



FINANCE SERVICES LTD.

UNAUDITED FINANCIAL STATEMENTS

1st QUARTER ENDED MARCH 31 2026



**ISP FINANCE SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026**

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**ISP FINANCE SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS**

THREE MONTHS ENDED MARCH 31, 2026

DIRECTORS' REPORT TO STOCKHOLDERS

The Board of Directors of ISP Finance Services Limited (ISP) is pleased to present the Company's unaudited financial results for the 4th Quarter ended March 31, 2026.

The Company's Interest Income decreased from J\$99.20 million to J\$83.20 million in the 4th Quarter representing a decrease of J\$16. million or 16.1 % over the corresponding quarter in 2025.

The Company's Net Operating Income after Interest Expenses and Commissions totaled J\$66.22 m versus J\$83.52m recorded in the 4th Quarter of 2025 representing a decrease of J\$17.29 m or 20.7%

The Company's net profit before tax for the 1st Quarter of 2026 was \$4.63 million, a decrease of \$12.64 million or 73.2 % over the same period last year.

Earnings per share stood at \$0.037 at the end of the 1st Quarter of 2026 compared to \$0.137 at the end of the 1st Quarter of 2025 reflecting a decrease of 73.2%.

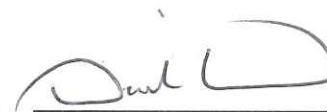
The total assets of the Company stood at \$1,221 million which represents a 5.1% decrease over the comparative period.

Operating expenses for the 1st Quarter ended March 31, 2026 amounted to \$67.99 million, a decrease of 5.9% or \$4.24 million over the corresponding period in 2025 of J\$72.23 million.

The Company would like to thank all our members of staff for their commitment, our customers for their loyalty and our shareholders for their continued show of confidence.



Dennis Smith
Chief Executive Officer



Diyal R. Fernando
Chief Financial Officer



ISP FINANCE SERVICES LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2026

	Unaudited Three Months Ended March 31,2026	Unaudited Three Months Ended March 31,2025	Audited Twelve Months Ended December 31, 2025
	\$	\$	\$
OPERATING INCOME			
Interest income from loans	83,206,708	99,207,160	378,784,191
Interest income from banks and other receivables	<u>51</u>	<u>188</u>	<u>3,157,922</u>
Total interest income	83,206,759	99,207,348	381,942,113
Interest expenses	<u>14,248,065</u>	<u>12,533,445</u>	<u>50,897,179</u>
Net interest income	68,958,694	86,673,903	331,044,934
Commission expenses on loans	<u>(2,729,485)</u>	<u>(3,153,355)</u>	<u>(11,841,123)</u>
	66,229,209	83,520,548	319,203,811
Other operating income			
Foreign exchange gain /(loss)	-	-	(737,001)
Gain/Loss- Sale of FA	1,138,000	-	-
Other income			
	<u>5,261,758</u>	<u>6,000,000</u>	<u>34,140,922</u>
	<u>6,399,758</u>	<u>6,000,000</u>	<u>33,403,921</u>
	<u>72,628,967</u>	<u>89,520,548</u>	<u>352,607,732</u>
OPERATING EXPENSES			
Staff costs	23,306,986	21,127,238	96,259,594
Allowance for credit losses	15,000,000	26,709,872	111,200,000
Depreciation expense	1,438,713	1,849,162	12,396,969
Other operating expenses	<u>28,250,535</u>	<u>22,551,665</u>	<u>112,415,857</u>
	67,996,234	72,237,937	332,272,420
Profit before taxation	4,632,733	17,282,611	20,335,312
Taxation charge	<u>(772,045)</u>	<u>(2,880,247)</u>	<u>(2,982,303)</u>
,Net profit	<u>3,860,688</u>	<u>14,402,364</u>	<u>17,353,009</u>
Other comprehensive income that may be reclassified to profit and loss			
Revaluation of property, plant and equipment	-	-	-
Total comprehensive income for the year	<u>3,860,688</u>	<u>14,402,364</u>	<u>17,353,009</u>
Earnings per share (\$)	<u>0.037</u>	<u>0.137</u>	<u>0.167</u>



ISP FINANCE SERVICES LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

THREE MONTHS ENDED MARCH 31, 2026

	Unaudited Three Months Ended March 31, 2026 \$	Unaudited Three Months Ended March 31, 2025 \$	Audited Twelve Months December 31, 2025 \$
ASSETS			
Cash and cash equivalents	73,081,575	119,914,981	86,460,899
Marketable Securities / Investments	10,000,000	25,000,000	10,000,000
Loans net of provisions for credit losses	1,074,190,392	1,065,162,956	1,074,147,030
Other receivables	7,550,304	51,378,593	12,993,009
Deposit	1,047,949	1,047,949	1,047,949
Right-of-use asset	25,274,279	1,443,663	25,274,279
Deferred tax assets	1,182,962	462,393	1,182,962
Property, plant and equipment	29,583,261	23,545,998	24,640,616
TOTAL ASSETS	<u>1,221,910,722</u>	<u>1,287,956,533</u>	<u>1,235,746,744</u>
LIABILITIES AND EQUITY			
LIABILITIES:			
Accounts payable and other liabilities	22,362,540	95,284,287	28,377,016
Secured corporate bond and promissory note	454,585,945	466,900,678	470,876,494
Notes payable	52,535,511	52,535,511	52,535,511
Lease Liability	26,035,289	2,211,155	26,035,289
Taxation Payable	4,608,315	16,053,115	-
	560,127,600	632,984,746	577,824,310
EQUITY			
Share capital	195,903,128	195,903,128	195,903,128
Revaluation surplus	3,841,596	3,841,596	3,841,596
Accumulated surplus	462,038,398	455,227,063	458,177,710
	661,783,122	654,971,787	657,922,434
TOTAL EQUITY AND LIABILITIES	<u>1,221,910,722</u>	<u>1,287,956,533</u>	<u>1,235,746,744</u>


Dennis Smith
 Chief Executive Officer


Diyal R. Fernando
 Chief Financial Officer



ISP FINANCE SERVICES LIMITED
UNAUDITED STATEMENT OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2026

	Share Capital \$	Revaluation Surplus \$	Accumulated Surplus \$	Total \$
Balance as at December 31, 2025	195,903,128	3,841,596	458,177,709	657,922,433
Other comprehensive income				
Net profit for the period	-	-	3,860,688	3,860,688
Total comprehensive income	-	-	3,860,688	3,860,688
Balance as at March 31, 2026	195,903,128	3,841,596	462,038,397	661,783,121
Balance as at December 31, 2024	195,903,128	3,841,596	440,824,700	640,569,424
Other comprehensive income				
Net profit for the period	-	-	14,402,364	14,402,364
Total comprehensive income	-	-	14,402,364	14,402,364
Balance as at March 31, 2025	195,903,128	3,841,596	455,227,064	654,971,788



ISP FINANCE SERVICES LIMITED
UNAUDITED STATEMENT OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026

	Unaudited Three Months Ended March 31, 2026 \$	Unaudited Three Months Ended March 31, 2025 \$	Audited Twelve Months Ended December 31, 2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before interest and taxation	18,108,753	26,935,810	20,335,312
Adjustments for items not affecting cash resources:			
Depreciation on property, plant and equipment	1,438,713	1,849,162	7,615,194
Depreciation on right-of-use asset	-	-	4,781,775
Lease Interest expense	-	-	922,898
Unrealized foreign exchange gain	-	-	737,001
Bond amortization	-	1,546,241	5,522,056
Deferred taxation	4,608,315	16,053,115	-
	<u>24,155,781</u>	<u>46,384,328</u>	<u>39,914,236</u>
(Increase) /decrease in operating assets:			
Loans and other receivables	54,327,070	18,109,838	52,693,022
Deposit	-	-	-
Due from related party	-	-	-
Due from director	-	-	-
Increase /(decrease) in operating liabilities:			
Accounts payables and other payables	(81,325,339)	8,791,513	(60,980,595)
Cash provided by/(used in) operating activities	(2,842,488)	73,285,679	31,626,663
Interest paid	6,012,818	(23,092,504)	-
Taxation paid	(3,836,270)	(13,172,868)	(4,000,000)
Net cash used in operating activities	<u>(665,940)</u>	<u>37,020,307</u>	<u>27,626,663</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(2,848,311)	(1,638,226)	(9,291,968)
Proceeds from the sale of investments	(20,010,595)	-	15,000,000
Proceeds from the sale of property, plant and equipment	(1,138,000)	-	-
Net cash used in investing activities	<u>(23,996,906)</u>	<u>(1,638,226)</u>	<u>5,708,032</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Bond	-	-	-
Lease Liabilities payments	-	-	(5,711,157)
Proceeds from secured bonds	1,325,000	-	-
Proceeds from notes payable	-	-	-
Net cash used in financing activities	<u>1,325,000</u>	<u>-</u>	<u>(5,711,157)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS -			
CASH AND CASH EQUIVALENTS -Beginning of the year	96,419,421	84,532,900	59,574,362
Exchange and gains on foreign cash balance	-	-	(737,001)
CASH AND CASH EQUIVALENTS - End of the quarter	<u>73,081,575</u>	<u>119,914,981</u>	<u>86,460,899</u>
REPRESENTED BY:			
Cash and cash equivalents	<u>73,081,575</u>	<u>119,914,981</u>	<u>86,460,899</u>



ISP FINANCE SERVICES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2026

1. IDENTIFICATION

ISP Finance Services Limited (the "Company") is incorporated in Jamaica under the Jamaican Companies Act (the Act).

On March 30, 2016, ISP Finance Services Limited became a public listed entity on the Jamaica Stock Exchange Junior Market. Consequently, the Company is entitled to full remission of income taxes for the first five (5) years and fifty percent (50%) remission for the following 5 years providing it complies with the requirements of the Jamaica Stock Exchange Junior Market.

The Company is domiciled in Jamaica, with its registered office at 17 Phoenix Avenue, Kingston 10. The principal activity of the Company is the granting of commercial loans and personal short term loans.

2. BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with IAS 34, 'Interim financial reporting' and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2025 which have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Act. There have been no changes in accounting policies since the most recent audited accounts as at December 31, 2025.

The financial Statements have been prepared under the historical cost basis and are expressed in Jamaican dollars, un-less otherwise indicated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Property, plant and equipment

All property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, except for motor cars which are carried at fair value, are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Valuations are performed frequently enough to ensure that the fair value of revalued motor cars does not significantly differ from its carrying amount. The increase of the carrying amount of a motor car as a result of revaluation is credited directly to equity (under the heading "revaluation surplus"). A revaluation decrease should be charged directly against any related revaluation surplus, with any excess being recognized as an expense in the statement of comprehensive income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a) Property, plant and equipment (Cont'd)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of



ISP FINANCE SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026

the item if it is probable that the future economic benefits embodied in the part will flow to the Company and its cost can be reliably measured.

The cost of day-to-day servicing of property, plant and equipment is recognized in the statement of comprehensive income as incurred. With the exception of freehold land, on which no depreciation is provided, property, plant and equipment are depreciated on the straight-line basis over the estimated useful lives of such assets.

The rates of depreciation in use are:

Leasehold Improvements	20%
Furniture and Equipment	10%
Computer Software and Equipment	20%
Motor Cars	20%
Motor Bikes	20%

b) Loans and other receivables

Loans

Loans are carried at original contract amounts less provisions made for doubtful amounts and impairment, based on a review of all outstanding amounts at the end of the period.

Other receivables

Other receivables are carried at amortized cost less provisions for doubtful amounts and impairment losses.

Allowance for impairment losses on loan receivables

In determining amounts recorded for impairment of financial assets in the financial statements, management makes assumptions in determining the inputs to be used in the ECL measurement model, including incorporation of forward-looking information. Management also estimate the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions makes uncertainly inherent in such estimates.

Under the ECL model, the Company analyses its loan receivables in a matrix by days past due and determined for each age bracket an average rate of ECL. Subsequently, a further analysis is considered on the actual credit loss experienced over the last twelve (12) months and future delinquency is assessed, which is then applied to the balance of the loan receivables.

Bad debts are written off when identified.



ISP FINANCE SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c) Income

Interest income is recognized on the accrual basis, by reference to the principal outstanding and the interest rate applicable. Interest income is calculated on the simple interest basis.

4. LOANS, NET OF PROVISIONS FOR CREDIT LOSSES

Loans consist primarily of unsecured notes due from the Company's clients

	Unaudited Three Months Ended March 31, 2026 \$	Unaudited Three Months Ended March 31, 2025 \$	Audited Twelve Months Ended December 31, 2025 \$
Loans	1,256,811,002	1,203,432,857	1,241,765,032
Less:			
Provision for credit losses	<u>(182,620,610)</u>	<u>(138,269,901)</u>	<u>(167,618,002)</u>
	<u>1,074,190,392</u>	<u>1,065,162,956</u>	<u>1,074,147,030</u>

5. SHARE CAPITAL

	Unaudited Three Months Ended March 31, 2026 Number ('000)	Unaudited Three Months Ended March 31, 2025 Number ('000)	Audited Twelve Months Ended December 31, 2025 Number ('000)
Authorized share capital:			
Ordinary shares	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
	Unaudited Three Months Ended March 31, 2026 \$	Unaudited Three Months Ended March 31, 2025 \$	Audited Twelve Months Ended December 31, 2025 \$
Issued and fully paid:			
5,000,000 Ordinary shares at \$1 per share	5,000,000	5,000,000	5,000,000
51,017,500 Ordinary shares at \$2 per share	102,035,000	102,035,000	102,035,000
48,982,500 Ordinary shares at \$2 per share	97,965,000	97,965,000	97,965,000
Less: Share issue costs	<u>(9,096,872)</u>	<u>(9,096,872)</u>	<u>(9,096,872)</u>
	<u>195,903,128</u>	<u>195,903,128</u>	<u>195,903,128</u>



ISP FINANCE SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026

5. SHARE CAPITAL (CONT'D)

- (a) On February 11, 2016, by an ordinary resolution, the authorized share capital of the Company was increased from 5,000,000 to 105,000,000 ordinary shares to rank pari passu in all respects with the existing shares of the Company.

On February 11, 2016, 51,017,500 ordinary shares at \$2 per share were issued to the Chief Executive Officer which was satisfied by offsetting against the \$102,035,000 debt owed to him by the Company, through a related entity.

- (b) On March 22, 2016, the Company raised additional capital of \$97,965,000 from its initial public offering of 48,982,500 shares for its enlistment on the Jamaica Stock Exchange Junior Market. Transaction costs of \$9,096,872 were incurred for the initial public offering. All ordinary shares carry the same voting rights.

6. SECURED CORPORATE BOND

During the year ended December 31, 2025, the Company issued a secured bond. The bond attracts an interest rate of 11.5% per annum. The bond matures on November 22, 2030. The bond is secured by the fixed and floating assets of the Company.

7. TAXATION

On March 30, 2016, the Company's shares were listed on the Jamaica Stock Exchange Junior Market. Consequently, the Company is entitled to full remission of income tax for the first five (5) years and fifty percent (50%) remission for the following 5 years, providing that the Company adheres to the rules and regulation of the Jamaica Stock Exchange Junior Market.

The interim financial statements up to and including the 1st Quarter Ended March 31, 2021 have been prepared on the basis that the Company will have the full benefit of the tax remissions. Effective, the 2nd Quarter Ended June 30 2021, taxation has been provided for at the remission of 50% of the tax payable.



ISP FINANCE SERVICES LIMITED
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026

8. EARNINGS PER SHARE

Earnings per share is computed as the net profit for the year divided by the weighted average number of ordinary shares in issue for the period as at the reporting date.

		Unaudited Three Months Ended March 31, 2026	Unaudited Three Months Ended March 31, 2025	Audited Twelve Months Ended December 31, 2025
Net profit	\$	<u>3,860,688</u>	<u>14,402,364</u>	<u>17,353,009</u>
Weighted average number of shares	No	<u>105,000,000</u>	<u>105,000,000</u>	<u>105,000,000</u>
Earnings per share	\$	<u>0.037</u>	<u>0.137</u>	0.167

9. PROFIT BEFORE INTEREST AND TAXATION

	Unaudited Three Months Ended March 31, 2026	Unaudited Three Months Ended March 31, 2025	Audited Twelve Months Ended December 31, 2025
	\$	\$	\$
Net profit for the period	4,632,733	17,282,611	20,335,312
Current year taxation charge	<u>(772,045)</u>	<u>(2,880,247)</u>	<u>(2,982,303)</u>
Profit before interest	3,860,688	14,402,364	17,353,009
Interest expense	<u>14,248,065</u>	<u>12,533,446</u>	<u>50,897,180</u>
Profit before interest and taxation	<u>18,108,753</u>	<u>26,935,810</u>	<u>68,250,189</u>



ISP FINANCE SERVICES LIMITED
THREE MONTHS ENDED MARCH 31, 2026

SCHEDULE OF TOP TEN (10) STOCKHOLDERS

	<u>SHAREHOLDER</u>	<u>UNITS</u>
1	Gencorp Limited	50,517,500
2	Sunfisher Corporation	45,832,500
3	Dennis Smith	3,500,000
4	Brandon Smith	1,500,000
5	Brigeview Investments Limited	562,266
6	Bridgeton Management Services Limited	411,367
7	Virgen Advertising Limited	311,028
8	Marston Gordon	248,895
9	Racoth Holdings Limited	241,012
10	Carissa Gordon	204,250

**SCHEDULE OF SHAREHOLDINGS OF DIRECTORS, SENIOR
MANAGERS AND CONNECTED PARTIES**

<u>Directors</u>	<u>Shareholding</u>
Dennis Smith	3,500,000
Brandon Smith	1,500,000
Diyal R. Fernando	34,350
 <u>Senior Managers</u>	
Seymour Smith	75,000
 <u>Connected Parties</u>	
Gencorp Limited	50,517,500
Sunfisher Corporation	45,832,500