary at the Registered Office of the Company, at 93 Great George Street, Savanna-la-Mar, Westmoreland, not less than 48 hours before the time appointed for the meeting. The Proxy Form should bear stamp duty of \$100.00 before being signed. The stamp duty may be paid by adhesive stamps and cancelled by the person signing the Proxy.

Resolution No. 3:

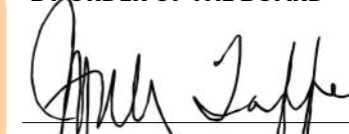
THAT the amount of \$1,773,333.00 included in the Audited Accounts of the Company for the year ended December 31, 2025, as remuneration for their services as Directors be and is hereby approved.

4. To appoint the Auditors and authorize the Directors to fix the remuneration of the Auditors.

Resolution No. 4:

THAT McKenley & Associates, Chartered Accountants, having signified their willingness to continue in office as Auditors, be and are hereby appointed Auditors for the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company.

DATED THIS 28th day of February 2026
BY ORDER OF THE BOARD



Janice A.M Grant Taffe
Corporate Secretary



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Board of Directors' Report

The Directors are pleased to submit their Report and the Audited Financial Statements for the year ended December 31, 2025. The Financial Statements reflect the consolidated results of Regency Petroleum Company Limited.

Operating Results	2025 (in J\$)	2024 (in J\$)
Profit before Tax	114,467,666	86,846,326
Taxation	-	-
Net Profit	114,467,666	86,846,326
Shareholders' Equity at open	521,447,276	434,792,036
Share Capital at open	260,152,400	260,152,400
Shares issued	-	-
Share Capital at end	260,152,400	260,152,400
Retained Earnings at open	261,277,436	174,431,110
	114,467,666	
Exchange reserve	(6,363,474)	17,440
Retained earnings at close	375,745,102	261,277,436
Shareholders' Equity at close	629,534,028	521,447,275

Dividends

No dividends were declared during the year ending December 31, 2025.

Directors

The Directors of the Company as at December 31, 2025 were: Andre Foote, Edgar Bennett, Andrew Cocking, Radcliff Knibbs and Andrew Williams. The Director to retire by rotation in accordance with the Articles 102 of the Company's Amended Articles of Incorporation is Directors Edgar Bennett who, being eligible, offer themselves for re-election.

Auditors

The retiring Auditors, McKenley & Associates, Chartered Accountants, having agreed to continue in office as Auditors, will do so in accordance with the provisions of Section 154 of the Companies Act. A resolution authorizing the Directors to fix the remuneration of the Auditors will be presented at the Annual General Meeting. The retiring Auditors fee for 2025 was \$3.3 million.

On behalf of the Board of Directors,

Andre Foote
Chairman

Board of Directors and Management Team

Board of Directors



Dr. Andre Foote

Chairman

Dr Andre Foote was the chairman of the Universal Access Fund Company Limited from 2009 to 2011. He was the deputy chairman of the National Land Agency from 2016 to 2020 and is presently the chairman of the Footprints Hotel in Negril.

He has been a practising dentist for over 25 years, having completed a doctorate in dental surgery at Howard University in 1987. He served as director of the Medical Associates Hospital between 2010 and 2012. He holds a Master of Business Administration from Nova Southeastern University.



Andrew Williams

CEO

Andrew Williams is the founder of Regency Petroleum Limited. He has been involved in the sale and distribution of petroleum products since 2009. He is a consultant and part-owner of Batteries and Accessories - a four-decade-old family-owned business involved in trading auto parts and tyres.

An entrepreneur at heart, he was a co-founder and former managing director of Master Lube Limited a company involved in the distribution of mineral-based lubricants. He is a director of AI Construction Company Limited and a partner in Central Supplies and Construction trading as Central Gases. He completed a Bachelor of Science in Accounting from the University of the West Indies. He is also a Justice of the Peace in the parish of Westmoreland.



Radcliff Knibbs
Independent Non-Executive Director

Radcliff Knibbs is the Chairman of Paramount Trading (Jamaica) Limited, a chemical company listed on the Junior Market of the Jamaica Stock Exchange. He is the co-managing director of CMK Bakery Limited, a Juici Beef Limited franchisee. He is also the managing director of CMK Properties Limited, a property development company. He was the managing director of Inglewood Investments Limited, a Juici Beef Limited franchisee, between 1989 to 1991 and 2007 to 2015. He received a Bachelor of Science in Pure and Applied Chemistry from the University of the West Indies in 1983. He later went on to complete an Executive Masters in Business Administration from Florida International University in 2002.



Janice Grant Taffe
Company Secretary

Janice Taffe is an Attorney-at-Law with over 30 years of experience with the Sagicor Group of Companies, working in various executive roles and up to her retirement in July 2021, held the position of Senior Vice President, General Counsel and Corporate Secretary. She is a member of the Jamaican Bar Association and has served as a member of its Continuing Legal Education Committee. She holds a Bachelor of Laws Degree from the University of the West Indies and a Legal Education Certificate from the Norman Manley Law School. She holds a Certificate in Foreign Investment Negotiations from the International Law Institute and has pursued several Corporate Governance courses. Among her significant accomplishments as a corporate governance professional, is her assistance with the introduction of the Corporate Governance Index for listed companies and collaboration in the delivery of Annual Reports by electronic means.



Edgar Bennett
Independent Non-Executive Director

Edgar Bennett is a qualified accountant and a member of the Association of Chartered Certified Accountants. He holds a Bachelor of Science in Accounting and Economics from the University of the West Indies and a Master of Science in Forensic Audit and Accounting from the University of South Wales. He began his professional career in 2000 with PricewaterHouseCoopers (PwC) in Kingston as an external auditor. He later transitioned to internal auditing and became the Senior Group Internal Auditor with J. Wray & Nephew Limited.

After completing his Master's Degree in the United Kingdom, he returned to Jamaica and joined Sagicor Group as head of the Financial Controls and Quality Assurance Unit for Banking and Investments. He is currently the Audit Project Leader at the Office of the Auditor General in the Cayman Islands.



Jerry Grant
Financial Controller

Jerry Grant has over 35 years of experience in the accounting profession spanning various industries, including agriculture, tourism and property development. He is proficient in the use of spreadsheet applications, word programs and various types of accounting software. He has extensive experience in financial statements preparation, business advisory services, cash flow projections, and tax-related matters. He is the Managing Partner of Grant's Accounting Services, located in Montego Bay, Jamaica. He holds a Master of Business Administration in Finance from the University of Technology in Jamaica.



Andrew Cocking
Independent Non-Executive Director

Andrew Cocking is the current director of the JMMB Group Limited. He has 37 years of experience in banking, with over 33 years at the senior management level. Prior to his directorship at the JMMB Group, he was the Deputy Group President of Capital & Credit Financial Group (CCFG). During his time at CCFG, he was responsible for the strategic development of international business. In addition, he also spearheaded the negotiations for the merger of CCFG and JMMB Group. He has served on many boards in both the public and private sectors, including Cable & Wireless (Jamaica) Limited and the HEART Trust NTA. He holds a Bachelor of Science in Civil Engineering from Howard University and a Master of Science in Management and Public Policy from Carnegie Mellon University.



Lancelot Anderson
Accounting Consultant

Lancelot Anderson is an accountant with over 40 years of experience in the financial sector in the areas of Accounting, Risk Management and Compliance. He has held several senior positions in financial institutions including the National Commercial Bank and the GraceKennedy Financial Group. He has also served on various boards most recently the NCB Employee Corporative Credit Union (NCBECCU). He is a Fellow of the Institute of Chartered Accountants of Jamaica. He holds a Bachelor of Science in Management Studies and a Master of Science in Accounting from the University of the West Indies.

Supporting Consultants



Dilton Pike
Fire Protection, Training & Safety

Dilton Pike has been involved in fire safety and prevention for over 22 years. First as a firefighter between 1998 and 2005 and then as an instructor and fire prevention officer for the parish of St. Elizabeth. He is a Justice of the Peace for St. Elizabeth.

Management Team



Amanda Williams
Executive Vice President.



Oneil Smith
Retail Sales Coordinator



Wasim Williams
Executive Coordinator & Internal Accounting



David Jackson
LPG Plant Manager



Leteshia Porter*
Operations Manager

(resigned from the Company in December 2025)

Corporate Governance Report

The Board of Directors of Regency Petroleum Company Limited (RPL, or 'the Company') remains committed to ensuring that it operates within sound Corporate Governance framework. This commitment is entrenched in the company's operations and policies and serves to demonstrate to all stakeholders that this is a company which operates in an open, fair and transparent manner in its operations. This goes even beyond the business and is strengthened in its relationship with team members, customer, suppliers and the communities in which it operates.

The Company's Board of Directors has collective responsibility for directing the Company's affairs and ensuring that the corporate strategies and goals are pursued for the benefit of all stakeholders. The Board is guided by the Company's Corporate Governance Policy which is based on the Private Sector of Jamaica's (PSOJ's) Code, and the Rules of the Jamaica Stock Exchange Junior Market and international best practices.

The Company has a Board approved Corporate Governance Policy which is available on the Company's website: www.rplgas.com. Shareholders who have queries can direct them to the Investor Relations Officer by emailing: info@rplgas.com

BOARD COMPOSITION

The composition of the Board complies with the company's corporate governance policy. Dr. Andre Foote has been appointed Chairman of the Board since inception of the Company and in this position, the Board reposes great confidence in his leadership of the Company. The Board is structured to provide effective leadership while maintaining appropriate checks and balances. The Chairman and Chief Executive Officer roles are held by separate individuals in accordance with Jamaica Stock Exchange (JSE) requirements and governance best practice.

The following are the four (4) independent members of the Board:

- Dr. Andre Foote – Chairman & Independent Director
- Mr. Edgar Bennett – Independent Director
- Mr Andrew Cocking – Independent Director
- Mr. Radcliff Knibbs – Independent Director



Andrew Williams is the company's sole Executive Director as he serves on the company's management team. In addition, Mr. Hugh Graham is the Company's Mentor. The structure of the Board signals a clear division of responsibilities between the Board and Management with the composition of predominantly independent directors.

BOARD EXPERTISE

The members of the Board of Directors have the expertise required to operate the affairs of the Company. The members each bring to the company's deliberations, expertise spanning diverse businesses and are qualified, objective and committed to the effective discharge of their duties. The names of the directors and their qualifications are set out in the Directors' Profile section of this Report.

KNOWLEDGE AND EXPERIENCE	Andre Foote	Edgar Bennett	Andrew Cocking	Radcliff Knibbs	Andrew Williams
Business management experience at the leadership level	✓	✓	✓	✓	✓
Financial accounting	✓	✓	✓	✓	✓
Corporate finance		✓	✓	✓	✓
Information Technology		✓		✓	✓
Retail distribution or marketing				✓	✓
Corporate Governance	✓	✓	✓	✓	
Human Resource					✓
Risk management		✓	✓		✓
Legal					

The Board meets at least quarterly to ensure effective oversight, strategic governance, and a thorough approach to analysis in directing the Company to realize its vision and handle its various obligations.

DIRECTORS' INDEPENDENCE:

The Corporate Governance Policy provides that the number of independent non-executive directors should be no less than one third of the members of the Board. The policy defines an Independent Director as one who meets the following criteria:

- has not been an employee of the company or group within the last three years;
- has not nor has had within the last three years, a material business relationship with the company either directly, or as a partner, shareholder, director or senior employee of

a body that has such a relationship with the company;

- has not received or does not receive additional remuneration from the company apart from a director's compensation, participates in the company's share option or a performance-related pay scheme;

- has no close family ties with any of the company's advisers, directors or senior employees;

- does not hold any cross-directorships or has significant links with other directors through involvement in other companies or bodies;

- does not represent a significant shareholder.

The criteria of independence ensure that directors holding office are free of any conflicts of interest, position, association or relationship that might influence or reasonably be perceived to influence, in a material way, his or her capacity to bring an unbiased judgment to bear on issues before the Board and to act in the best interest of the entity and its stakeholders generally. All directors (except the CEO) met the criteria of independence.

As of December 31, 2025, the Board is comprised of five (5) directors, four of whom are Independent Non-Executive directors. The Chief Executive Officer sits as Executive Director and is therefore not considered independent. This means that the company's board is comprised of 80% independent directors, above the international standard of 75%.

CONFLICTS OF INTEREST

The Company is guided by the provisions of its Articles of Association in dealing with directors' interest to avoid any exploitation of property, information or opportunity, whether or not the Company could take advantage of it. Further to this, the Board adopted an Insider Trading Policy and established guidelines for dealings in the Company's securities. The Corporate Governance Policy also recognizes the need for the implementation of Whistleblowing guidelines which will allow for employees to make anonymous complaints to an independent resource. Management has been charged with the responsibility for its implementation.

BOARD EVALUATION

One of the key pillars of a successful corporate governance framework is the assessment of the performance of the Board as a whole. The Board Evaluation for the performance year 2025 was launched in Q1 of 2026 and the findings will be discussed at a subsequent meeting of the Board to be held by the end of the 2nd Quarter of 2026.

BOARD TRAINING & STRATEGY SESSION

Directors' training is a key component of the Board's performance, and a training module has been developed. The Company in recognition of its growth path over the past 12 months, saw the opportunity to transition from being reactive and move to a more structured scalable growth. In so doing the Board held a one-day training

and strategy session in September 2025. This was facilitated by an external facilitator, who challenged the members on key strategic considerations. The focus for training was to determine how to establish a meaningful presence in the petroleum market and therefore strategically developed with more clarity of direction and stronger operational systems focused on risk management and mitigation strategies. The retreat also reviewed the Vision and Mission of the company to determine relevance given the strategic direction it intends to pursue in the next 3 years.

The session also considered the appropriate staffing with the requisite skill set and governance to support the expansion into the two main segments of its business.



RE-ELECTION AND APPOINTMENT OF DIRECTORS

Article 102 of the Company's Amended Articles of Incorporation provides that at the annual general meeting subsequent to the first Annual General Meeting of the Company 1/3 of the Directors (except the Managing Director) shall retire every year.

One (1) director, Director Edgar Bennett will retire under this Article and being eligible for re-election, has offered himself for re-election.

BOARD COMMITTEES

The Board has established four (4) standing committees to support it in the discharge of its duties. Each committee operates under a formal Charter which is duly approved by the Board and reviewed annually.

The Committees are the Audit Committee, the Remuneration Committee and the Environmental and Risk Committee and the Audit Committee.

Audit Committee

The Committee has a Board approved Audit Committee Charter which sets out the duties and responsibilities of the Committee. A copy of the Charter is available at www.rplgas.com/investor.

The Audit Committee comprises three (3) independent non-executive directors and is chaired by Mr. Edgar Bennett, who holds professional accounting qualifications. The Committee met four (4) times during the year. Principal responsibilities include:

- Review the Company's unaudited quarterly and audited financials and recommend their approval to the Board of Directors,
- Overseeing the external audit process, including auditor independence and fees
- Reviewing the effectiveness of internal audit, internal controls, and risk management processes.
- Reviewing related-party transactions and compliance matters.
- Recommending the appointment/reappointment of the external auditor to shareholders.
- Assessing internal controls and risk management Practices.

The Committee held four (4) meetings during the period where the Executive Management Team attended meetings as deemed necessary. The Audit Committee reports to the Board Meetings and provides assurance in the areas of financial reporting, compliance with legal regulatory requirements, internal controls, risk management, internal and external audits, and corporate governance.

The members of the Audit Committee are as follows:

Audit Committee Members

Edgar Bennett
Independent Chairman

Andrew Cocking
Independent Member

Radcliff Knibbs
Independent Member

The CEO who is a director attends on behalf of Executive Management as an invitee.

Remuneration Committee

There are three (3) members of the Remuneration Committee, all of whom are Independent non-Executive directors. These are:

Andrew Cocking
Independent Chairman

Dr. André Foote
Independent Member

Edgar Bennett
Independent Member

Environmental Risk Committee

The members of the Environmental Risk Committee were appointed in November 2022 and comprise the following members:

Andrew Williams
Non-Independent Chairman

Andrew Cocking
Independent Member

Edgar Bennett
Independent Member

Environmental Risk Committee

The members of the Environmental Risk Committee were appointed in November 2022 and comprise the following members:

Andrew Williams
Non-Independent Chairman

Andrew Cocking
Independent Member

Edgar Bennett
Independent Member

Environment, Social and Governance
The Board whilst recognizing the critical importance of an Environment, Social and Governance (ESG) framework will be rolling this out over the next 12 months.

RPL continues to work through partnerships within the communities it operates to develop a very structured and strong corporate social responsibility.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee was established in 2023 and is comprised of three (3) independent non-executive members. The Committee's objective is to consider and approve policies and to oversee the governance framework of the company. The committee met twice for the year to consider and approve policies. The Dividend Policy was approved during the year. The members are:

Edgar Bennett
Independent Chairman

Andrew Cocking
Independent Member

Radcliff Knibbs
Independent Member



CORPORATE GOVERNANCE INDEX

The Jamaica Stock Exchange as part of its overall review of the corporate governance framework among listed companies, conducted the evaluation for the 2024/2025 year. The company received a rating of BB with the score improving from 74.6% to 76.94%. This rating represents a slight improvement over the previous year, and the aim is to further improve the score over the next period.

DIRECTORS' ATTENDANCE AND PARTICIPATION AT BOARD AND COMMITTEE MEETINGS

For the year under review, the Board met five (5) times, as outlined in the Attendance Report below.

The meetings were held in hybrid or in person and facilitated ongoing assessments of the company's performance against agreed targets and its overall governance. Discussions were robust and provided management with guidance in achieving its deliveries.

The attendance and participation by directors continue to be robust during the year 2025 as shown in the table below:

Name of Directors	AGM	Board	Audit	Corporate Governance	Environmental Risk **	Remuneration**
Edgar Bennett	1/1	5/5	5/5	2/2	-	-
Andrew Cocking	1/1	5/5	5/5	2/2	-	-
Andre Foote	1/1	5/5	NM	NM	-	-
Radcliff Knibbs	1/1	4/5	4/5	2/2	-	-
* Andrew Williams	1/1	5/5	5/5	2/2	-	-

* Attended as an invitee

** Although established the committees have not yet met.



The Company's Annual General Meeting (AGM) was held in June 2025 in a face-to-face format. However, the company accepted questions prior to the AGM and published the recording of the meeting online to allow shareholders to view the proceedings. The Shareholders physically present were fully engaged in the meeting, and questions were posed both from among the shareholders attending in person; these were adequately addressed by the Management team.

Additionally, shareholders and investors are invited to virtual investor briefing sessions held throughout the year. Four (4) sessions were held in 2025, at which shareholders were briefed on the company's performance and the outlook for the coming periods. Shareholders can email their queries about company news and new strategies to the email address: info@rplgas.com and direct it to the Corporate Secretary whose portfolio covers investor relations. The Minutes of the Annual General Meetings (AGM), including questions asked and the responses given, are prepared, and made available to shareholders for review on the Company's website (www.rplgas.com/investor) and at the next AGM. Shareholders may also request a copy of the Minutes by sending an email to info@rplgas.com

Stakeholders Roles and Responsibilities

The company's Board of Directors is responsible for approving the direction and strategy undertaken by the management of the company. This is undertaken through subcommittee meetings, quarterly meetings and board retreats where the posture being executed by management is reviewed to ensure that it aligns with best practices and the interest of all relevant stakeholders.

Shareholders are responsible for approving the company's audited financials, electing directors and approving the election of the company's external auditors. Shareholders have the right to vote or

appoint a proxy for the Annual General Meeting and make recommendations to the company's Board and management on actions that can be undertaken to enhance returns. This includes recommendations of potential directors to the company's Board.

The Corporate Secretary is responsible for providing relevant guidance on best practices and procedures to comply with relevant laws and regulations. This role encompasses not only the accurate record keeping of company minutes and filing of relevant documents to external bodies but also ensuring that the Board carries out decisions in line with its Articles of Incorporation and the JSE rules. The Corporate Secretary also keeps abreast of regulatory and legislative changes which the board incorporates into its decision-making process.

DISCLOSURE OBLIGATIONS

In keeping with its obligation under the Jamaica Stock Exchange Rules, the Company has complied with disclosure obligations by providing investors and shareholders with timely and open disclosure of the company's performance. All financial reports and market sensitive information were released to the investing public through the Jamaica Stock Exchange (JSE) within the time specified under the Rules.

DIVIDEND POLICY

RPL's dividend policy provides for the company to pay up to 25% of net profits available for distribution, subject to the need for reinvestment in the company. RPL has not paid a dividend since listing due to the company prioritising reinvestment into the various business segments.

https://www.rplgas.com/investor-relation/Board-Charter_RPL_FINAL.pdf



DIRECTORS' EMOLUMENTS

The Non-Executive Directors are paid a fixed fee of \$70,000.00 per board meeting attended. There is no additional fee for membership on a board subcommittee. Fees are paid based on the actual attendance at meetings. For the period under review the company paid a total of \$1,773,333.00 to its directors. This is also disclosed in the company's audited financial statements.

Executive directors do not receive fees for attending Board or Committee meetings.

SHAREHOLDER ENGAGEMENT

RPL is firmly committed to adhering to the highest standards of corporate governance and ethical conduct. The Board, along with Management, believes that accountability and transparency in its decision-making process will help to serve its customers and other stakeholders better and enhance shareholder value. In so doing, the company provides its shareholders with the opportunity to engage the Board and Management during a question-and-answer session at the Company's Annual General Meeting.



FY2025 At a Glance

Executive Summary

Regency Petroleum Company Limited (RPL) delivered a strong performance in 2025, achieving 24% revenue growth to \$2.02 billion and 32% growth in net profit to \$114.47 million. The company continued to expand its footprint with a new service station, increased fuel volumes, and strategic diversification beyond LPG into retail fuel and new solutions. Despite disruptions from Hurricane Melissa and rising costs, RPL strengthened its operational base and advanced its long-term growth strategy.

Operational Highlights

RPL operated three proprietary service stations in 2025, including the newly opened Spanish Town Road location, marking entry into the Kingston & St. Andrew market. The company experienced double-digit growth in fuel volumes and played a critical role in fuel supply during post-hurricane disruptions. Key developments include progress on new locations (NMIA and Crawford), as well as continued work towards strategic partnerships.

Financial Performance

Revenue increased 24% to \$2.02 billion, while gross profit rose 42% to \$352.26 million, supported by higher volumes and improved margins (17.46%). Operating profit grew 67% to \$158.88 million despite a 28% rise in expenses driven by expansion and storm-related costs. Finance costs surged due to lease liabilities and refinancing activities, but net profit still increased 32% to \$114.47 million, with earnings per share rising to \$0.075.

Financial Position

Total assets grew 46% to \$1.28 billion, driven by investment in new service stations and LPG infrastructure. Capital expenditure totalled \$92.02 million, while inventory and receivables increased in line with higher activity and post-storm conditions. Cash balances improved modestly, and insurance receivables of \$52.08 million were recognized. The company also carries deferred lease-related balances to be offset against future obligations.

Shareholder Position

Shareholders' equity increased 21% to \$629.53 million, supported by retained earnings from continued profitability. The company remains tax-exempt under the Junior Market listing until 2027, enhancing returns. Ownership concentration increased slightly, with top shareholders holding 94.58%, reflecting continued confidence in the company's growth trajectory.

Risk Report

RPL faces key risks including credit risk from LPG receivables, execution risk on new developments, and safety risks inherent in petroleum operations. Climate and operational risks remain significant, highlighted by Hurricane Melissa's impact on infrastructure and operations. Liquidity risk is actively managed through refinancing and cash generation; while listing and regulatory risks are mitigated through compliance with JSE requirements. The company is strengthening its risk management framework, including enhanced insurance coverage and governance policies, to support sustainable growth.

FINANCIAL SUMMARY

End of period share price

\$4.07

Market Cap

\$5.84B

Revenue

\$2.02B ▲ 24%

LPG Contribution to Revenues

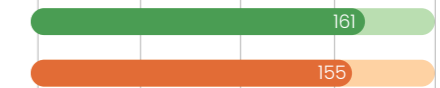
5%

Petroleum Product Prices (in JMD)

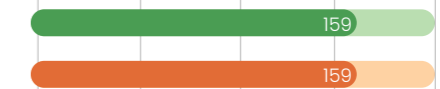
87 Octane



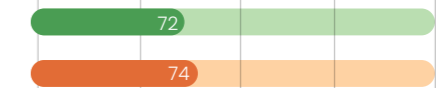
90 Octane



Auto Diesel



Propane



0 50 100 150 200

ex Refinery Product Prices

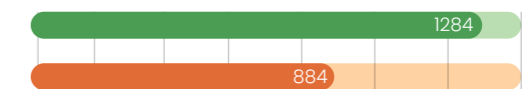
● Dec 28, 2024 ● Dec 26, 2025

Figure 1: ex Refinery Product Price comparison year-over-year by product

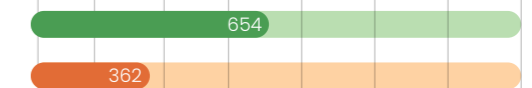
The company does not control the market prices offered on petroleum products; however, the petroleum product prices do impact our revenues and ultimately, our profits, so it is worth noting the changes year over year.

Balance Sheet (Audited)

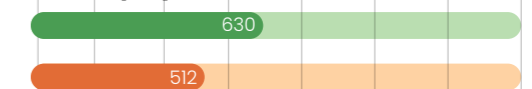
Total Assets



Total Liabilities



Total Equity



0 200 400 600 800 1000 1200 1400

Millions (in JMD)

● 2025 (in Millions) ● 2024 (in Millions)

Figure 2: Year-over-year summary of RPL's audited balance sheet for financial year ended December 31, 2025.

Total assets rose 46% from \$883.58 million to \$1.28 billion, driven by the recognition of the Spanish Town Road service station and related right-of-use assets under IFRS 16. Total liabilities increased 81% from \$362.13 million to \$654.14 million, reflecting associated lease obligations. Shareholders' equity grew 21% from \$521.45 million to \$629.53 million, supported by higher retained earnings.

Income Statement Summary

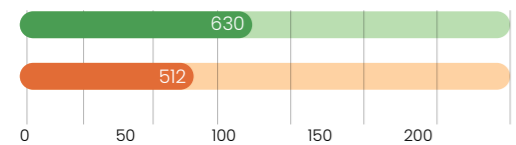
	2025 (in millions)	2024 (in millions)
Revenues	2,017	1,632
Gross Profit	352	248
Net Profit	114	87

Revenues grew by 24% from \$1.63 billion to \$2.02 billion over the reporting period. Gross profit increased by 42% from \$248.41 million to \$352.26 million as the company had more service stations during the period while selling more volumes of fuel which was influenced by post storm demand. Net profit increased by 31%.

Figure 3: Year-over-year summary of RPLs audited Income Statement for the financial year ended December 31, 2025.

Cash Flow from Operations (in millions)

Total Equity



Millions (in JMD)

● 2025 ● 2024



Operational cash flow increased with the addition of another service station (Kingston location) to the company's portfolio.

Figure 4: Change in RPLs cash flow from operations year over year



5-Year Financial Performance

	2025	2024	2023	2022	2021
Income Statement \$					
Revenue	2,017,424,240	1,631,772,672	928,764,748	681,143,499	606,619,719
Gross Profit	352,259,300	248,212,949	121,764,133	112,874,157	94,511,554
Other Operating Income	3,741,799	932,970	1,476,332	4,848,135	3,935,962
Operating Expenses	(197,120,686)	(153,923,283)	(73,704,409)	(32,092,715)	(18,999,448)
Operating Profit	158,880,413	95,222,636	49,536,056	85,629,577	79,448,068
Finance Costs	44,412,747	8,376,310	3,780,173	12,793,560	2,331,811
Profit before Taxation	114,467,666	86,846,326	45,755,883	72,836,017	77,116,257
Taxation	-	-	-	(16,508,484)	(18,168,477)
Net Profit	114,467,666	86,846,326	45,755,883	56,327,533	58,947,780
Balance Sheet \$					
Property, Plant and Equipment	538,133,745	490,413,415	435,790,269	259,191,495	85,192,526
Non-Current Assets	1,004,511,812	743,232,429	506,557,046	266,142,854	85,192,526
Current Assets	279,164,272	140,343,001	198,382,336	165,735,245	57,569,226
Total Assets	1,283,676,084	883,575,430	704,939,382	431,878,099	142,761,752
Non-Current Liabilities	269,245,851	80,320,872	221,706,908	6,599,862	28,899,993
Current Liabilities	384,896,205	281,807,282	48,440,438	36,450,610	41,506,065
Total Liabilities	654,142,056	362,128,154	270,147,346	43,050,472	70,406,058
Equity	629,534,028	521,447,276	434,792,036	388,827,627	72,355,694
Total Equity & Non-Current Liabilities	898,779,879	601,768,148	656,498,944	395,427,489	101,255,687
Working Capital	(105,731,933)	(141,464,281)	149,941,898	129,284,635	16,063,161
Key Metrics					
Gross Profit Margin	17.46%	15.21%	13.11%	16.57%	15.58%
Operating Profit Margin	7.88%	5.84%	5.33%	12.57%	13.10%
Profit Before Tax Margin	5.67%	5.32%	4.93%	10.69%	12.71%
Net Profit Margin	5.67%	5.32%	4.93%	8.27%	9.72%
Earnings Per Share	0.075	0.049	0.032	0.049	0.051
Closing Stock Price	\$4.07	\$3.30	\$2.42	\$1.59	-
Closing Best Bid Price	\$4.08	\$3.48	\$2.48	\$1.70	-
Last Traded Price	\$4.08	\$3.46	\$2.48	\$1.69	-

MANAGEMENT DISCUSSION & ANALYSIS



The Management Discussion & Analysis (MDA) is to be read in conjunction with the audited financial statements for the period ending December 31, 2025. The financial information of Regency Petroleum Company Limited (“RPL”) is presented below in Jamaican Dollars (JMD) which is the functional currency of the company. These financials conform with International Financial Reporting Standards (IFRS) as prescribed by the International Accounting Standards Board (IASB).

RPL is a petroleum marketing company licensed to distribute bulk petroleum products. The company’s sales involve liquified petroleum gasoline (LPG) [also known as cooking gas] and transportation fuels. RPL also operates service stations which involves the sale of gasoline to retail customers and sale of general retail products inside the convenience store.

Dear shareholders,

2025 represented another successful year for Regency Petroleum Company Limited (RPL) as we continued laid the foundation for a larger and more diversified business. The company was able to grow revenue by 24% from \$1.63 billion to \$2.02 billion, the second year in a row that we’ve achieved a new milestone. Apart from operating three proprietary full-service stations in 2025, the company saw a double digit increase

in volumes of fuel sold in our LPG and gasoline businesses. RPL was already maintaining strong traction prior to Hurricane Melissa, but the company’s operations were put to the test as we became a lifeline when fuel availability became a challenge in Westmoreland.

While the company continues to grow its automotive fuel segment, the share of revenue from the LPG segment has gradually declined as the company opened new service stations and entered new partnership arrangements. LPG remains the base of RPL and will continue to grow to new heights through organic and inorganic growth efforts. The LPG segment made up less than 5% of revenue during 2025 compared 8% in 2024, 24% in 2023 and 18% in 2022.

Gross profit increased by 42% from \$248.41 million to \$352.26 million as the company had more service stations during the period while selling more volumes of fuel which was influenced by post storm demand. Also, with lower prices observed from Petrojam through the year, our gross profit margin increased from 15.22% to 17.46%.

The company doesn’t control the market prices offered on petroleum products and instead directs its attention on volumes and gross profits.

PetroJam Prices	December 25, 2025	September 25, 2025	June 26, 2025	March 27, 2025	December 26, 2024
87 Octane	\$151.7828	\$166.9628	\$174.1628	\$172.3928	\$168.4528
90 Octane	\$160.7487	\$175.9887	\$182.1487	\$178.4987	\$174.5587
Auto Diesel	\$159.2003	\$163.4003	\$176.1603	\$179.5503	\$170.9903
Propane	\$71.5636	\$70.9736	\$71.1636	\$71.2737	\$72.4437

Our total expenses grew by 28% from \$153.92 million to \$197.12 million largely from the opening of our new service station which increased our depreciation charge for our right-of-use asset. The new location also meant that expenses such as staff costs, security costs and insurance would have had a significant year on year increase as the company would be incurring more expenses to operate a new station. Also, there were higher associated costs related to these line items due to changes in minimum wage and compensation structure in mid-2025. Line items like depreciation moved from \$19.34 million to \$39.20

million as the company continued to expand its cylinder count for the LPG business. RPL spent more on repairs and maintenance due to the passage of Hurricane Melissa while we incurred a \$4.15 million one-time expense related to cleaning and sanitation. This expense is connected to the February clean-up activities at our Savannah La-Mar location and clean-up work after the storm in October for our operations in Westmoreland and St. Elizabeth.

Our expected credit loss (ECL) charge declined this year from \$5.12 million to \$923,480. Based on our historical experience and the requirements of IFRS 9, the company was required to recognise an additional ECL charge in the year on its trade receivables.

Despite the company having higher operating expenses, our operating profit/profit before finance costs improved 67% from \$95.22 million to \$158.88 million. RPL's finance costs were 430% higher at \$44.41 million as the company incurred a higher lease liability charge from our three service station locations while our bank charges doubled due to the company processing more commercial activity at our service stations. With the company engaged with a bank at the time to refinance our bond, we incurred one-time commitment fees while recording additional interest related to our bond during the period.

The company's profit before tax and net profit increased 32% from \$86.85 million to \$114.47 million with earnings per share moving from \$0.060 to \$0.075. Due to the company being listed on the Junior Market of the Jamaica Stock Exchange (JSE), we currently incur no income taxes until December 2027.

RPL's total assets jumped 46% from \$883.58 million to \$1.28 billion as the company recognised the opening of its new Spanish Town Road service station which resulted in a higher right-of-use-asset line item as per IFRS 16. We invested \$92.02 million in capital expenditure as the company invested \$39.01 million into additional LPG cylinders and \$32.28 million in a work-in-progress item to be revealed later. It should be noted that the \$170.75 million in deferred expenditure and \$83.02 million in deposit on deferred lease expenses under receivables are expected to be set off against the company's future lease payments at the Spanish Town Road and Negril service stations, respectively. The company's inventory balance grew 35% to \$28.51 million due to the company requesting additional volumes of fuel from its suppliers.

Net trade receivables increased 24% from \$21.81 million to \$27.12 million as the company recorded a higher ECL

charge on its past due over 91 days balance. Due to the impact associated with Hurricane Melissa, various clients had to be given additional grade and special consideration as LPG became a necessary lifeline in the aftermath. The company is working to collect these balances as our respective customers get back to stability. Due to the company's insurance policies, we have \$52.08 million in insurance recoverable to be received at a later date. The company's related party balances went up to \$63.40 million due to amounts owed by Central Supplies & Construction and a director during the year. The company's cash and cash equivalents ended the year higher at \$15.87 million compared to \$12.76 million in the prior year.

Our total liabilities rose 81% from \$362.13 million to \$654.14 million largely due to the opening of our Spanish Town Road service station and the ongoing lease liability. The company's bond was due in September 2025, but we received an extension to refinance this facility. The bond was paid out on February 11 which means that the company's net current position should be positive in the first quarter of 2026. RPL's payables balance increased from \$64.07 million to \$153.44 million due to a mixture of factors. The company had a higher statutory payroll taxes balance due to the timing for payment while the \$6.60 million in bond interest is related to our bond which was extended at the time. Our trade payables grew 149% from \$47.07 million to \$117.76 million as the company sold more volumes of fuel with our additional service station and terms with our suppliers. However, our positive relationship with our suppliers and prudent capital management ensures that our creditors are settled accordingly.

Shareholder's equity grew 21% from \$521.45 million to \$629.53 million as retained earnings improved from another profitable year, but the change in foreign exchange rates meant our exchange reserve was negative this year. Our top ten shareholders also increased their interest in the company from 94.16% to 94.58% as large owners continue to accumulate more shares.

Quarterly Earnings Summary

	2025 (\$)				2024 (\$)
	Q1	Q2	Q3	Q4	Q4
Revenue	434,131,507	430,345,996	477,920,591	675,026,146	349,722,659
Gross Profit	71,225,203	91,680,817	97,925,856	91,427,424	52,527,611
Operating Expenses	(47,519,766)	(46,115,111)	(52,877,071)	(50,608,737)	(42,742,429)
Operating Profit	24,006,494	45,867,733	45,352,028	43,654,157	8,785,995
Finance Costs	(8,925,393)	(9,842,433)	(13,795,648)	(11,849,273)	(3,913,879)
Profit before Tax	15,081,103	36,025,300	31,556,380	31,804,884	4,872,116
Net Profit	15,081,103	36,025,300	31,556,380	31,804,884	4,872,116
Earnings per share	\$0.011	\$0.025	\$0.022	\$0.022	\$0.003



Service Station update

The company officially opened its third full-service station on January 27, 2025, where the Minister of Energy was present along with representatives from the community near Spanish Town Road. We're proud that the company was able to bring this service station online and begin our entry into the Kingston & St. Andrew (KSA) marketplace.

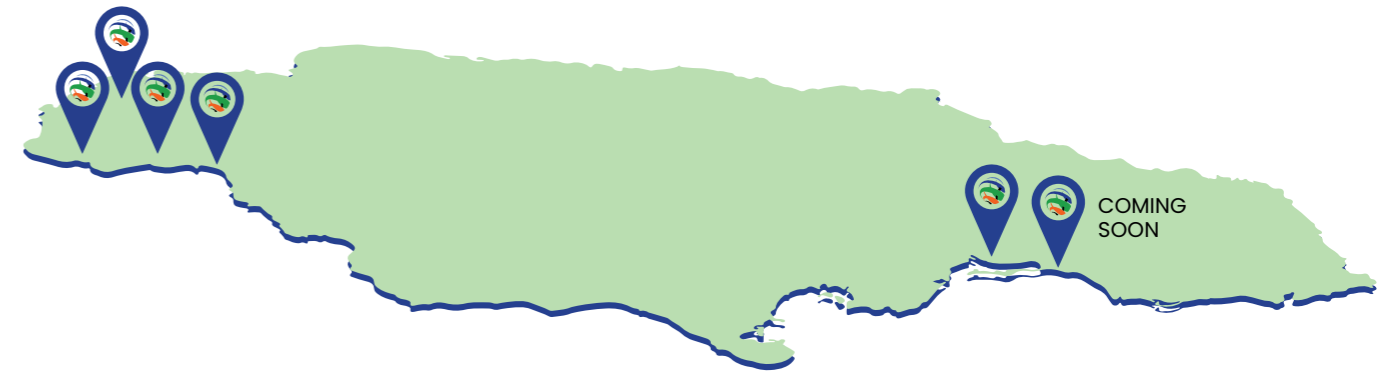


While we celebrated that milestone, we had to close our first location in Savannah La-Mar due to a fire at a nearby property. The location had to be temporarily closed due to the clean-up work in the surrounding area. The company does not intend to reopen this location which only sold 90 octane fuel and represented less than one per cent of revenue. However, the location continues to house our registered office.

We won the bid to construct a gas station at the Norman Manley International Airport

(NMIA). Once complete, this location will be our second KSA location and our fourth proprietary full-service station in operation. The truck stop in Crawford, St. Elizabeth was 85% complete and should open later this year. RPL will supply fuel to this location once opened.

Our Paradise Pen and Negril service stations will receive necessary repair work later this year. The stations continue to operate normally, but some parts of the locations need to be repaired.



Operator	Station location	Station Type	Status
RPL	Savannah La-Mar, Westmoreland	COCO	Temp Closed
RPL	Negril, Westmoreland	COCO	Operating
RPL	Paradise Pen, Westmoreland	COCO	Operating
RPL	Spanish Town Road, St. Andrew	COCO	Operating
RPL	Norman Manley International Airport, Kingston	COCO	In Progress
DW People's Choice Company Ltd	Whithorn, Westmoreland	DODO	Operating

COCO – Company owned; company operated. | DODO – Dealer owned; dealer operated.

Introducing RPL CLUB MEMBERSHIP



Redefining luxury



Subsequent Events

RPL in conjunction with D&O Technologies LLC officially launched the quality pavement repair (QPR) pothole filler in Jamaica on February 25, 2026. This solution will address the issue faced by drivers across different segments of the country while expanding the company's range of solutions. The company is currently receiving engagements from various parties, with the National Works Agency (NWA) to assess the use of our product in the national road maintenance programmes. This product will be manufactured in Jamaica with aggregates making up 95 per cent of the key inputs. Production will be done between St. Catherine and Clarendon with work to begin between the second and third quarter of 2026.

In early March 2026, RPL completed the asset acquisition of Yaadman Petroleum's LPG business. This acquisition provided the company with an additional filling station, over 40,000 more cylinders, delivery trucks and larger storage tanks. We also welcomed 13 new employees to the RPL family. This acquisition broadens the company's LPG business while providing us with a new alternative to our filling station which was damaged by Hurricane Melissa. The details of the transaction will be made available in the company's quarterly reports.

TAXI DRIVER SPECIALS in Paradise



GAS 87	189.99
GAS 90	195.99
ADO	189.99
ULSD	198.99



As a result of these developments, RPL now has three distinct business segments:

1. Our core LPG business comprises our existing business and the newly acquired Yaadman assets serving customers across Jamaica;
2. Our service station business which comprises three existing proprietary locations serving motor vehicle fuel to our customers and
3. The new QPR solution to fill potholes.

These business lines represent the collective work of several parties over the last eight years who have supported our continued expansion.

QPR Product Launch



Outlook

Jamaica's Debt-to-GDP ratio reached a modern low of 62.4% at the end of March 2025, a commendable achievement for Jamaica which has transformed its financial profile over the last 15 years. Although the country was on track to achieve its longstanding 60% target, the passage of Hurricane Melissa has pushed back that timeline by two years, with the March 2030 fiscal year set as the new target. The government is expected to borrow up to \$250 billion in the current fiscal year to address budgetary needs and ongoing recovery efforts.

Even with the impact of the storm, Moody's Ratings upgraded Jamaica's credit rating from B1 from Ba3 in December 2025. S&P Global Ratings upgraded Jamaica from BB- to BB in September 2025 while Fitch Ratings affirmed the BB- credit rating. This stamp of approval from all three rating agencies demonstrates the confidence that Jamaica's longstanding dedication to fiscal governance has paid off tremendously.

Under the revised unemployment measurements used by the Statistical Institute of Jamaica (STATIN), Jamaica's unemployment rate moved down to 3.3% in October 2025 which is a record low under the current standards. However, the rate moved up to 3.6% in January 2026 due to the associated job losses from the hurricane.

Jamaica's net international reserves closed 2025 at US\$6.28 billion, representing 52 weeks of good imports and 34 weeks of goods and services imports. The Bank of Jamaica (BOJ) reduced its policy rate in May 2025 to 5.75% while maintaining monetary stability. The BOJ also used its B-FXITT facility and early announcements to support foreign exchange stability. The weighted average selling rate depreciated from \$156.42 to \$159.74 during the year.



Air traffic at Sangster International Airport declined 12% to 4.47 million passengers due to the storm which damaged the airport and reduced tourist arrivals. Norman Manley International Airport reported a 4% improvement to 1.84 million passengers as persons flocked to Jamaica through that route. Although several hotels were damaged along the North Coast, there has been a steady increase in the number of hotels reopening after the storm. However, some hotels remain closed until later in the year with two major brands pushing back their reopening to late 2026 into early 2027. The availability of rooms affects the number of visitors that can be accommodated outside of alternatives like Airbnb.

Due to the passage of Hurricane Melissa, the government announced that it would be having new taxes after nearly a decade of no net tax increases. The Government has introduced \$18.04 billion in new taxes for the March 2027 fiscal year and intends to collect \$15.6 billion in the March 2028 fiscal year. These new taxes were coupled with the announcement of a \$1,000 adjustment to the minimum wage which will move to \$17,000 on July 1. These new taxes and higher labour costs are expected to drive up the price of some inputs and services in 2026.

On February 28, 2026, there was a geopolitical development between Iran, Israel and the United States of America (USA). This event resulted in heightened tensions in the Middle East such as attacks on Gulf States and disruption to traffic passing through the Strait of Hormuz (SOH). Global oil prices traded higher in the subsequent weeks and has trended between US\$80-US\$110 per barrel. Although the SOH was reopened after a temporary ceasefire agreement between Iran and the USA in mid-April, it was subsequently closed again at the time of writing this report.

While oil prices are no longer trading in the US\$90 region, the disruption has begun to reverberate across the globe. Some countries in Asia and Africa have begun to restrict public activity through public holidays or measures to curb electricity usage and fuel consumption. Several airlines have cancelled flights in the latter half of 2026 with the European continent facing reduced volumes of jet fuel. This situation is being compounded by airlines and other supply chain parties introducing fuel surcharges to address higher transportation costs.

Petrojam Limited, Jamaica's sole refinery, has adjusted prices upwards for six consecutive weeks using its maximum \$4.50 pricing mechanism. Even with this adjustment, Petrojam had incurred nearly

\$2 billion in losses as marketing companies faced only \$18 out of the \$49 in higher fuel costs. The current trajectory for fuel prices has prompted the Government to change Petrojam's pricing mechanism, with the energy minister noting that consumers should brace for higher petrol prices. According to the Minister, the refinery was projected to absorb \$12 billion in losses by June if it did not adjust its pricing mechanism to the current reality.



While higher fuel prices benefit marketing companies and retail service station providers from higher incremental volume sold, the circumstances for the increase can have broader implications for the economy. The energy minister suggested that work from home and possible movement restrictions could be considered as measures to curb fuel consumption. This reflects the gravity of the situation for the country which exists in a global market competing for a necessary commodity.

Higher energy prices and taxes plus the disruption from Hurricane Melissa is expected to pressure consumer budgets as inflation is projected to be higher for the remainder of the year. Thus, whilst the company might benefit from earning more on a per dollar basis for fuel sold, consumption can mediate if it becomes too expensive for a consumer to normally fill up their vehicle. It is important that investors understand that stable prices are better for long term growth rather than elevated prices without a substantial increase in disposable income.

Thus, the outlook for 2026 is clouded due to all the ongoing developments taking place. While the company will continue to seek the best routes to grow shareholder value, we remain cognizant that fewer flights and reduced movement can have an impact on our service station business. The Board and management team will continue to monitor the developments taking place and will update shareholders accordingly.

We look forward to hosting our fourth annual general meeting in June 2026 to once again meet with our shareholders. We currently host quarterly earnings calls with Learn Grow Invest Limited to keep our shareholders and the public abreast of our developments. We welcome questions on our performance and future plans, which we are excited to execute going forward as we build shareholder value and provide products to the public at a reasonable price and value. Our vision is to grow Jamaica which includes supporting Jamaican businesses along our journey.



Risk Management

Regency Petroleum is exposed to different risks related to its ongoing business and listing on the Jamaica Stock Exchange (JSE). As such, the company is required to address these risks through the Board of Directors and Management team.

Some of these risks and relevant measures are contained below:

Credit Risk

RPL extends credit terms to customers on the LPG business which creates the risk that receivables might not be collected in full. Guidelines established under IFRS 9 requires companies to apply a provision for the possibility of being unable to recover receivables by recognizing expected credit losses (ECLs). RPL manages credit terms very carefully with its customers and seeks to collect quickly under established arrangements. The company has penalties in place for customers who do not effectively honour their terms and creates special plans to address customers who are delinquent. If a customer's previous credit terms deteriorated, they will be required to demonstrate their ability to meet their obligations before new credit terms are approved.

During 2025, the company extended grace to some of its LPG customers who were negatively affected by the passage of Hurricane Melissa. This meant providing some customers with fuel on special terms as they restored operations at their places of business while other customers had new arrangements on settling outstanding balances. As a result, some customers who were in one credit bucket or stage were moved into the other categories. That resulted in the company's receivables aging for 0 to 60 days moving from 34% in 2024 to 30% in 2025. This also translated into a higher expected credit losses (ECLs) provision being charged to the company's income statement.

The company has begun to collect on various outstanding receivables which were delayed due to the business interruption from the storm. The developments surrounding the recovery of Western Jamaica are outside of the company's control, but management will apply appropriate considerations in how it provides credit terms.

Execution Risk

The development of the company's service stations can be impacted by factors beyond our control which can delay the completion of a location. We opened our new Spanish Town Road facility in January 2025 which was previously affected by delays related to the weather. The development of the new service station at Norman Manley International Airport (NMIA) will be contingent on the receipt of permits from various external bodies and the ability of our contractors to develop the location.

Based on our experience, the company has adopted certain procedures to be applied to any future proprietary developments. While the weather can be a factor to the process of developing a new service station, we have included this factor in projecting the opening date for new locations.



Safety Risk

RPL is involved in the business of handling the purchase and sale of petroleum products which can pose a risk in any unexpected scenario. As such, all staff are trained in adequate safety procedures when working with any client and what to do in any safety event. This risk is discussed weekly at the company's meetings across its various locations. The company also maintains all relevant safety certifications from relevant authorities such as the Bureau of Standards Jamaica (BSJ). The continued education of staff with the company's ongoing expansion along with general inspections are crucial to maintaining the safety of our customers and the public.

During February 2025, the fire near our 93 Great George Street location in Savanna-la-Mar resulted in the company temporarily closing the location due to the safety risk in the immediate aftermath. Following the clean-up exercise in the surrounding area, it was deemed that the potential recovery from reopening the location did not outweigh the cost to bring the facility back online. As such, we no longer provide motor vehicle gasoline at that location.

Climate & Operational Risk

As a small island developing state (SIDS), the country is exposed to different climatic risks which can impact the ability for the company to operate. This includes natural disasters such as hurricanes or storms, which are becoming more frequent and growing in intensity.

The company's operations were impacted by Hurricane Melissa in October 2025. The company's three active service stations (two proprietary and one franchise) in Westmoreland were impacted by the storm which resulted in varying levels of damage to the locations. Our Negril station reopened less than one week after the storm while our Paradise Pen location required additional work before reopening later that month. These service stations were crucial in the aftermath of the storm due to different parts of the parish being inaccessible due to downed trees and damaged roads.

While the company's service stations were able to resume operations relatively quickly, the LPG filling station in Crawford, St. Elizabeth suffered substantial damage. The company is currently awaiting a payment from insurers before undertaking any major repairs which will also be affected by the arrival of overseas specialists to fast track those activities.

The company's Spanish Town Road service station was closed for two days after the storm and reopened to normal operations in the subsequent days. This location represents part of our strategic diversification outside of Western Jamaica and reduces our geographical concentration risk. The company recognised an insurance receivable balance of \$52.08 million related to the impact for our various facilities, but this figure could change subject to assessors' recommendations and discussions with our insurance provider.

As part of our strategic review following the hurricane, RPL has begun to explore different types of insurance options to mitigate the financial loss associated with our operations being closed due to external events like storms or fires in an associated area. This includes our move to increase insurance coverage at our various proprietary locations along with ongoing discussions around business interruption insurance as another way to hedge our operational and financial risk. The Board continues to deliberate on other strategies to manage these external risks.

Liquidity Risk

Liquidity risk refers to the company's ability to meet its various financial obligations as they come due. The company reported a net current liability position as at year end due to the company's \$223.64 million bond being due. After our year end, the company refinanced this liability with a CIBC Caribbean Bank (Jamaica) Limited Jamaican dollar loan at a competitive interest rate. RPL's cash generation from its key service stations and LPG business has allowed it to negotiate with certain suppliers to obtain special terms to satisfy various payables. The company will be able to meet these payables requirements and continues to assess various methods to finance any relevant project while balancing ongoing operational demands.

Listing Risk

As a publicly listed company, RPL is subject to the JSE's rules and the Jamaican Securities Act which is administered by the Financial Services Commission (FSC). The company's current tax remission is subject to the company not being suspended and remaining listed for 15 years on the JSE. The company continues to remain in compliance with all applicable regulations and ensuring its submissions are filed on time as per JSE rules.

As a relatively young company, RPL is currently developing new policies in line with best practices as a listed company. This includes a whistleblowing policy, environmental, social and governance (ESG) policy and cyber security policy.





The company's Board is currently developing a risk management framework to ensure that decisions are aligned with the best considerations of the company's various stakeholders. The intention is to provide more details in the next annual report so that investors are better appraised of our risk stance.



2025 Highlights



Corporate Data

 <p>Board of Directors</p> <p>Dr. Andre Foote <i>Independent Non-Executive Chairman</i></p> <p>Andrew Williams <i>Chief Executive Office</i></p> <p>Radcliff Knibbs <i>Independent Non-Executive Director</i></p> <p>Edgar Bennett <i>Independent Non-Executive Director</i></p> <p>Andrew Cocking <i>Independent Non-Executive Director</i></p>	<p>Management Team</p> <p>Amanda Williams <i>Executive Vice President</i></p> <p>Wasim Williams <i>Executive Coordinator & Internal Accounting</i></p> <p>Leteshia Porter <i>Operations Manager*</i> <i>(resigned from the Company in December 2025).</i></p> <p>Oneil Smith <i>Retail Sales Coordinator</i></p> <p>David Jackson <i>LPG Plant Manager</i></p>
 <p>Company Secretary</p> <p>Janice Grant Taffe <i>Attorney-at-Law</i></p>	<p>Supporting Consultants</p> <p>Jerry Grant <i>Financial Controller</i></p> <p>Dilton Pike <i>Fire Protection, Training and Safety</i></p> <p>Lance Anderson <i>Accounting Consultant</i></p>
 <p>Registered Address</p> <p>93 Great George Street, Savanna-La-Mar, Westmoreland, Jamaica.</p> <p>Telephone: (876) 724-8128</p> <p>Website: www.rplgas.com</p> <p>Email: info@rplgas.com</p>	
 <p>Corporate Governance</p> <ul style="list-style-type: none"> Audit Committee Remuneration Committee Environmental Risk Committee Corporate Governance Committee 	

	<p>Auditors</p> <p>McKenley & Associates Chartered Accountants, Unit 11, Seymour Park, 2 Seymour Avenue, Seymour Park Complex</p> <p>Kingston 6</p> <p>http://www.wmckenley.com/about-us</p>
	<p>Registrar</p> <p>Jamaica Central Securities Depository Limited</p> <p>40 Harbour Street, Kingston</p>
	<p>Bankers</p> <p>Sagicor Bank Jamaica Limited</p> <p>56 Great George Street, Savanna La-Mar, Westmoreland</p> <p>Bank of Nova Scotia Jamaica Limited</p> <p>19 Great George Street, Savanna-La-Mar, Westmoreland</p>
	<p>Lawyers</p> <p>Patterson Mair Hamilton</p> <p>Temple Court</p> <p>85 Hope Road, Kingston 6</p>
	<p>Investor Relations Support</p> <p>Learn Grow Invest Limited</p> <p>22B Old Hope Road, Kingston 5</p> <p>https://www.learngrowinvest.net</p> <p>(876) 788-1757</p>

Top 10 Shareholder Listing

As at December 31, 2025

#	Name	Joint Holder	# of Shares	% Issued Shares
1	Andrew Williams		1,148,629,416	80%
2	GK Investments Limited		135,750,567	9.45%
3	Barita Investments Ltd-Long A/C (Trading)		20,851,100	1.45%
4	Glen A. Sabdul		15,649,999	1.09%
5	Donique G. Gayle	GERALDINE K. ROSEGREEN	11,361,000	0.79%
6	Tashua A. Brown-Williams		7,500,000	0.52%
7	Ncb Insurance Agency And Fund Managers Ltd Wt322		4,992,120	0.35%
8	Claudine Murphy		975,328	0.07%
		Chanel Grainger	1,474,717	0.10%
		Jade A. O. M. Speer	1,239,762	0.09%
		Total Holdings	3,689,807	0.26%
9	Solid Life & General Insurance Brokers		3,250,000	0.23%
10	Tavares Donaldson		12,724	0.0009%
			46,723	0.0033%
			10,000	0.0007%
			2,925,217	0.20%
		Liuyu Li	12,500	0.0009%
		Total Holdings	3,007,164	0.22%

TOTAL ISSUED SHARES 1,435,786,770

Total Units Owned by Top 10 Shareholders 1,357,931,173

Total Percentage Owned by Top 10 Shareholders 94.5775%

Directors and Connected Parties Shareholdings Report

As at December 31, 2025

Board Member Account ID	*Primary Holder Joint Holder	Position on Board	Relationship	Volume	%
DR. ANDRE FOOTE	Dr. Andre Foote	Director	Self	2,000,000	0.13
			Director's Holdings	2,000,000	0.13
			Connected Party Holdings	-	-
			Combined Holdings	2,000,000	0.13
ANDREW BRADLEY COCKING	Andrew Bradley Cocking	Director	Self	500,000	0.03
			Director's Holdings	500,000	0.03
			Connected Party Holdings	-	0.00
			Combined Holdings	500,000	0.03
ANDREW W. WILLIAMS	Andrew Williams Andrew Wayne Williams Andrew Williams Andrew Wayne Williams	Director	Self	-	-
			Self	200,000,000	13.92
			Self	25,000,000	1.74
			Self	923,629,416	64.32
			Director's Holdings	1,148,629,416	-
Connected Party Holdings	-	-			
Combined Holdings	1,148,629,416	80.00			
EDGAR BENNETT	Edgar Bennett	Director	Self	-	-
			Director's Holdings	-	-
			Connected Party Holdings	-	-
			Combined Holdings	-	-
JANICE GRANT-TAFFE	Janice Grant-Taffe *Joseph Edward Taffe	Company Secretary	Self	-	-
			Connected	-	-
			Director's Holdings	-	-
			Connected Party Holdings	-	-
Combined Holdings	-	-			
RADCLIFF OLANDER KNIBBS	*Radcliff Olander Knibbs		Self	-	-
			Director's Holdings	-	-
			Connected Party Holdings	-	-
			Combined Holdings	-	-

Total 20

Issued Shares 1,435,786,770.00

Audited Financials





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Seymour Park, Kingston 6
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Phone: (876) 978-9789
Website: www.wmckenley.com

To the Members of
Regency Petroleum Company Limited

Independent Auditor's Report

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 Regency Petroleum Company Limited as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

What we have audited:

The Company's financial statements comprise:

- The statement of financial position as at 31 December 2025
- The statement of comprehensive income for the year then ended
- The statement of cash flows for the year then ended
- The statement of changes in equity for the year then ended
- The notes to the financial statements, which include a summary of significant accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these 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 Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatements in the financial statements. In particular, we considered where management made subjective judgments; 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 or error.

Wilfred M. McKenley, F.C.A., M.B.A., Janice E. McKenley, B.Sc., EMBA., F.C.C.A., F.C.A.



Independent Auditor's Report (continued)

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. Key audit matters are selected from the matters communicated with the Audit Committee members (those charged with Governance) but are not intended to represent all matters that were discussed with them. These matters are addressed in the context of our audit of the financial statements as a whole and informing our opinion thereon. We do not provide a separate opinion on these matters. During our work, we encountered one key audit matter as noted below:

Impact of Hurricane Melissa on Property, Plant and Equipment and Related Impairment Assessment

On October 28, 2025, Hurricane Melissa caused significant physical damage to the Company's operations in western Jamaica. As at the reporting date, the carrying amount of property, plant and equipment (PPE) and related assets exposed to the hurricane represented a material portion of the Company's total assets.

Management was required to exercise significant judgement in the following areas:

- Assessing the extent of physical damage to affected assets;
- Determining whether indicators of impairment existed in accordance with IAS 36 *Impairment of Assets*;
- Estimating recoverable amounts, including expected insurance recoveries; and
- Determining the appropriate accounting treatment for asset write-offs, impairment losses, restoration costs, and related disclosures of significant estimates and uncertainties.

Given the scale of the damage, the level of judgement involved, and the inherent estimation uncertainty associated with impairment assessments and insurance recoveries, this matter was considered to be a key audit matter.

How the Matter Was Addressed in the Audit

Our audit procedures included, among others:

- Obtaining an understanding of management's assessment of hurricane-related damage and evaluating the design and implementation of relevant controls;
- Inspecting damage assessment reports prepared by independent engineers, valuers, and insurance adjusters;
- Performing site visits, where practicable, to affected locations in western Jamaica;
- Evaluating management's identification of impairment indicators in accordance with IAS 36;
- Assessing the reasonableness of key assumptions used in impairment models, including future cash flow forecasts, discount rates, and estimated restoration timelines;
- Reviewing insurance policies and correspondence with insurers, and assessing the recognition and measurement of insurance recoveries in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets;
- Testing the mathematical accuracy of impairment calculations and asset write-offs; and
- Evaluating the adequacy of related disclosures concerning significant judgements, estimation uncertainty, and subsequent events in accordance with IFRS.



Independent Auditor's Report (continued)

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 cease operations or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 International Standards on Auditing (ISA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient 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 to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 a fair presentation.
- We are not responsible for the direction, supervision, and performance of the Company. We remain solely responsible for our audit opinion.



Independent Auditor's Report (continued)

Auditor's Responsibility for the Audit of the Financial Statements (continued)

- 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 disclosures 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.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report inclusive of the Director's, Chairman of the Board and the Chief Executive Officer Reports but does not include the financial statements and the Auditor's Report thereon. The Annual Report 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 do not express any form of assurance 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 appear to be materially misstated.

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



Independent Auditor's Report (continued)

Report on Other Legal and Regulatory Requirements

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


McKenley & Associates
 Chartered Accountants
 February 25, 2026
 Kingston, Jamaica

Regency Petroleum Company Limited
Statement of Financial Position
31 December 2025

	Note	2025 \$	2024 \$
Assets			
Non-current assets			
Property, plant and equipment	8	538,133,745	490,413,415
Right of use assets	8	249,303,760	82,068,288
Deferred expenditure	16	217,074,307	170,750,726
		1,004,511,812	743,232,429
Current assets			
Inventories	9	28,509,329	21,123,630
Receivables	10	171,383,000	106,459,584
Due from related parties	11	63,400,169	-
Cash and cash equivalents	12	15,871,774	12,759,787
		279,164,272	140,343,001
Current liabilities			
Payables	13	153,440,668	64,074,262
Due to related parties	11	-	25,515
Current portion of long-term loan	14	228,542,432	215,600,000
Current portion of lease liability	14	2,913,105	2,107,505
		384,896,205	281,807,282
Net current assets / (liabilities)		(105,731,933)	(141,464,281)
Total assets less current liabilities		898,779,879	601,768,148
Equity			
Issued capital	15	260,152,400	260,152,400
Retained earnings		375,745,102	261,277,436
-Exchange reserve		(6,363,474)	17,440
		629,534,028	521,447,276
Non-current liabilities:			
Lease liability	14	250,593,719	80,320,872
Long term loan	14	18,652,132	-
		269,245,851	80,320,872
Total equity and non-current liabilities		898,779,879	601,768,148

Approved for issue by the Board of Directors on February 25, 2026 and signed on its behalf by:


Dr. Andre Foote – Chairman


Andrew Williams – Chief Executive Officer

Regency Petroleum Company Limited
Statement of Comprehensive Income
Year ended 31 December 2025

	Notes	2025 \$	2024 \$
Operating Revenue		2,017,424,240	1,631,772,672
Less direct expenses	3	(1,665,164,940)	(1,383,559,723)
Gross profit		352,259,300	248,212,949
Other operating income:			
Interest income		41,799	108,130
Other income		3,700,000	824,840
		3,741,799	932,970
		356,001,099	249,145,919
Less operating expenses:			
Administrative	4	(196,833,568)	(151,834,428)
Selling & distribution	4	(287,118)	(2,088,855)
		(197,120,686)	(153,923,283)
Profit before finance costs		158,880,413	95,222,636
Finance costs	5	(44,412,747)	(8,376,310)
Profit before taxation		114,467,666	86,846,326
Taxation	6	-	-
Profit after taxation		114,467,666	86,846,326
Other comprehensive income			
<i>Item that will be re-classified to profit or loss:</i>			
Exchange difference on translating US\$ bonds		(6,380,914)	(191,086)
Profit being total comprehensive income for the year		108,086,752	86,655,240
Earnings per share			
	7	\$ 0.075	\$ 0.060

Regency Petroleum Company Limited
Statement of Cash Flows
Year ended 31 December 2025

	<u>Notes</u>	<u>2025</u>	<u>2024</u>
		\$	\$
Cash flows from operating activities			
Net profit		108,086,752	86,655,240
Adjustment for:			
Depreciation	8	44,295,692	39,204,329
Depreciation - right of use	8	13,140,275	1,694,570
Operating cash flows before movements in working capital		165,522,719	127,554,139
Changes in operating assets and liabilities:			
Inventories		(7,385,699)	(13,318,882)
Receivables		(64,923,416)	(6,648,824)
Deferred expenditure		(46,323,581)	(106,209,949)
Payables		89,366,407	16,126,778
Due from related party balances		(63,400,169)	22,898,247
Due to related party balances		(25,515)	790,682
		(92,691,973)	(86,361,948)
Net cash flow (used in) / provided by operating activities		72,830,746	41,192,191
Cash flows from investing activities:			
Purchase of property, plant & equipment	8	(92,016,022)	(93,827,476)
Finance lease-rights of use	8	(180,375,748)	(77,536,858)
Net cash flow used in investing activities		(272,391,770)	(171,364,334)
Cash flows from financing activities			
Finance lease		171,078,447	77,536,858
Finance lease-repaid		-	(1,708,342)
Long term loan		31,594,564	-
Net cash flow provided by financing activities		202,673,011	75,828,516
Net increase / (decrease) in cash and cash equivalents		3,111,987	(54,343,627)
Cash resources at the beginning of the year		12,759,787	67,103,414
Cash resources at the end of the year	12	15,871,774	12,759,787

Regency Petroleum Company Limited
Statement of Changes in Equity
Year ended 31 December 2025

	<u>No. of Shares</u>	<u>Share Capital</u>	<u>Exchange Revaluation Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>
		\$	\$	\$	\$
Balances: 31 December 2022	1,435,786,770	260,152,400	-	128,675,227	388,827,627
Profit for the year, being total comprehensive income	-	-	208,526	45,755,883	45,964,409
Balances: 31 December 2023	1,435,786,770	260,152,400	208,526	174,431,110	434,792,036
Profit for the year, being total comprehensive income	-	-	(191,086)	86,846,326	86,655,240
Balances: 31 December 2024	1,435,786,770	260,152,400	17,440	261,277,436	521,447,276
Profit for the year, being total comprehensive income	-	-	(6,380,914)	114,467,666	108,086,752
Balances: 31 December 2025	1,435,786,770	260,152,400	(6,363,474)	375,745,102	629,534,028

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

Regency Petroleum Company Limited (the Company) is a private company limited by shares, incorporated on 30 May 2018, and domiciled in Jamaica. The Company's registered office is located at 93 Great George Street, Savanna-La-Mar, Westmoreland. The Company commenced trading on 1 January 2019. The Company's principal activity consists of selling liquefied petroleum gases and 90-octane gasoline.

Effective 15 December 2022, the Company was listed on the Junior Market of the Jamaica Stock Exchange (JSE) and under that regime is subject to 100 % tax remission for the next five (5) years as long as the Company remains listed.

The financial statements are expressed in Jamaican dollars.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") using the accounting policies described herein. These policies have been consistently applied for all the years presented, unless otherwise stated.

Going concern

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

Basis of presentation

The financial statements have been prepared on the historical cost basis, except for financial instruments that are reported at fair value, through profit or loss.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)

(a) Statement of compliance (continued)

Judgments and estimates

The preparation of the financial statements in accordance with IFRS requires Management to make judgments and estimates that affect:

- The application of accounting policies;
- The reported amounts of assets and liabilities;
- Disclosures of contingent assets and liabilities; and
- The reported amounts of revenue and expenses during the reporting periods. Actual results may differ from estimates made in the financial statements.

Judgments are made in the selection and assessment of the Company's accounting policies. Estimates are used mainly in determining the measurement of recognized transactions and balances. Estimates are based on historical experience, and other factors, including expectations of future events, believed to be reasonable under the circumstances. Judgments and estimates are interrelated. The Management's judgments and estimates are continually re-evaluated to ensure they remain appropriate. Revision to accounting estimates is recognized in the period in which the estimates are revised and in the future periods affected. The use of estimates is an essential part of the preparation of financial statements and does not undermine their reliability.

The following are the accounting policies that are subject to judgments and estimates that the Management believes could have the most significant impact on the amounts recognized in the financial statements.

Financial assets

Judgment – financial assets are classified and subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of (i) the company's business model for managing the financial assets and (ii) the contractual cash flow characteristic of the financial assets. Judgment is required in determining the business model and its objective.

Revenue from contract with customers

Judgment - is required in (i) identifying performance obligations and determining the timing of the satisfaction of the performance obligations and (ii) the transaction price and the amount allocated to the performance obligations.

Estimation – if the consideration promised in a contract includes a variable amount, the company is required to estimate the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to the customer.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)

(a) Statement of compliance (continued)

Judgments and estimates (continued)

Impairment of assets

Judgment has been used, at each reporting date, in determining whether there has been an indication of impairment in the carrying amounts of the Company's tangible assets, which would require impairment testing to determine whether there is any indication that those assets have suffered impairment losses.

Where the carrying amount of an asset exceeds the recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of an asset 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.

Inventories

Estimation – Inventories are carried at the lower of cost and net realizable value. The estimation of net realizable value is based on the most reliable evidence available, at the time the estimates are made, of the amount the inventories are expected to realize. Additionally, estimation is required for inventory provision due to shrinkage, slow-moving, and obsolescence.

Income and other taxes

Judgment – Income and other taxes are subject to Government policies. In calculating current and recoverable income and other taxes, Management uses judgment when interpreting the tax rules and in determining the tax position. There are some transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business.

Estimation – Income and other taxes are subject to Government policies, and estimates are required in determining the provision. Management recognizes liabilities for possible tax issues based on estimates of whether additional taxes may be due.

Receivables

Allowances are determined upon the origination of the trade accounts receivable based on a model that calculates the expected credit loss (ECL) of the trade receivables. Under the ECL model, the Company segments its accounts receivable in a matrix by the days due. It determines for each age bracket an average rate of ECL, taken into account history, actual credit loss experience over the last 60 months and analysis of potential future delinquency of each customer balance.

The average ECL rate increases in each segment of "days past due" as the days outstanding on the receivable balance increase and is reclassified to another age bracket. The use of future assumptions, based on experience that is applied to the balance makes uncertainty inherent in these estimates.

Others

Estimation – Other estimates include determining the useful lives of PPE for depreciation; in accounting for and measuring payables and accruals and in measuring fair values of financial instruments.

3. COST OF SALES

	<u>2025</u>	<u>2024</u>
	\$	\$
Opening inventories	21,123,630	7,804,748
Purchases - fuel	1,617,604,701	1,367,119,580
Trucking	39,351,934	29,084,125
Handling charges	410,982	674,900
Closing inventories	(13,326,307)	(21,123,630)
	<u>1,665,164,940</u>	<u>1,383,559,723</u>

4. EXPENSES BY NATURE

	<u>2025</u>	<u>2024</u>
	\$	\$
Selling & distribution:		
Commission	287,118	2,088,855
	<u>287,118</u>	<u>2,088,855</u>
Administrative:		
Depreciation	44,295,692	39,204,329
Depreciation- right of use assets	13,140,275	1,694,570
Audit and accounting fees	9,750,000	7,710,000
Meals & entertainment	237,091	-
Repairs and maintenance	9,727,431	6,681,149
Cleaning & sanitation	4,148,589	-
Motor vehicle expenses	92,900	60,258
Staff costs	54,206,048	42,320,075
Advertising & promotion	7,717,759	7,945,286
Travel & accommodation	1,107,440	997,511
Office supplies and stationery expense	923,742	797,840
Electricity	5,751,265	6,177,125
Water	605,848	215,898
Telephone	428,646	472,371
Insurance	4,910,105	455,000
Legal & professional	7,711,303	8,066,010
Meetings	2,208,273	3,263,811
Medical	277,000	319,500
License, permits and other fees	111,500	70,216
Directors' fees	1,773,333	1,050,000
Security	23,471,192	14,960,903
Donation	1,626,500	1,281,303
Contracted workers	785,910	1,320,680
Expected credit loss	923,480	5,116,125
Other expenses	902,246	1,654,469
	<u>196,833,568</u>	<u>151,834,428</u>

Regency Petroleum Company Limited
Notes to the Financial Statements
Year ended 31 December 2025

5. FINANCE COSTS

	<u>2025</u>	<u>2024</u>
	\$	\$
Lease interest expense	28,089,854	2,279,018
Commitment fees	1,350,060	-
Loan interest	1,548,748	-
Interest & penalties	2,667,551	440,089
Bank charges	10,756,534	5,657,203
	44,412,747	8,376,310

6. TAXATION

(b) Taxation is based on profit for the year adjusted for taxation purposes and comprises income tax at 25%:

	<u>2025</u>	<u>2024</u>
	\$	\$
Current tax expense	NIL	NIL
	-	-

(c) The tax on the Company's profit differs from the theoretical amount that would arise using the applicable tax rate of 25% as follows:

	<u>2025</u>	<u>2024</u>
	\$	\$
Profit before taxation	114,467,666	86,846,326
Tax calculation @ 25%	28,616,916	21,711,581
<i>Adjustment for difference in treatment of:</i>		
Depreciation and capital allowances	(3,482,650)	(2,814,663)
Remission of income tax	(26,760,766)	(19,217,244)
Net effect of other charges for tax purposes	1,626,500	320,326
Tax charged for the year	-	-

Regency Petroleum Company Limited
Notes to the Financial Statements
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6. TAXATION (continued)

(c) **Remission of income tax:-**

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

Effective 15 December 2022, the Company's shares were listed on the Junior Market of the JSE.

Consequently, the Company is entitled to a remission of income taxes for ten years in the proportion set out below;

Years 1 to 5 (16 December 2022 – 15 December 2027) – 100%

Years 6-10: (16 December 2027 – 31 December 2032) – 50%

Provided the following conditions are met:

- (i) The Company remains listed for at least 15 years and is not suspended from the JSE for any breach of its rules.
- (ii) The Subscribed Participating Voting Share Capital of the Company does not exceed J\$500 million
- (iii) The Company has at least 50 Participating Voting Shareholders

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

7. EARNINGS PER SHARE

Basic earnings per ordinary stock (EPS) unit are computed by dividing the net profit for the year attributable to shareholders by the total number of ordinary stock units of 1,435,786,770 (2024-1,435,786,770) ordinary shares in issue for the year.

	<u>2025</u>	<u>2024</u>
	\$	\$
Net profit attributable to shareholders	108,086,752	86,655,240
Weighted average number of ordinary shares in issue	1,435,786,770	1,435,786,770
Basic earnings per share	0.075	0.060

8. PROPERTY, PLANT, AND EQUIPMENT (continued)

	2024										
	Work-in-Progress	Land	Motor Vehicle	Filing Plant & Site Office	Storage Tanks	Gas Cylinders	Furniture, Fixtures & Equipment	Building	Total	Rights of use Asset	
At cost:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1 January 2024	300,000	12,101,500	4,000,000	28,048,426	19,541,647	145,694,814	4,964,086	275,195,993	489,846,466	7,253,592	
Additions	3,580,000	-	-	-	-	85,321,091	2,044,630	2,881,755	93,827,476	77,536,858	
31 December 2024	3,880,000	12,101,500	4,000,000	28,048,426	19,541,647	231,015,905	7,008,716	278,077,748	583,673,942	84,790,450	
Depreciation:											
1 January 2024	-	-	800,000	13,611,213	3,610,758	34,704,102	1,330,125	-	54,056,198	1,027,592	
Charge for the year	-	-	400,000	2,804,843	1,073,915	23,101,591	700,871	11,123,109	39,204,329	1,694,570	
31 December 2024	-	-	1,200,000	16,416,056	4,684,673	57,805,693	2,030,996	11,123,109	93,260,527	2,722,160	
Net book value											
31 December 2024	3,880,000	12,101,500	2,800,000	11,632,370	14,856,974	173,210,212	4,977,720	266,954,639	490,413,415	82,068,288	

Regency Petroleum Company Limited
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8. PROPERTY, PLANT, AND EQUIPMENT

	2025										
	Work-in-Progress	Land	Motor Vehicle	Filing Plant & Site Office	Storage Tanks	Gas Cylinders	Furniture, Fixtures & Equipment	Building	Total	Rights of use Asset	
At cost:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1 January 2025	3,880,000	12,101,500	4,000,000	28,048,426	19,541,647	231,015,905	7,008,716	278,077,748	583,673,942	84,790,450	
Additions	32,282,375	-	-	5,902,909	-	39,005,738	125,000	14,700,000	92,016,022	180,375,748	
31 December 2025	36,162,375	12,101,500	4,000,000	33,951,335	19,541,647	270,021,643	7,133,716	292,777,748	675,689,964	265,166,198	
Depreciation:											
1 January 2025	-	-	1,200,000	16,416,056	4,684,673	57,805,693	2,030,996	11,123,109	93,260,527	2,722,160	
Charge for the year	-	-	400,000	3,395,134	1,073,914	27,002,164	713,370	11,711,110	44,295,692	13,140,275	
31 December 2025	-	-	1,600,000	19,811,190	5,758,587	84,807,857	2,744,366	22,834,219	137,556,219	15,862,438	
Net book value											
31 December 2025	36,162,375	12,101,500	2,400,000	14,140,145	13,783,060	185,213,786	4,389,350	269,943,529	538,133,745	249,303,760	

Regency Petroleum Company Limited
Notes to the Financial Statements
Year ended 31 December 2025

9. INVENTORIES

	<u>2025</u>	<u>2024</u>
	\$	\$
Liquid petroleum gas (LPG)	618,640	877,418
Gasoline - 90 Octane	12,707,667	20,246,212
	<u>13,326,307</u>	<u>21,123,630</u>
Goods in transit	15,183,022	-
	<u>28,509,329</u>	<u>21,123,630</u>

10. RECEIVABLES

	<u>2025</u>	<u>2024</u>
	\$	\$
Trade receivables	33,156,786	26,928,605
Less: impairment provision	(6,039,604)	(5,116,125)
	<u>27,117,181</u>	<u>21,812,481</u>
Deposit on lease expenses	70,873,038	83,023,038
Insurance recoverable	52,075,582	-
GCT	795,181	-
Other receivables	20,522,018	1,624,066
	<u>171,383,000</u>	<u>106,459,584</u>

The deferred lease deposit relates to expenses incurred constructing a gas station in the town of Negril, Westmoreland.

11. RELATED PARTY BALANCES

	<u>2025</u>	<u>2024</u>
	\$	\$
Due from:		
Central Supplies & Construction	33,246,900	-
Director's account	30,153,269	-
	<u>63,400,169</u>	<u>-</u>
Due to:		
Director's current account	-	(25,515)
	<u>-</u>	<u>(25,515)</u>

Regency Petroleum Company Limited
Notes to the Financial Statements
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12. CASH AND CASH EQUIVALENTS

	<u>2025</u>	<u>2024</u>
	\$	\$
Cash	5,568,621	4,319,877
Fixed deposit	-	1,133,000
Cash equivalent- US\$ bank accounts	1,020,841	967,823
Cash equivalents - JA\$ bank accounts	9,282,312	6,339,087
	<u>15,871,774</u>	<u>12,759,787</u>

13. PAYABLES

	<u>2025</u>	<u>2024</u>
	\$	\$
Payables	117,756,991	47,069,932
Statutory payroll taxes	4,997,269	1,985,608
Bond Interest	6,601,317	-
Other payables and accruals	24,085,091	15,018,722
	<u>153,440,668</u>	<u>64,074,262</u>

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Notes to the Financial Statements
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14. LONG-TERM BORROWINGS

	<u>2025</u>	<u>2024</u>
	\$	\$
a) 8.5% JCSD trustee services limited B	127,791,600	215,600,000
b) 8.5% JCSD trustee services limited A	95,843,700	-
Less current portion	(223,635,300)	(215,600,000)
	-	-

	<u>2025</u>	<u>2024</u>
	\$	\$
c) NCB loan	23,559,264	-
Less current portion	(4,907,132)	-
	18,652,132	-

Loans a and b

The Company accessed loan capital by way of a JCSD Trustee Service bond, and the proceeds assisted with the financing of the construction of a gas station, located on Spanish Town Road, Kingston. The important restrictive security and compliance clauses include:

- (i) The term of the loan facility is for 15 months, commencing June 30, 2024 and scheduled to end September 30, 2025. The company got an extension and the facility was subsequently paid out on February 11, 2026.
- (ii) the facility is denominated in US dollars.
- (iii) Interest paid quarterly over the term of the facility
- (iv) The bond was secured by the equity shares of the principal shareholder and managing director.

Loan c

The NCB Unsecured Merchant Advance Amortizing Term Loan Facility was granted in July 2025 to assist with working capital support/purchase of LPG Cylinders. Annual Interest Rate – 18.99% per annum, Principal and interest shall be repaid in forty-eight (48) consecutive monthly instalments of J\$747,371.04. The loan is scheduled to end in July 2029.

Regency Petroleum Company Limited
Notes to the Financial Statements
Year ended 31 December 2025

14. LONG-TERM BORROWINGS (continued)

Lease Liabilities

The Company leases a number of properties to facilitate the growth of its operations. The leases are as follows:

Right-of-use Asset, blended principal, and interest payments (rent payments) are made monthly in the amount of \$80,000 and interest is charged at 7.75%, maturing in 2032.

Right-of-use Asset, blended principal, and interest payments (rent payments) are made monthly in the amount of \$1,000,000 plus interest is charged at 14% maturing in 2044.

Right-of-use Asset, blended principal, and interest payments (rent payments) are made monthly in the amount of \$500,000 and interest is charged at 14% maturing in 2049.

Right-of-use Asset, blended principal, and interest payments (rent payments) are made monthly in the amount of \$705,004 and interest is charged at 8.70% maturing in 2035

Principal amounts payable are as follows:

	<u>2025</u>	<u>2024</u>
	\$	\$
Current portion	2,913,105	2,107,505
Long term portion	250,593,719	80,320,872
	253,506,824	82,428,377

15. SHARE CAPITAL

	<u>2025</u>	<u>2024</u>
<u>Authorized:</u>	Unlimited	Unlimited
Unlimited ordinary shares of no-par		
<u>Issued and fully paid:</u>	1,435,786,770	1,435,786,770
	\$	\$
At beginning and end of the year	260,152,400	260,152,400

16. DEFERRED EXPENDITURE

	<u>2025</u>	<u>2024</u>
	\$	\$
Deposit on Spanish Town Road construction	217,074,307	170,750,726

This represents a loan advanced to the builder (owner) of the property located on Spanish Town Road, Kingston, for the construction of a gas station to be leased by RPL. The gas station was completed and officially commissioned in early 2025, at which time the lease arrangement commenced. Under the terms of the agreement, the monthly lease payments are being offset against the outstanding loan receivable until the balance is fully liquidated.

17. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

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

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

The amendments in Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective for annual periods beginning on or after 1 January 2024)

affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items. The changes include:

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

Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates', (effective for annual periods beginning on or after 1 January 2025). These amendments add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Therefore, the amendments will impact an entity when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. With these amendments, entities will be better able to assess exchangeability between two currencies and determine the spot rate when exchangeability is lacking.

The adoption of these new standards, amendments to existing standards or interpretations to published standards did not have a material impact on the operations of the Company.

17. SUMMARY OF 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

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

IFRS 9, and IFRS 7 effective for annual periods beginning on or after 1 January 2026 clarify classification and measurement requirements for financial assets and liabilities, contractual cash flow characteristics (including ESG -linked features), and new or updated disclosure requirements.

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

IFRS 19, Subsidiaries without Public Accountability: Disclosures effective for annual periods beginning on or after 1 January 2027, this standard introduces a simplified disclosure framework for subsidiaries without public accountability that prepare financial statements in compliance with IFRS Standards.

IFRS Amendments, effective 1 January 2026, covering a number of standards including IFRS 7, 9, 10 and IAS 7. These amendments relate to classification and measurement of financial instruments, contracts referencing nature-dependent electricity and other related minor amendments.

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

(b) Foreign currency transactions and balances

Monetary assets and liabilities denominated in currencies other than Jamaican dollars are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary assets and liabilities measured at historical cost denominated in currencies other than Jamaican dollars are translated at the rate of exchange in effect at the date of the transactions or initial recognition. Non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Gains and losses arising from fluctuations in exchange rates are included in profit or loss.

Exchange rates are determined by the published weighted average rate at which commercial banks trade in foreign currencies.

Foreign currency transactions that require settlement in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

17. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(c) Property, plant, and equipment

Property, plant, and equipment are stated at historical cost, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Land is carried at cost and is not depreciated.

Depreciation is calculated on a straight-line method at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Current annual rates of depreciation are:

Plant & site office	10%
Storage tanks	5%
Cylinders	10%
Equipment	10%

The assets' residual values and useful lives are reviewed periodically for impairment. Where the assets' carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

(d) Inventories

Inventories, comprising mainly LPG and 90 Octane gas are stated at the lower of cost, determined consistently on the same bases, and net realizable value. The cost of inventories is determined based on purchase cost on the first-in-first-out basis.

Net realizable value is the estimated selling price of inventory during the normal course of business less estimated selling expenses.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at the bank, short-term financial instruments plus highly liquid instruments including certificates of deposits, where the original maturities of such instruments usually do not exceed three (3) months. Bank overdraft that is repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

(f) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables is recorded at amortized cost.

17. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(g) Trade receivables

Trade and other receivables are carried at amortized cost, less impairment losses. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in bad debt expense in the statement of comprehensive income. When a trade receivable is deemed uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized as recovery and credited to bad debt expense in the statement of comprehensive income.

(h) Credit risk and expected loss

The company is primarily exposed to credit risk on its trade receivable and does not provide for any lifetime expected credit loss (LECL). It applies the practical experience of not adjusting the promised consideration receivable because the period is less than 12 months. The company, in accordance with IFRS 9, recognizes a loss allowance on a forward-looking basis at an amount equal to its expected credit model (ECL) that was developed during the year in regards to its financial assets measured at amortized cost.

(i) Revenue recognition

(i) Sale of goods

Revenue is recognized when the performance obligation, satisfied at a point-in-time to transfer goods and or services to the customer is complete. The completion is assessed when the customer takes control and or obtains the benefits of the goods and /or services and the company has a present right to payment as evidenced by an invoice or the right to invoice.

(ii) Finance income

Finance income comprises interest earned on funds invested and foreign exchange gains recognized in profit or loss. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

(iii) Other operating income includes miscellaneous inflows recognized when received.

(j) Expenses

- Expenses are recognized on the accrual basis.
- Finance costs comprise interest incurred on borrowings, calculated using the effective interest method, foreign exchange losses and bank-related charges.

17. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(k) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash-generating units' fair value less costs to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in comprehensive income.

(l) Leases

Leases of property, plant, and equipment where the Company has substantially taken over all the risks and rewards of ownership are classified as finance leases. Finance leases are recognized at the inception of the lease at the lower of the fair value of the leased asset or the present value of minimum lease payments. Each lease payment is allocated between the liability and interest charges to produce a constant rate of charge on the lease obligation. The interest element of the lease payments is charged to comprehensive income over the lease period. Property, plant, and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

The company has adopted IFRS 16 and recognized in the Statement of Financial Position right of use assets and lease liabilities.

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

- (1) The amount of initial measurement of the lease liability
- (2) Any lease payments made at or before the commencement date less any lease incentives received.
- (3) Any initial direct cost, and
- (4) Restoration cost

Right-of-use assets is generally depreciated over the shorter of the asset useful life and the lease term on a straight-line basis.

(m) Income taxes

The income tax expense for the year comprises a current and deferred tax. Income tax expense is recognized in net income, except to the extent that it relates to items recognized either in Other Comprehensive Income (OCI) or directly in equity.

I. Current taxation

The current tax charge is the expected tax payable on the taxable income for the year, using tax rates in effect at the reporting date plus any over or under provision of tax in respect of previous years.

17. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(m) Income taxes (continued)

II. Deferred taxation

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

The Company was listed on 15 December 2022 under the Junior Market Jamaica Stock Exchange 100% tax remission regime and management do not consider it to be prudent to account for deferred tax under the tax remission regime.

(n) Related party disclosure

Related parties are identified and disclosed to allow users of the financial statements to be aware of the possibilities that the financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the "reporting entity")

A person or close member of that person's family is related to a reporting entity if that person:

- (i) Has control or joint control over the reporting entity;
- (ii) Has significant influence over the reporting entity; or
- (iii) Is a member of the key management personnel of the reporting entity or a parent of the reporting entity.

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

An entity is related to a reporting entity if any of the following conditions apply:

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

(o) Share capital

Ordinary shares are classified as equity and carried at cost, net of any transaction costs.

18. CAPITAL MANAGEMENT

The Company's objectives when managing capital is:

- b. Ensuring sufficient liquidity to support its financial obligations and execute its operating and strategic plans;
- c. Maintaining healthy liquidity reserves and access to capital;
- d. Optimizing the cost of capital while taking into consideration current and future industry, market, and economic risks and conditions; and
- e. To safeguard its ability to continue as a going concern to provide returns for its shareholders and benefits for other stakeholders.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Overview and risk management framework

The Company's overall risk management policies are established to identify and analyze the risks faced by the Company and to set appropriate risk levels and controls and to monitor risk and adherence to limits. Derivative financial instruments are not used to reduce exposure to any of the risks.

The Board of Directors is ultimately responsible for the oversight of the Company's risk management and seeks to minimize potential adverse effects on the Company's financial performance and to manage these risks by close monitoring of each risk factor.

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

- a. Market risk (including foreign currency and interest rate risk)
- b. Credit risk;
- c. Liquidity risk

The Company also has exposure to the following risks from its operations:

- d. Operational risk; and
- e. Reputational risk

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management

The following risk categories below presents information about the Company's exposure and the Company's objectives, policies, and processes for measuring and managing these risks. Further quantitative disclosures are included throughout the financial statements and notes thereof.

i. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage market risk exposures within acceptable parameters while optimizing returns. The Company's financial risk management policy establishes guidelines on how the Company manages the market risk inherent in the business and provides mechanisms to ensure business transactions are executed in accordance with established limits, processes and procedures.

All such transactions are carried out within the established guidelines. The Company does not use derivatives in order to manage the volatility of market risk.

• Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company conducts business globally and is exposed to these risks arising from various transactions denominated in foreign currencies, primarily the United States (US\$) dollar.

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

The Company's statement of financial position as at 31 December 2025 did not include any foreign liabilities.

The average of the Bank of Jamaica (BOJ) selling rate of exchange applicable at 31 December 2025 is 158.93 (2024 -156.41).

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management (continued)

(i) Market risk (continued)

• Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Interest –bearing financial assets are primarily cash and cash equivalent, securities purchased under resale agreements and investments. Interest bearing financial liabilities are represented by loans and bank overdrafts.

The Company attempts to manage the risk relating to financial liabilities by procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible. A financial asset is primarily managed by investing excess cash in short-term deposits and maintains interest-earning bank accounts with licensed financial institutions considered to be stable.

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company faces credit risk principally in respect of its receivables from customers and to a lesser extent cash at bank and short-term deposits held with financial institutions.

Apart from the introduction of the Expected Credit Loss Model (ECL) introduced by IFRS 9, there were no significant changes in the Company's approach to managing credit risk during the year.

Cash and cash equivalent

Cash and cash equivalent are managed by maintaining these balances with licensed financial institutions considered to be stable and are deemed to have a low risk of default.

Trade receivables credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk for receivables is mitigated by stringent credit reviews and approval of limits to customers. The Company also structures the levels of credit risk it undertakes by placing credit limits on individual counterparties. The Company has an established credit process, which involves regular analysis of the ability of customers and other counterparties to meet repayment obligations.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management (continued)

(ii) Credit risk (continued)

Impairment:

The Company establishes a provision for impairment that represents its estimate of possible incurred losses in respect of trade receivables. Impairment is assessed for each customer balance over 90 days. The Company's exposure to this risk is low because approximately 38% (46% - 2024) of its trade debtors are under 90 days.

The Company's credit period on the sale of goods ranges from 7 to 30 days, depending on the relationship with the respective customer. The Company introduced the ECL model in regard to impairment of receivables and this resulted in the Company providing adequately for all receivables where collectability is deemed doubtful.

Movement on the provision for impairment of trade receivables:

	<u>2025</u>	<u>2024</u>
	\$	\$
Balance at 1 January 2025	5,116,125	624,840
Increase in provision for receivables impairment	923,479	5,116,125
Bad debt recovered during the year	-	(624,840)
Balance at 31 December 2025	<u>6,039,604</u>	<u>5,116,125</u>

Aging analysis of trade receivables that are past due and impaired

Trade receivables over 90 days overdue are considered impaired and are reviewed for any necessary provision. The impairment recognized represents an estimate of possible incurred losses in respect of trade receivables over 90 days. The impaired receivables mainly relate to customers who are in unexpected difficult economic situations.

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	\$ Gross	\$ Impairment	\$ Gross	\$ Impairment
Due 0 to 60 days	10,027,927	609,621	9,280,678	573,227
Past due 61 to 90 days	2,506,798	376,020	832,621	124,893
Past due over 91 days	20,622,061	5,053,964	16,815,307	4,418,005
	<u>33,156,786</u>	<u>6,039,604</u>	<u>26,928,605</u>	<u>5,116,125</u>

As of 31 December 2025, past due over 90 days \$20,622,061 (2024 - \$16,815,307) were considered impaired, and a provision of \$5,053,964 (2024 - \$4,418,005) or 25% (2024 -28%) was considered partially impaired and therefore no need was considered necessary for any additional provision.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management (continued)

(ii) Credit risk (continued)

Financial instruments counterparty credit risk

The Company exposure to financial instruments counterparty credit risk is related to its activities with cash and cash equivalent balances and amounts due from related parties. The Company manages this exposure by maintaining these balances with licensed financial institutions considered to be stable and are deemed to have a low risk of default and to transact business only with highly rated counterparties.

Maximum exposure to financial instruments counterparty credit risk:

	<u>2025</u>	<u>2024</u>
	\$	\$
Credit risk exposures are as follows:		
Related party balances	63,400,169	-
Receivables	170,587,819	106,459,584
Cash and short-term equivalents	15,871,774	12,759,787
	<u>249,859,762</u>	<u>119,219,371</u>

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management (continued)

(iii) Liquidity risk

Liquidity risk is the risk that the Company might encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process

The Company manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form. The Company maintains cash and short-term deposits for up to 90-day periods to meet its liquidity requirements.

The Company's liquidity management process, as carried out within the Company and monitored by the Treasury function, includes:

- i. Monitoring future cash flows and liquidity on an ongoing basis. This incorporates an assessment of expected cash flows
- ii. Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow
- iii. Maintaining committed lines of credit
- iv. Managing the concentration and profile of debt maturities
- v. Optimizing cash returns on investments.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(a) Financial risk management (continued)

(iii) Liquidity risk (continued)

Cash flows of financial liabilities

The Company's financial liabilities comprise long-term loans, payables and accruals. The table below shows the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Company can be required to settle its liabilities. These amounts are due as follows:

2025					
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 yrs</u>	<u>2-5 yrs</u>
	\$	\$	\$	\$	\$
Accounts payable	153,440,668	153,440,668	153,440,668	-	-
Long-term liabilities	247,194,564	247,194,564	228,542,432	18,652,132	-
Total financial liabilities	400,635,232	400,635,232	381,983,100	18,652,132	-

2024					
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 yrs</u>	<u>2-5 yrs</u>
	\$	\$	\$	\$	\$
Accounts payable	64,074,262	64,074,262	64,074,262	-	-
Long-term liabilities	215,600,000	229,344,500	229,344,500	-	-
Total financial liabilities	279,674,262	293,418,762	293,418,762	-	-

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(b) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes such as personnel, technology, and infrastructure, as well as from external factors, other than financial risks, such as those arising from legal, regulatory requirements and natural disasters.

The management of the Company is responsible for managing operational risk so as to avoid financial loss and damage to the Company's reputation while at the same time balancing the control procedures to allow innovation and creativity to facilitate the growth of the Company. Management is aware of the many operational risks, especially as it relates to the handling of gas and petroleum products and continues to implement the necessary strategies to mitigate the negative impact of the different risks associated with the operation of the Company.

(c) Reputational risk

The Company is engaged in a business that distributes gas and petroleum products to individuals and various industries. Its reputation is critical within the marketplace and the Company's management endeavors at all times to be ethical and adopts international best practices in the storage, manufacturing, and distribution of its products.

The Company ensures that the necessary safety, sanitary and quality standards are maintained and has regular audits from the government bodies responsible for the Company's portfolio of products including the government's Bureau of Standards, Public Health Department and Jamaica Customs Department. Also, as a supplier to several multinational and reputable local companies in the Western part of the island, the Company adheres and complies with their respective quality standards.

Rigorous quality checks are integrated into the Company's receiving and delivery processes of its products, and this reduces the level of accidents and customer complaints. Management considers the Company's reputation secured, as events that may damage the Company's reputation are immediately investigated and the appropriate action is taken in a manner that satisfies the complainant.

20. RELATED PARTIES TRANSACTIONS AND BALANCES

The statement of comprehensive income did not include any material payments to related parties. Refer to note 11 for details of balances relating to related parties and directors.

21. CONTINGENCIES AND COMMITMENTS

(a) The Company’s attorney reported in a letter dated February 25, 2026 relating to the year ended 31 December 2025 that as far as they are aware, there were no:

- i. Instructions from the Company to represent them in any claims or possible claims.
- ii. knowledge of any guarantees of indebtedness of others.
- iii. Trust monies held on behalf of the Company.
- iv. Indebtedness to the firm for services rendered.

(b) Management is not aware of any additional material commitments as at 31 December 2025, except those relating to long-term borrowings which are detailed in Note 14 of the financial statements.

22. IMPACT OF HURRICANE MELISSA

On 28 October 2025, Hurricane Melissa, a Category 5 storm, caused extensive damage to infrastructure and businesses in the western region of Jamaica. The Company, which operates primarily in this region, suffered significant damage, including:

- the destruction of the Company’s liquefied petroleum gas (LPG) distribution storage plant; and
- significant damage to three gas stations in the western region of the island.

Despite the disruption to operations resulting from the hurricane, the Company’s location in the western section of the island presented a significant opportunity to increase sales of its petroleum products. The Company’s robust distribution network, together with its exclusive petroleum distribution license for the western region, resulted in a surge in demand for its products within days of the hurricane’s passage. Sales volumes of gasoline increased significantly due to limited supplies in the region, arising from blocked roads and other logistical challenges affecting the transportation of fuel. The Company’s ability to continue selling and distributing its products generated increased cash flows, which supported a rapid recovery following the hurricane.

As at 31 December 2025, all gas stations had returned to near full operational status for the distribution of petrol, although repair works were ongoing. Insurance claims had been submitted; however, the related proceeds had not been fully finalized or settled as at that date.

While the Company expects to recover a significant portion of the losses incurred through insurance claims, the ultimate financial impact of the hurricane including the extent of insurance recoveries, asset replacement costs, and any impairment considerations cannot be reliably estimated as at the date of approval of these financial statements.

Although the future economic outlook in Jamaica remains uncertain, the financial statements have been prepared on a going concern basis. Management believes that the Company has sufficient liquidity, market demand, and operational capacity to continue its operations for the foreseeable future.



Form of Proxy

I

of being

a member of Regency Petroleum Company Limited hereby appointof
or failing himof as my proxy to
vote for me on my behalf at the Annual General Meeting of the Company to be held on Monday June
8, 2026 at 3:30p.m. at the The Jamaica Pegasus Hotel. Kingston, St Andrew and at any adjournment
thereof.

The Proxy will vote on the undermentioned resolutions as indicated:

Resolutions	For	Against
1. To receive the Audited Accounts and Report of the Directors for the year ended December 31, 2025		
2. To elect Director Edgar Barrett		
3. To fix the remuneration of Directors		
4. To appoint and authorize the Directors to fix the remuneration of the Auditors		

NOTE: If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.

As witness my hand this.....day of2026

...../.....

Note: if the shareholder is a corporation the form should be signed under its corporate seal.

