FIRST ROCK REAL ESTATE INVESTMENTS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

EXPRESSED IN UNITED STATES DOLLARS UNLESS OTHERWISE INDICATED

CHAIRMAN'S REPORT ON FINANCIAL RESULTS

The 2025 financial year marked a significant period of transition and recovery for First Rock Real Estate Investments Limited as the Group continued to reposition its portfolio toward sustainable, income-generating real estate assets across the Caribbean. Despite ongoing economic and financing challenges within the regional real estate market, the Group remained focused on strengthening operational performance, enhancing liquidity and advancing strategic development initiatives.

The Group recorded total comprehensive income attributable to shareholders of approximately US$0.15 million for the year ended December 31, 2025, reversing its total comprehensive loss of US$9.05 million reported in 2024. Property income improved significantly to US$5.19 million compared to a loss of US$4.71 million in the prior year. Rental income increased by approximately 663% to US$1.23 million from US$0.16 million reported in 2024, reflecting the Group's continued focus on acquiring and stabilising income-producing commercial properties. Income from investment properties also contributed US$4.44 million during the year, compared US$1.85 million reported in 2024.

Total assets increased to US$65.78 million at year end, up from US$57.17 million reported in 2024, representing a 15% increase, while shareholders' equity remained stable at US$25.79 million compared to the US$25.64 reported in 2024.

The Group also continued to make significant progress on its principal development project, which is now approximately 90% complete, with completion slated for the end of the second quarter. This is expected to positively support future cash flows.

Looking ahead, the Group remains focused on expanding its portfolio of income-generating commercial properties throughout the Caribbean. Negotiations are currently underway for acquisitions in Costa Rica and Martinique with an estimated combined value of approximately US$28 million, which are expected to strengthen recurring revenue streams and enhance long-term shareholder value.

Michael Banbury
Interim Chairman

First Rock Real Estate Investments Limited

Consolidated Financial Statements

Year Ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

The better the question. The better the answer.
The better the world works.

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Index

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INDEPENDENT AUDITOR'S REPORT

To the Members of First Rock Real Estate Investments Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of First Rock Real Estate Investments Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income/(loss), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT (Continued)

To the Members of First Rock Real Estate Investments Limited (Continued)

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

Key Audit Matters (continued)

Key audit matter	**How our audit addressed the key audit matter**
Valuation of investment properties	
As at 31 December 2025, investment properties and investment properties held for sale totalled $32.614 million or 50% of total assets for the Group. The Group's investment properties are stated at fair value based on the valuations carried out by independent qualified valuers (the "Valuers"). The valuations are dependent on certain key estimates which require significant judgement, including capitalization rates. Details of the valuation methodology and key inputs used in the valuations are disclosed in Note 14 to the consolidated financial statements.	As part of our audit procedures, we have: - placed reliance on the Valuers' property valuation reports and evaluated the competence, capabilities, independence and objectivity of the Valuers; - assessed the appropriateness and reasonableness of the valuation methodology, key assumptions and estimates used in the valuations on a sample basis, based on evidence of comparable market transactions and other publicly available information of the property industry with the assistance of EY specialists in accordance with ISA 620 "Using the Work of an Expert"; and - assessed the completeness and consistency of information provided by the Group to the Valuers; and - assessed the accuracy and completeness of the disclosures presented in the consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Members of First Rock Real Estate Investments Limited (Continued)

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

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

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Members of First Rock Real Estate Investments Limited (Continued)

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Members of First Rock Real Estate Investments Limited (Continued)

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

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

The partner on the audit resulting in this independent auditor's report is Rishi Ramkissoon.

Ernst & Young.

CHARTERED ACCOUNTANTS
St. Lucia
11 May 2026

First Rock Real Estate Investments Limited
Consolidated Statement of Comprehensive Income/(Loss)
Year Ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

	Notes	2025 $	2024 $
Income			
Rental income	6	1,230,713	161,281
Net gain from fair value adjustments on investment properties	14	4,440,857	1,848,531
Loss on disposal of investment properties (net)		(480,374)	(6,323,657)
Loss on sale of unit in development in progress (net)		-	(397,275)
Property income/(loss)		5,191,196	(4,711,120)
Interest income from financial assets at amortised cost	7	203,894	241,182
Dividend income from financial assets at fair value through profit or loss	7	-	5,760
Net change in fair value of financial instruments at fair value through profit or loss		735,760	(634,272)
(Loss)/Gain on sale of financial instruments at fair value through profit or loss (net)		(13,889)	346,148
Foreign exchange losses		(399,440)	(153,260)
Investment income/(loss)		526,325	(194,442)
Interest expense	7	(1,731,344)	(895,213)
Net investment loss		(1,205,019)	(1,089,655)
Other income	8	27,922	70,142
Net operating income/(loss)		**4,014,099**	**(5,730,633)**
Expenses			
Depreciation and amortisation expense	10	(959)	(1,149)
Expected credit losses – (charge)/credit	9,10	(478,228)	48,088
Other operating expenses	10	(3,725,143)	(3,644,311)
Total expenses		**(4,204,330)**	**(3,597,372)**
Loss before share of profits from investment in joint ventures		(190,231)	(9,328,005)
Share of profits from investment in joint ventures	13	225,000	450,000
Profit/(Loss) before taxation		34,769	(8,878,005)
Taxation	11	(31,442)	(16,818)
Net profit/(loss) attributable to shareholders		**3,327**	**(8,894,823)**
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss			
Currency translation gains/(losses)		147,812	(156,874)
Total comprehensive income/(loss) for the period attributable to shareholders		**151,139**	**(9,051,697)**
Basic and diluted earnings/(loss) per stock unit for loss attributable to the equity holders of First Rock Real Estate Investments Limited	26	**0.00001**	**(0.032)**

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

First Rock Real Estate Investments Limited
Consolidated Statement of Financial Position
As at 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

	Notes	2025 $	2024 $
Non-current assets			
Investment in associate	12	-	584,965
Investment in joint ventures	13	3,850,000	3,625,000
Investment properties	14	27,113,769	25,827,769
Development in progress	16	405,728	712,165
Property, plant and equipment	17	3,492	965
Investments at amortised cost, net of provision for credit losses	18	2,040,712	1,825,198
Investments at fair value through profit or loss	18	1,325,737	138,889
		34,739,438	32,714,951
Current assets			
Development in progress	16	21,631,580	21,137,507
Current portion of investments at amortised cost	18	501,307	1,383,966
Due from related parties	19	1,034,142	1,029,252
Other assets	20	632,056	411,546
Investment property held for sale	14(f)	5,500,000	-
Cash	21	1,717,839	488,583
		31,016,924	24,450,854
Total assets		**65,756,362**	**57,165,805**
Equity			
Share capital	22	27,337,093	27,337,093
Foreign currency translation reserve		640,032	492,220
Contributed capital in joint ventures	13	1,575,000	1,575,000
Accumulated losses		(3,761,266)	(3,764,593)
Total equity		**25,790,859**	**25,639,720**
Non-current liabilities			
Corporate bonds payable	23	14,809,873	4,504,154
Long-term loans	24	8,920,006	7,925,884
		23,729,879	12,430,038
Current liabilities			
Due to related parties	19	1,260,624	1,457,892
Current tax liabilities		6,548	499
Current portion of corporate bonds payable	23	4,290,947	-
Current portion of long-term loans	24	7,060,244	14,104,991
Other liabilities	25	3,617,261	3,532,665
		16,235,624	19,096,047
Total liabilities		**39,965,503**	**31,526,085**
Total equity and liabilities		**65,756,362**	**57,165,805**

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

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 11 May 2026 and are signed on its behalf by:

Michael Banbury

Ryan Reid

First Rock Real Estate Investments Limited
Consolidated Statement of Changes in Equity
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

	Attributable to Equity Holders of the Parent				
	Share Capital (Note 22) $	Foreign Currency Translation Reserve $	Contributed Capital in Joint ventures $	Retained Earnings/ (Accumulated Losses) $	Total $
Balance at 1 January 2024	**27,337,093**	**649,094**	**1,575,000**	**5,130,230**	**34,691,417**
Loss for the year	-	-	-	(8,894,823)	(8,894,823)
Other comprehensive loss	-	(156,874)	-	-	(156,874)
Total comprehensive loss	-	(156,874)	-	(8,894,823)	(9,051,697)
Balance at 31 December 2024	**27,337,093**	**492,220**	**1,575,000**	**(3,764,593)**	**25,639,720**
Profit for the year	-	-	-	3,327	3,327
Other comprehensive income	-	147,812	-	-	147,812
Total comprehensive income	-	147,812	-	3,327	151,139
Balance at 31 December 2025	**27,337,093**	**640,032**	**1,575,000**	**(3,761,266)**	**25,790,859**

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

First Rock Real Estate Investments Limited
Consolidated Statement of Cash Flows
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

	Notes	2025 $	2024 $
Cash flows from operating activities			
Net profit/(loss)		3,327	(8,894,823)
Adjustments for:			
Depreciation of property, plant and equipment	10,17	959	1,149
Interest income from financial instruments at amortised cost	7	(203,894)	(241,182)
Dividend income from financial instruments at fair value through profit or loss (“FVTPL”)	7	-	(5,760)
Interest expense	7	1,731,344	895,213
Foreign exchange gains		(112,256)	(187,093)
Loss on disposal of investment properties		480,374	6,323,657
Net gain from fair value adjustment on investment properties	14	(4,440,857)	(1,848,531)
Loss on disposal of property, plant and equipment	8	-	8,791
Impairment loss on development in progress and investment in associate	12,16	550,148	368,192
Loss on sale of unit in development in progress		-	397,275
Net change in fair value of investments at fair value through profit or loss	28	(735,760)	634,272
Share of profit of joint venture	13	(225,000)	(450,000)
Loss/(Gain) on sale of investments at value through profit or loss		13,889	(346,148)
Expected credit losses charge/(credit)	9	478,228	(48,088)
Taxation expense	11	31,442	16,818
Changes in operating assets and liabilities:			
Related party balances		(202,158)	1,157,880
Other assets		(220,510)	1,376,344
Other liabilities		84,596	(505,027)
		(2,766,128)	(1,347,061)
Interest paid		(3,047,730)	(1,438,969)
Taxation paid		(25,393)	(16,541)
Cash used in operating activities		**(5,839,251)**	**(2,802,571)**
Cash flows from investing activities			
Dividend received		-	5,760
Interest received		127,066	279,217
Acquisition of property, plant and equipment	17	(3,486)	-
Acquisition of investment property	14	(3,253,662)	(10,161,602)
Proceeds from disposals of investment properties		3,939,577	4,001,185
Property development costs	16	(3,047,582)	(2,917,959)
Property acquisition deposit		-	196,322
Proceeds on sale of unit in development in progress		-	1,250,000
Net disposals of investments at amortised cost		265,263	4,834,724
Proceeds on sale of investments at fair value through profit or loss		125,000	
Net cash used in investing activities		**(1,847,824)**	**(2,512,353)**
Cash flows from financing activities			
Corporate loans received	23	15,000,000	-
Loans received	24	4,620,396	10,451,428
Loan principal repaid	24	(10,708,358)	(5,616,877)
Debt service reserve	21	(1,681,321)	-
Net cash provided by financing activities		**7,230,717**	**4,834,551**
Net decrease in cash and cash equivalents		**(456,358)**	**(480,373)**
Exchange differences on cash and cash equivalents		4,293	5,156
Cash and cash equivalents at beginning of the year		488,583	963,800
Cash and cash equivalents at the end of the year	21	**36,518**	**488,583**
Non-cash item:			
Amortisation of loan fees	23,24	255,878	57,552

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

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

1. Incorporation and Principal Activities

First Rock Real Estate Investments Limited (the "Company") is an International Business Company ("IBC") duly incorporated under the laws of Saint Lucia on 4 October 2017. The Company commenced operations on 15 March 2019. The registered office of the Company is located at Bourbon House, Bourbon Street, Castries, Saint Lucia. Its main operations, carried out by First Rock Group Limited (the "Management Company"), are located at Suite 6, 14 Canberra Crescent, Kingston 6, Jamaica.

On 7 June 2022, the Company changed its name from First Rock Capital Holdings Limited to First Rock Real Estate Investments Limited.

The main activities of the Company are holding investments and controlling the operations of its subsidiaries. The Company's core focus is real estate acquisition and development for rental or resale and the acquisition of private equity investments for income generation and asset appreciation. The Company's primary aim is to provide its shareholders with a tax-efficient vehicle, offering an enhanced level of income, above average dividend yields and preservation of capital through the diversification of assets.

The Company's subsidiaries, associates and joint ventures, which, together with the Company are referred to as "the Group" are as follows:

Subsidiaries	Principal Activities	Incorporated in	Proportion of Issued Capital held by the Group		Financial Year End
			2025	2024	
First Rock USA, LLC	Property Investment	USA	100%	100%	31 December
First Rock Capital LATAM, Sociedad Anónima	Property Investment	Costa Rica	100%	100%	31 December
First Rock Latam One S.R.L.	Property Investment	Costa Rica	100%	100%	31 December
Sandbank Capital Limited (formerly First Rock Capital Cayman Limited)	Property Investment	Cayman	100%	100%	31 December
FCH Jamaica Developers Limited	Property Investment	Jamaica	100%	100%	31 December
FCH Jamaica Assets Limited	Property Investment	Jamaica	100%	100%	31 December
Associate					
Caribbean Health Systems Limited (*)	Operation of Medical Health Facilities	St. Lucia	25%	25%	31 December
Joint Ventures					
St. Thomas Luxury Limited	Property Investment	Jamaica	50%	50%	31 December
Ocean Eyes Limited	Property Investment	Jamaica	75%	75%	31 December

The shareholdings for all subsidiaries are the same this year as they were at the end of the previous financial reporting period.

(*) Holdings were reclassified to Investments at fair value through profit and loss due to change in circumstances during 2025.

2. Statement of Compliance and Basis of Preparation

(a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards.

(b) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and financial assets at fair value through profit or loss and assets held for sale which are measured at fair value. Historical cost is generally based on fair value of the consideration given in exchange for assets.

Going concern

The Group has generated a net profit for the year of $0.003 million (2024: a net loss of $8.895 million) and as of December 31, there are accumulated losses of $3.761 million (2024: accumulated losses of $3.765 million). Notwithstanding these factors, management has assessed the Group's ability to continue as a going concern and believes that the use of the going concern assumption remains appropriate based on the following considerations:

- **Operating performance and cost management:** The Group's rental income has increased by approximately $1.07 million (663%) over the prior reporting period, in line with the Group's efforts to reposition its asset portfolio by divesting non-income-generating assets and acquiring income-generating commercial properties within the Caribbean region. For the 2026 financial year, the Group was successful in its renegotiation to secure a reduction in management fees representing 28% (2024: 28%) of total operating expenses to its management company from 1.8% to 1% of the total asset value, based on the Group's audited financials.
- **Liquidity position:** The Group has maintained a positive current ratio of greater than 1.2 times, supporting its ability to meet short-term obligations.
- **Development project completion:** The Group's principal development project is approximately 90% complete, with completion achieved for six (6) units during the year and an additional three (3) units achieving this status subsequent to the year end. The remaining units are expected to be completed during 2026. The sales of inventory units have also continued to progress, with 5 units under contract and an additional two offers received subsequent to year end. Proceeds from the sale of units are expected to repay the corporate bond issued by Mayberry Investments Limited (see Note 23). These activities are expected to support the Group's projected cash flows and overall liquidity position.
- **Strategic asset realignment:** The Group is actively repositioning its asset portfolio by divesting non-income-generating assets and acquiring income-generating commercial properties within the Caribbean region. The Group has entered into negotiations to acquire further income-generating commercial properties in Costa Rica and Martinique, with total value of approximately $28 million. The Group anticipates closing on these acquisitions during 2026. These acquisitions are expected to further strengthen the Group's liquidity position by providing stable and recurring cash inflows from in-place tenants under lease agreements.
- **Financing arrangements:** The Group is actively engaged in discussions with its creditors to extend certain existing facilities due within the short-term and to secure additional funding while ensuring the interests of both parties are appropriately addressed. There is a demonstrated history of successful debt restructuring, and management remains confident in the favourable outcome from these negotiations.
- **Financial support from related party**: The Group has secured a corporate guarantee from a related party, ensuring financial support for the financial year ending 31 December 2026, if necessary. Additionally, a waiver has been granted in May 2026 to forgive net balances of $1.5 million owed to the related party, thereby further reducing the liabilities, enhancing the Group's liquidity position and financial stability.

2. Statement of Compliance and Basis of Preparation (Continued)

(b) Basis of preparation (continued)

Going concern (continued)
Based on these factors, management believes that based on the strategies being pursued, the Group is on a path to generate adequate cash flows to allow it to continue operational existence for the foreseeable future, meet its obligations as they fall due and provide positive returns to the stakeholders.

(c) Judgements

In preparing these consolidated financial statements, management used certain critical accounting estimates. Management also exercised its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed.

Management believes the underlying assumptions are appropriate. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(d) Adoption of new and revised IFRS Accounting Standards

(i) ***Standards, interpretations and amendments to existing standards effective during the year***
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025. These new standards and amendments applied for the first time in 2025. The nature and the impact of each new standard or amendment is described below.

- ***Amendments to IAS 21 – Lack of exchangeability (effective 1 January 2025)***
  In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

  The adoption of the above amendments did not have a significant impact on the consolidated financial statement.

(ii) ***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group***
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

2 Statement of Compliance and Basis of Preparation (Continued)

(d) Adoption of new and revised IFRS Accounting Standards (continued)

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

- ***Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred indefinitely)***
  In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

  The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments also clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

  The amendments must be applied prospectively. The Group will assess the impact of adopting these amendments, once finalised.

- ***Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature–dependent Electricity (effective 1 January 2026)***
  In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

  - Clarifying the application of the 'own-use' requirements.
  - Permitting hedge accounting if these contracts are used as hedging instruments.
  - Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance.

  The Group is currently assessing the impact of adopting these amendments.

- ***Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective 1 January 2026)***
  In May 2024, the Board Issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

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

  The Group is currently assessing the impact of adopting these amendments.

2 Statement of Compliance and Basis of Preparation (Continued)

(d) Adoption of new and revised IFRS Accounting Standards (continued)

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

- ***IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027)***
  In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information. There are also consequential amendments to other standards.

  The Group is currently assessing the impact of adopting this standard.

- ***IFRS 19 - Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)***
  In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures ("IFRS 19"), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS Accounting Standards. An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS Accounting Standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS Accounting Standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

  The Group is currently assessing the impact of adopting this standard.

- ***Improvements to IFRS Accounting Standards (effective 1 January 2026)***
  In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11. These include:

  - *IFRS 1 First-time Adoption of IFRS Accounting Standards*

    <u>Hedge Accounting by a First-time Adopter</u>
    IFRS 1 has been amended to include cross references to the qualifying criteria for hedge. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

  - *IFRS 7 Financial Investments: Disclosures*

    <u>Gain or Loss on Derecognition</u>
    The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.

  - *Guidance on implementing IFRS 7 Financial Instruments Disclosures*

    <u>Introduction</u>
    The amendments to paragraph IG1 of the Guidance on implementing IFRS 7 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

2 Statement of Compliance and Basis of Preparation (Continued)

(d) Adoption of new and revised IFRS Accounting Standards (continued)

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

- ***Improvements to IFRS Accounting Standards (effective 1 January 2026) (continued)***

  - *Guidance on implementing IFRS 7 Financial Instruments Disclosures (continued)*

    Disclosure of Deferred Difference between Fair Value and Transaction Price
    Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

    Credit Risk Disclosures
    Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

  - *IFRS 9 Financial Instruments*

    Lessee Derecognition of Lease Liabilities
    Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.

    Transaction Price
    Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term 'transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.

  - *IFRS 10 Consolidated Financial Statements*

    Determination of a 'De Facto Agent'
    Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendments are intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.

  - *IAS 7 Statement of Cash Flows*

    Cost Method
    Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

    The Group has not yet assessed the impact of adopting these amendments.

2 Statement of Compliance and Basis of Preparation (Continued)

(d) Adoption of new and revised IFRS Accounting Standards (continued)

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

- ***Amendments to IAS 21 - Translation to Hyperinflationary Presentation Currency (1 January 2027)***
  In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position.

  An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

  The Group is currently assessing the impact of adopting these amendments.

- ***Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37***
  In November 2025, the Board issued Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 - Disclosures about Uncertainties in the Financial Statements ("the examples"), which added illustrative examples to several IFRS Accounting Standards. The examples are intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements. The examples illustrate existing requirements in IFRS Accounting Standards. They do not add to, or change, existing requirements.

  The topics addressed in the examples include the following topics:

  - Materiality judgements
  - Assumptions: specific requirements about impairment testing
  - Assumptions: general requirements
  - Credit risk
  - Decommissioning and site restoration provisions
  - Disclosure of disaggregated information in the notes

  The examples do not have an effective date or transition requirements. Entities are entitled to sufficient time to implement any changes as a result of the illustrative examples.

  The Group is currently assessing the impact of adopting these amendments.

3. Material Accounting Policies

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases. Total comprehensive income of subsidiaries is attributable to the owners of the company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition method of accounting is used to account for business combinations by the Group (Note 3(b)).

(ii) Non-controlling interests

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive loss, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(b) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- fair value of liabilities incurred to the former owners of the acquired business;
- fair value of equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest’s proportionate share of the acquired entity’s net identifiable assets.

3. Material Accounting Policies (Continued)

(b) Business combinations (continued)

Acquisition-related costs are expensed as incurred. The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase (negative goodwill).

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

(c) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, the operating results of which are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the First Rock Group Limited.

(d) Revenue recognition

(i) Rental income
Leases in which the Group does not transfer substantially all the risk and rewards incidental to ownership of an asset are classified as operating leases.

Revenue comprises the invoiced value of rental and maintenance charges. Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis as a reduction in rental income.

The Group assesses the individual elements of the lease agreements and assesses whether these individual elements are separate performance obligations.

Where the contracts include multiple performance obligations, and/or lease and non-lease components, the transaction price is allocated to each performance obligation (lease and non-lease component) based on the stand-alone selling prices. These selling prices are predominantly fixed price per the agreements where the tenant pays the fixed amount based on a payment schedule.

3. Material Accounting Policies (Continued)

(d) Revenue recognition (continued)

(i) Rental income (continued)
Revenue is measured at the transaction price agreed under the contract. The Group currently does not have arrangements that include deferred payment terms. A receivable is recognised when services are provided as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

In certain circumstances, the Group might agree to forgive some amount of payments contractually due for past rent, without changing the scope of the lease or other terms (for example, if a lessee is in financial difficulty). In such cases, the Group has elected to treat the reduction in payments due for past rent as a partial extinguishment of the lease receivable. The amounts forgiven are recognised as a loss (that is, not a reduction in lease income) in profit or loss, with a corresponding reduction to the lease receivable in the period in which the reduction is contractually agreed.

(ii) Land development and resale
The Group develops and sells residential and commercial properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.

The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred.

(iii) Interest income
Interest income is recognised in the consolidated statement of comprehensive loss for all interest-bearing instruments on an accrual basis using the effective yield method based on the actual purchase price.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between the parties that are an integral part of the effective interest rate transaction costs and other premiums or discounts.

Once a financial asset or a group of similar financial assets is credit-impaired, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(iv) Dividend income
Dividends are received from financial assets measured at fair value through profit or loss (“FVTPL”). Dividends are recognised in the consolidated statement of financial position when the right to receive payment is established.

3. Material Accounting Policies (Continued)

(d) Revenue recognition (continued)

(v) Fee and commission income
Fee and commission income are income recognised in profit or loss on the accrual basis when the service has been provided. Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

(vi) Financing components
The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(e) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in US dollars, which is the Group's functional currency. The Group has determined that the US dollar is its functional currency as its strategy is to contract with multinational entities (mainly US based), at rates consistent with rates charged in the US and therefore considers the US economy to the be primary economy to which it is exposed and the economy that determines the pricing of its goods and services. The largest portion of the Group's revenues, expenses and cash flows are denominated in United States dollars.

(ii) Transactions and balances
Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated using the closing exchange rate. Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealised foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognised in profit or loss.

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive loss.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive loss. When a foreign operation is sold or any internal lending forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3. Material Accounting Policies (Continued)

(f) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

The Group capitalises borrowing costs on qualifying developments in progress.

(g) Leases

Group as a lessor
See Note 3(d)(i)).

(h) Management fees

A management fee of 1.8% of the total asset value of the Group based on the Group's audited financials is paid quarterly to the Group's management company First Rock Group Limited.

The fee is to be paid in arrears, based on the quarterly unaudited financial statements of the Group, subject to the 'claw-back' provision.

Both the management fees and the performance-based fee (Note 3(i)) are subject to a 'clawback' by the Group if the audited annual financial results of the Group demonstrate a negative variance from the quarterly unaudited accounts used to determine the payment of fees. The claw-back provision requires a repayment from First Rock Group Limited and, if such repayment is not made, the Group shall have a right of set-off of such surplus amount against any future cumulative annual preference dividend that may be payable to First Rock Group Limited. If the audited annual financial results demonstrate a positive variance from the quarterly unaudited accounts, such additional amount will be paid to the management company (with no interest) so that it is made whole based on the audited results.

(i) Performance based fees

A performance based cumulative annual fee calculated as twenty-five per cent (25%) of the audited annual total comprehensive income of the Group once the eight and a half per cent (8.5%) (the 'hurdle' rate) of the Group's total shareholder equity is achieved.

Fees are to be paid quarterly in arrears, based on the quarterly unaudited financial statements of the company, subject to the 'claw-back' provisions.

(j) Operating expenses

Expenses include property operating, legal, marketing, professional and other fees. They are recognised in profit or loss in the period in which they are incurred on an accrual basis.

(k) Income taxes and deferred taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to taxation authorities. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the date of the consolidated statement of financial position in the countries where the Group operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3. Material Accounting Policies (Continued)

(k) Income taxes and deferred taxes (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting period date and are recognised to the extent that it has become probable that future profits will allow the deferred tax asset to be recovered.

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Tax is recognised in income, except to the extent that it relates to items recognised directly in other comprehensive loss or equity - in which case, the tax is also recognised in other comprehensive loss or equity.

(l) Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

3. Material Accounting Policies (Continued)

(l) Current versus non-current classification (continued)

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

(m) Fair value measurement

Fair values of financial instruments measured at amortised cost are disclosed in Note 28.

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

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

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

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

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

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

(n) Investment in associates and joint ventures

The Group’s investment in associates and joint ventures are accounted for under the equity method.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but there is no control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

3. Material Accounting Policies (Continued)

(n) Investment in associates and joint ventures (continued)

Control is achieved when an entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, an entity controls an investee if the entity has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When an entity has less than a majority of the voting or similar rights of an investee, the entity considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The entity's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The consolidated statement of comprehensive loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income ("OCI") of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate or joint venture is shown on the face of the consolidated statement of comprehensive loss outside operating loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of comprehensive loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as share of loss of an associate or joint venture in the consolidated statement of comprehensive loss.

3. Material Accounting Policies (Continued)

(o) Investment property and Investment property held for sale

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at fair value.

Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment properties under construction for which the fair value cannot be determined reliably, but for which the company expects the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- the provisions of the construction contract;
- the stage of completion;
- whether the project/property is standard (typical for the market) or non-standard;
- the level of reliability of cash inflows after completion;
- the development risk specific to the property;
- past experience with similar construction; and
- status of construction permits.

Fair value is based on active market prices for comparable sales, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections or other cashflow models. These valuation models typically consider rental income from current leases and other assumptions (such as vacancy, delinquency, market yields and capitalisation factors) market participants would make when pricing the property under current market conditions.

Valuations are performed as at the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the property, and the fair value is reassessed.

3. Material Accounting Policies (Continued)

(o) Investment property and Investment property held for sale (continued)

Changes in fair values are recognised in profit or loss. Investment properties are derecognised when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain/(loss) from fair value adjustment on investment property.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment. Its fair value as at the date of reclassification becomes its cost for subsequent accounting purposes. Where an investment property undergoes a change in use, such as commencement of development with a view to sell, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its fair value at the date of change in use.

The Group classifies investment property as held for sale if the carrying amounts will be recovered principally through a sale transaction rather than through continuing use. These assets are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

(p) Inventory and development in progress

These are stated at the lower of historical cost and net realisable value. Costs comprise land acquisition cost, cost of infrastructure works, construction costs, capitalised finance cost and direct administrative expenses incurred during the period between acquisition and completion of development. Expenditure on development is charged to profit or loss in the year in which it is incurred except where a clearly defined project is undertaken, and it is reasonably anticipated that development costs will be recovered through future commercial activity. Development costs that will be recovered through future commercial activity are capitalized and transferred to inventory when practical completion is achieved based on total costs allocated by area of land sold to the total land area available for sale. The cost of land transferred to inventory on practical completion is achieved and is determined based on the land area to be sold to the total land area available for sale. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(q) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. If such subsequent cost relates to a replaced part, the carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives at annual rates, as follows:

Billboards	8% - 10%
Furniture, fixtures & equipment	10%
Computer equipment	20%

3. Material Accounting Policies (Continued)

(q) Property, plant and equipment (continued)

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the consolidated statement of comprehensive loss.

(r) Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment at the end of each reporting period whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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

(s) Investments and other financial assets and liabilities

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

Financial assets

(i) Classification
The Group classifies its financial assets in the following measurement categories:

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at FVTPL, gains and losses will be recorded in profit or loss. For investments in equity instruments that are not held for trading, IFRS allows an irrevocable election at the time of recognition, to classify as either FVTPL or fair value through other comprehensive income ("FVOCI"). The Group makes an irrevocable election at the time of initial recognition to account for them at FVTPL. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

(i) Classification (continued)
Business model assessment
Business models are determined at the level which best reflects how the Group manages portfolios of assets to achieve business objectives. Judgement is used in determining business models, which is supported by relevant, objective evidence including:

- The nature of liabilities, if any, funding a portfolio of assets;
- The nature of the market of the assets in the country of origination of a portfolio of assets;
- How the Group intends to generate profits from holding a portfolio of assets; and
- The historical and future expectations of asset sales within a portfolio.

Solely payments of principal and interest ("SPPI")
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial assets are classified and measured at FVTPL.

(ii) Recognition
Financial assets are measured on initial recognition at fair value and are classified as and subsequently measured either at amortised cost, at FVOCI or at FVTPL. Financial assets and liabilities are recognised when the Group becomes a party to the contractual provision of the instrument. Regular way purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the asset.

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

Debt instruments
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Financial assets measured at amortised cost
The Group classifies its bank and deposit accounts, investments at amortised cost, due from related parties and other assets. These are assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI") and are measured at amortised cost. Interest income from these financial assets is recognised in profit or loss as part of interest income from financial assets at amortised cost, using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as separate line item in the consolidated statement of comprehensive loss. The carrying value of these financial assets at initial recognition includes any directly attributable transactions costs.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

(iii) Measurement (continued)
Financial assets measured at amortised cost (continued)
Cash and cash equivalents
Cash and cash equivalents include cash at bank and investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost which is assumed to approximate fair value due to the short-term nature of these items. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise investment securities with less than 90 days maturity from the date of acquisition, cash balances, short term deposits and securities purchased under agreements to resell. Cash and cash equivalents exclude all qualifying balances aforementioned, that are hypothecated or otherwise restricted, consequent on loan or other similar arrangements.

Resale agreements
Resale agreements are treated as collaterised financing transactions and are recorded at the amount at which the securities were acquired plus accrued interest. The difference between the purchase and resale price is treated as interest income and is accrued over the lives of the agreements using the effective interest method.

Financial assets measured at fair value through profit and loss
Financial instruments are classified in this category if they meet one or more of the criteria set out below and are so designated irrevocably at inception:

- the use of the designation removes or significantly reduces an accounting mismatch; and
- when a group of financial assets and liabilities or a group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

The Group subsequently measures all equity investments at fair value. These fair value gains and losses are recognised in net change in fair value of financial instruments at fair value through profit or loss. Any gain or loss arising on derecognition is recognised directly in profit or loss. Dividends from such investments continue to be recognised in profit or loss as dividend income when the Group's right to receive payments is established. Interest income and interest earned on assets measured at fair value through profit and loss is earned based on the effective interest rate based on the carrying amount before allowances. For assets that are credit-impaired when purchased or originated (purchased or originated credit impaired ("POCI")), the carrying amount after allowances for expected credit losses ("ECL") is the basis for applying the effective interest rate.

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

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The ECL in relation to trade receivables is immaterial.

For investment and lending portfolios, the Group applies the general approach. Under the general approach, expected credit losses are calculated by multiplying three main components, being the probability of default (“PD”), loss given default (“LGD”) and the exposure at default (“EAD”), discounted at the original effective interest rate. Management has calculated these inputs based on the historical experience of the portfolios adjusted for the current point in time. A simplified approach to calculating the ECL is applied to contract and other receivables which do not contain a significant financing component. Generally, these receivables are due within 12 months unless there are extenuating circumstances. Under this approach, an estimate is made of the lifetime ECL on initial recognition (i.e. Stage 3). For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

The PD, LGD and EAD models which support these determinations are reviewed regularly in light of differences between loss estimates and actual loss experience, but given that IFRS 9 requirements have only just been applied, there has been little time available to make these comparisons. Therefore, the underlying models and their calibration, including how they react to forward-looking economic conditions remain subject to review and refinement. This is particularly relevant for lifetime PDs, and for the incorporation of ‘downside scenarios’ which have not generally been subject to experience gained through stress testing. The exercise of judgement in making estimations requires the use of assumptions which are highly subjective and sensitive to the risk factors, in particular to changes in economic and credit conditions across a number of geographical areas. Many of the factors have a high degree of interdependency and there is no single factor to which loan impairment allowances as a whole are sensitive. Therefore, sensitivity analyses are considered in relation factors to which the ECLs are particularly sensitive and the results should not be further extrapolated. The main difference between Stage 1 and Stage 2 expected credit losses is the respective PD horizon. Stage 1 estimates will use a maximum of a 12-month PD while Stage 2 estimates will use a lifetime PD. Stage 3 estimates will continue to leverage existing processes for estimating losses on impaired loans, however, these processes will be updated to reflect the requirements of IFRS 9, including the requirement to consider multiple forward-looking scenarios.

(Expressed in United States dollars unless otherwise indicated)

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

(iv) Impairment (continued)
An ECL estimate will be produced for each individual exposure, including amounts which are subject to a more simplified model for estimating expected credit losses. The measurement of ECLs for each stage and the assessment of SICR must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information will require significant judgment. For defaulted financial assets, based on management's assessment of the borrower, a specific provision for ECLs which incorporates collateral recoveries, is calculated and recorded as the ECL. The resulting ECL is the difference between the carrying amount and the present value of expected cash flows discounted at the original effective interest rate.

Forward looking information
The estimation and application of forward-looking information require significant judgment. PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Each macroeconomic scenario used in the ECL calculation has forecasts of the relevant macroeconomic variables – including, but not limited to, unemployment rates and gross domestic product, interest rate and inflation, subsequently reverting to long-run averages. The estimation of ECLs in Stage 1 and Stage 2 are a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. The base case scenario are based on macroeconomic forecasts where available. Upside and downside scenarios are set relative to the base case scenario based on reasonably possible alternative macroeconomic conditions.

Scenario design, including the identification of additional downside scenarios that occur on at least an annual basis and more frequently if conditions warrant. Scenarios are probability-weighted according to management's best estimate of the relative likelihood based on historical frequency and current trends and conditions. The weightings assigned to each economic scenario as at December 31, 2025 and December 31, 2024 were as follows:

	Base	Upside	Downside
31 December 2024:			
Investments portfolios	50%	20%	30%
Lending portfolios	50%	20%	30%
31 December 2025:			
Investments portfolios	50%	20%	30%
Lending portfolios	50%	20%	30%

Financial assets measured at amortised cost recognize impairment gains and losses in profit or loss in the consolidated statement of comprehensive loss. Interest income, dividend income and gains and losses arising from changes in fair value are included on the face of the consolidated statement of comprehensive loss.

Debt investments and other instruments are considered to be in low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The impairment charge for debt investments was assessed and is recorded in profit or loss.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

(iv) Impairment (continued)
Significant increase in credit risk ("SICR")
On initial recognition, the Group assesses the credit risk associated with each exposure as discussed in Note 27(b). To determine whether the lifetime credit risk has increased significantly since initial recognition, the Group considers reasonable and supportable information that is available including information from the past and forward-looking information. Factors such as whether payments of principal and interest are in default, an adverse change in credit rating of the borrower and adverse changes in the borrower's industry and economic environment, or a change in the borrower's employment arrangements, payment method, industry or personal conditions are considered in determining whether there has been a significant increase in the credit risk of the borrower. For the Group's debt instruments, a significant increase in credit risk ("SICR") is where the prevailing risk that the issuer of an investment instrument will default is materially greater than the risk at the origination date of the investment instrument.

An investment is deemed to have experienced a significant increase in credit risk under the following circumstances:

- When the credit rating of the instrument has slipped four or more levels on the international/internal credit rating scale since the rating at origination date. Notwithstanding the slippage, the instrument is deemed not to have experienced a SICR where the credit rating remains within the investment grade of Baa3 or higher.
- The issuer of the instrument is experiencing or is very likely to experience one or more adversities including but not limited to the following:

  i. Filing for bankruptcy
  ii. Loss of major asset
  iii. Major decline in industry
  iv. Depressed Debt Restructuring
  v. Unsustainable Debt Burden
  vi. Adverse Legal or Political Events
  vii. Other Major Adversities

For the Group's loans receivable, SICR is determined by observing the extent to which adverse changes in one or more of the credit risk drivers could increase the likelihood of default since the origin of the loan. A change in the borrower's employment arrangements, payment method, industry or personal conditions could be deemed significant enough to trigger a forward migration of loans to Stage 2.

Default
Debt investments and other instruments are in default where the issuer of the instrument has failed to honour part or all of the obligation under the investment agreement. Issuers that are assigned a credit rating of C or Stage 2 are deemed to be in a state of default. The Group determines that loans are credit-impaired and in stage 3 by considering relevant objective evidence, primarily whether: contractual payments of either principal or interest are past due for 90 days or more; there are other indications that the borrower is impaired, and the maturity date has passed. If such unlikeliness to pay is not identified at an earlier stage, it is deemed to occur when an exposure is 90 days past due.

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial assets (continued)

(iv) Impairment (continued)

Write-off

Financial assets (and the related impairment allowances) are normally written off, either partially or in full, when there is no realistic prospect of recovery. Where loans are secured, this is generally after receipt of any proceeds from the realisation of security. In circumstances where the net realisable value of any collateral has been determined and there is no reasonable expectation of further recovery, write-off may be earlier.

(v) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and subsequent measurement

All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVTPL) transaction costs that are directly attributable to issuing the financial liability. Financial liabilities are measured at amortised cost, unless the Group opted to measure a liability at FVTPL.

The Group's financial liabilities comprise bonds payable, long-term loans, due to related parties and other liabilities.

All loans and borrowings are initially recognised initially at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial liabilities (continued)

Initial recognition and subsequent measurement (continued)
The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Modification of loans
The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers and debt instruments. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flow to amounts the borrower is expected to be able to pay;
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan;
- Significant extension of the loan term when the borrower is not in financial difficulty;
- Significant change in the interest rate;
- Change in the currency the loan is denominated in; and
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Group derecognises the original financial liability and recognises a new liability at fair value and recalculates the new effective interest rate for the liability.

Deposits from tenants
Certain Group companies obtain deposits from tenants as a guarantee for returning the property at the end of the lease term in a specified good condition or for the lease payments for a period ranging from 1 to 24 months. The Group has elected to treat such deposits as financial liabilities in accordance with IFRS 9, and they are initially recognised at fair value. The difference between fair value and cash received is considered to be part of the minimum lease payments received for the operating lease (refer to Note 3(d)) for the recognition of rental income). The deposit is subsequently measured at amortised cost.

Deferred income
Deferred income is recognised when there is reasonable assurance that the amounts will be received, and all attached conditions will be complied with. When the amounts received relate to an asset, it is recognised in income in equal amounts over the expected useful life of the related asset.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

3. Material Accounting Policies (Continued)

(s) Investments and other financial assets and liabilities (continued)

Financial liabilities (continued)

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

(t) Share capital

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

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs include legal fees, fees for arrangers, brokers, agents and investor events relating to the initial public offering.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

(v) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved.

4. Critical Accounting Estimates and Judgments in Applying Accounting Policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Functional currency

The determination of the Company's and its subsidiaries' functional currency is based on management's assessment of the primary economic environments to which the Company and the subsidiaries are exposed. According to IAS 21, The Effects of Changes in Foreign Exchange Rates ("IAS 21"), an entity's functional currency should reflect the underlying transactions, events and conditions that are relevant to the entity. Management considered primary and secondary indicators in determining functional currency including the currency that influences sales and expenses prices and rates. Although the Company carries out a sizeable portion of its activities in Jamaica, its revenue strategy is to target expatriates, US affiliated companies and US tourists, and therefore transact in US dollars at rates that are consistent with rates charged in the United States. The Company has also raised financing primarily in US Dollars. From an expense perspective, the indicators are mixed as services are in some instances provided by Jamaican companies, charging Jamaican rates. Based on these factors, management concluded that the Company's functional currency should be measured using United States dollars ("USD").

4. Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

(b) Investment properties

The fair value of investment properties is determined by independent valuators. The valuators determine fair value by using recent comparable sales or cash flow models. For comparable sales, adjustments are made for the time of the referenced sale, size, location, condition etc. These adjustments involve significant judgement, which could result in actual values being different from those realised from either sale, or the present value of rental income received from the lease of these properties.

For the cash flow models, a direct capitalisation approach is used. This approach involves determining a net rental amount, a capitalisation factor (representing a market participant rate of return) and estimating factors for vacancy and delinquency. The fair values derived may be very sensitive to these variables, in particular, the capitalisation factor. As with the sales comparison approach, values realised through sale or use may differ from the values estimated and recognised in the financial statements.

Further, in respect of units transferred from development in progress to investment properties on completion of development, management has determined that 2 of the completed units will be held for capital appreciation and to earn rental income for the long-term. Management confirms:

- a business plan has been prepared to reflect future rental income generated by the property supported by demand for the space
- sufficient resources are available to hold and manage the units as investment properties
- it is legally permissible to hold the properties for rental
- no further development of the properties are required for rental.

(c) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions.

In recognising deferred taxation in relation to certain items of investment property, the Group has assumed that there will be no capital gains tax on rental properties held for successive long-term rental periods as well as land for which the use is currently undetermined. It however assumes that for items which are currently investment property that will be developed for resale, and will eventually become inventory, the revaluation gains previously recognised will be subject to taxation at the time of sale. For investment property being developed, management recognises a deferred tax charge on the basis of a ratio of units to be sold, to the total number of units being developed. Any change in management's intention from rental to sale or determination of use for development or resale, would result in a recognition of an additional deferred tax liability.

(d) Measurement of the expected credit losses ("ECL")

The measurement of the ECL for financial assets measured at amortised cost requires the use of models and significant assumptions about future economic conditions and credit behaviour such as the likelihood of customers defaulting and the resulting losses.

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

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL; and
- Establishing appropriateness of forward-looking information.

4. Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)

(d) Measurement of the expected credit losses ("ECL") (continued)

Internal Credit Rating
Management has utilised an internal rating for their investments. The internal rating is assessed as follows:

- The most recent country's credit rating obtained from an approved external credit rating agency is taken as the Base Credit Rating ("BCR");
- The credit rating for the relevant entity is the sum of the BCR and the Credit Rating Adjustment Factor ("CRAF");
- The CRAF is calculated as the aggregate of the factors such as the size of the institution, significance to national interest, financial diversification and financial outlook; and
- An entity is assigned an adverse factor where enough information is not available to assign a favourable score within the relevant categories.

These internal credit risk ratings are aligned to external credit rating companies, such as Standard and Poor and Moody's.

(e) Development in progress

Development is progress is stated at lower of costs and net realisable value. Development cost will be secured through future commercial activity via estimated selling prices less estimated costs to complete.

A 20% increase or 20% decrease adjustment in estimated selling prices will result in $Nil adjustment or $2.84 million decrease in the carrying amounts.

A 20% increase or 20% decrease in the estimated cost to complete the development would result in a $0.016 million decrease or a $0.016 million increase in the carrying amounts.

(f) Climate related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the consolidated financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- *Useful life of property, plant and equipment*
  When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures. See Note 3(q) for further information.

- *Fair value measurement*
  For investment properties and revalued office properties, the Group considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The Group believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings. See Note 14 for further information.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

5. Segment Reporting

Operating segments are reported in accordance with the information analysed by the (the chief operating decision-maker) of the Group, which is responsible for allocating resources to the reportable segments and assesses its performance.

The amounts provided to the Board of Directors in respect of total assets and total liabilities are measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment. As all assets and liabilities have been allocated to the operating (reportable) segments, reconciliations of reportable segments' assets to total assets, and of reportable segments' liabilities to total liabilities, are not presented.

The tables below show results and net assets by geographical location.

	2025				
	Jamaica	**Costa Rica**	**Cayman**	**Eliminations**	**Total**
	$	**$**	**$**	**$**	**$**
Rental income					
- Commercial properties	-	246,260	984,453	-	1,230,713
Fair value gain/(loss) on investment properties (net)	2,228,922	736,935	1,475,000	-	4,440,857
Loss on disposal of investment properties	(367,807)	(112,567)	-	-	(480,374)
	1,861,115	870,628	2,459,453	-	5,191,196
Interest income	231,713	-	4,013	(31,832)	203,894
Other finance (expense)/income	341,040	(65,180)	9,329	37,242	322,431
Financial related (expense)/income	572,753	(65,180)	13,342	5,410	526,325
Other income	95,461	-	7,919	(75,458)	27,922
Operating income	2,529,329	805,448	2,480,714	(70,048)	5,745,443
Depreciation and amortisation	(551)	-	(408)	-	(959)
Interest expense	(900,394)	(198,453)	(686,537)	54,040	(1,731,344)
Expected credit losses	(478,228)	-	-	-	(478,228)
Expenses	(2,999,506)	(223,411)	(577,684)	75,458	(3,725,143)
Operating (loss)/profit	(1,849,350)	383,584	1,216,085	59,450	(190,231)
Share of profits from joint ventures	224,531	-	-	469	225,000
Taxation	-	(31,442)	-	-	(31,442)
Net profit/(loss)	(1,624,819)	352,142	1,216,085	59,919	3,327
Total assets	50,602,786	3,363,123	13,323,987	(1,533,534)	65,756,362
Total liabilities	25,436,781	2,873,322	10,598,181	1,057,219	39,965,503
Investment properties	11,687,438	2,115,560	13,100,000	210,771	27,113,769
Assets held for sale	5,500,000	-	-	-	5,500,000

(Expressed in United States dollars unless otherwise indicated)

5. Segment Reporting (Continued)

	2024				
	Jamaica	**Costa Rica**	**Cayman**	**Eliminations**	**Total**
	$	**$**	**$**	**$**	**$**
Rental income					
- Commercial properties	-	139,009	22,425	(153)	161,281
Fair value gain/(loss) on investment properties (net)	470,728	(103,178)	1,463,398	17,583	1,848,531
Loss on disposal of investment properties	(6,296,593)	(36,681)	-	9,617	(6,323,657)
Loss on sale of unit in development in progress (net)	(397,275)	-	-	-	(397,275)
	(6,223,140)	(850)	1,485,823	27,047	(4,711,120)
Interest income	348,134	-	55	(107,007)	241,182
Dividend income	5,760	-	-	-	5,760
Other finance (expense)/income	(452,377)	35,304	(41)	(24,270)	(441,384)
Financial related (expense)/income	(98,483)	35,304	14	(131,277)	(194,442)
Other income/(loss)	76,714	-	(6,671)	99	70,142
Operating (loss)/income	(6,244,909)	34,454	1,479,166	(104,131)	(4,835,420)
Depreciation and amortisation	(551)	-	(598)	-	(1,149)
Interest expense	(877,148)	(123,893)	(19,716)	125,544	(895,213)
Expected credit losses	48,088	-	-	-	48,088
Expenses	(3,522,038)	(56,528)	(78,431)	12,686	(3,644,311)
Operating (loss)/profit	(10,596,558)	(145,967)	1,380,421	34,099	(9,328,005)
Share of profits from joint ventures	453,268	-	-	(3,268)	450,000
Taxation	-	(17,996)	-	1,178	(16,818)
Net (loss)/profit	(10,143,290)	(163,963)	1,380,421	32,009	(8,894,823)
Total assets	43,918,192	3,172,382	11,789,069	(1,713,838)	57,165,805
Total liabilities	18,867,689	3,043,668	10,279,347	(664,619)	31,526,085
Investment properties	12,140,735	1,997,453	11,625,000	64,581	25,827,769

6. Rental Income

	2025	**2024**
	$	**$**
Commercial properties (Note 14)	1,230,713	161,281

The Group’s revenue is primarily generated from property assets, which are held by Group companies domiciled in the country in which the relevant asset is located.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

6. Rental Income (Continued)

One tenant (2024: two tenants), located and domiciled in Cayman (2024: Costa Rica), account(s) for more than 10% of the Group's rental income.

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 $	2024 $
No later than 1 year	1,196,825	907,730
Later than 1 year and no later than 5 years	5,716,261	1,307,839
Over 5 years	3,578,878	3,379,389

7. Net Interest Income and Dividend Income

	2025 $	2024 $
Interest income		
Interest income from debt securities	39,551	150,260
Interest income from loans	164,343	90,922
Interest income from financial assets at amortised cost	203,894	241,182
Income from financial assets at FVTPL:		
Dividend income	-	5,760
	203,894	246,942
Interest expense		
Financial liabilities at amortised cost	(1,731,344)	(895,213)
Net interest expense	(1,527,450)	(648,271)

8. Other Income

	2025 $	2024 $
Other	27,922	78,933
Loss on disposal of property, plant and equipment	-	(8,791)
	27,922	70,142

9. Expected Credit Losses Charge/(Credit)

	2025 $	2024 $
Investments at amortised cost	(1,365)	(13,548)
Loans at amortised cost	479,593	(34,540)
(Note 27(b))	478,228	(48,088)

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

10. Expenses by Nature

	2025 $	2024 $
Other operating expenses:		
Advertising and marketing	52,215	106,058
Auditors' remuneration	90,000	90,000
Bank charges	68,930	14,732
Business development and meeting expenses	46,882	29,409
Direct property operating expenses (Note 14)	297,676	20,661
Directors' fees and travel	1,061	45,397
Donations and subscriptions	103,131	102,675
First Rock Foundation expense	7,870	22,000
Insurance	28,116	78,827
Legal and professional fees	787,918	973,050
Other	307,226	383,420
Management fees (Note 19(a))	1,170,765	1,017,834
Rates and taxes	8,007	1,223
Registrar and regulatory fees	54,464	47,933
Seminars	13,222	13,222
Software expenses	28,590	24,529
Travel and subsistence	108,922	305,149
Impairment adjustment (Notes 12 and 16)	550,148	368,192
	3,725,143	3,644,311
Depreciation and amortisation expense (Note 17)	959	1,149
Expected credit losses	478,228	(48,088)
	4,204,330	3,597,372

11. Taxation

The Group is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions.

In recognising deferred taxation in relation to certain items of investment property, the Group has assumed that there will be no capital gains tax on rental properties held for successive long-term rental periods. It however assumes, that for items which are currently investment property that will be developed for resale, and will eventually become inventory, the revaluation gains previously recognised will be subject to taxation at the time of sale. For investment property being developed, management recognises a deferred tax charge on the basis of a ratio of units to be sold, to the total number of units being developed. Any change in management's intention from rental to sale, would result in a recognition of an additional deferred tax liability. No deferred tax charge has been recognised in respect of investment properties with undetermined use.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

11. Taxation (Continued)

The Group
The tax liability presented represents the liability for First Rock Capital LATAM, Sociedad Anónima, FCH Jamaica Developers Limited and FCH Jamaica Assets Limited as applicable. There were no tax expenses incurred by the other subsidiaries (First Rock Capital Cayman Limited and First Rock USA, LLC) as they do not have taxable income for the period.

The Company
Effective 1 July 2021, all International Business Companies ("IBCs") are subject to tax on income from sources in St. Lucia at the standard corporate tax rate of 30%. Foreign-source income is not subject to tax in St. Lucia provided that the IBC satisfies the economic substance criteria as set out in St. Lucia's legislation for eligibility to be taxed on a territorial basis in St. Lucia. Expenses incurred in connection with foreign-source income are not tax-deductible. Any such expenses paid to non-residents are not subject to withholding tax in St. Lucia. All domestic companies that are in good standing with the Inland Revenue Department, including branches of non-resident companies, are subject to tax at a basic rate of 30%. Companies that are not in good standing are subject to tax at a rate of 33.3%. Management is currently processing the filings to the tax authorities to meet the various criteria of the legislation to satisfy the economic substance requirement.

First Rock Capital LATAM, Sociedad Anónima
This subsidiary is registered under the "Income from Real Estate" regime, rather than the ordinary regime. Under the "Income from Real Estate" regime, tax is charged at a fixed rate of 15% (2024: 15%) of the gross rental income received, instead of a corporation tax of 30% payable on taxable income under the ordinary tax regime.

FCH Jamaica Developers Limited and FCH Jamaica Assets Limited
Income tax is charged at a rate of 25% for unregulated entities.

(a) Composition of tax charge

The taxation charge for the year is comprised of:

	2025 $	2024 $
Current tax	31,442	16,818

(b) Reconciliation of applicable tax charges to effective tax charge:

	2025 $	2024 $
The Company:		
St. Lucia tax considerations:		
Loss before tax	(2,350,871)	(3,963,433)
Tax at Nil% (2024: Nil%)	-	-

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

11. Taxation (Continued)

(b) Reconciliation of applicable tax charges to effective tax charge: (continued)

	2025 $	2024 $
The Company: (continued)		
Jamaican tax considerations:		
Loss before tax	(2,350,871)	(3,963,433)
Tax at 25% (2024: 25%)	(587,718)	(990,858)
Adjusted for the effects of:		
Expenses not allowable for tax purposes	161,871	376,567
Income not subject to tax	(558,774)	(148,559)
Tax losses not recognised	898,594	745,677
Other	86,027	17,173
Tax charge	-	-
First Rock Capital LATAM, Sociedad Anónima:		
Rental income(net)	209,613	112,120
Tax at 15% (2024:15%)	31,422	16,818
FCH Jamaica Developers Limited:		
Loss before tax	(415,062)	(86,085)
Tax at 25% (2024: 25%)	(103,766)	(21,521)
Adjusted for the effects of:		
Tax losses not recognised	6,068	1,174
Expenses not allowable for tax purposes	24	318
Other	97,674	20,029
Tax charge	-	-
FCH Jamaica Assets Limited:		
Loss before tax	(1,558,764)	(6,515,411)
Tax at 25% (2024: 25%)	(389,691)	(1,628,853)
Adjusted for the effects of:		
Expenses not allowable for tax purposes	94,388	37,859
Tax losses not recognised	490,959	383,907
Other	328,637	1,312,857
Income not subject to tax	(524,293)	(105,770)
Tax charge	-	-
Tax expense	31,442	16,818

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

11. Taxation (Continued)

(c) Subject to agreement of the Commissioner General, Tax Administration Jamaica, at the reporting date, the following tax losses were available for set-off against future taxable profits for certain entities within the Group. Prior year tax losses that may be deducted in any tax year are capped at 50% of the aggregate taxable income for that year after taking into consideration the appropriate tax deductions and exemptions.

Entity	**Tax losses available for set off against future taxable profits**	**Tax losses for which a deferred tax has been recognised**	**Tax losses for which no deferred tax asset has been recognised due to the uncertainty of sustained taxable profits**
	$	**$**	**$**
31 December 2025			
First Rock Real Estate Investments Limited - Jamaican tax considerations	14,795,149	5,200,877	9,594,272
FCH Jamaica Developers Limited	211,249	-	211,249
FCH Jamaica Assets Limited	4,034,969	-	4,034,969
Total	19,041,367	5,200,877	13,840,490
31 December 2024	**$**	**$**	**$**
First Rock Real Estate Investments Limited - Jamaican tax considerations	11,200,775	3,538,526	7,662,249
FCH Jamaica Developers Limited	193,000	-	193,000
FCH Jamaica Assets Limited	2,017,484	-	2,017,484
Total	13,411,259	3,538,526	9,872,733

12. Investment in Associate

	2025	**2024**
	$	**$**
Carrying amount of interest in associate:		
Caribbean Health Systems Limited net of impairment adjustment of $Nil (2024: $100,000) for the year	-	584,965

This represented the cost of a direct holding of 250,000 shares or 25% shareholding.

Up to 31 December 2024, this entity had not yet commenced trading. Accordingly, no financial information was available.

Foreign currency adjustment on translation amounted to $Nil (2024: $3,379) for the year.

During the year, the Group reclassified its shareholdings in this entity from Investment in Associate to Investments at fair value through profit and loss based on management's judgement that significant influence did not materialise (Note 18(e)).

(Expressed in United States dollars unless otherwise indicated)

13. Investment in Joint Ventures

First Rock Real Estate Investments Limited entered into joint venture agreement with effect from 31 March 2023; where it owns a fifty percent (50%) share in St. Thomas Luxury Limited, a company incorporated in Jamaica. The principal activities of St. Thomas Luxury Limited is real estate development.

FCH Jamaica Assets Limited entered into joint venture agreement with effect from 1 June 2023; where it owns a seventy-five percent (75%) share in Ocean Eyes Limited, a company incorporated in Jamaica. The principal activities of Ocean Eyes Limited is real estate development.

The investment in joint ventures presently represent lands for development. At 31 December 2025 and 31 December 2024, no development had commenced.

	Unaudited			
	St. Thomas Luxury Limited	**Ocean Eyes Limited**	**Total 2025**	**2024**
	$	**$**	**$**	**$**
Carrying amount at beginning of year	2,500,000	1,125,000	3,625,000	3,175,000
Share of equity for the year	-	225,000	225,000	450,000
Carrying amount at end of year	2,500,000	1,350,000	3,850,000	3,625,000
Comprising:				
Capital contributed			1,575,000	1,575,000
Share of equity (accumulated)			2,275,000	2,050,000
			3,850,000	3,625,000

The tables below provide summarised financial information for the joint venture.

	Unaudited			
	St. Thomas Luxury Limited	**Ocean Eyes Limited**	**Total 2025**	**2024**
	$	**$**	**$**	**$**
Net assets/Equity	5,000,000	1,800,000	6,800,000	6,500,000
Group's share of equity	2,500,000	1,350,000	3,850,000	3,625,000
Revenue and profit for the year	-	300,000	300,000	1,000,000
Group's share of profit for the year	-	225,000	225,000	450,000

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

14. Investment Properties

This comprises:

	Land (Note 14(a)) $	Commercial Property $	Residential $	2025 $	2024 $
At 1 January	12,220,000	13,607,769	-	25,827,769	12,820,906
Acquisitions	706,358	947,304	1,600,000	3,253,662	10,161,602
Disposals	(3,139,765)	(1,280,186)	-	(4,419,951)	-
Reclassified to investment property held for sale (Note 14(f))	(5,500,000)	-	-	(5,500,000)	-
Reclassified from development in progress (Note 16)	-	-	3,300,663	3,300,663	882,589
	4,286,593	13,274,887	4,900,663	22,462,143	23,865,097
Foreign exchange adjustment	225,383	(147,036)	132,422	210,769	(35,859)
Net gain from fair value adjustment:					
- To income	503,458	2,064,923	1,872,476	4,440,857	1,848,531
- To deferred income (Note 25(a))	-	-	-	-	150,000
Fair value as at 31 December	5,015,434	15,192,774	6,905,561	27,113,769	25,827,769

(a) In 2021, land was acquired by way of transfer by natural love and affection for no consideration (Note 25(a)). Unrealised fair value gain for the year amounted to $Nil (2024: $150,000).

(b) Amounts recognised in income statement for investment properties:

	2025 $	2024 $
Rental income (Note 6)	1,230,713	161,281
Direct costs (Note 10)	(297,676)	(20,661)
Fair value gains on revaluation	4,440,857	1,848,531
Loss on disposals (net)	(480,374)	(6,323,657)
	4,893,520	(4,334,506)

(c) All properties were valued at current market value as at 31 December by independent qualified property appraisers and valuators.

2025

Category	Valuation technique	Observable inputs	Unobservable inputs	Capitalisation factor (%)
Land	Sales Comparison	Sales prices/per acre, comparable address	Appreciation for time and sale of demand for comparables	N/A
Commercial properties	Sales Comparison	Sales prices per square foot, listings	Area, negotiation, access, location, topography and view	N/A

(Expressed in United States dollars unless otherwise indicated)

14. Investment Properties (Continued)

(c) (continued)

2024

Category	**Valuation technique**	**Observable inputs**	**Unobservable inputs**	**Capitalisation factor (%)**
Land	Sales Comparison	Sales prices/per acre, comparable address	Appreciation for time and sale of demand for comparables	N/A
Commercial properties	Sales Comparison	Sales prices per square foot, listings	Area, negotiation, access, location, topography and view	N/A

A ±10% change in the consideration of current values would result in the carrying value of investment properties and investment properties held for sale and net profit increasing/decreasing by $3.261 million (2024: $2.583 million)

The fair values of the investment property are at level 3 in the fair value hierarchy, as certain of the inputs into the valuation process are deemed to be unobservable, as above.

Properties were valued at current market value as at 31 December by the following independent qualified property appraisers and valuators:

2025
A.S James & Associates Limited (Jamaican properties)
NAI Jamaica (Jamaican properties)
Constructora Costarricense S.A. (Costa Rican properties)
Charterland Surveyors (Cayman properties)

2024
A.S James & Associates Limited (Jamaican properties)
NAI Jamaica (Jamaican properties)
Icicor (Costa Rican properties)
JEC Property Consultants (Cayman properties)

(d) Leasing arrangements
Commercial and residential properties are leased to tenants under operating leases with rentals payable monthly. Lease payments do not include variable lease payments that depend on an index or rate.

(e) Pledged as collateral for loans
Investment properties have been pledged as collateral for loans as detailed in Note 23 and Note 24.

(Expressed in United States dollars unless otherwise indicated)

14. Investment Properties (Continued)

(f) Investment properties held-for-sale
At year end, property with a carrying value of $5,500,000 (2024: $Nil) was transferred to investment properties held-for-sale based on management's decision to dispose of the property. At 31 December 2025, management believed that sale of the property will be realised within the next 12 months.

(g) Investment properties not held in the name of the Group
These include:
- Property with a carrying value of $2,000,000 (2024: $Nil) is held in the name of Northwood Limited. This property was purchased in December 2025 and although possession by the Company took place, the process to complete transfer of title was not completed at year end.
- Property with a carrying amount of $13,100,000 (2024: $11,625,000) is held in the name of Crown Square limited under vendor mortgage agreement with Sandbank Capital Limited (formerly First Rock Capital Cayman Limited).
- Property with a carrying amount of $2,113,769 (2024: $1,982,769) is held on the name of Servicios Fiduciarios SEFICOME S.R.L. in trust for First Rock Latam One S.R.L.

15. Deferred Tax Assets/(Liabilities)

Deferred taxes are calculated in full on temporary differences under the liability method.

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

	Deferred Tax Assets		
	Tax losses $	**Interest payable $**	**Total $**
At 1 January 2024	896,909	19,897	916,806
(Charged)/Credited to profit or loss	(12,278)	1,665	(10,613)
At 31 December 2024	884,631	21,562	906,193
Credited to profit or loss	415,588	1,359	416,947
At 31 December 2025	1,300,219	22,921	1,323,140

	Deferred Tax Liabilities			
	Unrealised exchange gains $	**Unrealised gain on fair valuation $**	**Interest receivable $**	**Total $**
At 1 January 2024	5,839	875,971	34,996	916,806
(Credited)/Charged to profit or loss	7,177	(8,317)	(9,473)	(10,613)
At 31 December 2024	13,016	867,654	25,523	906,193
Charged to profit or loss	22,949	374,835	19,163	416,947
At 31 December 2025	35,965	1,242,489	44,686	1,323,140

(Expressed in United States dollars unless otherwise indicated)

15. Deferred Tax Assets/(Liabilities) (Continued)

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

	2025 $	2024 $
Deferred tax assets to be settled after more than twelve months	1,300,219	884,631
Deferred tax liabilities to be settled after more than twelve months	1,242,489	867,654

16. Development in Progress

	2025 $	2024 $
Land		
- Hambani Estates (Note 16(a))	5,548,377	7,813,769
Development Costs/Preconstruction Costs		
- Hambani Estates (Note 16(a))	16,901,543	13,591,930
- Other (Note 16(b))	405,728	712,165
	17,307,271	14,304,095
Impairment adjustment – Hambani Estates (Note16(c))	(818,340)	(268,192)
	22,037,308	21,849,672
Classified as:		
Non-current	405,728	712,165
Current	21,631,580	21,137,507
	22,037,308	21,849,672

(a) This represents a 3.43 acre parcel of land currently being developed as a luxury residential villa community situated at lots 1, 1B and 3 Bamboo Avenue, Kingston 6, St. Andrew. Construction commenced in March 2021, with an initial expected completion date in 2024, is rescheduled for completion in 2026. Development in progress costs in relation to this property consists of pre-construction costs and hard construction costs. At 31 December 2025, this project is 90% completed. An estimated $0.079 million (2024: $2 million) is required to complete this project.

During the year, 2 units were completed and transferred to investment properties as the Company designated these units for capital appreciation and to earn rental income for the long term (2024: 1 unit was completed and the sale effected).

(b) This represents pre-construction costs related to potential development of land held in investment properties once necessary determination of use is confirmed and necessary approval obtained, as appropriate.

(c) Movement during the year is as follows:

	2025 $	2024 $
Balance at beginning of the year	268,192	-
Charge for the year	550,148	268,192
Balance at end of the year	818,340	268,192

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

16. Development in Progress (Continued)

(d) Movement during the year is as follows:

	2025 $	2024 $
Balance at beginning of year	21,849,672	21,043,717
Development costs incurred	3,047,582	2,917,959
Interest capitalised during the year	990,865	686,052
Impairment adjustment for the year (Note 10)	(550,148)	(268,192)
Transferred to investment properties (Note 14)	(3,300,663)	(882,589)
Transferred to net loss on sale of unit in development in progress	-	(1,647,275)
Balance at end of year	22,037,308	21,849,672

17. Property, Plant and Equipment

	Furniture Fixtures & Fittings $	Billboards $	Computer Equipment $	Total $
Cost -				
As at 1 January 2024	2,474	4,190	1,714	8,378
Disposals	(2,474)	-	(1,714)	(4,188)
As at 31 December 2024	-	4,190	-	4,190
Additions	2,063	-	1,423	3,486
As at 31 December 2025	2,063	4,190	1,423	7,676
Accumulated Depreciation -				
As at 1 January 2024	(628)	(2,674)	(771)	(4,073)
Charge for the year (Note 10)	(283)	(551)	(315)	(1,149)
Relieved on disposal	911	-	1,086	1,997
As at 31 December 2024	-	(3,225)	-	(3,225)
Charge for the year (Note 10)	(194)	(551)	(214)	(959)
As at 31 December 2025	(194)	(3,776)	(214)	(4,184)
Net Book Value -				
As at 31 December 2025	1,869	414	1,209	3,492
As at 31 December 2024	-	965	-	965

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

18. Investments

	2025 $	2024 $
Financial assets measured at amortised cost:		
(a) Corporate bond at interest rate of 11.75% (2024: 11.75%) per annum maturing 2027 (2024: 2027)	188,654	192,857
Resale agreement at an interest rate of 5% (2024: 5.45%) per annum maturing 2026 (2024: 2025) (Note 18(f))	156,890	371,551
Certificates of deposits at an interest rate(s) of 2.5% (2024: 2.5% and 3%) per annum maturing 2026 (2024: 2025) (Note 18(g))	164,522	192,988
	510,066	757,396
Interest receivable	6,629	3,273
	516,695	760,669
Less: ECL (Note 27(b))	(1,238)	(2,602)
	515,457	758,067
(b) Promissory notes:		
First Rock Group Limited (Note 18(d)(i))	1,067,748	1,069,100
Premier Private Equity Limited (Note 18(d)(ii))	266,250	266,250
FEP Limited (Note 18(d)(iii))	531,491	537,970
Roots Financial Group Limited (Note 18(d)(iv))	504,169	514,271
	2,369,658	2,387,591
Interest receivable	172,149	98,677
	2,541,807	2,486,268
Less: ECL (Note 27(b))	(515,245)	(35,171)
	2,026,562	2,451,097
Total	2,542,019	3,209,164
Classified as:		
Non-current	2,040,712	1,825,198
Current	501,307	1,383,966
	2,542,019	3,209,164
Financial assets measured at fair value through profit and loss:		
(c) Quoted and unquoted equities: non-current (Note 18(e))	1,325,737	138,889

(Expressed in United States dollars unless otherwise indicated)

18. Investments (Continued)

(d) Promissory notes comprise:

(i) This represents the balances outstanding on loans with nominal amounts totalling approximately $1,258,728 (2024: $1,069,100) at an interest rate of 8% per annum. The maturity dates of these loans range from July 2029 – April 2050.

(ii) This represents the balance outstanding on a loan of $266,250 at an interest rate of 3% per annum. The loan is payable in full in July 2034.

(iii) This represents the balance outstanding on loans totalling approximately $650,000 and JMD46,200,000 at interest rates of 8% and 10% per annum. The maturity dates of these loans are January and June 2030.

(iv) This represents the balance outstanding on a loan of JMD80,000,000 at an interest rate of 9.25% per annum. The loan was payable in full in March 2025.

(e) This comprises:

	2025 $	2024 $
Quoted equities	-	138,889
Unquoted equity – Caribbean Health Systems (Notes 12 and 28)	1,325,737	-
	1,325,737	138,889

(f) This resale agreement is hypothecated for the corporate bond payable (Note 23(a)).

(g) Amounts totalling $164,522 (2024: $160,488) are hypothecated for long-term loans (Note 24(b)).

(Expressed in United States dollars unless otherwise indicated)

19. Related Party Balances and Transactions

(a) The consolidated statement of financial position includes the following balances with related parties:

	2025 $	2024 $
Amounts due from/(to) related parties:		
Century 21 Heave-Ho Properties (Company with common directorship)	4,163	4,178
Dolla Financial Services Limited (Company with common directorship)	3,370	3,370
Optimum Trading Limited (Company with common directorship)	4,565	4,114
FirstRock Foundation (Company with common directorship)	3,215	-
Premier Private Equity Limited (Company with common directorship)	(641,236)	(706,314)
FCR Construction Company Limited (Company with common directorship)	(619,388)	(751,578)
First Rock Group Limited (Management company)	1,018,829	1,017,590
	(226,482)	(428,640)
Classified as:		
Due from related parties	1,034,142	1,029,252
Due to related parties	(1,260,624)	(1,457,892)
	(226,482)	(428,640)

These amounts are unsecured, non-interest bearing and will be settled within the normal credit terms of the Group. No impairment allowance has been recognised in respect of amounts owed by these related parties.

	2025 $	2024 $
Promissory notes (excluding interest): (Note 18(b))		
First Rock Group Limited (Management company)	1,067,748	1,069,100
FEP Limited (Company with common directorship)	531,491	537,970
Premier Private Equity Limited (Company with common directorship)	266,250	266,250
	1,825,489	1,873,320
Investment in Joint Venture: (Note 13)		
Ocean Eyes Limited (Common directorship with other party to the venture)	1,350,000	1,125,000
Long-term loans: (Note 24):		
Advanced Integrated Systems Limited (Company with common directorship)	1,400,000	1,500,000
Optimum Distributors Limited (Company with common directorship)	94,322	96,428
Premier Private Equity Limited (Company with common directorship)	1,166,630	-
Related party transactions:		
Interest Income:		
First Rock Group Limited	83,491	88,177
FEP Limited	41,554	69,194
Premier Private Equity Limited	7,988	1,991
	133,033	160,279
Expenses:		
First Rock Group Limited:		
Management fees (Note 10)	1,170,765	1,017,834
FEP Limited:		
Travel & Business Development fees	-	341,000
Interest expense:		
Optimum Distributors Limited	10,277	6,639
Advanced Integrated Systems Limited	142,500	142,500
Premier Private Equity Limited	180,045	-

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

19. Related Party Balances and Transactions (Continued)

(a) The consolidated statement of financial position includes the following balances with related parties: (continued)

	2025 $	2024 $
Related party transactions: (continued)		
Share of equity from investment in joint venture: (Note 13)		
Ocean Eyes Limited (Common directorship with other party to the venture)	225,000	(150,000)

(b) Key management compensation

Directors' fees totalled $1,061 (2024: $45,397) for the period (Note 10).

20. Other Assets

	2025 $	2024 $
Rent receivable	31,678	-
Prepaid expenses	336,050	201,462
Due from broker	1,746	1,746
Due from attorney	37,137	37,137
GCT recoverable	135,310	116,224
Other receivables	90,135	54,977
	632,056	411,546

21. Cash

	2025 $	2024 $
Cash at bank	36,082	488,234
Cash in hand	436	349
Escrow funds (Note 23(b) and Note 25)	1,006,321	-
Debt service reserve (Note 23(b))	675,000	-
	1,717,839	488,583
Classified for the purposes of the statement of cash flows as:		
Cash and cash equivalents	36,518	488,583
Restated cash	1,681,321	-
	1,717,839	488,583

22. Share Capital

	2025 No. of shares	2025 $	2024 No. of shares	2024 $
Class A Ordinary shares (Note 22(a)):				
Opening balance and closing balance	281,325,326	27,337,093	281,325,326	27,337,093
Class A Preference shares (Note 22(b)):				
Opening balance and Closing balance	1,000,000	-	1,000,000	-
	282,325,326	27,337,093	282,325,326	27,337,093

(a) Class A Ordinary shares are voting and participating shares of the Company.

22. Share Capital (Continued)

(b) Class A Preference shares rank pari passu as between and among themselves and in priority to any shares by the Company. Each Class A preference shareholder is entitled to a cumulative annual preference dividend equivalent to twenty- five per cent (25%) of the consolidated audited annual total comprehensive income of the Company (calculated in accordance with IFRS Accounting Standards prevailing from time to time, and expressed in US dollars) ("Total Income") in each financial year once the 'Annual Earnings Hurdle' is achieved, divided by the number of Class A Preference Shares in issue when the said cumulative annual preference dividend is paid. The "Annual Earnings Hurdle" shall be the amount which results when the Hurdle Rate of eight and one half per cent (8½ %) is applied to the Total Income of the Company. Class A preference shareholders have voting rights in general meeting and have no economic rights or entitlements apart from the cumulative dividends, save and except for a return of capital paid or credited to be paid, as well as a right to share in any surplus on winding up on a pari passu basis with the capital paid for the shares. No capital has been paid on the Class A preference shares.

23. Corporate Bonds Payable

	2025	**2024**
	$	**$**
Medium-term secured bond due 2026 (Note 23(a))	4,401,699	4,500,007
Fixed Rate Senior Secured Note due 2027 (Note 23(b))	15,000,000	-
Unamortised borrowing costs (Note 23(c))	(974,566)	(46,478)
	18,427,133	4,453,529
Interest payable	673,687	50,625
	19,100,820	4,504,154
Classified as:		
Non-current	14,809,873	4,504,154
Current	4,290,947	-
	19,100,820	4,504,154

(a) This represents a corporate bond issued through Sygnus Capital Limited in the amount of JMD700,000,000 at an interest rate of 7.50% per annum for 5 years maturing May 2026. The bond is secured by:

- First Legal Mortgage stamped to cover residential property situated at Retreat in the parish of Saint Andrew now known as 30 Millsborough Avenue registered at Volume 117 Folio 113 in the name of FCH Jamaica Assets Limited.
- First Legal Mortgage stamped to cover residential property situated at Retreat in the parish of Saint Andrew now known as 5 Seaview Avenue, registered at Volume 1027 Folio 229 in the name of First Rock Real Estate Investments Limited.
- Hypothecated resale agreement in the name of JCSD Trustee Services c/o First Rock Real Estate Investments Limited representing the initial twelve-months interest (Note 18(f)).

(b) This represents a secured note issued through Mayberry Investments Limited in the amount of $15,000,000 at an interest rate of 14% per annum for 18 months maturing May 2027. The bond is secured by:

- Legal Mortgage over the property at 1, 1B & 3 Bamboo Avenue, Kingston 6, stamped to cover $15,000,000.
- Unlimited Corporate Guarantee from First Rock Real Estate Investments Limited.
- Assignment of Contractor's All Risk Insurance.
- Letter of Undertaking from project attorney to remit 100% of sales proceeds to escrow and debt service reserve accounts (Note 21 and Note 25).

(Expressed in United States dollars unless otherwise indicated)

23. Corporate Bonds Payable (Continued)

(c) Unamortised borrowing costs

	2025 $	2024 $
Opening balance	46,478	81,337
Incurred during the year	1,158,550	-
Amortised during the year	(230,462)	(34,859)
Closing balance	974,566	46,478

(d) Changes arising from financing activities:

	2025 $	2024 $
Opening balance	4,504,154	4,491,745
Acquisition during the year	15,000,000	-
Amortised borrowing costs (net)	(928,088)	34,859
Change in interest payable	623,062	(251)
Foreign exchange adjustment	(98,308)	(22,199)
Closing balance	19,100,820	4,504,154

(e) Compliance with covenants

At 31 December 2025 and 2024, the Company complied with the terms of the bonds payable.

24. Long-Term Loans

	2025 $	2024 $
Sagicor Bank Jamaica Limited (Note 24(a))	-	8,822,631
Cayman National Bank (Cayman) Limited (Note 24(b))	6,819,316	6,900,000
Advanced Integrated Systems Limited (Note 24(c))	1,400,000	1,500,000
BAC Credomatic (Costa Rica) (Note 24(d))	1,300,000	1,100,000
Crown Square Limited (Note 24(e))	2,183,660	2,200,000
Optimum Distributors Limited (Note 24(f))	94,322	96,428
Premier Private Equity Limited (Note 24(g))	1,166,630	-
Other (Note 24(h))	2,899,902	1,274,901
	15,863,830	21,893,960
Unamortised borrowing costs (Note 24(j))	(19,388)	(23,654)
	15,844,442	21,870,306
Interest payable	135,808	160,569
	15,980,250	22,030,875
Classified as:		
Non-current	8,920,006	7,925,884
Current	7,060,244	14,104,991
	15,980,250	22,030,875

24. Long-Term Loans (Continued)

(a) This represented term loan facilities taken out by FCH Jamaica Developers Limited to:

(i) Assist with construction of units at Bamboo Avenue, Jamaica. Interest was charged at a rate of 6.75% per annum calculated monthly. The facility was to be paid over 24 months to March 2024 with monthly interest only payments of $52,805 and principal paid in full by maturity from the proceeds of unit sales.

(ii) Meet monthly interest payments due on the construction loan at (i) above. Interest was charged at a rate of 6.75% per annum calculated monthly. The facility was to be paid over 24 months to March 2024 with monthly interest only payments and principal paid in full by maturity from the proceeds of unit sales.

In March 2024, FCH Jamaica Developers Limited requested and the Bank agreed to extend the maturity date for a further 6 months to September 2024. In September 2024, the facilities were combined, and a new facility of $8,822,860 (net of partial repayment during the year) was effected and a further extension granted to March 2025 at an interest rate of 8% per annum.

The above loan was secured by the following:

- First Legal Mortgage stamped to cover $1.875 million over property (vacant land) situated at 1, 1B & 3 Bamboo Avenue, Mona, Kingston 6, St, Andrew registered at Volume 1546 Folio 623 and Volume 1554 Folios 440, 441, 443-451 in the name of First Rock Real Estate Investments Limited.
- Second Legal Mortgage stamped to cover $10.557 million over residential development property located at 1, 1B & 3 Bamboo Avenue, Mona, Kingston 6, St. Andrew registered at Volume 1546 Folio 623 in the name of First Rock Real Estate Investments Limited. The lender's charge ranks pari passu or second demand to a prior charge registered by the Real Estate Board.
- Unlimited Corporate Guarantee from the registered proprietor and parent company, First Rock Real Estate Investments Limited.
- Assignment of contractors all risk insurance over above residential development property for the full construction costs with the lender's interest noted thereon as first mortgagee.

The loan was repaid in full during the year.

(b) This represents a non-revolving commercial facility of $6.9 million taken out by Sandbank Capital Limed (formerly First Rock Capital Cayman Limited) in October 2024 for the purchase of commercial property in Grand Cayman. Interest is charged at fixed rate 7% per annum for an initial fixed term of 24 months. Subsequent to the fixed term, the facility will revert to either a variable rate of interest above the lender's Prime Rate for KYD or US lending or Secured Overnight Financing Rate ("SOFR") rate for US. Alternately, should First Rock Capital Cayman Limited prefer to continue with a fixed rate arrangement, the lender in its sole discretion will provide a quote for further fixed rate of interest upon request. Repayment of the principal is due in full on 20 December 2044.

The facility is secured by the following:

- Debt servicing reserve account representing 3 months debt repayments (Note 18(g)).
- Fixed and Floating Debenture over all assets of First Rock Capital Cayman Ltd. to be registered and stamped to cover KYD 5.75 million.
- Collateral First Legal Charge over properties legally described as George Town Central Block 14CF Parcels 226 HS-H13, H18-H24 and Parcel 225 to be stamped and registered to cover KYD 5.75 million.
- Company Guarantee and Postponement of Claim from the parent company, First Rock Real Estate Investments Limited in an amount limited to KYD 5.75 million.
- Deed of Subordination of any shareholder's or related party loan to this facility.
- Assignment of leases and rents with respect to leases and rents and any other income from properties mortgaged and charged with the right, at the lender's discretion, to request payments to be made directly to it.
- Evidence of all perils strata insurance as well as liability insurance over the properties mortgaged.

24. Long-Term Loans (Continued)

(c) This represents a loan of $1.5 million taken out by the Company in 2023 for 3 years by at an interest rate of 9.5% per annum with interest payments commencing January 2023. Repayment of the principal was originally due in full on 31 December 2025, however, was extended to 30 June 2026. $100,000 was partially paid during the year. The loan is unsecured.

(d) At 31 December 2025, this represents a non-revolving loan facility in the amount of $1,300,000 taken out by First Rock Latam One S.R.L. to:

(i) Assist with construction of a commercial property in Coyol, Costa Rica. Interest is charged at 7.5% per annum. The facility will be paid over 10 years with monthly interest commencing April 2025 and principal together with interest payments totalling $12,787 commencing April 2026. Repayment of principal is due in full on 24 March 2035.

The loan is secured by registered mortgaged over above-named properties. At 31 December 2025, total drawdowns amounted to $1,300,000 (2024: $Nil).

At 31 December 2024, this represented a non-revolving loan facility in the amount of $1,100,000 taken out by First Rock Latam One S.R.L. to:

(i) Assist with construction of a commercial property in El Roble, Alajuela, Costa Rica. Interest was charged at 9% per annum. The facility was to be paid over 10 years with monthly interest commencing December 2023 and principal together with interest payments totalling $5,694 commencing December 2024.
(ii) Assist with the construction of a commercial property in San Rafael, Alajuela, Costa Rica. Interest was charged at 9% per annum. The facility was to be paid over 10 years with monthly interest commencing January 2024 and principal together interest payments totalling $5,620 commencing January 2025.

The loan was secured by registered mortgage over the above-named properties. The facility was repaid in full during the year.

(e) This represents a vendor mortgage from Crown Square Limited of $2,200,000 taken out by Sandbank Capital Limited (formerly First Rock Capital Cayman Limited) in November 2024 for the purchase of the property and related expenses. The loan is for 24 months at an interest rate of 8% per annum calculated quarterly. Repayment of the principal is due in full on 20 December 2026. The loan is secured by the property acquired.

(f) This represents a loan from Optimum Distributors Limited for JMD15 million taken out by FCH Jamaica Assets Limited in May 2024 for the purpose of funding business operations. Interest is charged at a rate of 11% per annum and was originally to be repaid in full in December 2024, now rescheduled to be repaid in full in December 2026.

(g) This represents three separate loans from Premier Private Equity Limited facilities as follows:

- Two loans totalling $1,166,630 taken out by the Company in January 2025 and March 2025 for the purpose of funding business operations. Interest is charged at a rate of 18% per annum. Repayment of principal is due in full on 31 March 2027.

- One loan of JMD3,461,598 taken out by FCH Jamaica Assets Limited in December 2025 for the purpose of funding business operations. Interest is charged at a rate of 18% per annum. Repayment of principal is due in full on 1 April 2027.

First Rock Real Estate Investments Limited

Notes to the Consolidated Financial Statements

Year ended 31 December 2025

(Expressed in United States dollars unless otherwise indicated)

24. Long-Term Loans (Continued)

(h) This represents three separate facilities as follows:

- a vendor mortgage from a private individual with balance of $399,901 (2024: $899,901) to FCH Jamaica Assets Limited in 2022 for the purchase of land at 2 Retreat Avenue Kingston 6. Interest was charged at 2% per annum, however the issuer had granted a twelve-month moratorium where interest shall not accrue. Up to 2023, the loan was secured by first legal mortgage stamped to cover $4,500,000 over property situated at 2 Retreat Avenue Kingston 6 Volume 1188 Folio 827 in the name of FCH Jamaica Assets Limited. During 2024, the mortgage was discharged and the loan became unsecured with interest charged at a rate of 10% per annum, however, the vendor granted a moratorium where interest will not accrue.

- a non-interest bearing vendor mortgage from a private entity for $950,000 (2024: $750,000) to FCH Developers Limited connected to the agreement for sale of Lot #11 Hambani, 1-3 Bamboo Avenue. This loan is to be repaid in full from the proceeds of sale of units in the Hambani development expected to be completed in the second quarter of 2026.

- a vendor mortgage from a private entity for $1,550,000 to FCH Jamaica Assets Limited in December 2025 for the purchase of the property at Barbican Heights, St. Andrew. The loan is for 18 months at an interest rate of 9% per annum calculated quarterly.

(i) As at 31 December 2025, the Group is in compliance with all loan covenants. As at 31 December 2024, the Group was in compliance with all loan covenants except in respect of a loan held by a subsidiary company for $1.1 million related to two financial covenants. Consequently, this loan was classified as a current liability in 2024.

(j) Unamortised borrowing cost:

	2025 $	2024 $
Opening balance	23,654	46,347
Incurred during the year	21,150	-
Amortised during the year	(25,416)	(22,693)
Closing balance	19,388	23,654

(k) Reconciliation of loans arising from financing activities

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

	Opening balance $	Financing cash flows - loan received (net) $	Non-cash changes - interest $	Non-cash changes - foreign exchange movements $	Amortised borrowing costs (net) $	Closing balance $
2025						
Long-term loans	22,030,875	(6,087,962)	(24,761)	57,832	4,266	15,980,250
2024						
Long-term loans	17,124,061	4,834,551	84,995	(35,425)	22,693	22,030,875

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

25. Other Liabilities

	2025 $	2024 $
Trade payable	107,455	70,913
Tenant deposits	20,817	23,302
Accrued expenses	192,688	132,752
Credit card payable	56,373	25,071
Deposit on sale of units (Note 25(b))	2,302,074	489,129
Withholding tax payable	155,500	121,123
Contractor's levy payable	8,430	8,619
Dividend payable	135,681	135,681
Other payables (Note 26(a))	638,243	2,526,075
	3,617,261	3,532,665

(a) This included $Nil (2024: $1,900,000) representing the fair value of land transferred by way of natural love and affection for no consideration and which has been upheld as deferred income, in accordance with IAS 20. During 2024, the terms and conditions of the transfer between the vendor, Berlinc Development Limited, and FCH Jamaica Assets Limited were finalised by Memorandum of Understanding ("MOU"). The MOU stipulates that 20% of the developed units on the land transferred should be allocated to the vendor upon completion of development at the cost of FCH Jamaica Assets Limited (Note 14). During the year the project was abandoned and the property transferred back to the vendor.

(b) Of this amount, $1,006,321 is held in escrow fund accounts as per the terms of the secured note agreement (Note 21 and Note 23(b)).

26. Earnings/(Loss) per Stock Unit

Basic earnings/(loss) per stock unit are calculated by dividing the net profit/(loss) attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Net profit/(loss) attributable to shareholders ($)	(3,327)	(8,894,823)
Weighted average number of ordinary shares in issue	281,325,326	281,325,326
Basic earnings/(loss) per stock unit (USD per share)	0.00001	(0.032)

The Group has no dilutive potential ordinary shares. The diluted earnings/(loss) per stock unit are the same as the basic earnings per stock unit.

27. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the First Rock Group Limited, which identifies, evaluates and manages financial risks in close co-operation with the Group's operating business units. The Board of Directors sets guidelines for overall risk management including specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investing excess liquidity. There has been no change in the Group's measurement and management of these loans.

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(a) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates, interest rates, political risk and economic risk. Market risk is monitored by Management who carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Jamaican dollar ("JMD") and the Costa Rican Colón ("CRC"). Foreign exchange risk arises from transactions for purchases and recognised assets and liabilities.

The Group 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 Group further manages this risk by maximizing foreign currency earnings and holding foreign currency balances.

Concentration of currency risk

The table below summarises the Group's exposure to the JMD as at 31 December. The Group's exposure to the CRC as at 31 December was not material.

	2025 JMD Exposure US$	2024 JMD Exposure US$
Financial assets		
Cash	106,992	236,689
Financial assets at amortised cost	1,166,491	1,457,076
Other assets	41,384	14,902
Total financial assets	1,314,867	1,708,667
Financial liabilities		
Corporate bonds	4,401,699	4,504,154
Long-term loans	94,322	96,428
Other liabilities	70,155	77,571
Total financial liabilities	4,566,176	4,678,153
Net position	(3,251,309)	(2,969,486)

First Rock Real Estate Investments Limited

Notes to the Consolidated Financial Statements

Year ended 31 December 2025

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis

The impact on the Group's profit (2024: loss) before taxation, arising from a weakening or strengthening of the USD dollar in relation to the JMD are as follows:

	% Change in Currency Rate 2025	Effect on Profit before Tax 2025 $	% Change in Currency Rate 2024	Effect on Loss before Tax 2024 $
Currency:				
JMD (USD Strengthen)	1%	(32,513)	4%	118,779
JMD (USD Weaken)	1.5%	48,770	1%	(29,695)

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk. The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities.

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The following tables summarise the Group's exposure to interest rate risk. It includes the Group's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	2025				
	Within 1 year $	**1 to 5 Years $**	**Over 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets					
Cash	1,717,403	-	-	436	1,717,839
Financial assets at amortised cost	1,066,560	1,515,414	297,750	(337,705)	2,542,019
Financial assets at fair value through profit or loss	-	-	-	1,325,737	1,325,737
Due from related parties	-	-	-	1,034,142	1,034,142
Other assets	-	-	-	160,696	160,696
Total financial assets	2,783,963	1,515,414	297,750	2,183,306	6,780,433
Financial liabilities					
Corporate bonds	4,401,699	15,000,000	-	(300,879)	19,100,820
Long-term loans	3,673,088	2,716,630	8,124,210	1,466,322	15,980,250
Due to related parties	-	-	-	1,260,624	1,260,624
Other liabilities	-	-	-	3,424,573	3,424,573
Total financial liabilities	8,074,787	17,716,630	8,124,210	5,850,640	39,766,267
Total interest repricing gap	(5,290,824)	(16,201,216)	(7,826,460)	(3,667,334)	(32,985,834)
Cumulative interest repricing gap	(5,290,824)	(21,492,040)	(29,318,500)	(32,985,834)	

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	2024				
	Within 1 year $	**1 to 5 Years $**	**Over 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets					
Cash	488,234	-	-	349	488,583
Financial assets at amortised cost	1,319,789	1,156,213	668,985	64,177	3,209,164
Financial assets at fair value through profit or loss	-	-	-	138,889	138,889
Due from related parties	-	-	-	1,029,252	1,029,252
Other assets	-	-	-	93,860	93,860
Total financial assets	1,808,023	1,156,213	668,985	1,326,527	4,959,748
Financial liabilities					
Corporate bond	-	4,500,007	-	4,147	4,504,154
Long-term loans	13,968,076	1,707,310	6,218,524	136,915	22,030,875
Due to related parties	-	-	-	1,457,892	1,457,892
Other liabilities	-	-	-	3,399,913	3,399,913
Total financial liabilities	13,968,076	6,207,317	6,218,574	4,998,867	31,392,834
Total interest repricing gap	(12,160,053)	(5,051,104)	(5,549,589)	(3,672,340)	(26,433,086)
Cumulative interest repricing gap	(12,160,053)	(17,211,157)	(22,760,746)	(26,433,086)	-

27. Financial Risk Management (Continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Interest rate sensitivity
The Group's interest rate risk arises from investment securities and long-term loans.

There were no variable rate financial instruments as at 31 December 2025 and 2024.

(iii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity price risk because of investments held by the Group classified as fair value through profit or loss. The Group manages its price risk by trading these instruments when appropriate to reduce the impact of any adverse price fluctuations.

The impact on net profit of a 1.5% increase and 1% decrease (2024: net loss of a 6% increase and 2% decrease) in quoted equity prices is a decrease/increase of $Nil and $Nil respectively (2024: decrease/increase of $8,233 and $2,778 respectively).

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from cash and cash equivalents (excluding cash on hand), contractual cash flows of debt investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

The Group has policies in place to ensure that property rentals and services are made to customers with an appropriate credit history. Cash transactions are limited to high credit quality financial institutions. The Group manages its credit risk by screening its customers, establishing credit limits, obtaining bankers' guarantees or collateral for loans where applicable, the rigorous follow-up of receivables and ensuring investments are low-risk or are held with sound financial institutions. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to industry segments.

First Rock Real Estate Investments Limited

Notes to the Consolidated Financial Statements

Year ended 31 December 2025

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

(i) Investments

The Group limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality. Accordingly, management does not expect any counterparty to fail to meet its obligations.

Overall exposure to credit risk

The following table analyses the credit rating by internally developed and assessed investment ratings of financial assets bearing credit risk. See Note 3(s).

	2025				
	A to Aaa	**B to Baa**	**C to Caa**	**Not rated**	**Total**
	$	**$**	**$**	**$**	**$**
Investments at amortised cost	-	1,970,327	571,692	-	2,542,019
Due from related parties	-	-	-	1,034,142	1,034,142
Other assets	-	-	-	160,696	160,696
Cash	1,717,403	-	-	436	1,717,839
	1,717,403	1,970,327	571,692	1,195,274	5,454,696

	2024				
	A to Aaa	**B to Baa**	**C to Caa**	**Not rated**	**Total**
	$	**$**	**$**	**$**	**$**
Investments at amortised cost	-	2,686,889	522,275	-	3,209,164
Due from related parties	-	-	-	1,029,252	1,029,252
Other assets	-	-	-	93,860	93,860
Cash	488,234	-	-	349	488,583
	488,234	2,686,889	522,275	1,123,461	4,820,859

Credit quality of financial assets and ratings assigned

The credit quality of financial assets and the assigned ratings has been determined by reference to external credit ratings, if available, or to a rating assigned by management's expert using an approach consistent with that used by global rating agencies. All of the ratings assigned above were based on internal ratings.

Aaa

An obligation rated 'Aaa' has the highest rating. Obligations rated Aaa are judged by management to be of the highest quality, minimal risk.

Aa

Obligations rated 'Aa' are judged to be of the high quality and are subject to very low credit risk.

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

(i) Investments (continued)

A
An obligation rated 'A' is considered upper-medium-grade and are subject to low credit risk.

Baa
Obligations rated 'Baa' are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics.

Ba
Obligations rated 'Ba' are judged to have speculative elements and are subject to substantial credit risk.

B
Obligations rated 'B' are considered speculative and are subject to high credit risk.

Caa
Obligations rated 'Caa' are judged to be of poor standing and are subject to very high credit risk.

Ca
Obligations rated 'Ca' are highly speculative and are likely in, or very near, default, with some prospect of recovery in principal and interest.

C
Obligations rated 'C' are the lowest-rated class of bonds and are typically in default, with little prospect for recovery of principal and interest.

Not Rated
This indicates that there is insufficient information on which to base a rating. These balances are current and are monitored regularly for impairment. This classification mainly includes obligations due from related parties, short-term securities and loans net of provisions for credit losses.

(ii) Loans and rent receivables
Loans receivable are balances which have been recognised when cash is advanced to borrowers. Trade receivables relate mainly to tenants of the Group's investment properties. Rent receivables are monitored and followed up on a regular basis and provisions made as deemed necessary based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.

The Group uses three categories for loans which reflect their credit risk and how the loan loss provision is determined for each of those categories.

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

(ii) Loans and rent receivables (continued)

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Definition of Category	Basis for recognition of ECL
Performing	• Loans for which there is no evidence of a significant increase in credit risk since the origination date. • Loans that are due to mature within 12 months of the reporting date providing that such loans are not in a state of default.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1).
Underperforming	• Loans past due between 30 to 89 days. • Loans that experienced a significant increase in credit risk even if the 30 days past due days threshold is not met.	Lifetime expected losses (stage 2).
Non-Performing (credit impaired)	• Loans that are past due 90 days and over. • Loans for which the maturity date has elapsed. • Loans that show evidence of impairment even if the 90 days past due threshold is not met.	Lifetime expected losses (stage 3).
Write-off	See Note 3(s)	Asset is written off.

The Group does not require the customers to pledge collateral as security against the loan in all cases. Over the term of the loans, the Group accounts for its credit risk by appropriately providing for ECLs on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic data.

(iii) Cash and cash equivalents

The credit risk on liquid funds is limited because the counterparties are major banks with high credit ratings.

(iv) Due from related parties

The directors and management believe that the credit risks associated with this financial asset is minimal. There is no significant increase in credit risk associated with related parties and therefore the probability of default is considered insignificant.

Credit quality of financial assets

The following table sets out the staging of the Group's financial assets, exposed to credit risk, and shows their maximum exposure to credit risk. The amounts shown in the tables reconcile to the carrying values as shown in the financial statements. The tables below exclude other assets, which are in stage 1 and for which there is no ECL. All of the items listed below were in stage 1 (12-month ECL) and loss allowances were recorded only for financial instruments classified at amortised cost. There were no financial assets that were purchased credit impaired.

Financial instruments at amortised costs are considered to have low to moderate credit risk. Management considers 'low credit risk' for listed bonds which have an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

Credit quality of financial assets (continued)

	ECL Staging 2025	
	12-month ECL $	**Total $**
As at 31 December		
Financial instruments		
- B to Baa	2,482,573	2,482,573
- C to Caa	575,929	575,929
Cash		
- A	1,717,839	1,717,839
Gross carrying amount	4,776,341	4,776,341
ECL	(516,483)	(516,483)
Gross carrying amount, net of ECL	4,259,858	4,259,858

	ECL Staging 2024	
	12-month ECL $	**Total $**
As at 31 December		
Financial instruments		
- B to Baa	2,528,037	2,528,037
- C to Caa	538,900	538,900
Cash		
- A	488,583	488,583
Gross carrying amount	3,555,520	3,555,520
ECL	(37,773)	(37,773)
Gross carrying amount, net of ECL	3,517,747	3,517,747

First Rock Real Estate Investments Limited
Notes to the Consolidated Financial Statements
Year ended 31 December 2025
(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

Loss allowances

The allowance for ECL is recognised in each reporting period and is impacted by a variety of factors, as described below:

- Transfers between stages due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired during the period;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to inputs used in the calculation including the effect of 'step-up' (or 'step down') between 12-month and lifetime ECL;
- Impacts on the measurement of ECL due to changes made to models and assumptions; and
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements.

Debt securities – Amortised cost

	Stage 1 12-month ECL $	31 December 2025 Total $	31 December 2024 Total $
Gross carrying amount as at 1 January	3,066,937	3,066,937	6,374,519
New financial assets originated or purchased	321,412	321,412	830,789
Financial assets fully derecognised during the period	(564,539)	(564,539)	(3,406,798)
Changes in principal and interest	234,692	234,692	(731,573)
Gross carrying amount as at 31 December	**3,058,502**	**3,058,502**	**3,066,937**

	Stage 1 12-month ECL $	31 December 2025 Total $	31 December 2024 Total $
Loss allowance as at 1 January	37,773	37,773	85,938
New financial assets originated or purchased	102	102	3,524
Financial assets fully derecognised during the period	-	-	(13,774)
Changes in principal and interest	478,608	478,608	(37,915)
Loss allowance as at 31 December	**516,483**	**516,483**	**37,773**

The loss allowance movement for the year is as follows:

	2025 $	2024 $
Opening loss allowance at 1 January	37,773	85,938
(Decrease)/Increase in ECL (Note 9)	478,228	(48,088)
Foreign exchange adjustment	482	(77)
Closing loss allowance 31 December (Note 18)	516,483	37,773

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

Collateral

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of different types of collateral.

The main types of collateral obtained are as follows:

- Loans – Cash and other near cash securities, mortgages over commercial and residential properties, charges over equipment and motor vehicles. Fair value of properties held as collateral is mainly based on obtained valuations from third parties and management's assessment of comparative sales, where valuations are not available.

Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral held.

Repossessed collateral

The Group can obtain assets by taking possession of collateral held as security. Repossessed properties are sold as soon as practicable with the proceeds used to reduce the outstanding indebtedness.

Economic variable assumptions for exposure

The Group has adopted the scorecard approach for forward looking adjustments which is based on qualitative assessment. Macroeconomic variables that affect the performance of the portfolio the most is chosen and its significance (weighting) assigned. Each macroeconomic variable is then given a state, depending on management expectation. Each state is assigned a corresponding multiplier which indicates the impact of the state on the portfolio. The multipliers determine the range of ECL fluctuation. If the range is narrow, it means that the portfolio is less prone to macro-economic conditions. If the range is wide, the portfolio is easier affected by the indicators identified. This exercise is performed for all scenarios which represent different macroeconomic outlook. The set of variables remain the same however the states may vary depending on each specific scenario. The three scenarios are weighted based on the range of macroeconomic scenarios they cover. The score and probability of impact of each scenario are multiplied, and the results are summed for all three scenarios.

The assumptions and the related macroeconomic variables used by the Group for its investment securities are as follows:

- Inflation – Given a weight of 20% (2024: 27.5%)
- Interest rates – Given a weight of 35% (2024: 25%)
- Gross Domestic Product (GDP) – Given a weight of 35% (2024: 20%)
- Unemployment – Given a “weight of 10% (2024: 27.5%)

The scenarios used and the weight assigned are as follows:

- Base case – 50% (2024: 50%)
- Upside – 20% (2024: 20%)
- Downside – 30% (2024: 30%)

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(b) Credit risk (continued)

Economic variable assumptions for exposure (continued)

The multipliers used for the various outlook forecasts are as follows:
- Positive **–** Multiplier of 0.8 (2024: 0.6)
- Stable **–** Multiplier of 1.05 (2024: 1.05)
- Negative **–** Multiplier of 1.13 (2024: 1.60)

(c) Liquidity risk

Liquidity risk is the risk that the group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the Asset and Risk Management Committee, includes:

- Monitoring future cash flows and liquidity on a weekly basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure funding if required;
- Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Maintaining lines of credit;
- Optimizing cash returns on investments; and
- Managing the concentration and profile of debt maturities.

The tables below present the contractual maturities of undiscounted cash flows (both interest and principal cash flows) of the Group's liabilities based on the remaining period to maturity.

	At 31 December 2025			
	Within 1 year	**1 to 5 Years**	**Over 5 Years**	**Total**
	$	**$**	**$**	**$**
Financial liabilities				
Long-term loans	8,731,727	4,039,411	10,545,091	23,316,229
Corporate bonds	5,950,513	16,935,000	-	22,885,513
Other liabilities	3,424,573	-	-	3,424,573
Total financial liabilities	18,106,813	20,974,411	10,545,091	49,626,315

	At 31 December 2024			
	Within 1 year	**1 to 5 Years**	**Over 5 Years**	**Total**
	$	**$**	**$**	**$**
Financial liabilities				
Long-term loans	13,815,340	3,848,920	9,347,536	27,011,796
Corporate bonds	337,501	4,640,632	-	4,978,133
Other liabilities	3,399,913	-	-	3,399,913
Total financial liabilities	17,552,754	8,489,552	9,347,536	35,389,842

(Expressed in United States dollars unless otherwise indicated)

27. Financial Risk Management (Continued)

(d) Capital management

The Group's objectives when managing capital are to provide superior returns for stockholders and benefits for other stakeholders, while maintaining a conservative capital structure. The Board of Directors monitors the return on equity, which the group defines as net profit attributable to equity holders divided by total stockholders' equity. The Board of Directors also monitors and approves the level of dividends to ordinary stockholders.

The consolidated statement of changes in equity depicts the Group's capital and changes therein. There were no changes to the Group's approach to capital management during the year.

The Group has no externally imposed capital requirements. The Group is subject to certain loan covenant requirements, as discussed in Note 23 and Note 24.

28. Fair Value Estimation

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

The following methods and assumptions have been used:

(i) The carrying values of cash and bank equivalents, other assets, due from/(to) related parties and other liabilities maturing or payable within twelve months are assumed to approximate their fair values because of the short-term maturity of these instruments.

(ii) Unquoted equities classified as FVTPL securities were measured at historical cost less impairment when their fair values cannot be reliably determined. Quoted equities classified as FVTPL are determined based on quoted bid prices as at the end of the reporting period along with the application of price/earnings market assumptions, as appropriate.

The fair values of investments at amortised cost are determined based on the future cash flows discounted at market interest rates available as at the end of the reporting period.

Fair value of investments at amortised cost which differed from the carrying values on the Consolidated Statement of Financial Position is as follows:

	2025		2024	
	Carrying Value $	Fair Value $	Carrying Value $	Fair Value $
Investments at amortised costs	2,542,019	2,632,930	3,209,164	3,360,109

The fair value is at Level 2 of the fair value hierarchy.

28. Fair Value Estimation (Continued)

The following methods and assumptions have been used: (continued)

(iii) The fair value of fixed rate loans in the amount of $1,349,902 (2024: $1,274,901) cannot be reasonably assessed, as there are no fixed terms of repayment.

The fair values of other fixed rate loans have been estimated by applying market rates of similar loans at year end to the expected future cash flows.

Fair value of fixed rate loans which differed from the carrying values on the Statement of Financial Position are as follows:

	2025		2024	
	Carrying Value $'000	**Fair Value $'000**	**Carrying Value $'000**	**Fair Value $'000**
Corporate bonds (principal)	19,401,699	22,003,715	4,500,007	4,267,730
Long-term loans (principal)	14,513,928	14,044,165	20,619,059	21,644,587

The fair value is at Level 2 of the fair value hierarchy.

(iv) The fair values of investment properties are arrived at by reference to the market evidence of transaction prices of similar properties (sales comparison approach).

<u>Quantitative disclosures fair value measurement hierarchy</u>

The following tables provide an analysis of financial instruments held as at the statement of financial position date that, subsequent to initial recognition, are measured at fair value. The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

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

(Expressed in United States dollars unless otherwise indicated)

28. Fair Value Estimation (Continued)

Quantitative disclosures fair value measurement hierarchy (continued)

The Group's equity instruments as at the end of the reporting period were classified as follows:

	Level 1 $	Level 2 $	Level 3 $	Total $
As at 31 December 2025				
Unquoted equity	-	-	1,325,737	1,325,737
Investment properties and Investment properties held for sale	-	-	32,613,769	32,613,769
	-	-	33,939,506	33,939,506
As at 31 December 2024				
Quoted equity	138,889	-	-	138,889
Investment properties	-	-	25,827,769	25,827,769
	138,889	-	25,827,769	25,966,658

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the consolidated statement of financial position. Instruments included in Level 1 comprise primarily equity investments classified as financial assets at fair value through profit.

Reconciliation of Level 3 fair value measurement

	2025		
	Investment Properties and Investment properties held for sale $	Unquoted Equity (Note 18(e)) $	Total $
Balance, 1 January	25,827,769	-	25,827,769
Reclassified from development in progress	3,300,663	-	3,300,663
Reclassified from investment in associate	-	584,965	584,965
Reclassified to deferred income	-	-	-
Gains included in profit or loss:			
Net change in fair value of FVTPL investments	-	735,760	735,760
Net gain on sale of FVTPL investments	-	-	-
Net gain from fair value adjustments on investment properties	4,440,857	-	4,440,857
Acquisitions	3,253,662	-	3,253,662
Disposals	(4,419,951)	-	(4,419,951)
Foreign exchange adjustment	210,769	5,012	215,781
Balance, 31 December	32,613,769	1,325,737	33,939,506

(Expressed in United States dollars unless otherwise indicated)

28. Fair Value Estimation (Continued)

Reconciliation of Level 3 fair value measurement (continued)

	2024		
	Investment properties $	**Unquoted equity $**	**Total $**
Balance, 1 January	23,145,748	1,922,190	25,067,938
Reclassified from development in progress	882,589	-	882,589
Gains/(losses) included in profit or loss:			
Net change in fair value of FVTPL investments	-	(634,272)	(634,272)
Net gain on sale of FVTPL investments	-	346,148	346,148
Net gain from fair value adjustments on investment properties	1,998,531	-	1,998,531
Acquisitions	10,161,602	-	10,161,602
Disposals	(10,324,842)	(1,634,066)	(11,958,908)
Foreign exchange adjustment	(35,859)	-	(35,859)
Balance, 31 December	25,827,769	-	25,827,769

29. Subsequent Events

- On 30 January 2026, the Company entered into a letter of intent with Guardian Holdings Limited for the proposed acquisition of a commercial property in Martinique. The transaction is slated to be completed in the third quarter of 2026.
- On 13 March 2026, BAC Credomatic issued a term sheet in relation to a proposed secure loan for the acquisition of a commercial property in Coyol, Costa Rica. The transaction is slated to be completed in the second quarter of 2026.
- During May 2026, the Company was successful in negotiating a reduction in management fees payable to its management company from 1.8% to 1% of the total asset value based on the Group's audited financials.

30. Contingencies

Legal Claims

In the normal course of business, situations could arise where the Group may be the defendant in certain litigation matters, claims and other legal proceedings. In such instances provisions will be established for such matters where it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation can be made.

The Group would remain contingently liable in respect of other litigation matters which are considered to be possible but not probable and thus would not make provision in these financial statements.

FirstRock
REAL ESTATE

SHAREHOLDERS REPORT

FIRST ROCK REAL ESTATE INVESTMENTS LIMITED

AGGREGATE TOP TEN SHAREHOLDERS AS AT 31 DECEMBER 2025

SHAREHOLDER	UNIT HOLDINGS	% HOLDINGS
Joyce Chin and Bobby Chin	19,350,000	6.77
JCSD Trustee Services Limited - Sigma Equity	15,400,000	5.38
NMIA Airports Limited	14,259,000	4.99
Airport Authority of Jamaica	14,259,000	4.99
MF&G Asset Management Limited - Jamaica Investment Fund	10,400,000	3.64
National Insurance Fund	10,000,000	3.50
TJBK Investments Limited	10,000,000	3.50
Sagicor Pooled Equity Fund	8,830,500	3.09
PAM - Pooled Equity Fund	7,912,218	2.77
Ryan Kwesi Reid	5,370,000	1.88
AGGREGATE ISSUED SHARE CAPITAL	286,025,318	

FIRST ROCK REAL ESTATE INVESTMENTS LIMITED (COMBINED HOLDINGS)

DIRECTORS OWNERSHIP AS AT 31 DECEMBER 2025

NAME OF DIRECTOR	CONNECTED PARTIES	COMBINED SHAREHOLDINGS
Douglas Halsall		
	Gloria Marjorie	Nil
	Stacy Peart*	924,000
	Advanced Integrated Systems Limited	Nil
	Qmall Limited	Nil
	Health Administration Systems Limited	3,852,000
Ryan-Kwesi Reid		5,370,000
Michael Anthony Banbury		2,785,169
Richard Surage		Nil
Natalie E.G. Augustin (Company Secretary)		Nil

*Joint ownership with director