



# Public Bond Offer

PROSPECTUS



This Prospectus is dated **June 4, 2026** and is issued by VM Investments Limited (“VMIL” or the “Company”).

A copy of this Prospectus was delivered to the Registrar of Companies for registration pursuant to section 40(2) of the Companies Act, 2004 and was so registered on May 27, 2026. The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus.

VM Investments Limited has been registered as an issuer with the Financial Services Commission (the **FSC**) with respect to the Unsecured Corporate Bonds pursuant to Section 26(1) of the Securities Act, and pursuant to such registration, a copy of this Prospectus was also delivered to the FSC for registration, and it was so registered on June 4, 2026. The FSC has neither approved the Unsecured Corporate Bonds, nor has it passed upon the accuracy or adequacy of this Prospectus.



## PROSPECTUS

Dated as of the 3<sup>rd</sup> day of June 2026

### INVITATION TO THE PUBLIC FOR SUBSCRIPTION FOR

Unsecured Corporate Bonds having an aggregate principal amount of up to J\$4,000,000,000.00, with the option to upsize by up to 20%

Issued by VM Investments Limited

**OPENING DATE:**

June 17, 2026 at 9:00 a.m.

**CLOSING DATE:**

July 17, 2026 at 4:30 p.m.

This Prospectus relates to an invitation by VM INVESTMENTS LIMITED to investors to subscribe for the Bonds.

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The Bonds are described in Section 8 and the specimen Global Bond for each Tranche appears as Appendix 4.1, and 4.2 respectively. The Bonds will be issued and constituted under and governed by the terms and conditions of a Trust Deed entered into by the Company and the Trustee (MF&G Asset Management Limited).

Application Guidelines are set out in Appendix 1, together with instructions on completing and submitting an Application. The Invitation to Applicants to subscribe for Bonds will open at 9:00 a.m. on June 17, 2026 and will close at 4:30 p.m. on July 17, 2026 (“the Closing Date”) subject to the right of the Company to:

- (a) close the Invitation at any time after 9:00 a.m. on July 17, 2026 with notice posted on the website of the Jamaica Stock Exchange ([www.jamstockex.com](http://www.jamstockex.com)), once all of the Bonds are fully subscribed; or
- (b) extend the Closing Date for receipt of Applications with notice posted on the aforementioned website of the Jamaica Stock Exchange.

The Company intends to apply to the Jamaica Stock Exchange for the Bonds to be admitted to listing on the Bond Market of the Jamaica Stock Exchange within twenty-one (21) days of the Closing Date (or extended Closing Date, as the case may be) and that dealings in the Bonds will commence on the date of admission.

Please note that this statement of the Company’s intention is not a guarantee that the Bonds will in fact be admitted to trading on the Bond Market of the Jamaica Stock Exchange.

# Table of Contents

<b>IMPORTANT NOTICE &amp; DISCLAIMER</b>	<b>6</b>
Invitation At A Glance	10
Letter to Prospective Investors	11
Definitions	12
<b>RISK FACTORS</b>	<b>14</b>
Professional Advisors to the Invitation	24
Key Information on the Invitation	25
<b>DESCRIPTION OF THE BONDS</b>	<b>28</b>
Information about the Company	31
<b>DIRECTORS &amp; MANAGEMENT</b>	<b>37</b>
Management Discussion and Analysis	49
Enterprise Risk Management	58
Financial Information	62
Statutory and General Information	128

<b>DIRECTORS' REPORT</b>	<b>134</b>
<b>CONSENT</b>	<b>131</b>
Documents Available for Inspection	135
Directors' Signatures	136
Appendix 1 – Wealth's IPO Edge Portal Instructions	132
Appendix 2 – PORTAL Procedures	137
Appendix 3 – VM Wealth Management Locations	149
Appendix 4 – Forms of Global Bonds	150
Appendix 5 – Auditor's Consent	166

# Important Notice and Disclaimer

## Invitation is made to Jamaican Residents in Jamaica

This Prospectus is intended for use in Jamaica only and is not to be construed as an invitation to any person outside of Jamaica to subscribe for or apply to purchase any interest in the Bonds. The distribution or publication of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus may come are required to inform themselves about, and to observe, such restrictions.

The Bonds may not be offered, sold, transferred, or delivered, directly or indirectly in the United States of America, its territories or possessions or any area subject to the jurisdiction of the United States or in any other country in which an invitation to subscribe for the Bonds or the offering of the Bonds is not permitted by applicable law.

## Responsibility for Content of this Prospectus

The Directors of VM Investments Limited, all of whose names appear in Section 10 of this Prospectus, are the persons responsible for the information contained herein. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to materially affect the import of such information. Each of such persons accepts responsibility accordingly.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.

## Content of this Prospectus

This Prospectus contains important information for prospective investors in the Company. All prospective investors should read the Prospectus carefully in its entirety before submitting an Application Form. In particular your attention is drawn to the Risk Factors which appear in Section 5.

If you are in doubt about the contents of this Prospectus, you should consult your stockbroker, securities dealer, investment adviser, bank manager, attorney-at-law, professional accountant or other professional adviser.

This Prospectus contains summaries of certain documents which the Board of Directors of the Company believe are accurate. Prospective investors may wish to inspect the actual documents that are summarized, copies of which will be available for inspection as described in Section 17 (Documents for Inspection). Any summaries of such documents (including any of the documents relating to issuance of the Bonds) appearing in this Prospectus are qualified in their entirety by reference to the complete document. In cases of any conflict between the terms of this Prospectus and the transaction documents relating to the Bonds, the latter will prevail.

The publication of this Prospectus shall not imply that there has been no change in the business, results of operations, financial condition or prospects of the Company since the date of this Prospectus.

Neither the FSC, nor the Registrar of Companies or any other Government agency or regulatory authority

in Jamaica has made any determination as to the accuracy or adequacy of the matters contained in this Prospectus.

### Application to Subscribe for the Bonds

This Prospectus is not a recommendation by the Company that prospective investors should submit Application Forms to subscribe for the Bonds proposed to be issued by the Company. Prospective investors in the Company are expected to make their own assessment of the Company, and the merits and risks of subscribing for the Bonds. Prospective investors are also expected to seek appropriate advice on the financial and legal implications of subscribing for any of the Bonds, including, but not limited, to any tax implications.

### Each Applicant who submits an Application Form acknowledges and agrees that:

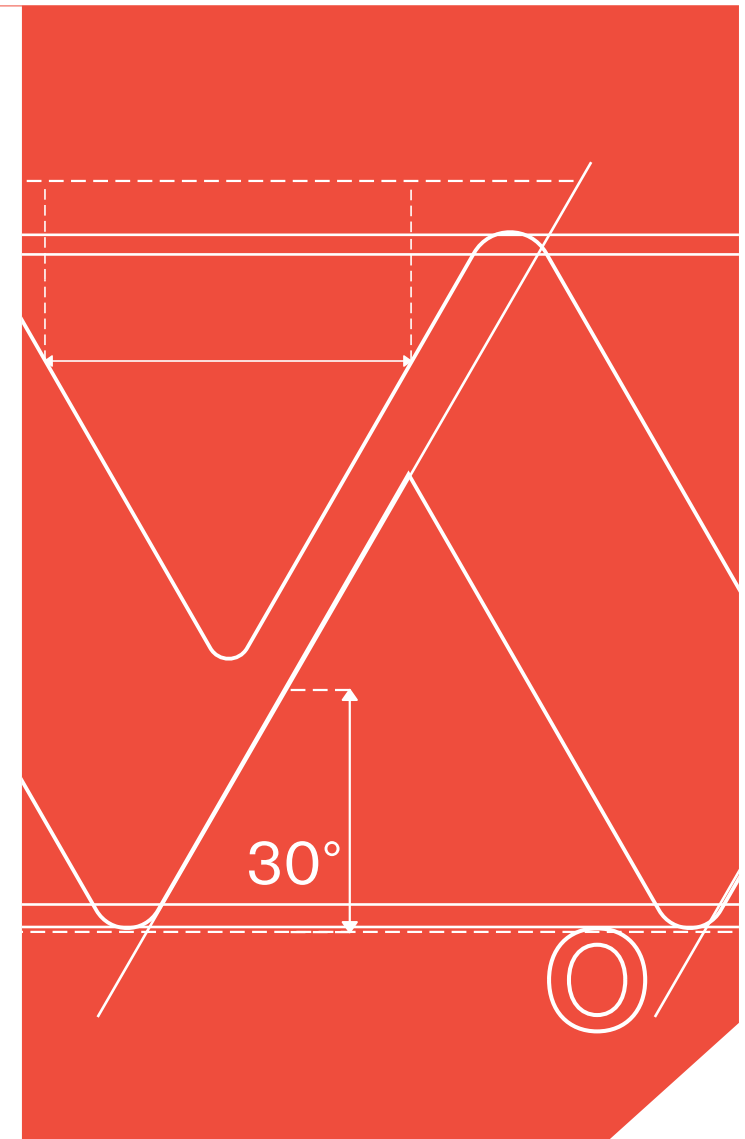
- (i) he/she has been afforded a meaningful opportunity to review the Prospectus (including in particular the terms and conditions set out in Section 7 and the Risk Factors), and to gather and review all additional information considered

by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;

- (ii) he/she has not relied on the Company or any other person connected to the Company in connection with his/her investigation of the accuracy of such information or his/her investment decision; and
- (iii) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.

### Advice

Each Invitee and Applicant should consult with their own advisors as to the legal, tax, business, financial and related aspects of subscribing for Bonds. Neither the Company, nor any of its respective representatives, is making any representation to any Applicant regarding legal, tax, business, financial or related aspects concerning subscription for the Bonds notwithstanding the inclusion in this Prospectus of such information in respect thereof as the Directors believe to be accurate. Prospective Applicants should



not consider this Prospectus as a recommendation by the Company or the Directors that they should subscribe for or purchase any of the Bonds. Each prospective Applicant must make their own investigation and evaluation of the Company and this Prospectus.

### Forward-Looking Statements

Except for the historical information concerning the Company contained in this Prospectus, certain matters discussed in this Prospectus, including without limitation, the discussions of future plans and financial projections of the Company or other entities or relationships or intended relationships, financial or otherwise, with such entities, contain forward-looking statements. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. These statements are made based on assumptions or predictions of the future which may not necessarily come true. Although the Directors believe that in making any such statements, their expectations are based on reasonable assumptions, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Prospective Applicants are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

When used in this Prospectus, the words “anticipates”, “believes”, “expects”, “intends” and similar expressions, as they relate to the Company and its businesses, are

intended to identify those forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company’s financial or regulatory position, or to reflect the occurrence of unanticipated events. There are important factors that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond the Company’s control.

These factors include, without limitation, the following:

economic, social and other conditions in Jamaica and any other jurisdiction in which the Company may do business, including actual rates of growth of such economies, local, regional or global instability, interest rate changes or exchange rate volatility;

- adverse climatic events and natural disasters;
- changes in legislation or policy adversely affecting the revenues or expenses of the Company;
- unavailability of regulatory approval to launch new financial products, or unfavourable market receptiveness to new products;
- changes in regulatory policy adversely affecting the revenues or expenses of the Company or any of its subsidiaries;

- any other factor(s) negatively impacting on the realisation of the assumptions on which the Company’s or any of its subsidiaries’ financial projections are based;
- other factors identified in this Prospectus; and
- factors as yet unknown to the Company.

In this Prospectus, the Company relies on and refers to information and statistics regarding market data of companies it has or proposes to have a business relationship with, including in certain cases through investment in such companies. The Company has obtained this information and industry data from market research, publicly available information and the referenced companies. Such reports generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed.

Although the Company believes this information is reliable, neither the Company nor any of the Directors have independently verified or can guarantee the accuracy or completeness of that information and prospective Applicants should use appropriate caution in placing reliance on such information. Prospective Applicants are urged to consult with professional advisers, financial, legal, or otherwise, to seek advice as to such information and any implications in consideration of their own particular circumstances.

Prospective Applicants are cautioned that the list set out above should not be construed as exhaustive. Prospective Applicants should carefully consider the foregoing factors and other factors set forth in the Section 5 (Risk Factors) before making an investment decision.

Other factors not set out above could also adversely affect the results of the Company and its subsidiaries. When relying on these forward-looking statements to make decisions with respect to this Invitation, prospective Applicants and others should carefully consider the foregoing factors and other uncertainties and potential events.

### Electronic Prospectus

For convenience, the website addresses of certain parties have been provided in this Prospectus. Except as expressly set forth in this Prospectus, no information on such websites should be deemed to be incorporated in, or form part of this Prospectus and the Company takes no responsibility for the information contained on such websites. The JSE has approved the publication of this Prospectus on its website and accordingly, is expected to upload the Prospectus to its website ([www.jamstockex.com](http://www.jamstockex.com)). This should not be construed that the JSE has approved or is in any way responsible for the contents of this Prospectus.

This Prospectus may be sent to you in electronic form. You are reminded that documents transmitted via that

medium may be altered or changed during the process of transmission and consequently neither the Company nor the Broker & Listing Agent nor any of their respective directors, officers, employees or advisers accepts any responsibility whatsoever in respect of any difference between the Prospectus delivered to any prospective Investor in electronic form and the hard copy version registered with the Registrar of Companies.

### Legal Effect Of Issuing The Prospectus

NOTWITHSTANDING ANYTHING HEREIN AND IN PARTICULAR THE USE OF THE MARKET TERM “OFFER” AND OTHER COGNATE EXPRESSIONS, THIS PROSPECTUS DOES NOT CONSTITUTE AND IS NOT INTENDED TO BE AN OFFER BY OR ON BEHALF OF THE COMPANY TO SELL ANY OF THE BONDS. IT IS INSTEAD AN INVITATION TO TREAT AN INVESTOR WHO SUBMITS AN APPLICATION FOR BONDS SHALL BE DEEMED TO BE MAKING AN OFFER TO THE COMPANY TO SUBSCRIBE FOR BONDS AND THE COMPANY MAY OR MAY NOT ACCEPT SUCH OFFER. ACCEPTANCE OF ANY SUCH OFFER WILL OCCUR ONLY BY WAY OF ALLOTMENT OF BONDS BY THE COMPANY TO THE APPLICANT IN RESPONSE TO SUCH APPLICATION. IN SUBMITTING AN APPLICATION EACH PROSPECTIVE INVESTOR ACKNOWLEDGES THE FOREGOING LEGAL EFFECT OF THE PROSPECTUS AND OF HIS APPLICATION.

SECTION 2

# Invitation At A Glance

## 2.1 THE INVITATION

The Company invites Applications to subscribe for up to J\$4,000,000,000 in Unsecured Corporate Bonds, with the option to upsize by up to 20% on the terms and conditions set out in Section 7 of this Prospectus (The Invitation).

## 2.2 THE BONDS

2.2.1 An aggregate of up to Four Billion Jamaican Dollars J\$4,000,000,000.00 (subject to the Company's right to upsize), in Unsecured Corporate Bonds will be offered for subscription in the following Tranches:

FUND	Tranche A	Tranche B
Amounts <sup>1</sup>	J\$2,000,000,000.00	J\$2,000,000,000.00
Tenure	25 Months	43 Months
Coupon	9.00%	9.50%

2.2.2 All Applications for the Bonds in the Invitation should be made on the VM Wealth IPO Edge platform by logging onto the website <https://wealthipo.myvmgroup.com/welcome> and following the steps set out in **Appendix 1** of this Prospectus.

The Invitation to subscribe for the Bonds will open at 9:00 a.m. on the Opening Date, June 17, 2026. Applications submitted prior to the Opening Date will be received, but not processed until the Opening Date. The Invitation will close at 4:30 p.m. on the Closing Date, July 17, 2026. The Company reserves the right to close the Application List for the Bonds at any time by notice published on the website of the Jamaica Stock Exchange or the Company's website if Applications have been received for the full amount of the Bonds, as the case may be. The Company also reserves the right to extend the Closing Date for the Bonds by similar notice published on the website of the Jamaica Stock Exchange or on the Company's website.

## 2.3 BASIS OF ALLOTMENT:

2.3.1 Allotment of the Bonds in this Invitation will be "made on a 'first come, first served' basis" subject to the right of the Company to reject any subscription of which it does not approve. If the Bonds are oversubscribed, it is likely that the Bonds will be allocated on a pro rata basis, in which event Applicants may be allotted

fewer Bonds than were the subject of their Application(s). However, the Company (in the event of oversubscription) reserves the right to allot Bonds on an alternative basis to be determined in its sole discretion including allotting a minimum number of Bonds to each Applicant and then allocating the excess on a pro rata basis or on such alternative basis as seems justifiable having regard to fairness and efficacy.

2.3.2 Where there is an oversubscription for Bonds in a particular Tranche, but not in the other, VMIL reserves the right in its sole discretion to alter the amounts to be raised in each Tranche, subject always to the aggregate principal amount of Bonds not exceeding J\$4,800,000,000.

<sup>1</sup> Where demand for a particular Tranche of Bonds exceeds the proposed amount allocated thereto, VMIL reserves the right in its sole discretion to allot more Bonds in that Tranche, and fewer Bonds in other Tranches, subject always to the aggregate principal amount of Bonds not exceeding J\$4,000,000,000 or any applicable upsized amount, not to exceed J\$4,800,000,000.00.



## SECTION 2

# Letter To Prospective Investors

## Dear Prospective Investor:

The Directors of VM Investments Limited (“VMIL” or the “Company”) are pleased to invite you to subscribe for up to J\$4,000,000,000.00 in Unsecured Corporate Bonds (the “Bonds”), with the option to upsize the Offer by up to 20%, in accordance with the Terms and Conditions set out in Section 7 of this Prospectus.

VMIL is an investment holding company incorporated in 1984 and domiciled in Jamaica. It is a subsidiary of VM Financial Group Limited, a financial holding company established in 2023, and the parent company of VM Wealth Management Limited (“VMWM”) and the sole holder of the common shares of VM Wealth Funds Limited (Barbados), formerly Republic Funds (Barbados) Inc.

The Company also maintains significant shareholdings in Kingston Properties Limited (“KPREIT”), Home Choice Enterprise Limited (“HCEL” or “Home Choice”), and, indirectly through VMWM, Coldbush Organics Limited. In addition, VMIL has partnered with London-based Actus Partners to establish the Jamaica Actus Small & Medium Enterprises Fund I (“JASMEF”).

VMIL, together with its subsidiaries and associated companies, constitutes a diversified and well-established financial services group. The Company is committed to delivering sustainable value to its shareholders while supporting clients in building wealth through a comprehensive suite of financial solutions. Its core offerings include investment banking services, private equity investments, securities trading, lease financing, margin lending, and corporate lending solutions. VMIL also provides development financing through its partnership with the Development Bank of Jamaica (“DBJ”), offering secured corporate loans. Its subsidiaries, VMWM and VM Wealth Funds Limited (Barbados), are licensed securities dealers providing investment brokerage, advisory, asset management, and securities trading services.

The proceeds of this Offer will be used primarily to refinance existing debt facilities. Through the issuance of the Bonds, VMIL intends to extend the maturity profile of its current obligations and improve its debt servicing capacity. This refinancing is expected

to enhance the Company’s financial flexibility by providing longer repayment tenors, supporting stronger liquidity management, and positioning VMIL for continued growth, including future acquisitions and private equity investments.

Subject to the successful raising of at least J\$2,000,000,000.00 under this Invitation, the Company intends to apply to the Jamaica Stock Exchange (“JSE”) for the Bonds to be listed on the JSE Bond Market within twenty-one (21) days of the Closing Date (or any extended Closing Date). While such listing is not guaranteed and remains subject to the approval and discretion of the JSE, VMIL will take all reasonable steps to satisfy the relevant listing requirements.

Allotment of Bonds under this Invitation will be made on a “first come, first served” basis, meaning that applications will be processed and allocated in the order in which they are received. VMIL reserves the right to reject any application that does not comply with the requirements of the Prospectus or to allocate Bonds on an alternative basis in the event of oversubscription.

Prospective investors are encouraged to read this Prospectus in its entirety, with particular attention to the Risk Factors outlined in Section 5 and the full Terms and Conditions set out in Section 7 (The Invitation), and to complete the Application Form in accordance with the instructions provided in Appendix I. Investors are also advised to consult their legal, tax, financial, and other professional advisors prior to making an investment decision.

The Directors look forward to your participation in this Offer and to your support as VMIL continues to advance its strategic objectives.

Yours sincerely,  
For and on behalf of VM Investments Limited

**Michael A. McMorris**  
Chairman

**SECTION 4**

# Definitions

In this Prospectus, the following words and phrases shall, unless the context otherwise requires, be read, and construed as having the following meanings:

<b>Act</b>	means the Companies Act of Jamaica.	<b>Articles of Incorporation</b>	means the articles of incorporation of the Company, together with any amendments thereto.	<b>Director or Director(s)</b>	means a person ( <i>or persons</i> ) who is/are a member of the Board of Directors, details of which are set out in Section 9 of this Prospectus ( <i>Directors and Management</i> ).
<b>Applicant</b>	means a person (being an individual, company, body corporate or other legal entity) who or which submits an Application to subscribe for the Bonds in accordance with the terms and conditions of this Prospectus.	<b>Auditor</b>	means KPMG, Chartered Accountants, the VM Building, 6 Duke Street, Kingston.	<b>Enforcement Action</b>	any action taken by the Trustee on behalf of Bondholders to enforce recovery of obligations due under the Bonds or under the Trust Deed or otherwise pursuant to any common law or statutory right.
<b>Application</b>	means an application to subscribe for Bonds in the Invitation made by an Applicant by completing the Application Form on the VM Wealth IPO Edge portal at <a href="https://wealthipo.myvmgroup.com/welcome">https://wealthipo.myvmgroup.com/welcome</a> and following the steps set out in <b>Appendix 1</b> of this Prospectus.	<b>Auditor's Report</b>	the report of KPMG set out in Section 13 of this Prospectus;	<b>Executive Director</b>	means a Director who is an employee of the Company.
<b>Application Form</b>	The form of application to be used by an Applicant who wishes to subscribe for Bonds in the Invitation. The Application Guidelines in Appendix 1 sets out where an Application Form may be obtained and submitted.	<b>BOJ</b>	means the Bank of Jamaica.	<b>Financial Information</b>	means the audited financial statements for the Company found in Section 13 of this Prospectus ( <i>Financial Information</i> ).
<b>Approved Payment Method</b>	means any of the following methods: <ul style="list-style-type: none"> <li>a) cleared funds in an investment account held in the Applicant's name at VMWM, supported by an authorisation from the Applicant instructing VMWM to encash and make payment from that account;</li> <li>b) transfer by Real Time Gross Settlement (RTGS) to VMWM, in the case of payments of One Million J\$ or more; or</li> <li>c) transfer via the Automated Clearing House (ACH) to VMWM,</li> </ul> by which Applicants are required to tender payment of their Subscription Price.	<b>Board of Directors or Board</b>	means the board of directors of the Company, details of which are set out in Section 9 of this Prospectus ( <i>Directors and Management</i> ).	<b>FSC</b>	means the Financial Services Commission of Jamaica.
		<b>Bond</b>	means an Unsecured Corporate Bond issued by the Company, constituted pursuant to a Trust Deed dated xxx, and offered pursuant to this Prospectus.	<b>IFRS</b>	means the International Financial Reporting Standards as adopted and applied in Jamaica by the Institute of Chartered Accountants of Jamaica.
		<b>Bond Market</b>	The trading platform for debt securities established by JSE.	<b>Independent Director</b>	means a Director who is not (or has not been, as the case may be): <ul style="list-style-type: none"> <li>a) an employee of the Company within the last (5) five years; or</li> <li>b) a person holding 5% or more of the shares of the Company or is connected to such a person; or</li> <li>c) a party to a significant economic or other relationship with the Company within the last five (5) years.</li> </ul>
		<b>Bondholder</b>	means a registered holder of a Bond.	<b>Invitation</b>	means the invitation by the Company to subscribe for up to J\$4,000,000,000 (with the option to upsize by up to 20%) in Unsecured Corporate Bonds on the terms and conditions set out in this Prospectus.
		<b>Business Day</b>	any day (other than a Saturday, Sunday or public general holiday) on which banks are open for business in the Corporate Area of Kingston & Saint Andrew, Jamaica		
		<b>Closing Date</b>	means the time of closing of the Invitation, being July 17, 2026 at 4:30 p.m. ( <i>subject to such early closure or extension as the Directors may determine as set out in this Prospectus</i> ).		
		<b>Company or VMIL</b>	means VM Investments Limited, a company duly incorporated under the laws of Jamaica with registered office at 8 – 10 Duke Street, Kingston.		

## SECTION 4

## Definitions

<b>Invitee</b>	means any Person resident in Jamaica of full age and capacity.	<b>MFGAML</b>	MF&G will act as the Trustee, Paying Agent and Registrar.	<b>VM Financial Group</b>	means VM Financial Group Limited and its subsidiaries and affiliates.
<b>J\$ or JMD</b>	means the lawful currency of Jamaica.	<b>Opening Date</b>	means the time of opening of the Invitation, being June 17, 2026.	<b>VM Group</b>	means VM Group Limited and its subsidiaries.
<b>JCSD</b>	means Jamaica Central Securities Depository Limited, a company incorporated in Jamaica (Company number 58658) with its registered and principal office at 40 Harbour Street, Kingston, Jamaica.	<b>Person or person</b>	means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, Governmental Authority or trust or any other entity or organization.	<b>VM Wealth</b>	means VM Wealth Management Limited, a company incorporated under the laws of Jamaica;
<b>JCSD Processing Fee</b>	means the fees that the JCSD charges of approximately J\$172.50 inclusive of GCT, for processing each Application.	<b>Portfolio Companies</b>	means the following companies in which the Company or its principal subsidiary, VM Wealth, holds portfolio investments; namely (i) KPREIT; (ii) Home Choice and (iii) Coldbush Organics;	<b>VM Wealth Fund</b>	means VM Wealth Funds Limited, a Barbados mutual fund company, formerly known as Republic Funds (Barbados) Inc. and since December 1, 2023, the common shares are wholly-owned by the Company;
<b>JSE</b>	means the Jamaica Stock Exchange.	<b>Prospectus</b>	means this document which constitutes a prospectus for the purposes of the Companies Act, 2004 and the Securities Act.	<b>VM Wealth IPO Edge</b>	means VM Wealth's IPO portal that facilitates the completion and submission of Application Forms electronically.
<b>JSE Rules</b>	means the rules of the JSE ( <i>as amended from time to time</i> ) applicable to the Bond Market.	<b>Registrar</b>	means the MF&G or such other persons as may be appointed by the Company from time to time to provide the services of registrar and transfer agent for the Company in relation to the Bonds.		
<b>JSE Website</b>	means the official website of the JSE found at <a href="https://www.jamstockex.com/">https://www.jamstockex.com/</a>	<b>Securities Act</b>	means the Securities Act, 2012 ( <i>as amended from time to time</i> ) of Jamaica, together with all subsidiary legislation thereto.		
<b>KPREIT</b>	means Kingston Properties Limited, a company incorporated under the laws of Jamaica and having its registered office at 7 Stanton Terrace, Kingston 6 in the Parish of Saint Andrew, Jamaica.	<b>Subscription List</b>	means the subscription list in respect of the Bonds.		
<b>Arranger, Broker &amp; Listing Agent or VM Wealth Management Limited</b>	means VM Wealth Management Limited, a company incorporated under the laws of Jamaica and having its registered offices at 53 Knutsford Boulevard, Kingston 5.	<b>Subscription Price</b>	means the principal face value of each Bond.		
<b>Maturity Date</b>	in respect of each Tranche of Bonds, the day on which the said Tranche of Bonds matures.	<b>US\$ or USD</b>	means the lawful currency of the United States of America.		
<b>MFGAML</b>	means MF&G Asset Management Limited, a company incorporated in Jamaica (Company number 58658) with its registered and principal office at 21 East Street, Kingston, Jamaica.	<b>USA or US</b>	means the United States of America.		

**SECTION 5**

# Risk Factors

- 5.1 This section describes what VMIL believes to be the key potential risks associated with an investment in VMIL and the industry in which it operates, as well as the general risks associated with an investment in the Bonds.
- 5.2 It does not purport to be an exhaustive list of every risk that may be associated with an investment in VMIL's business or the industry in which it operates, or an investment in the Bonds, now or in the future. The occurrence or consequences associated with each risk are partially or completely outside the control of VMIL, the directors and management and, if they were to occur, may adversely affect the future operating and financial performance of VMIL and its ability to make interest and principal payments on the Bonds.
- 5.3 The selection of risks included in this Section has been based on an assessment of a combination of the probability of the risk occurring and the impact of the risk if it did occur. The assessment is based on the knowledge of the Directors as at the date of this Prospectus, but there is no guarantee or assurance that the importance of different risks will not change, or other risks will not emerge. Individually or in combination, the risks identified may materially affect the future operating and financial performance of VMIL, its investment returns and the ability of VMIL to make interest payments on the Bonds or to redeem the Bonds on their maturity or redemption dates.
- 5.4 Before applying for Bonds, you should satisfy yourself that you have a sufficient understanding of the risks

described in this Section and consider whether the Bonds are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Prospectus or have any questions about whether to invest in VMIL, you should seek professional advice from your securities dealer, investment adviser, accountant, stockbroker, lawyer or other professional adviser.

## 5.5 IN THIS SECTION, FOR CONVENIENCE, REFERENCES TO:

1. "our Group" should be taken to mean VMIL and its subsidiary, being VM Wealth Management Limited and the Portfolio Companies, being (i) KPREIT (23%); (ii) Home Choice (10%) and (iii) Coldbush Organics (5%);
2. "Associate" means KPREIT; and
3. "VM Group" refers to VM Group Limited and its subsidiaries.

## 5.6 VMIL AND ITS PRINCIPAL SUBSIDIARY VM WEALTH FACE REGULATORY RISKS.

- 5.6.1 In Jamaica, the financial sector is primarily regulated by the Bank of Jamaica under the Banking Services Act, and the Financial Services Commission under sector-specific legislation.

The industry is also subject to a variety of other laws including privacy, financial transactions reporting and money laundering laws and limited exchange control restrictions.

- 5.6.2 If VMIL's principal subsidiary, VM Wealth, does not meet regulatory requirements, it may suffer penalties or become subject to regulatory sanctions, which would likely have a material impact on its, and consequently VMIL's, business and financial performance. Sanctions could include:

- imposition of fines;
- obligation to pay compensation; and
- cancellation or suspension of license or authority to carry on business.

In addition, the regulatory framework may change. This could have an impact on the financial sector or VMIL's operations. Depending on the nature of any such changes, it may adversely impact the operations or future financial performance of VMIL.

The FSC supervises VM Wealth through regular examinations and other means that allow the regulators to gauge management's ability to identify, assess and control risk in all areas of operations in a safe and sound manner and to ensure compliance with laws and regulations.

In the course of their supervision and examinations, FSC may require improvements in various areas. If VM Wealth is unable to implement and maintain any required actions in a timely and effective manner, it could become subject to informal (non-public) or formal (public) supervisory actions and public enforcement orders that could lead to significant restrictions on its existing business or on its ability to engage in any new business. Such forms of supervisory action could include, without limitation, written agreements, cease and desist orders, and consent orders and may, among other things, result in restrictions on our ability to pay dividends, requirements to increase capital, restrictions on our activities, the imposition of civil monetary penalties, and enforcement of such actions through injunctions or restraining orders. VM Wealth could also be required to dispose of certain assets and liabilities within a prescribed period. The terms of any such supervisory or enforcement action could have a material adverse effect on our business, financial condition and results of operations.

**5.7 COMPANIES WITHIN OUR GROUP, ESPECIALLY OUR PRINCIPAL SUBSIDIARY, VM WEALTH AND VM WEALTH FUNDS ARE EXPOSED TO CONTAGION OR SYSTEMIC RISK TRIGGERED BY OTHER INSTITUTIONS AND ALSO FACE MATERIAL COUNTERPARTY RISKS FROM OTHER FINANCIAL INSTITUTIONS.**

5.7.1 This is the risk that financial difficulties or failure at one institution can cause customers to lose confidence in other institutions and trigger a “run” on otherwise financially sound institutions leading

to its collapse. This domino effect could threaten the financial system as a whole. Jamaica experienced such an event in the 1990s, when the financial sector underwent a period of great uncertainty and a number of financial institutions collapsed.

5.7.2 Financial service institutions are also interrelated as a result of trading, clearance processing, counterparty exposure or other relationships. VM Wealth in particular routinely executes transactions with other counterparties in the financial services industry including commercial banks, brokers, dealers, payment processors and other institutional clients which may result in payment obligations to them or their clients. Many of these transactions expose VM Wealth to credit and market risks which may cause its counterparties or clients to default. In addition, VM Wealth is exposed to market risks when the collateral it holds cannot be realized or liquidated at prices sufficient to cover the full amount of the secured obligations to it. Losses arising from counterparty risks could materially and adversely affect our business, results of operations, and financial conditions.

5.7.3 VM Wealth Funds faces similar risk but on a lesser scale because of its relatively modest size compared to VM Wealth.

**5.8 INCREASED COMPETITION MAY AFFECT OUR GROUP'S COMPETITIVE POSITION.**

5.8.1 Our two subsidiaries and Portfolio Companies operate in a competitive market. They each face the risk that increasing levels of competition,

including competition from business models using new technology platforms could result in, among other things, a subsidiary or a Portfolio Company foregoing a greater proportion of its profit margin to retain market share in the sector in which it operates. This would likely result in reduced revenue, reduced operating margins and a loss of market share, which would then have a material adverse effect on the business, operating and financial performance and position and future prospects of such subsidiary or Portfolio Company. As we derive our revenues from our subsidiaries and Portfolio Companies, the end result is that there would be less revenues to upstream to us and in the final resort we could then be forced to inject more capital into such subsidiary or Portfolio Company or take other costly remedial action to maintain its operational viability.

**5.9 OUR REPUTATION MAY BE DAMAGED AND THAT COULD CAUSE CUSTOMERS TO TURN AWAY FROM THE VM GROUP.**

5.9.1 The success of our Group is reliant on the maintenance of our reputation and brand name. Reputational damage could arise due to a number of circumstances, including improper conduct, human error, actions by third parties or adverse media coverage. In particular, illegal practices by employees within our Group or the wider VM Group such as fraud, money laundering, or non-compliance with regulatory requirements could adversely affect our reputation. These actions could also lead to regulatory action

including loss or suspension of operating licenses, fines, penalties and other actions adverse to operations of our subsidiaries which could materially affect our business and profitability.

5.9.2 Any factors within our Group or the wider VM Group that damages or adversely reflects on our Group's reputation could potentially affect our ability to attract and retain productive employees and maintain relationships with our existing business partners, as well as our ability to attract key employees. In such situations, our business and operating and financial performance could be materially adversely affected.

#### **5.10 EMPLOYEES MAY LEAVE AND OUR GROUP MAY NOT BE ABLE TO ATTRACT SUFFICIENTLY SKILLED AND TRAINED EMPLOYEES.**

5.10.1 Our Group employs individuals who are key to the success of the Group's businesses. These individuals typically possess deep industry expertise and have well-established relationships in the Jamaican financial industry. The loss of key employees could undermine our Group's ability to operate our businesses to the current standards. These occurrences may have a material adverse impact on our Group's earnings and profitability and on our own earnings and profitability in particular.

5.10.2 While the departure of an individual employee from our Group may not have a material impact on our Group, the departure of a number of key personnel simultaneously or over a short period of time could have a material adverse effect on Group's operations and financial performance.

We do not maintain keyman's insurance on the lives of any of our executives or employees.

#### **5.11 OUR GROUP FACES OPERATIONAL RISKS AND COSTS.**

5.11.1 Our Group (through our subsidiaries and Portfolio Companies) is exposed to operational risks present in the respective businesses conducted by our Group including risks arising from process error, fraud, system failure, failure of security and physical process systems, manufacturing defects, product recalls, staff deficiencies and under-performance and product development and maintenance. Operational risk has the potential to have a material adverse effect on our financial performance as well as our reputation.

#### **5.12 THERE MAY BE CHANGES TO LEGAL, ACCOUNTING AND REGULATORY REQUIREMENTS.**

5.12.1 An investment in the Bonds may be adversely affected by legal, accounting and regulatory changes or requirements, and actions pursuant to such requirements. Potential changes to existing laws or the introduction of new laws could increase our Group's compliance costs and obligations. If we or any of our subsidiaries or the Portfolio Companies fail(s) to comply with applicable laws or regulations, the recalcitrant Group member may itself be subject to fines, injunctions, penalties, remediation, total or partial suspension of regulatory approvals, product recalls or other sanctions that may have an adverse effect on us as the holding company and by extension on an investment in the Bonds.

#### **5.13 RISK OF BONDS NOT BEING REPAYED ON**

#### **SCHEDULED MATURITY DATE**

5.13.1 The Company intends to repay the principal amounts due on the Bonds on their maturity date, in whole or in part, from either operating profit from its business or a refinancing of the Bonds. The Company is not obliged to establish any sinking fund for redemption of the Bonds. The Company's ability to refinance the Bonds is dependent on its ability to access the capital markets, which may not be available or may be available at unfavourable terms and conditions. The Company's ability to redeem the Bonds is also dependent on a realisation of future profits which may be significantly less than projected. Any or both of these eventualities could have a material adverse effect on the Company. We may also choose to redeem the Bonds in whole or in part by realising our investment in any of the Portfolio Companies.

#### **5.14 THERE MAY BE ADVERSE CHANGES TO TAX RATES OR LAWS (OR THE MANNER IN WHICH THOSE TAX LAWS ARE APPLIED OR INTERPRETED BY A TAX AUTHORITY OR COURT).**

5.14.1 Any increase in the existing effective rate of income tax payable by us or key members of our Group may adversely impact our ability to receive dividends from our subsidiaries and other Group Portfolio Companies and to generate cash flow and accumulate distributable reserves. This would adversely affect our ability to service the Bonds. Likewise, an adverse change to the tax treatment of the Bonds could materially affect the return on, and hence the value of, the Bonds. Any other changes to Jamaican tax law and

practice (including the manner in which a tax law or tax regulation is applied or interpreted by a tax authority or court) that impacts our Group, or the financial industry generally, could also have an adverse effect on our business, financial condition, results of operations and reputation.

### **5.15 EXPECTED FUTURE EVENTS MAY NOT OCCUR AND WE MAY NOT MEET OUR FORECASTS.**

5.15.1 The forward-looking statements, opinions and estimates provided in this Prospectus including the financial forecasts, are based on assumptions. Various factors, both known and unknown, may impact our performance and cause actual performance to vary significantly from what was expected. There can be no guarantee we will achieve our stated objectives or that any forward-looking statement or forecast will eventuate.

5.15.2 Given these uncertainties, prospective investors should not place undue reliance on such forward-looking statements. In addition, under no circumstances should a forward-looking statement be regarded as a representation or warranty by VMIL, or any other person referred to in this Prospectus that a particular outcome or future event is guaranteed.

### **5.16 OUR GROUP MAY BE ADVERSELY AFFECTED BY FORCE MAJEURE EVENTS.**

5.16.1 Events may occur within or outside Jamaica that could impact upon the world economy, the local economy and at the micro level on the operations of our Group - in particular, the performance of its subsidiaries and/or Portfolio

Companies. These events include war, acts of terrorism, civil disturbance, political intervention, financial market disruption, economic depression in the USA and natural events such as hurricanes, earthquakes, floods, fires and sustained inclement weather conditions. Any of these events could have a detrimental effect on our Group's business and an investment in the Bonds.

### **5.17 DATA LOSS AND CYBER SECURITY RISKS.**

5.17.1 Our Group is reliant on the security of our information technology system network environment, and websites. Breaches of security including hacking, ransomware attacks, malicious software use, internal intellectual property theft, data theft or other external or internal security threats could put the integrity and privacy of customers' data and business systems used by us at risk which could impact technology operations and ultimately customer satisfaction with the products and services offered by our Group, leading to loss of customers and revenue. The impact of loss or leakage of customer or business data could include costs for potential service disruptions, litigation and brand damage which may potentially have a material adverse impact on our reputation as well as our Group's profitability. Furthermore, any such historical and public security breaches could impact our ability to acquire future customers and revenue. In addition, substantial costs may be incurred in order to prevent the occurrence of future security breaches. The occurrence of these cyber security events at the level of the wider VM Group - especially within VM Building Society could

likewise have substantial sympathetic damage and reputational harm to us.

5.17.2 Whilst the wider VM Group has established risk management systems to prevent cyber-attacks and any potential data security breaches, including firewalls, encryption of customer data (storage and transmission) and a privacy policy, there are inherent limitations on such systems, including the possibility that certain risks have not been identified. There can be no guarantee that the measures taken by us and the wider VM Group will be sufficient to deter, detect or prevent data security breaches.

### **5.18 ADDITIONAL REQUIREMENTS FOR CAPITAL.**

5.18.1 Our capital requirements depend on numerous factors. Depending on our ability to generate income from our subsidiaries and Portfolio Companies, we may require further financing in addition to amounts raised under this offer. Debt financing, if available, may involve restrictions on financing and operating activities. If we are unable to obtain additional financing as needed, we may be required to reduce the scope of the operations of our subsidiaries and Portfolio Companies thereby reducing the level of profit-generating activities within the subsidiaries and Portfolio Companies and their ability to upstream dividends to us. There is no guarantee that we will be able to secure, as and when needed, any additional funding or be able to secure such funding on terms favourable to us.

## **5.19 WE FACE GENERAL ECONOMIC, POLITICAL AND ENVIRONMENTAL RISKS**

5.19.1 The business of our Group is also affected by general financial, economic and external events beyond our control. Unfavourable economic and external conditions may impact negatively on our Group operations. In particular, demand for products and services offered by our subsidiaries and Portfolio Companies would decrease significantly as a result of such unfavourable conditions.

## **5.20 RISKS RELATED TO MONEY LAUNDERING AND /OR TERRORIST FINANCING.**

5.20.1 Although our Group has implemented a comprehensive anti-money laundering (“AML”) and “know-your-customer” (“KYC”) policy, monitored by a Compliance Department, and has adhered to all measures required under Jamaican legislation aimed at preventing our subsidiaries being used as a vehicle for money laundering, there can be no assurance that these measures will be completely effective. If a subsidiary were to fail in the future to comply with timely reporting requirements or other AML regulations and/or is associated with money laundering and/or terrorist financing, its reputation and financial performance may be adversely affected. In addition, involvement in such activities may carry criminal or regulatory fines and sanctions. Any such sanctions would cause reputational damage to us and our affected subsidiary as a whole which may in turn reduce clients’ willingness to continue doing business with the Group.

The occurrence of these risks within the wider VM Group, in particular within VM Building Society, would also adversely reflect on us and cause our customers and counterparties to assume similar weaknesses in our own AML/AFT risk management policies and procedures. We do not control or have oversight of the AML/AFT risk management systems within our Portfolio Companies.

## **5.21 RISK ASSOCIATED WITH OUR INTEREST IN OUR SUBSIDIARIES AND PORTFOLIO COMPANIES.**

5.21.1 Our subsidiaries and Portfolio Companies’ performances have a direct impact on our interest as their parent or investor. If our subsidiaries and Portfolio Companies perform well, we will benefit and vice-versa. As the future performance of our subsidiaries and Portfolio Companies, can be below expectations there is always a risk that our interest as parent or investor may be affected negatively. In particular, 42% of VMIL’s net profits are generated by VM Wealth Management, and so VMIL is heavily exposed to the performance of VM Wealth Management.

5.21.2 We have business partners in our Portfolio Companies. A breakdown of our working relationship with our business partners could have a debilitating effect on the business of the relevant Portfolio Company and could adversely affect its financial condition, results of operations and reputation. In addition, the cost of managing our investment in such a Portfolio Company could be materially increased in terms of management time and actual financial costs -especially if a dispute were to become litigious.

5.21.3 We have not had any dispute or disagreement with our co-investors in any of the Portfolio Companies, but we cannot predict that the amicable working relationship which currently exists will continue in the future.

## **5.22 SUPERVISORY REQUIREMENTS AND EXPECTATIONS ON US, OUR NEED TO MAKE IMPROVEMENTS AND DEVOTE RESOURCES TO VARIOUS ASPECTS OF OUR CONTROLS, PROCESSES, POLICIES AND PROCEDURES, AND ANY REGULATOR-IMPOSED LIMITS ON OUR ACTIVITIES, COULD LIMIT OUR ABILITY TO IMPLEMENT OUR STRATEGIC PLAN, EXPAND OUR BUSINESS AND IMPROVE OUR FINANCIAL PERFORMANCE.**

5.22.1 With respect to VM Wealth, a securities dealer regulated by FSC, it is unclear at the present time as to the extent, if any, to which enhanced regulatory oversight, and capital requirements will be imposed upon security dealers. The recent regulatory intervention in a licensed securities dealer by the Government and reports (yet to be proven) of massive fraud in the institution have not only served to undermine confidence in the sector but have triggered increased regulatory surveillance and it is expected that regulatory and capital requirements as well as compliance costs will be increased with respect to security dealers and other institutions such as insurance companies regulated by the FSC.

5.22.2 In addition, the Government has announced that it proposes to adopt the twin-peaks regulatory model whereby the Bank of Jamaica will regulate prudential and financial soundness and stability

of all licensed financial institutions including security dealers and the FSC will focus on market conduct and consumer protection affairs. The foregoing regulatory model is likely to increase regulatory compliance costs, at the very least. All the foregoing regulatory matters, whilst designed to enhance security and confidence in regulated financial institutions, will come at a cost and could likely, in the immediate aftermath, adversely affect financial conditions and results of operations—especially in respect of VM Wealth on which we depend for the lion's share of our revenues.

**5.23 OUR ABILITY TO MEET OUR OBLIGATIONS, AND THE COST OF FUNDS TO DO SO, DEPENDS ON OUR ABILITY TO ACCESS SOURCES OF LIQUIDITY AND THE PARTICULAR SOURCES AVAILABLE TO US.**

5.23.1 Liquidity risk is the risk that we will not be able to meet our obligations, including funding commitments, as they come due.

**5.24 THE FINANCIAL SERVICES INDUSTRY IS UNDERGOING RAPID TECHNOLOGICAL CHANGES AS A RESULT OF COMPETITION AND CHANGES IN THE LEGAL AND REGULATORY FRAMEWORK, AND WE MAY NOT BE ABLE TO COMPETE EFFECTIVELY AS A RESULT OF THESE CHANGES.**

5.24.1 The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services. In addition, new, unexpected technological changes could have a disruptive effect on the way securities dealers

offer products and services. We believe our success depends, to a great extent, on our ability to use technology to offer products and services that provide convenience to customers and to create additional efficiencies in our operations. However, we may not be able to, among other things, keep up with the rapid pace of technological changes, effectively implement new technology-driven products and services or be successful in marketing these products and services to our customers. As a result, our ability to compete effectively to attract or retain new business may be impaired, and our business, financial condition or results of operations may be adversely affected.

5.24.2 In addition, changes in the legal and regulatory framework under which we operate require us to update our information systems to ensure compliance. Our need to review and evaluate the impact of ongoing rule proposals, final rules and implementation guidance from regulators further complicates the development and implementation of new information systems for our business. Also, recent regulatory guidance has focused on the need for financial institutions to perform increased due diligence and ongoing monitoring of client relationships, thus increasing the scope of management involvement. Given the significant number of ongoing regulatory reform initiatives, it is possible that we may incur higher than expected information technology costs in order to comply with current and impending regulations.

**5.25 INTEREST RATE RISK.**

5.25.1 If the prevailing interest rate in the market increases, the demand for the fixed rate Bonds will likely

decrease, resulting in a reduction in market price. But on the reverse side if interest rate falls then greater value would be attributed to those Bonds and demand for them would increase leading to higher trading prices.

**5.26 LIQUIDATION RISK.**

5.26.1 Though the Bonds have lower liquidation risk compared to equity shares, nevertheless this risk continues to exist. In a liquidation the order of asset distribution or waterfall would generally be in the following order of priority (i) liquidation expenses; (ii) preferential debts (such as taxes and employees' costs including redundancies; (iii) secured creditors; (iv) unsecured creditors including **un-secured Bondholders** in this case and trade creditors; (v) preference shareholders; and (vi) equity shareholders.

**5.27 VM WEALTH, OUR SECURITIES DEALER SUBSIDIARY, MAY INCUR SIGNIFICANT LOSSES IN ITS TRADING AND INVESTMENT OPPORTUNITIES DUE TO MARKET FLUCTUATIONS AND VOLATILITY.**

5.27.1 VM Wealth generally maintains trading and investment positions in fixed income and equity securities. To the extent that it owns assets (i.e., has long positions in those securities) a reduction in market value of those securities could result in losses from the declining value of those long positions.

**5.28 COMPANIES WITHIN THE GROUP ARE EXPOSED TO CLAIMS FOR DATA PRIVACY BREACHES.**

5.28.1 By the very nature of their businesses, certain companies in our Group such as VM Wealth,

collect and process personal data (and in some instances, sensitive personal data) of their customers and other stakeholders (including employees and pensioners) such as names, contact details, KYC, financial information and health information. The Data Protection Act is in full force. Under the Act, a data breach whereby the personal data of a customer or other counterparty is disseminated or “stolen” by a third party could expose the relevant company to claims for damages by the affected person(s), actions by the data protection agency and damage to our reputation if the actions of the relevant Group companies were not up to the requisite legal standard or the legitimate expectation of its customers or other counterparty. Concern among customers and counterparties interacting with our Group about the data management and safe-keeping practices of our Group could cause us to lose potential business and require us to incur costs to improve the Group’s data processing capabilities with concomitant increased data protection compliance costs.

### **5.29 OUR SUBSIDIARIES AND PORTFOLIO COMPANIES DEPEND ON THE ACCURACY AND COMPLETENESS OF INFORMATION PROVIDED BY CUSTOMERS AND COUNTERPARTIES.**

5.29.1 In deciding whether to extend credit, or enter into other transactions with customers and counterparties, relevant companies within our Group rely on information furnished to them by or on behalf of customers and counterparties, including financial statements, other financial information and description of risks and their market value. They also rely on representation of customers and counterparties as to the accuracy and completeness of such information, and with respect to financial statements and reports of

independent auditors. The financial conditions, results of operations, financial reporting and reputation of a subsidiary or Portfolio Company could be negatively affected if it relies on materially misleading, false, inaccurate or fraudulent information and such negative effect on the financial performance or results of such subsidiary or Portfolio Company would, in turn, negatively impact upon us, as the holding company.

### **5.30 OUR ABILITY TO ACHIEVE OUR INVESTMENT OBJECTIVES DEPENDS ON VM WEALTH’S ABILITY TO MANAGE AND SUPPORT OUR INVESTMENT PROCESS. IF VM WEALTH WERE TO LOSE KEY MEMBERS OF ITS SENIOR MANAGEMENT TEAM, OUR ABILITY TO ACHIEVE OUR INVESTMENT OBJECTIVES COULD BE SIGNIFICANTLY HARMED.**

5.30.1 We will depend on the investment expertise, skill and network of business contacts of VM Wealth. VM Wealth, will evaluate, negotiate, structure, execute, monitor and service our investments. Our future success will depend to a significant extent on the continued service and coordination of VM Wealth. The departure of key individuals at VM Wealth could have a material adverse effect on our ability to achieve our investment objectives.

5.30.2 Our Group’s operations have been dependent on the experience, skills and knowledge of its executive officers and senior management, including the Chief Executive, who provides expertise and experience in the implementation of our Group’s strategy and ability to attract and retain business. The loss of key personnel within our Group may cause a significant disruption to

our Group’s business, resulting in an adverse effect on our Group’s operations, including our Group’s ability to establish and maintain relationships with clients and financial institutions and to implement our Group strategy. This could adversely affect our Group’s business and results of operations or financial condition and hence the level of dividends which our subsidiaries and Portfolio Companies may be able to upstream to us.

5.30.3 The Group does not presently have key man insurance in place in relation to any of its Directors, Senior Managers or employees. The Group has put in place succession planning measures aimed at enabling the development of its employees to provide successors over time. However, there can be no assurance that these measures will be successful or that the Group will be able to attract, develop or retain executives of the right calibre. The ability of the Group to meet its operational requirements and future growth and profitability may be affected by our inability to attract, develop or retain such executives.

### **5.31 WE MAY FACE INCREASING COMPETITION FOR INVESTMENT OPPORTUNITIES, WHICH COULD DELAY DEPLOYMENT OF OUR CAPITAL, REDUCE RETURNS AND RESULT IN LOSSES.**

5.31.1 We compete for investments with companies and investment funds, as well as traditional financial services companies such as commercial banks and other sources of funding. As a result of these entities, competition for viable investment opportunities may intensify. This increases the risk that we may invest in sub-optimal and riskier opportunities.

### 5.32 FLUCTUATIONS IN CAPITAL MARKETS

5.32.1 Fluctuations in capital markets may adversely affect the value of our Group's assets under administration or management, from which our subsidiaries and some Portfolio Companies derive revenues, as well as investor confidence. A dramatic or sustained decline in capital markets may prompt investors to sell investments administered or managed by VM Wealth or render potential investors less willing to make new investments and render it more difficult for VM Wealth or VM Wealth Fund to attract new assets under administration or management or provide advisory services in relation to such investments, in each case having an adverse effect on the financial position and prospects of our Group. Further, such a decline would adversely affect revenues received on an annual or other recurring basis calculated by reference to the value of such assets under administration or management.

### 5.33 FAILURE TO MAINTAIN INVESTMENT PERFORMANCE OF MANAGED UNIT TRUSTS.

5.33.1 VM Wealth provides investment management services to a number of collective investments schemes ("CISs"). If the investment performance of those unit trusts were to be poor relative to the market or in absolute terms, then VM Wealth would be vulnerable to increased redemptions/cancellation of units by investors in those CISs and a consequential reduction in revenues received derived from management fees. In the worst case one or more of those unit trust may have to be wound which would not reflect well on VM Wealth.

### 5.34 HOLDERS OF THE BONDS WILL BE STRUCTURALLY SUBORDINATED TO ANY OF OUR SUBSIDIARIES' THIRD-PARTY INDEBTEDNESS AND OBLIGATIONS.

5.34.1 The Bonds will be obligations of the Company exclusively. All of our operations are conducted through our subsidiaries and Portfolio Companies. Our subsidiaries are separate legal entities that have no obligation to pay any amounts due under the Bonds or to make any funds available therefor, whether by dividends, loans or other payments. Except to the extent that we are a creditor with recognized claims against any of our subsidiaries, all claims of third-party creditors (whether secured or un-secured including trade creditors) and holders of preference shares in any of our subsidiaries or Portfolio Companies, will have priority with respect to the assets of such subsidiaries over distribution to us as equity holders. It is from such distribution (other than disposal of interest in a subsidiary or Portfolio Company) that we would generate funds or accumulate distributable reserves to service the Bonds. Consequently, the Bonds will be structurally subordinated to all existing and future liabilities of any of our current or future subsidiaries and Portfolio Companies.

### 5.35 THE PRICE AT WHICH YOU WILL BE ABLE TO SELL YOUR BONDS PRIOR TO MATURITY WILL DEPEND ON A NUMBER OF FACTORS AND MAY BE SUBSTANTIALLY LESS THAN THE AMOUNT YOU ORIGINALLY EXCHANGED IT FOR.

5.35.1 The Bonds will constitute new issues of securities for which there are no existing trading markets. We believe that the value of the Bonds in any secondary markets, to the extent such develop, would be affected by the supply and demand

of the Bonds, the prevailing interest rate in the market and a number of other factors. Some of these factors are interrelated in complex ways. As a result, the effect of any one factor may be offset or magnified by the effect of another factor. The following paragraphs describe what we expect to be the impact on the market value of the Bonds of a change in a specific factor, assuming all other conditions remain constant.

The market price for the Bonds will be based on a number of factors, including but not limited to (i) the prevailing interest rates being paid by other companies similar to us; and (ii) the overall condition of the financial markets. The condition of the credit markets and prevailing interest rates have fluctuated in the past and can be expected to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the price and liquidity of the Bonds. Thus, you may not be able to sell your Bonds if active trading markets for the Bonds do not develop. This could adversely affect the price of the Bonds in the secondary market and your ability to resell the Bonds should you desire to do so. Neither the Company nor any of its subsidiaries will act as market maker in respect of the Bonds.

### 5.36 CREDIT RATINGS, IF ANY, MAY NOT REFLECT ALL RISKS OF AN INVESTMENT IN THE BONDS.

5.36.1 The credit ratings, if any, assigned to the Bonds will be limited in scope, and do not address all material risks relating to an investment in the Bonds, but rather reflect only the view of the rating agency at the time the rating is issued. There can be no assurance that those credit ratings will remain in effect for any given period of time or that a rating will not be lowered, suspended or

withdrawn entirely by one or more rating agencies if, in that rating agency's judgment, circumstances so warrant.

5.36.2 Agency credit ratings are not a recommendation to buy, sell or hold any security. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the Bonds and increase our corporate borrowing costs.

### 5.37 THERE WILL BE LIMITED COVENANTS IN THE TRUST DEED.

5.37.1 Neither we nor any of our subsidiaries will be restricted from incurring additional debt or other liabilities, including additional senior or *pari passu* debt. If we incur additional debt or liabilities, our ability to pay our obligations on the Bonds could be adversely affected. We expect that we will from time to time incur additional debt and other liabilities. In addition, we will not be restricted under the Trust Deed from granting security interests over our assets, or from paying dividends or issuing or repurchasing our securities. Thus, if we were to assume debt secured on any part of our assets; for example, a secured loan or issue or placement of secured notes or bonds the obligations in respect of those secured facilities would rank ahead of our obligations under these Bonds. Likewise, if we assume unsecured debt or issue additional unsecured bonds or notes which are not expressly subordinated to these Bonds such debt would rank *pari passu* with these Bonds in a winding up would increase the amount of funds need to service such senior debts first and

these Bonds and other *pari passu* debt pro rata and simultaneously.

### 5.38 REDEMPTION MAY ADVERSELY AFFECT YOUR RETURN ON THE BONDS.

5.38.1 We will have the right to redeem in full or in part all of the Bonds prior to their stated maturity or redemption date. We would typically exercise that right when prevailing interest rates in the market may be relatively low. If we were to exercise that right, you may not be able to reinvest the pre-payment, or redemption proceeds in a comparable security at an effective interest rate as high as that of the Bonds and you would therefore be exposed to interest rate loss.

### 5.39 ACTIONS TAKEN BY GOVERNMENTS IN RESPONSE TO RISING INFLATION RATES MAY HAVE A MATERIAL IMPACT ON OUR BUSINESS.

5.39.1 Both domestic and international markets experienced significant inflationary pressures in fiscal year 2023 and inflation rates are currently expected to continue at elevated levels for at least the near-term. In response, the Bank of Jamaica has raised, and may again raise, interest rates in response to concerns about inflation, which, coupled with volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening related risks. Interest rate increases or other government actions taken to reduce inflation could also result in recessionary pressures in many parts of the world. These factors have affected, and may continue to affect, the reported value of our assets and liabilities, our expenses, and our cash flows.

### 5.40 WE MAY PURSUE PORTFOLIO INVESTMENT OPPORTUNITIES OR OTHER INORGANIC GROWTH STRATEGIES WHICH COULD PRESENT UNFORESEEN INTEGRATION OBSTACLES OR COSTS. WE MAY ALSO FACE COMPETITION IN OUR ACQUISITION STRATEGY, AND SUCH COMPETITION MAY LIMIT SUCH OPPORTUNITIES.

5.40.1 We have explored and continue to explore a wide range of investment opportunities. These opportunities and activities involve a number of risks and challenges, including:

- a potential disruption of our ongoing businesses and product, service and market development and distraction of management;
- b difficulty retaining and integrating personnel and integrating administrative, operational, financial reporting, internal control, compliance, technology and other systems;
- c the necessity of hiring additional managers and other critical professionals and integrating them into current operations;
- d increasing the scope, geographic diversity and complexity of our operations;
- e to the extent that we pursue these opportunities internationally, exposure to political, economic, legal, regulatory, operational and other risks that are inherent in operating in a foreign country, including risks of capital controls, foreign exchange controls, foreign currency fluctuations,

regulatory and tax requirements, economic and/or political instability,

- f the risks relating to integrating accounting and financial systems and accounting policies and the related risk of having to recast our historical financial statements; and
- g the upfront costs associated with pursuing transactions and recruiting personnel, which efforts may be unsuccessful in the increasingly competitive marketplace for the most talented producers and managers.

#### 5.41 CREDIT RISK RELATING TO THE DBJ LOAN PROGRAMME

5.41.1 VMIL operates a programme whereby it borrows funds from the DBJ for on-lending to its ultimate clients. VMIL is exposed to a credit risk in relation to this programme whereby the ultimate client may default on its obligations to VMIL, but VMIL will nevertheless continue to be obligated to make payments to the DBJ.

#### 5.42 PANDEMIC RISK

5.42.1 VMIL'S business, financial condition and results of operations may be materially and adversely affected by pandemics, epidemics or other widespread public health events. Such events may cause economic disruption, reduced business activity, financial market volatility and deterioration in the credit quality of VMIL's clients and counterparties, potentially resulting in increased defaults, reduced transaction volumes and lower revenues.

5.42.2 Operational disruptions may also arise, including from remote working arrangements, reduced staff availability, and outages affecting key third-party service providers and financial infrastructure. While VMIL maintains business continuity measures, there can be no assurance that such measures will fully mitigate the impact of a public health crisis.

5.42.3 In addition, governmental and regulatory responses—such as forbearance measures or changes to applicable rules—may adversely affect VMIL's operations and cash flows. The extent and duration of any such impacts remain uncertain and could materially affect VMIL's performance and ability to make bond payments as required.

SECTION 6

# Professional Advisors To The Invitation



## BROKER & LISTING AGENT

### VM Wealth Management Limited

6<sup>th</sup> Floor, The VM Building  
53 Knutsford Boulevard  
Kingston 5



## REGISTRAR AND PAYING AGENT

### MF & G Asset Management Limited

21 East Street,  
Kingston



## ATTORNEYS-AT-LAW

### Patterson Mair Hamilton

Temple Court  
85 Hope Road  
Kingston 6



## AUDITORS

### KPMG

The VM Building,  
6 Duke Street  
Kingston



# Key Information On The Invitation



The following summary information is derived from, and should be read in conjunction with, and is qualified in its entirety by, the full text of this Prospectus, including the Appendices.

You are advised to read this entire Prospectus carefully before making an investment decision about the Invitation. Your specific attention is drawn to the Risk Factors in Section 5 of this Prospectus and the Disclaimers & Notes on Forward-Looking Statements in Section 1 of this Prospectus.

If you have any questions arising out of this document or if you require any explanation, you should consult your stockbroker, licensed investment advisor, attorney-at-law, accountant, or other professional advisor.

ISSUER:	VM INVESTMENTS LIMITED
SECURITIES TO BE ISSUED:	Unsecured Corporate Bonds
UNSECURED CORPORATE BONDS	The Bonds will be issued in two Tranches as follows: <ul style="list-style-type: none"> <li>(a) Tranche A = VM Investments 25-month Bonds Due 2028; and</li> <li>(b) Tranche B = VM Investments 43-month Bonds Due 2030</li> </ul>
BOND COUPON	<ul style="list-style-type: none"> <li>(a) Tranche A = 9.00%</li> <li>(b) Tranche B = 9.50%</li> </ul> <p>Where an Event of Default has occurred, and is continuing, and then there will be an uplift of 2.00% per annum on the applicable Interest Rate on each Tranche of Bonds.</p> <p>Interest will be payable quarterly.</p> <p>Interest calculation convention: actual number of days/365 (366 for a leap year)</p>
REPAYMENT	Bullet payment in full at maturity.
COVENANTS	<p><u>Financial Covenant:</u></p> <p>Maximum Debt to Equity: 5.00x</p> <p>Affirmative and Negative Covenants: See Section 8.2.14 for further details.</p>

EVENTS OF DEFAULT	See Section 8.2.15
SUBSCRIPTION PRICE:	a) J\$100.00 per Bond, being 100% of the face value of the Bond, plus the JCSD Processing Fee of J\$172.50 per Application must be included in each payment.
TAXATION:	<p>Interest payments to Jamaican resident Bondholders will be subject to tax at 25%. Such interest will be withheld by the Registrar and Paying Agent and paid to the relevant tax authority. A certificate in the usual form confirming payment of such tax will be issued to the relevant Bondholder by the Registrar and Paying Agent.</p> <p>Bondholders that are resident outside of Jamaica may be subject to higher or lower rates of tax on interest and principal depending on their circumstances.</p> <p>Each prospective Bondholder should consult with an independent advisor as to the rate of withholding and other taxes that are applicable to them.</p> <p>If the Bonds are listed on the Bond Market of the JSE as anticipated, the transfer of the Bonds will be exempt from both Transfer Tax and Stamp Duty.</p>
APPLICATION:	All Applications for Bonds in the Invitation should be made on the Wealth IPO Edge platform by logging onto the website <a href="https://wealthipo.myvmgroup.com/welcome">https://wealthipo.myvmgroup.com/welcome</a> and following the steps set out in Appendix 1 of this Prospectus.
PAYMENT:	Payment for all Bonds must be made in full using the Approved Payment Method upon delivery of an Application together with the JCSD Processing Fee and an Interest mandate fee (where applicable) of J\$172.50 (inclusive of General Consumption Tax).
APPROVED PAYMENT METHOD:	In full on Application by: <ol style="list-style-type: none"> <li>cleared funds held in an investment account in the Applicant's name at VM Wealth Management (<b>VM Wealth</b>), supported by an authorisation from the Applicant instructing VM Wealth to make payment from that account;</li> <li>transfer by Real Time Gross Settlement (<b>RTGS</b>) to VM Wealth, in the case of payments of One Million J\$ or more; or</li> <li>transfer via the Automated Clearing House (<b>ACH</b>) to VM Wealth.</li> </ol>
ISSUE SIZE:	J\$4,000,000,000 with the option to upsize by up to 20%
ARRANGER:	VM Wealth Management Limited
BROKER & LISTING AGENT:	VM Wealth Management Limited

**REASON FOR INVITATIONS & USE OF PROCEEDS:**

The Company intends to use the net proceeds of the Invitation to refinance maturing debt facilities and cover transaction costs.

The debt schedule below indicates a total of \$3.96 billion to be refinanced, with the remaining \$44.02 million being used to cover transaction costs.

USE	AMOUNT
Refinance VMIL \$5.43B Bond Tranche D	J\$103,015,000.00
Refinance VMIL \$5.43B Bond Tranche D(i)	J\$1,928,715,000.00
Refinance VMIL \$5.43B Bond Tranche E	J\$363,300,342.49
Refinance VMIL \$5.43B Bond Tranche E(i)	J\$1,560,952,246.60
Working Capital Support and settlement of Transaction Costs	J\$44,017,410.91
<b>TOTAL</b>	<b>J\$4,000,000,000.00</b>

Unsecured Corporate Bonds will be allocated on a “first come first served basis”. The Subscription List will close on July 17, 2026 at 4:30 p.m. Jamaica time, unless the Company elects to close the Application List prior to the Closing Date as stated herein.

Unsecured Corporate Bonds “first come, first served” basis means that all Applications are processed, and the securities allocated in the order in which they are received.

If the Bonds are oversubscribed, it is likely that the Bonds will be allocated on a pro rata basis, in which event Applicants may be allotted fewer Bonds than were the subject of their Application(s). However, the Company (in the event of oversubscription) reserves the right to allot Bonds on an alternative basis to be determined in its sole discretion including allotting a minimum of Bonds to each Applicant and then allocating the excess on a pro rata basis or on such alternative basis as seems justifiable having regard to fairness and efficacy.

Where there is an oversubscription for Bonds in a particular Tranche, but not in others, VMIL reserves the right in its sole discretion to alter the amounts to be raised in each Tranche, subject always to the aggregate principal amount of Bonds not exceeding J\$4,800,000,000 should VMIL elect to exercise its option to upsize the Offer.

NOTIFICATION OF ALLOTMENT:	Successful Applicants will be notified by way of Letters of Allotment electronically mailed (“emailed”) by the Broker & Listing Agent on behalf of the Company to the email address of the Applicant (or of the first-named joint Applicant) as stated in the Application Form and sent at the risk of the Applicant.																
TIMETABLE:	<table border="1"> <tr> <td>Registration of Prospectus with the FSC</td> <td><b>June 4, 2026</b></td> </tr> <tr> <td>Publication of Prospectus</td> <td><b>June 10, 2026</b></td> </tr> <tr> <td>Invitation Opens</td> <td><b>June 17, 2026</b></td> </tr> <tr> <td>Invitation Closes</td> <td><b>July 17, 2026</b></td> </tr> <tr> <td>Announcement of Basis of Allotment</td> <td><b>July 27, 2026</b></td> </tr> <tr> <td>Allotment of Unsecured Corporate Bonds</td> <td><b>July 27, 2026</b></td> </tr> <tr> <td>Refunds (Transfers to Brokers)</td> <td><b>July 27, 2026</b></td> </tr> <tr> <td>Listing of Unsecured Corporate Bonds on the JSE (<i>subject to the successful completion of the respective listing applications</i>)</td> <td><b>August 26, 2026</b></td> </tr> </table> <p>The above timetable is indicative and will be implemented on a best-efforts basis, with the Directors however reserving the right (in consultation with the Broker &amp; Listing Agent) to change the Opening Date and the Closing Date based on market conditions and other relevant factors. Notice of any changes in the above dates for the opening or closing of the Invitation will be given as soon as reasonably practicable via a press release and by posting a notice on the website of the JSE at <a href="http://www.jamstockex.com">www.jamstockex.com</a>, and/or at the Company's website at <a href="https://vmil.myvmgroup.com/">https://vmil.myvmgroup.com/</a>.</p>	Registration of Prospectus with the FSC	<b>June 4, 2026</b>	Publication of Prospectus	<b>June 10, 2026</b>	Invitation Opens	<b>June 17, 2026</b>	Invitation Closes	<b>July 17, 2026</b>	Announcement of Basis of Allotment	<b>July 27, 2026</b>	Allotment of Unsecured Corporate Bonds	<b>July 27, 2026</b>	Refunds (Transfers to Brokers)	<b>July 27, 2026</b>	Listing of Unsecured Corporate Bonds on the JSE ( <i>subject to the successful completion of the respective listing applications</i> )	<b>August 26, 2026</b>
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Listing of Unsecured Corporate Bonds on the JSE ( <i>subject to the successful completion of the respective listing applications</i> )	<b>August 26, 2026</b>																
CONFIRMATION OF BASIS OF ALLOTMENTS:	A notice confirming the provisional Basis of Allotment will be delivered to the JSE three (3) days after the Closing Date.																
REFUND CHEQUES:	Returned Applications will be available for collection from VM Wealth within ten (10) days after the Closing Date.																

FINAL ALLOTMENT:	There will be final allotment of the Bonds within ten (10) days of the Closing Date. Successful Applicants will receive a letter from the Registrar, confirming their final allotments.
INTENTION TO LIST ON JSE:	The Company intends, immediately following the closing of the Invitation, to make an application to the JSE to list the Bonds on the Bond Market. This statement is not to be construed as a guarantee that the Bonds will be listed. The making of the application by the Company, and its success, is dependent on the criteria for admission set out in JSE Rules.

**SECTION 8**

# Description Of The Bonds

The Bonds will be issued by VMIL. The following summary of certain provisions of the Bonds does not purport to be complete and is qualified in its entirety by reference to the terms of the actual Bonds. Bondholders will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Bonds. Copies of the Form of Global Bond will be among the documents available for inspection during normal business hours at the Office of VMIL on the 6<sup>th</sup> Floor of the VM Building, 53 Knutsford Boulevard, Kingston 5, Jamaica.

## 8.1 THE ISSUER

*The Issuer:* VM Investments Limited (“VMIL” or “the Issuer”).

The Issuer Credit Rating: The current CariCris credit rating of the Issuer is as follows:

- *jmA-* (Jamaica National Scale JMD Currency)
- *jmBBB+* (Jamaica National Scale Foreign Currency)
- *CariBBB* (Regional Scale Local Currency)

## 8.2 THE BONDS

8.2.1 **General:** The Bonds will be issued and constituted under a Trust Deed between the Issuer and MF&G Asset Management Limited (“the Trustee”). The Bonds will constitute direct, unconditional and unsecured obligations of the Issuer and will (i) rank equal in right of payment with all of the Issuer’s existing and future unsecured indebtedness; (ii) rank senior in right of payment of all the Issuer’s existing and future

indebtedness (if any) legally ranking subordinate to the Bonds; (iii) be effectively subordinated to all of the Issuer’s existing and future secured indebtedness with respect to the collateral securing such indebtedness and (iv) be subordinated to the Issuer’s obligations preferred by statute or by operation of law. The obligations to make payments of principal, interest and any additional amount, if any, on the Bonds, will be solely the Issuer’s. None of the Issuer’s shareholders, affiliates, directors, managers, officers or employees, will guarantee the payment of the Bonds or will have any liability for any of the Issuer’s obligations under the Bonds or the Trust Deed or for any claim based on, in respect of, or by reason of, such obligations or their creation. Interest on the Bonds will be payable on each Interest Payment Date as described in section 8.2.3 below, with the principal payment thereof being required to be made on the Maturity Date.

8.2.2 **Type of Bonds:** Bonds will be issued in two tranches as follows:

TRANCHE	TENOR	INTEREST RATE
A	25 Months	9.00%
B	43 Months	9.50%

8.2.3 **Interest on the Bonds:** The interest or coupon rates on Tranche A and B Bonds are shown in

column 3 of the table above. Interest will be calculated and paid at the Agreed Rate and shall accrue from day to day (as well after as before any judgment) and be prorated on the basis of a 365-day year (or 366-day year in the case of a leap year) for the actual number of days comprised in each Interest Period. Interest will be payable quarterly in arrears. The first interest payment will become due up to October 11, 2026 and payable on October 12, 2026 and thereafter each three (3) month period expiring on January 12, April 12, July 12 and October 12 in each year but in respect of the last interest period, commencing on the penultimate interest payment date and continuing up to but excluding the Maturity date.

8.2.4 **Withholding Tax:** Interest will be paid net of withholding tax except in the case of holders who are exempt from such withholding. As it relates to the Jamaican resident holders who are not exempt from withholding tax, the withholding tax rate will be 25%. In the case of non-resident holders, the withholding rate may be reduced by applicable treaty where such treaty exists and is applicable.

8.2.5 **Principal Payment:** Bullet payment at Maturity Date being as shown below:

TRANCHE	MATURITY DATE
A	July 12, 2028
B	January 12, 2030

8.2.6 **Prepayments:** Following forty-five (45) days after the Issue Date, the Issuer will have the option to prepay, without premium or penalty, any or all tranches of Bonds, in whole or in part, plus any accrued and unpaid interest up to the date of repayment, subject to 30 days prior written notice.

8.2.7 **Currency:** All Bonds will be denominated in Jamaican currency and interest and principal will be payable in Jamaican currency.

8.2.8 **Subscription for Bonds:** Bonds will be allocated to subscribers on a “first come, first served” basis or in such other manner as the Issuer may, in its sole discretion, decide. The full face value of a Bond is payable on subscription.

i Minimum Subscription:

- a For Existing Small Investors<sup>2</sup> J\$10,000.00
- b For Existing Large Investors<sup>3</sup> J\$100,000.00
- c For New Investors J\$100,000.00

ii Minimum Transfer/Trading block: J\$5,000.00

8.2.9 **Settlement:** The Bonds will be immobilized in the Jamaica Central Securities Depository (“JCSD”). A single definitive Global Bond will be issued to the Trustee in respect of each Tranche. Individual Bondholders will be issued depository receipts by the JCSD evidencing their interest in the Global Bond. As between the Issuer and a Bondholder such interest will be legally represented in the form of an individual bond. The Issuer reserves the right to issue individual Bonds to a Bondholder. In such a case, payment made under the Global Bond would

pro tanto reduce the obligation of the Issuer under such individual Bond.

8.2.10 **Paying Arrangements:** MF&G Asset Management Limited, will act as paying agent and will effect payment of interest and principal on behalf of the Issuer.

8.2.11 **Transferability:** Bonds may be transferred by means of a book entry in the records of the JCSD or any other similar depository/agency on provision of written transfer duly signed by the registered Bondholder and the transferee and authenticated by the Trustee.

8.2.12 **Collateral:** The Bonds will be unsecured.

8.2.13 **Transaction Documents:** The principal transaction documents applicable to the Bonds will be the (i) Trust Deed (ii) Bond Purchase Agreement and (iii) Global Bonds. The Trust Deed is generally in customary terms for debt placement in Jamaica. Under the Trust Deed, each tranche of Bonds will be represented by a Global Bond which will be deposited in the Depository and the Depository will issue a Depository Receipt to each individual Bondholder.

8.2.14 **Trust Deed:** The Trust Deed contains the customary affirmative and negative covenants. Among the **affirmative covenants** are (i) payment of taxes; (ii) perseverance of corporate existence; (iii) arm’s length dealings with affiliates; (iv) insurance on business assets; (v) reporting requirements – unaudited quarterly financial statements (90 days

after the quarter) and audited financial statements (120 days after fiscal year); (vi) certification of compliance with financial statements – 45 days after each interest period and (viii) Events of Default – no later than 10 Business Days stating details of the default and any remedial action. **Negative covenants** include, inter alia (i) no merger without consent of the Trustee; and (ii) no reduction in capital so as to breach any financial covenants, namely:

**Maximum Debt to Equity: 5.00x**

where:

“**Debt to Equity**” means as of any date of determination, the result of the following formula, expressed as a multiple: VMIL’s Total Borrowings (Excluding Repurchase Agreements) / VMIL’s Total Equity.

The financial covenants will be tested semi-annually on a consolidated basis on a 12-month rolling timeline.

8.2.15 **Event of Default:** Upon the occurrence of an Event of Default, Bondholders may resolve by ordinary resolution to accelerate repayment of the Bonds. Events of Default include inter alia (i) non-payment of principal or interest for more than 14 days; (ii) misrepresentation or breach of warranty; (iii) default in respect of any covenant (other than for payment of money) (iv) cross default under any other financial indebtedness; (v) cessation of the issuer to operate as a going

<sup>2</sup> Investors who currently hold Bonds issued by the Company in a principal amount of less than J\$100,000.00

<sup>3</sup> Investors who currently hold Bonds issued by the Company in a principal amount greater than J\$100,000.00

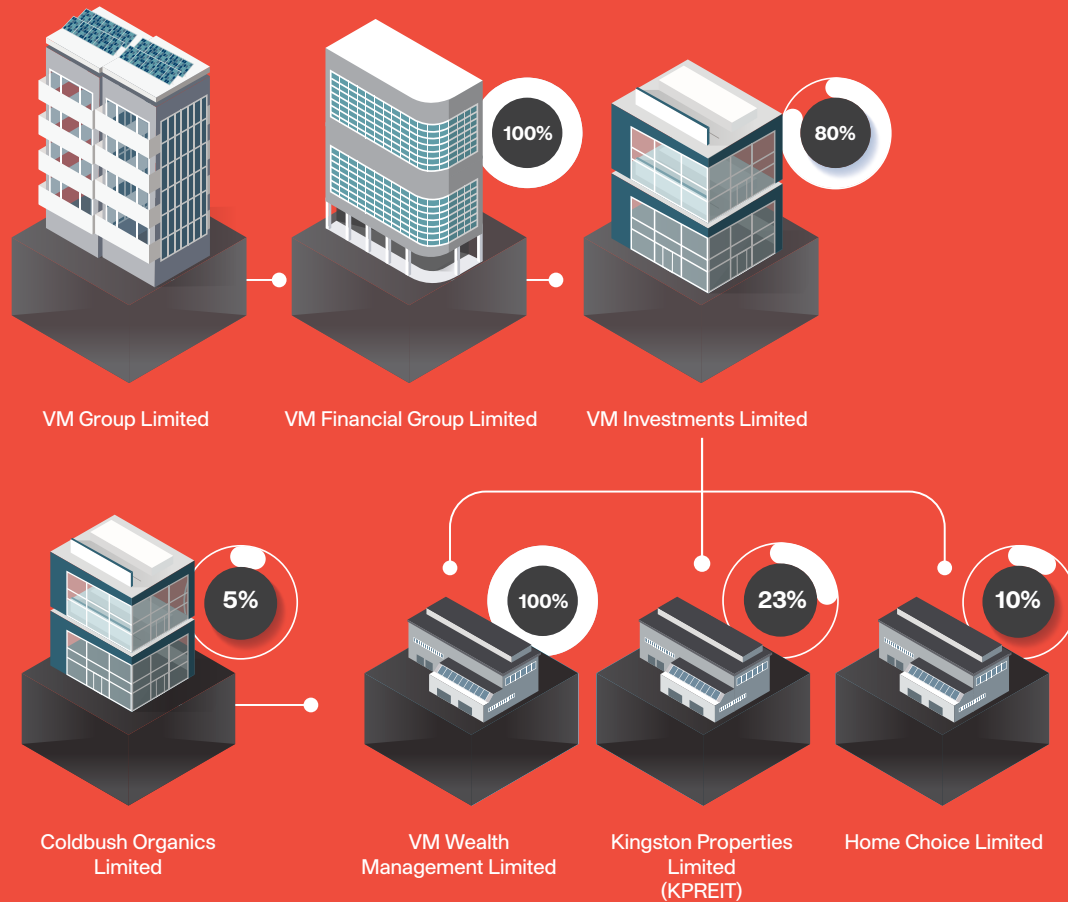
concern; (vi) Insolvency Event with respect to the issuer; (vii) enforcement action by any secured creditor over the assets of the company; (viii) enforcement action by judgement creditor; (ix) the Trust Deed or a bond becomes or alleged to be unlawful or unenforceable; (x) the cancellation by any regulatory agency of a Material Licence; (xi) failure to satisfy a judgment exceeding US\$1 million or in any other currency within 45 days unless the judgement is subject to a bona fide appeal.

8.2.16 **Listing of the Bonds:** The Company intends to apply for a listing of the Bonds on the Bond Market of the JSE. Please note that this is not a guarantee that the Bonds will in fact be admitted to the Bond Market. Further, if the Company does not meet the criteria for admission set out in the relevant Rules of the JSE, it reserves the right to cancel all allotments of the Bonds and all payments would thereupon be refunded in full without interest to successful applicants.



SECTION 9

# Information About The Company



VM Investments Limited (VMIL) is an investment and financing company incorporated in 1984 and domiciled in Jamaica. The company has been listed on the JSE Main Market since December 2017. It is now 80% owned by VM Financial Group Limited (VMFG) and 20% by the public.

In 2022, VM Building Society (VMBS), then parent of VMIL, undertook a court-approved scheme of arrangement to reorganise the group of companies to ensure compliance with the Banking Services Act (2014) which mandates that a corporate group which includes both financial entities and non-financial entities, be reorganised by separating the financial services companies from the non-financial companies.

The scheme of arrangement was approved overwhelmingly by the members of Victoria Mutual Building Society and sanctioned by the Supreme Court of Judicature. As a result of the scheme of arrangement VMIL became a subsidiary of VMFG and the 20% of the business that is owned by shareholders remained the same with all rights and benefits intact. VMFG is a 100% subsidiary of the ultimate parent company, VM Group Limited.

VMIL is the parent company of VM Wealth Management Limited (VM Wealth), which was founded in 1994, and owns the common shares of VM Wealth Funds Limited (Barbados), formerly Republic Funds (Barbados) Inc. (RFI). VMIL also has significant shareholdings in Kingston Properties Limited ("KPREIT"), Home Choice

Enterprise Limited (“HCEL” or “Home Choice”) and Coldbush Organics Limited. In 2022, VMIL partnered with London-based Actus Partners (Actus), and together they completed the first closing of a new Caribbean private equity fund, Jamaica Actus Small & Medium Enterprises Fund I (JASMEF). The fund focuses on Small & Medium Enterprises (SMEs) and is supported by the Development Bank of Jamaica (DBJ) via a partnership between the World Bank and the Jamaican Government.

VMIL’s primary offerings include margin loans, lease financing, underwriting services and secured corporate loans, managed by the financial expertise of the team at its subsidiary - VM Wealth.

As part of the VM Group’s strategic goal of being a strong integrated financial group, in 2017 the organisation initiated the recapitalisation of VMIL, as a vehicle to facilitate corporate lending and investing to support well-run Jamaican businesses. To date, VMIL has successfully raised over J\$45 Billion of debt by way of private placement, through its subsidiary VM Wealth.

In October 2024, the Caribbean Information and Credit Rating Services Limited (CariCRIS) maintained the issuer/corporate credit ratings for VMIL at CariBBB (Local Currency Rating) on the regional scale and at jmA- (Local Currency Rating) and jmBBB+ (Foreign Currency Rating) on the Jamaica national scale. The regional scale rating reflects VMIL’s good credit standing relative to other Caribbean obligors, while the national scale ratings affirm its adequate creditworthiness compared to other Jamaican obligors. The rating has been influenced by the support from its parent company, VMFG, along with enhancements in the credit risk profile of VMIL, which is linked to positive shifts in Jamaica’s sovereign risk profile.

Additionally, the rating agency commended VMIL on its launch in Barbados earlier in 2024, which deepened its operations in Barbados, added to its assets under management and increased its client base, indicating that it expects this expansion to support the company’s overall business risk profile. VMIL was also commended for its advances in building out its digital ecosystem, which, when fully implemented, will allow clients to continue to receive advice from financial advisors and afford them independence in executing transactions. This was supported by the robust risk management practices, which underpin the efficacy of operations.

## **9.2 VM WEALTH MANAGEMENT LIMITED (SUBSIDIARY OF VMIL)**

VM Wealth Management Limited is a licensed securities dealer that is regulated by the Financial Services Commission. It is incorporated and domiciled in Jamaica. VM Wealth is a premier provider of wealth management services, security trading and sales, investment advisory and corporate solutions.

VM Wealth has been a member of the Jamaica Stock Exchange since 1994 and operates as a licensed securities dealer. VM Wealth has earned a credible name for itself amongst the top performing investment managers in Jamaica, due to its strong and consistent performance, spanning many years. VM Wealth has played a critical role in promoting investment opportunities to investors – as a leading securities dealer and a formidable player in the stock brokerage and capital market businesses.

Over the last five years, VM Wealth’s revenue stream has evolved from a predominantly fixed income and securities trading-dominated entity, where the greater part of its total revenues came from net interest income. Since 2011, VM Wealth has diversified its revenue streams, becoming active in the asset management and capital market space, with a comprehensive range of products and services. As a result, VM Wealth now derives the majority of its revenue from non-interest income sources.

The Wealth Managers at VM Wealth are committed to transforming lives, through bettering the future for families, a thriving business, a retirement that is rich with experience, and a lasting legacy. VM Wealth seeks to deliver smart solutions, unlock maximum value, and propel growth for individuals and organisations.

## **9.3 KINGSTON PROPERTIES LIMITED (KPREIT)**

In 2022 VMIL acquired 135,483,871 units of Kingston Properties (KPREIT) shares for a combined consideration of J\$1,050,000,000. This transaction increased VMIL’s stake in KPREIT to a total of 23% and made KPREIT an associate company of VMIL.

KPREIT invests in and actively manages real estate properties to generate stable and sustained cash flows, as well as to achieve capital appreciation, for the benefit of its shareholders, through rental income and profit from sale. KPREIT has an extensive real estate portfolio that encompasses several properties locally, in

the Cayman Islands the United Kingdom and the USA. The company has managed properties in Trinidad and Tobago, before offloading for profit, and focusing mainly on expanding its holdings in Jamaica, Cayman Islands, the UK and the US.

For the financial year ended December 2025, KPREIT delivered mixed financial results. Core operating performance remained strong, supported by growth in rental income and expansion of the investment property portfolio. Total revenue increased by 28.1%, rising from US\$4.7 million to US\$6.0 million, while operating expenses increased by 10.5% to US\$2.3 million.

Despite the improvement in revenue, overall profitability declined due to adverse fair value movements on investment assets. The company recorded a fair value loss of US\$2.9 million, primarily related to an impairment on its equity investment in the Polaris at East Point, following a foreclosure event. Consequently, operating profit declined by 8.5% to close the period at US\$6.2 million. Net profit also declined by 22.6% from US\$5.3 million in the prior year to end at US\$4.1 million.

The balance sheet continued to expand during the period, reflecting ongoing investment in income-producing assets funded by incremental debt and retained earnings. Total assets increased by 12.4%, rising from US\$77.4 million to US\$87.0 million, driven primarily by additions to investment properties, including property held for sale.

KPREIT's property portfolio remains geographically diversified across several markets. Jamaica

represents 43% of the portfolio, the Cayman Islands 41%, the United Kingdom 12%, and the United States 4%. Strategic priorities for 2025 and 2026 include the disposal of non-core assets and reinvestment into higher-yielding properties, further expansion within the United Kingdom following encouraging portfolio performance, completion of the Rousseau Road warehouse development in Jamaica, maintaining prudent leverage levels, and redeploying capital into core real estate assets.

#### 9.4 COLDBUSH ORGANICS LIMITED

VMIL purchased a 5% equity stake in Coldbush Organics Limited, in October 2018, through its partnership with the FirstAngelsJA Angel Investor network. As an Associate member of the Network since 2015, this deal represented VM Wealth's first private equity investment. The proceeds from the investment were used to increase the acreage under cultivation at Mount Pleasant farm, from an initial 5 acres to 20 acres and later to the current 50 acres.

Coldbush Organics produces high-quality chocolate bars made from cocoa grown and processed on the company's farm. The product offerings include internationally awarded 70% premium dark chocolate bars with Jamaican-loved flavours, Jamaican premium 100% chocolate tea balls, natural cocoa powder and natural cocoa Nibs. Sustainability and fair trading are important at Coldbush and all their products are made according to holistic and sustainable environmental practices and support the local community. Additionally, the chocolates are packaged in eco-

friendly 100% tree-free recycled cotton cardstock and hand screen printed to reflect its organic and artisanal quality.

Through its investment in this and similarly fast-growing companies, VMIL and VM Wealth hope to foster the entrepreneurial spirit of Jamaica and offer its support and financial backing to the small and medium enterprises sector.

Coldbush Organics Limited, which trades as Mount Pleasant Chocolatiers, faced a challenging financial year in 2024, marked by a decline in revenue and increased costs. Despite efforts to manage expenses, profitability was impacted by rising operational costs and financial obligations. While it remains committed to long-term growth, the financial results highlight the need for strategic adjustments to improve overall performance.

Revenue experienced a decline compared to the previous year, reflecting evolving market dynamics and strategic adjustments in operations. Meanwhile, an increase in the cost of sales impacted gross profit. The company continued to invest in key areas of operations, financial obligations, and asset upkeep, maintaining its commitment to longterm sustainability. As a result, a net loss was recorded, consistent with the previous year, while the company remains focused on strengthening its foundation for future growth. Total assets decreased, driven by reductions in both fixed and current assets. While cash reserves provided some stability, receivables and other financial obligations impacted liquidity. Liabilities increased, with a notable rise in payables, reinforcing the need for careful financial management.

To navigate these financial challenges, Coldbush is focused on initiatives aimed at improving efficiency, strengthening revenue streams, and optimizing costs. Key areas of focus include: Enhancing revenue generation through market expansion and operational improvements. Implementing cost-control measures to drive greater efficiency and profitability. Strengthening financial management to ensure longterm stability.

Coldbush has received a number of awards including a Jamaica Observer's Food Award in 2013 for its chocolate and peanut spread. In 2017, the business received the Sir Arthur Guinness Trust Award and in 2022, the Mount Pleasant Farm was named among the top global food and drink producers, receiving the Golden Star in the Great Taste Awards for its 70% dark bars.

## 9.5 HOME CHOICE

Home Choice Enterprise Limited was founded in 1999 by its Chairperson and CEO Ms Kareema Muncy and became a corporate entity in 2004. The company's main products include, Jerk seasonings, pepper, jerk, soya and garlic sauces, flavoured noodles, lemon juice, pepper shrimp, curry powder, pepper jelly, vinegar, soup mixes & ginger beer, and other notable products under the Home Choice brand. Home Choice distributes to over 3,000 customers across Jamaica. Since its inception, the company has grown its business model by selling to the 'small shop' businesses, to ensure it maintains its service level agreement, particularly,

the expected level of service and performance standard.

In 2022, VMIL acquired an equity stake in food-manufacturing company Home Choice Enterprise Limited. The equity injection, which is in keeping with VMIL's mission to empower businesses for transformational growth, was used to provide the Portmore-based manufacturer with enough cash to expand production to meet demand for its products locally and in foreign markets. This investment also aligns with our Diversity, Equity and Inclusion (DEI) initiatives, as we collaborate with the Jamaican-Muslim Community.

Since the investment, the company has delivered strong financial performance. For FY2025, revenue increased by approximately 30% year-over-year, while net profit grew by approximately 66%, reflecting higher sales volumes and improved cost management. Over the period 2020 to 2025, revenue expanded at a compound annual growth rate of approximately 30%, while net profit grew at a CAGR of approximately 66%.

Based on the company's improved financial performance relative to VMIL's initial investment, the investment has generated a return on invested capital (ROIC) of approximately 2.3x.

Home Choice continues to focus on product innovation, expanding distribution across Jamaica, and increasing penetration in export markets, particularly in North America. The company is also strengthening its governance and operational systems in preparation for a potential future listing

on the Jamaica Stock Exchange.

## 9.6 VM WEALTH FUNDS LIMITED (BARBADOS), FORMERLY RFI

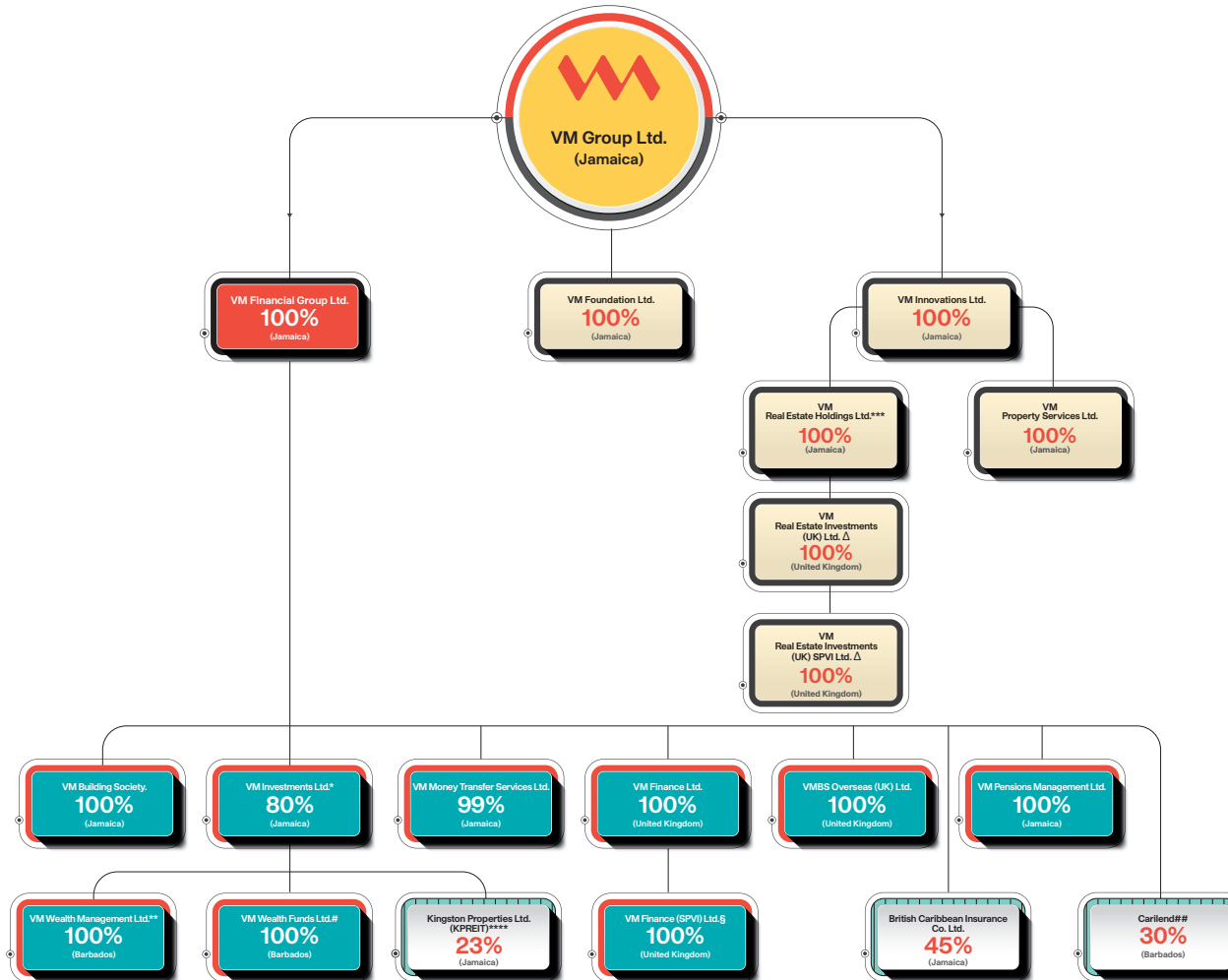
In line with our objectives of regional integration and capitalizing on our expertise for enhanced financial outcomes, VMIL and Republic Funds (Barbados) Inc (RFI) signed an agreement in November 2021 for VMIL to acquire a complete 100% of the common shares in RFI. RFI, which managed three investment funds open to investors, was one of five mutual fund companies active in Barbados. The funds managed by RFI included the Capital Growth Fund, the Income Fund, and the Property Fund.

The acquisition was completed in January 2024, having met all the regulatory requirements and the Barbados location was officially opened on January 22, 2024. Subsequent to the completion, the entity was renamed VM Wealth Funds Limited, and the Barbados mutual funds renamed VM Wealth Capital Growth Fund, VM Wealth Income Fund and VM Wealth Property Fund.






At the end of December 2025, the VM Wealth Income Fund was a strongly-performing fund in its class with a return of 6.98%. The Capital Growth Fund finished the year up 2.71%, finishing the year 5th of 6 funds. The Property Fund, however, finished the year down 5.47%, due largely to high expenses from the largest property holding in the fund, the fund manager intends to divest the property and reallocate to income-generating

DIAGRAM 2

# VM Group Limited Corporate Organization Structure - November 2025



Key

-  Mutual Holding Company
-  Financial Holding Company
-  Financial Subsidiary
-  Non-Financial Subsidiary
-  Affiliate

Notes

- \* 20% owned by the public on Jamaica Stock Exchange
- \*\* Registered in Barbados as an overseas company - June 19, 2023
- \*\*\* Incorporated - Sept 26, 2023
- \*\*\*\* 23% holding Dec 30, 2023
- § Incorporated November 28, 2024
- # Republic Funds (Barbados) Inc (RFI) - transaction completed on Jan 19, 2024. RFI renamed VM Wealth Funds Ltd.
- ## 30% holding - March 31, 2024
- Δ Incorporated May 19, 2025

assets in 2026. While monitoring the geopolitical environment in 2026, the fund manager will seek to further diversify the funds to improve performance, while seeking to mitigate downside risk.

## 9.7 THE VM FINANCIAL GROUP (PARENT OF VMIL)

The VM Financial Group (VMFG) is the dedicated and outcome-oriented financial division of the VM Group. It is the holding company for the financial service entities within the VM Group being (i) VM Building Society, (ii) VM Investments Limited and through this Company VM Wealth Management Limited, (iii) VM Pensions Management Limited, (iv) VM Finance Limited, (v) VMBS Money Transfer Services Limited, (vi) VMBS Overseas (UK) Limited and (vii) British Caribbean Insurance Company Limited (an affiliate). VMFG is committed to working diligently and purposefully to achieve excellence.

The VM Financial Group provides individual consumers, small and medium businesses and large corporate entities with a suite of financial services, which includes savings and investments; wealth and pension fund management; corporate financing, mortgages; real estate and money transfer services; and general insurance. These services are offered through the strategic business units and an affiliate company, supported by a network of 16 branches, a representative office in the United Kingdom and two in the United States.

## 9.8 CAPITAL STRUCTURE

As at March 31, 2026, the latest practicable date prior to publication of this Prospectus, the authorised and issued share capital of the Company was as follows:

Authorised Number of Ordinary Shares at the date of this Prospectus:	<b>Unlimited</b>
Number of Existing Ordinary Shares in issue at the date of this Prospectus	<b>1,500,025,000</b>

By virtue of the provisions of the Act, shares in the Company have no par value.

As of March 31, 2026, the following are the top ten largest shareholders in the Company:

Rank	Shareholder	Total Shares	% Ownership
1.	VM Financial Group Limited	1,200,020,000	80.00%
2.	PAM – University Hospital Scheme of Pensions	7,560,600	0.50%
3.	Rezworth Burchenson & Valerie Burchenson	6,462,901	0.43%
4.	Sagicor Select Funds Limited (Class B' Shares) Financial	6,135,970	0.41%
5.	Michael McMorris & Christine McMorris	5,055,667	0.34%
6.	VM Wealth Equity Fund	4,791,347	0.32%
7.	Rickardo Ebanks & Alda Ebanks	4,637,221	0.31%
8.	Tyrone Richards	4,506,000	0.30%
9.	Geoffrey Forde	4,500,000	0.30%
10.	Derrick Golding & Fay Golding & Alyssa Golding & Fay M. Golding	4,063,963	0.27%
	<b>Total</b>	<b>1,247,733,669</b>	

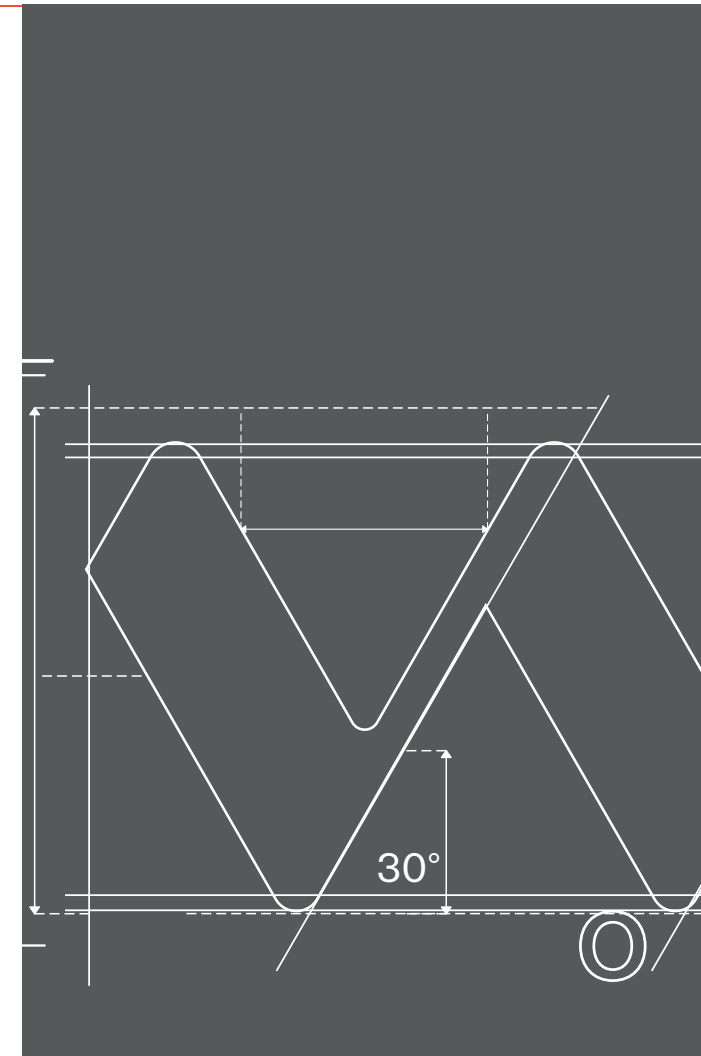
As of the date of this Prospectus, the indebtedness of the Company was as follows:

Facility	Type of Facility	Amount
Fixed and variable rate bonds	Unsecured Jamaican Dollar Bonds	J\$6,703,499,999.48

# Directors & Management

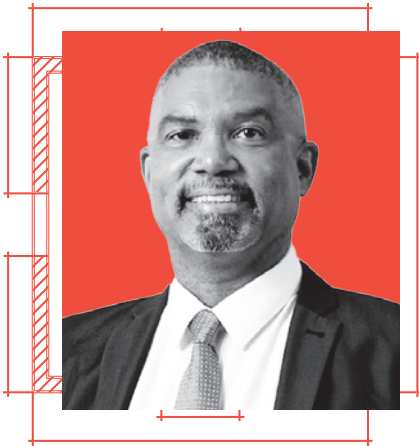
The Board of Directors of the Company consists of ten (10) The Board is responsible for leading and controlling the Company and has overall responsibility for the management and control of the business and the Company's strategic objectives. In particular and without limitation, the Board has powers to:

- i approve the arrangement under which VM Wealth provides management and administrative services to the Company;
- ii review the performance of its investment in subsidiaries, affiliates and other companies;
- iii approve the Company's system of supervisory control and oversight of its subsidiaries, affiliates and other companies;
- iv contract for loan and other financing arrangements;
- v approve the Company's overall business plan and see to its implementation;
- vi recommend dividends and distributions; and
- vii through its representatives on the Board of its subsidiaries and affiliates, seek, in accordance with sound principles of corporate board democracy, to implement the business strategies approved by the Board.



# Directors of the Company

The Board of Directors comprises of ten (10) persons. Brief details of the Directors appear below:



## Michael A. McMorris, BA – Chairman, Independent Director

Mr. Michael McMorris is Chairman of the Board of Directors at VM Investments Limited and has held that office since 2011. He is Principal of the business management firm KRONOS Limited and works with local and international investors in the areas of new venture development and strategic management. Mr. McMorris has had a long spanning career in both the private and public sectors. He was previously an Executive Director of Jamaica Promotions Corporation (JAMPRO) and prior to that, held the post of CEO with Trafalgar Commercial Bank (now First Global) and Knutsford Capital Merchant Bank, which he helped found. Currently, he is also Chairman of VM Wealth Management Limited and VMBS Money Transfer Services Limited, 1<sup>st</sup> Vice President of the Jamaica Chamber of Commerce and Director of other commercial enterprises. Previously, he was President of the Merchant Bankers' Association, Chairman of the Finance Committee of the Airports Authority of Jamaica, and a member of the Board of the National Export-Import Bank of Jamaica Limited ("Exim Bank").

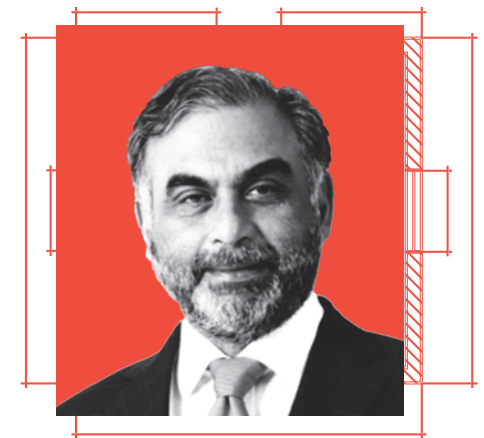
## Vikram Dhiman, CPA, MBA, BSc, Independent Director

Mr Vikram Dhiman is the Chief Operating Officer of ICD Group Holdings Limited, a Jamaica-based investment holding company with regional and global interests in Real Estate, Construction, Property Management, General Insurance, Business Process Outsourcing and e-Commerce.

He serves on several private and public-sector boards as part of his employment and as a volunteer. He is the Chairman of British Caribbean Insurance Co. Limited, and WIHCON Properties Limited, and a past Deputy Chairman of the Special Economic Zone Authority's board. He is a director of Advantage Communications Inc. (Canada), ADV Communications Jamaica Limited, Social Media Group LLC (Puerto Rico), West Indies Home Contractors, ICD Group Holdings Limited, the University Hospital of the West Indies (Private Wing), VMIL, Lumber Depot Limited, and M.A.G. Medical Supplies Limited.

Since 2016, he has been the Honorary Treasurer of the PSOJ. He has served as Treasurer of the Jamaica Golf Association since 2007 and was the Chair of its Junior Golf Committee from 2007-2017. He has raised over US\$500,000 for the development and growth of Junior Golf in Jamaica and mentors several executives and CEOs.

Vikram holds a First Class Bachelor's Degree in Mathematics from Christ Church College, Kanpur, India; is a Fellow Member (not in practice) of the Institute of Chartered Accountants of Jamaica; a past practising member of the Institute of Chartered Accountants of India; has passed the American Institute of Certified Public Accountants examination; and also holds an MBA from INSEAD, Fontainebleau, France.



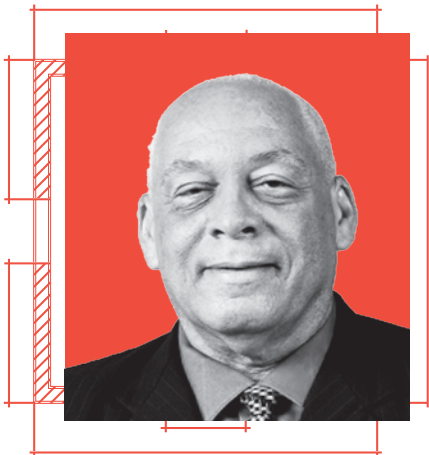
### Milton J. Samuda, Esq., Independent Director

Mr. Milton J. Samuda is the Managing Partner of Samuda & Johnson and heads the firm's Commercial Department. His practice includes Tourism, Corporate and Hotel Financing, Trade and Transportation, Mining and Energy, Sports and Entertainment, and Maritime Law. He is a Past Chairman of Jamaica Promotions Corporation (JAMPRO) and a Past-President of the Jamaica Chamber of Commerce (JCC). Currently, he is a director of VM Wealth Management, VM Investments Limited, Creditinfo Jamaica Limited, Berger Paints Jamaica Limited, OMS Associates Limited and Credit Advice Barbados Limited. Mr. Samuda is Chairman of Sabina Park Holdings, the Institute of Law and Economics, the National Dance Theatre Company (NDTC), and the Wolmer's Trust. He is a member of the Finance & General Purposes Committee of the University of the West Indies, and a member of the Advisory Board of the Spanish-Jamaican Foundation in which he serves as the Foundation's Secretary.



### Noel Hann, EJD, FAIA, MCMI, Independent Director

Mr. Noel Hann joined the VM family in 1976 and served the Society for over 30 years. As Senior Vice President Finance and Chief Financial Officer, he had responsibility for Accounting, Finance, Investment, Pension Fund Administration, Foreign Currency Trading, and Information Technology. He retired in 2010 as Senior Vice President, Group Risk and Compliance. He also has extensive professional experience in manufacturing, construction, and hotel operations. A past Council Member of the Building Societies Association of Jamaica, Mr. Hann also serves on the Boards of several companies. He is the Chairman of the McGrath High School and the founder and senior pastor of The New Life Tabernacle Church in Bog Walk, St. Catherine. A Justice of the Peace, he serves as a Lay Magistrate and is very involved in the communities of Bog Walk and Linstead, being on the Community Consultative Committees, as well as the Linstead Hospital Redevelopment Committee. Over the years, Mr. Hann has spearheaded numerous programmes geared towards the advancement of young people.



### Dennis G. Cohen, FCS, FCCA, B.SC., Independent Director

Dennis Cohen was appointed to the Board of Directors of VM Financial Group in December 2024. He brings a wealth of experience in the financial sector, most recently serving as Group Chief Financial Officer and Deputy Chief Executive Officer of NCB Financial Group (NCBFG). During his tenure, he also held the role of Chief Executive Officer of NCB Capital Markets and served as a director of several key companies within the group, including NCBFG, National Commercial Bank Jamaica Limited, NCB Capital Markets, Guardian Holdings Limited, Guardian Life of the Caribbean, Guardian Life Jamaica Limited, Guardian General Insurance Limited (Trinidad), and Clarien Bank Limited (Bermuda).

Before joining NCB, Mr. Cohen began his banking career at Citibank N.A. Jamaica, where he served as Vice President, Country Treasurer and Vice President, Head of the Relationship Management Group. Earlier in his career, he worked at PricewaterhouseCoopers as a Senior Accountant.



### Maria Robinson, BBA, CPA (NS), FCA, Independent Director

Maria Robinson is a Chartered Professional Accountant and a seasoned tax specialist with over 35 years of experience advising multinational, regional, and high-net-worth clients across the Caribbean. She currently serves as Managing Director of Rexdale Consulting Inc., where she provides bespoke tax advisory services to a range of clients.

Maria spent over two decades in leadership roles at two of the world's leading professional services firms. At Ernst & Young (EY), she held the role of Country Managing Partner in Barbados from 2014 to 2021, where she led a multidisciplinary team of 160 professionals across the firm's service lines. Prior to that, she served as Tax Partner at both EY and PricewaterhouseCoopers, with a focus on international business, financial services, and the insurance industry.

A graduate of York University in Toronto, Maria holds a Bachelor of Business Administration and is a member of the Chartered Professional Accountants of Nova Scotia, Canada. She is also a Fellow of the Institute of Chartered Accountants of Barbados. Maria has played an active role in shaping tax policy, serving as Chair of several tax committees and contributing to technical working groups, including Barbados' response to OECD BEPS requirements. She has published technical articles on taxation and spoken on international tax matters in the Caribbean and Canada.

### Sandra M. Shirley-Auxilly, MBA, BSc (Hons), PMP, Independent Director

Mrs. Sandra Shirley-Auxilly, Business Facilitator/Consultant, has extensive experience spanning over 30 years in wealth management, trust banking, strategic planning, and implementation in the United States and the Caribbean. A former licensed securities dealer and President of First Global Financial Services Limited, Mrs. Shirley-Auxilly is a 2006 Fellow of the Jamaican Institute of Management and a member of the Private Sector Organization of Jamaica. She is a former Director and Vice President of The Jamaica Chamber of Commerce and has served on various other private and public sector boards, including as Deputy Chairman, The Jamaica Stock Exchange (2008), Secretary, Security Dealers Association (2006-2008), Commissioner, Antidumping & Subsidies Commission and Jamaica Deposit Insurance Company.



### Courtney Campbell, CD, MBA (Distinction), ACIB, BSc, JP, Executive Director

Mr. Courtney Campbell is President and Chief Executive Officer of VM Group Limited (VM), a leading Jamaican Financial Group with operations that extend to major financial districts in North America and the United Kingdom. Courtney assumed this position in April 2016, and immediately went about igniting a transformation of the organization, which includes an ambitious digital strategy that has led to new products and services being delivered in modern, convenient ways. Courtney has leveraged the organization's cultural beliefs and core values to kindle the VM Team's passion for uplifting Jamaicans. He is a strident advocate for greater financial inclusion, which is the founding purpose of VM and a significant motivator behind the work that he does. Before joining VM, Courtney held several senior executive roles including that of CEO of GraceKennedy Financial Group. He also spent over 23 years with the National Commercial Bank, serving in various management positions, including Head of the Retail Banking Division and other roles instrumental to the bank's success.

### Frederick Williams, FCCA, Executive Director

Frederick Williams was appointed VM Group Chief Financial Officer on January 1, 2025. He is a results-focused Chartered Accountant with more than 25 years' experience in the financial services sector.

Frederick previously held the position of Vice President, Strategy and Transactions at Ernst & Young Services Limited serving as a consultant for clients in the public and private sectors across the Caribbean. Prior to that, he held other Senior Executive roles including Chief Executive Officer of Access Financial Services Limited and Vice President – Finance at Sagicor Group Jamaica Limited. A significant portion of Frederick's career was spent at Scotiabank, where he held both local and regional roles to include: Vice President, Chief Financial Officer & Chief Administrative Officer; Vice President, Business Analytics and Strategy & Risk Management; and Chief Financial Officer & Compliance Officer at Scotia Insurance Caribbean Limited, Barbados.

Frederick is a Fellow of the Association of Chartered Certified Accountants, Member of the Institute of Chartered Accountants of Jamaica, and holds a BSc in Accounting from the University of the West Indies, Mona.



### Rezworth Burchenson, MBA, Executive Director

Mr. Rezworth Burchenson is the CEO of VM Wealth Management. He was appointed to the role in January 2019 after a successful tenure as Deputy CEO and CEO of VM Pensions Management Limited. He transitioned to the VM Group with a proven track record of delivering results in the financial sector with prior roles including CEO of Prime Asset Management Ltd. and Vice President and General Manager of Pan Caribbean Asset Management Ltd., with an overarching responsibility for managing Jamaica's largest unit trust (Sigma Unit Trust). His contributions to the sector also include serving on the Private Sector Organization of Jamaica's (PSOJ's) Economic Policy Committee and The Jamaica Stock Exchange (JSE). He has also served as a director of National Road Operating and Constructing Company (NROCC), National Education Trust Ltd (NET), Human Resource Management Association of Jamaica, and Pension Funds Association of Jamaica (PFAJ).



# Farewell Director Matthew Wright

In May 2026, VMIL and the wider VM Group mourned the passing of Mr. Matthew Wright. Matthew served with distinction on the boards of VM Group, VM Financial Group, VMBS, VMIL, VMWM, and VM Finance Limited (UK), which he chaired with excellence since its inception.

Throughout his tenure, he brought a strong global perspective, sound judgement, and deep financial expertise to Board deliberations. With more than two decades of experience across investment management, corporate finance, credit risk, and real estate investment, Matthew was a thoughtful and strategic contributor to the Group's governance and long-term direction. His insights, shaped by senior roles within international financial markets, added significant value to Board discussions and decision-making processes.

We extend our heartfelt condolences to his wife and children, his extended family, friends, colleagues, and all those whose lives he touched. We give thanks for the life and legacy of Mr. Matthew Wright, whose contributions to the VM Group will endure for years to come. May his soul rest in peace.



## 10.2 THE MANAGEMENT COMPANY

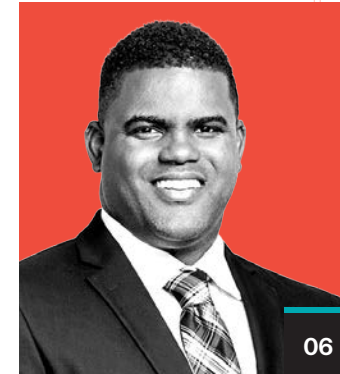
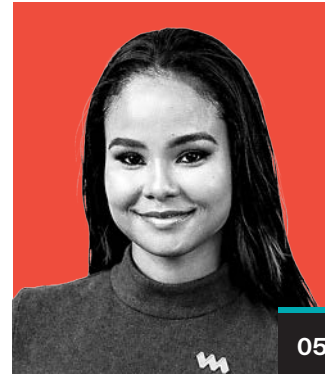
### VM Wealth Management Limited

VM Wealth Management Limited (VM Wealth) is a wholly owned subsidiary of VM Investments Limited (VMIL). VM Wealth is domiciled in Jamaica and its registered office is located at 53 Knutsford Boulevard, Kingston 5. VM Wealth acts as the management company for VMIL and oversees all aspects of VMIL's operations and manages the Company's assets and liabilities. VM Wealth is licensed by the FSC as an investment advisor and securities dealer. It is also a member of the JSE and is regulated as a stockbroker.

*Management Fee:* VMIL does not have any employees, so its operational activities are managed by staff from its subsidiary, VMWM. The management fees for overseeing VMIL's affairs are calculated as 20% of the VMIL's profit before tax, excluding management fees and dividend income.

### The VM Wealth Team

The VM Wealth management team has experience which spans asset management, corporate finance, financial advisory services, stock brokerage, unit trust management and includes the following key executives:



### 01. Rezworth Burchenson, Chief Executive Officer

Mr. Rezworth Burchenson's foray into the financial services sector began at Sigma Investments Ltd in 1995, where he was employed in the role of Investment Analyst. He was promoted to Equity/Research Manager and later Vice President and General Manager at the merged Pan Caribbean Asset Management Ltd, with an overarching responsibility for managing Jamaica's largest unit trust (Sigma Unit Trust). In early 2006, Mr. Burchenson joined Prime Asset Management Ltd, later VM Pensions Management and would go on to become its Chief Executive Officer.

On September 1, 2016, following a restructuring exercise within the organization, Mr. Burchenson took on the additional role of Deputy Chief Executive Officer for VM Wealth Management, the investment arm of the VM Family. He was promoted to Chief Executive Officer of VM Wealth Management in January 2019.

Throughout his career, he has been consistently involved with various corporate bodies, including as a Director of the Pension Funds Association of Jamaica (PFAJ) and as a Member of the Jamaica Stock Exchange (JSE) Best Practice Committee. He is also a former director of the National Road Operating and Constructing Company (NROCC), the National Education Trust Ltd (NET), Human Resource Management Association of Jamaica and a former member of the Private Sector Organization of Jamaica's (PSOJ's) Economic Policy Committee.

In 2012, Mr. Burchenson was named to the PSOJ's "50 Under Fifty" in the field of investments and finance. A Barclays Bank Scholar while at the University of the West Indies, he received a Bachelor's degree in Economics (Hons.) and an MBA in Banking and Finance (Hons.).

### 02. Allison Mais, Chief Operating Officer

Allison previously worked at GraceKennedy as Head, Strategic Planning where she was responsible for the Group's Strategic Plan and the monitoring of the Group's areas of focus and KPIs, leading the Corporate Planning Unit and executing retreats and investor briefings. Prior to this, Allison was the Head, Digital Strategy, GraceKennedy Financial Group and Assistant Vice President, Strategy and Project Management Office, First Global Bank. She holds a Master of Science in Manufacturing, Management & Information Systems from Cranfield University, UK and a Bachelor of Science in Computing and Information Technology from the University of Technology.

▶ [vmil.myvmgroup.com](http://vmil.myvmgroup.com)

### 03. Dwight Jackson, Assistant Vice President, Capital Markets

Mr. Dwight Jackson joined the VM Wealth Management Limited team in February 2021 as Assistant Vice President, Capital Markets and will be developing and implementing strategies aimed at growing VM Wealth's and VMIL's market share locally and regionally. Mr. Jackson has more than 10 years of combined experience in the financial industry spanning investment banking, commercial banking, central banking, risk management, model building and research.

His most recent assignment was in the role of Manager, Origination & Structuring – Investment Banking Unit at NCB Capital Markets. While there, he was instrumental in originating, structuring, arranging, brokering, underwriting, and listing some of the largest IPOs and public offering of shares in Jamaica's history.

Prior to that, Mr. Jackson was Quantitative Risk Officer, Group Risk Management Division at NCB where he managed group-wide credit risk exposure for the Group with assets of just under J\$700 billion, stipulating suitable risk limits for credit portfolios and developing frameworks and models to better analyse and manage risk exposures.

Mr. Jackson attained a Master of Science degree in Economics with concentration in Financial Economics and Game Theory from the University of the West Indies, Mona, and a Bachelor of Science degree with honours from the University of the West Indies. He is also certified in Corporate Finance from Euromoney Learning, London.

### 04. Evette Bryan, Assistant Vice President, Treasury Operations and Brokerage Services

Mrs. Evette Bryan joined VM Wealth Management Limited as a Client Relations Officer in July 2001. She quickly advanced to the position of a Senior Investment Advisor and Treasury Officer by 2003. Her promotion to Manager, Treasury and Trading in 2011, was followed by a further advancement in 2019 to her current role as Senior Manager, Treasury, where she practices due diligence in managing not only the portfolio of assets for VMIL/VM Wealth but also, on occasion, for select clients.

Having acquired over 25 years of experience in banking and finance, Mrs. Bryan is engaged in treasury management, trading, portfolio management, risk management, and mentorship. Prior to joining VM Wealth, she served in the private sector as an Accounts Supervisor at one of the leading financial institutions in Jamaica.

Mrs. Bryan holds an MBA in Banking and Finance from the Mona School of Business, University of the West Indies, Mona. She has also undertaken professional short courses focusing on Project Management, Strategic Financial Management and Portfolio Management, from the Mona School of Business and Fitz Ritson and Associates.

#### **05. Sitarah Smith, Assistant Vice President, Investment Management & Structured Solutions**

Sitarah Smith is a seasoned financial engineer and strategist with 15+ years of expertise in driving revenue growth, risk innovation, and structured finance solutions across the Caribbean. As EVP and Chief Investment Officer at Quantas Advantage Inc., she pioneered high-impact initiatives, such as launching a closed-end securitization vehicle, while her analytical rigor has delivered transformative results, including J\$2.6 billion in pandemic-era transactions for Scotia Investments and a 200% surge in trading income at Mayberry Investments. A mathematician and economist by training, she has held leadership roles at Bank of Nova Scotia and Scotia Investments Jamaica, managing multimillion-dollar revenue lines and regional risk frameworks. Recognized for strategic governance, she sits on key boards solidifying her reputation as a catalyst for sustainable financial growth.

#### **06. Stuart Andrade, Assistant Vice President, Finance**

Mr. Stuart Andrade is a finance executive with over 20 years of experience in financial management, treasury, strategic planning, and regulatory reporting within the financial services industry. As Assistant Vice President, Finance at VM Investments Limited and VM Wealth Management Limited, he provides strategic oversight of the Group's financial operations, including financial reporting, budgeting, forecasting, and regulatory compliance.

In his role, Stuart is responsible for delivering timely and accurate financial insights to support executive decision-making and Board oversight, while ensuring alignment with the Company's strategic objectives and regulatory requirements. He plays a critical role in strengthening financial governance, enhancing operational efficiency, and driving initiatives that support sustainable growth and shareholder value. Prior to joining VMIL, Stuart served as Chief Financial Officer at General Accident Insurance Company Jamaica Limited and previously at Key Insurance Company Limited under the GraceKennedy Financial Group.

#### **07. Denise Marshall-Miller, Assistant Vice President, Global Markets & Digital Asset Trading**

Mrs. Denise Marshall-Miller joined the VM Wealth Management Limited (VM Wealth) team as Manager–Bond Trading in February 2011. Her mandate is to facilitate the growth of bond trading revenue by providing internal and external clients with diversified bond options.

Towards this end, she focuses on building and expanding trading relationships with overseas counterparts, providing guidance to the Bond Trading Team and deepening relations with existing VM Wealth clients.

In July 2019, Mrs. Marshall-Miller's portfolio was expanded to include the stockbrokerage division of the business. She is tasked with growing the equity portfolio, generating trading gains and growing equity commission while educating the client base on investing.

Mrs. Marshall-Miller has over sixteen years of experience in the Finance Industry. She is engaged in deal structuring, Corporate and Sovereign Bond Trading, US Treasury Trading, Portfolio Management, Equity Trading and Treasury Management.

Her career in investment started at Mayberry Investment as a Wealth Advisor and quickly accelerated to that of Manager, Markets & Trading Department. Her core competence entails the creation of customized portfolios specifically designed to meet clients' investment needs and maximizing portfolio returns.

Mrs. Marshall-Miller holds an MBA from the Mona School of Business and a BBA (Hons) & Diploma (Distinction) from the University of Technology with a major in Finance. She has also attained Professional certificates from Harvard, CPTC, Morgan Keegan Bond Schools and Mona School of Business.

#### **08. Mr. Bob Russell Head, Asset Management**

Bob Russell is an industry professional with over 20 years in the Financial Services Industry. A trained engineer with a BSc in Civil Engineering, Mr. Russell has numerous industry related credentials. He has obtained a MBA from the McCombs's School of Business from the University of Texas at Austin with a concentration in Finance. In

addition to this he has completed all three levels of the Chartered Financial Analyst (CFA) Program, administered by the CFA Institute. In addition, he is a Financial Risk Manager (FRM) administered by the Global Association of Risk Professionals. In addition to this he has completed numerous certifications in Financial Modelling, Corporate Finance, and Risk Management through the use of derivatives, among other areas. His career encompasses Asset Management, Product Development, Trading as well as Treasury Management. A particular highlight was his stewardship of the Petrocaribe Development Fund's (US\$1.2B) investment portfolio in his role of Manager of Investments and Treasury. Mr. Russell brings keen business and technical acumen to his role of Head of Asset Management at VM Wealth Management Limited.



## 10.3 CORPORATE GOVERNANCE

### Committees

The Board has delegated specific responsibilities for audit, risk, nominations and corporate governance, information systems, finance and culture and human development to committees. The Board and each of its committees has written approved terms of reference setting out their respective roles and responsibilities and limits of authority.

#### 10.3.1 Corporate Governance, Nominations and Compensation Committee

This Committee is responsible for periodically assessing the skill composition and performance of the Board, through the process of Board evaluation, to guide succession planning and selection of directors. The Committee also has oversight of the compensation philosophy and performance management policy. The members are:

- i Milton Samuda (Chairman)
- ii Michael McMorris
- iii Sandra Shirley

#### 10.3.2 Audit, Risk and Conduct Review Committee

This Committee is tasked with overseeing and improving the reliability of the company's financial reporting, managing and evaluating risks, and upholding ethical behaviour across the organization. The members are:

- i. Sandra Shirley
- ii. Noel Hann
- iii. Vikram Dhiman
- iv. Maria Evelyn-Robinson

#### 10.3.3 Finance Committee

This Committee is tasked with ensuring effective oversight and review of capital allocation, treasury, and credit portfolio management to achieve growth targets. The Committee reviews, evaluates and recommends projects or transactions involving major capital expenditure as well as mergers, acquisitions, and divestments. The members are:

- i Michael McMorris
- ii. Noel Hann
- iii. Dennis Cohen

## SECTION 11

# Management Discussion and Analysis

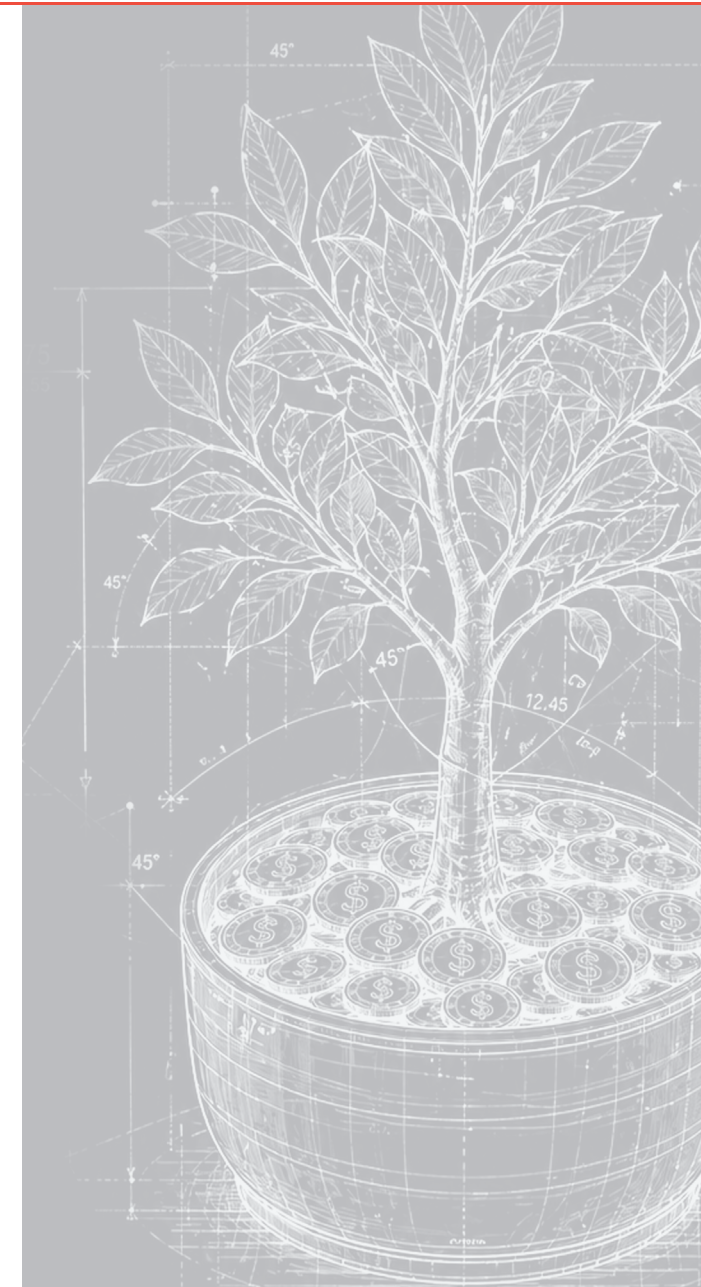
## 11.1 ECONOMIC OVERVIEW

Prior to the impact of Hurricane Melissa, the Jamaican economy demonstrated robust resilience, with the third quarter (July–September) of 2025 recording a significant 5.10%<sup>4</sup> year-over-year increase in total value added. However, the economic trajectory was sharply interrupted by Hurricane Melissa in late 2025. While the third quarter showed a thriving economy, the Bank of Jamaica (BOJ) now anticipates a significant contraction in real GDP, ranging between -1% and -3% for the 2025/26 fiscal year.

Prior to the passage of the Category 5 Hurricane Melissa, Jamaica's labour market has shown impressive strength, with employment reaching record highs of around 1.44 million<sup>5</sup>. This growth signals a robust economic recovery and expanding job opportunities, particularly in key sectors like Manufacturing and Education, Human Health and Social Work Activities. While growth is expected to stall and unemployment is anticipated to rise post Hurricane Melissa, due to the impact on several businesses, particularly across western Jamaica, the local inflation rate has had mixed results. Following the uptick from 2.10% in September 2025 to 4.50% in December 2025, the price index fell to 3.90% in February 2026<sup>6</sup>. Even as food prices continue to ease, the possible spikes in overall prices due to the war in the Middle East, could see the inflation rate running red hot.

Along with an impact on local prices, Hurricane Melissa produced volatility in the foreign exchange market. However, there has been some calm, as the Jamaican dollar showed very minor appreciation against the US dollar in February 2026. The BOJ has maintained its supportive presence in the foreign exchange market through targeted BFXITT operations, consistent with its post-hurricane stabilization strategy, through a single standard sale operation for an amount of USD 15 million. These measured interventions, combined with the earlier strengthening of Net International Reserves (NIR), continued to anchor FX market confidence heading into March.

BOJ broke its hiatus in August 2024, reducing the policy interest rate by 25 basis points to 6.75%. This was the first rate cut since the series of rate hikes began in October 2021 and was followed by two additional rate cuts, landing the policy rate at 5.50% at the end of February 2026<sup>7</sup>. While the rise in price levels is steadily declining, the threats to the inflation rate could see the BOJ maintaining its policy rate, until normalcy restores in the global economy.



<sup>4</sup> <https://statinja.gov.jm/PressReleases.aspx?field1=gdpq>

<sup>5</sup> <https://statinja.gov.jm/LabourForce/NewLFS.aspx>

<sup>6</sup> <https://statinja.gov.jm/Trade-Econ%20Statistics/CPI/NewCPI.aspx>

<sup>7</sup> <https://boj.org.jm/core-functions/monetary-policy/policy-schedule/>

Money market conditions remain liquid and orderly. Treasury bill auctions conducted in March 2025 drew healthy demand across 91-day and 182-day tenors, both with allocations of J\$700M. Bid coverage exceeded offers at each tenor, and clearing yields clustered in the 5.1%–5.74% varying with the tenor and price tranche, consistent with a stable short end anchored near the policy rate. This paints the picture of ample liquidity and investor preference for short-dated, high-quality JMD paper. While prices have cooled faster than feared, the real economy backdrop still reflects Melissa’s lasting damage.

While the post hurricane recovery is underway, the Jamaica Stock Exchange (JSE) began 2026 with a strong rebound, reversing the cautious and hurricane-affected sentiment that characterized December. According to the JSE’s official Monthly Quotes for January 2026, the JSE Main Market Index saw a modest growth of 0.08%, in February, with YTD growth of 7.46%. The Junior market saw a similar monthly growth of just 0.5%, with YTD growth of -1.30%.

Overall, the local economy continues to display signs of resilience, even amidst periods of volatility onset by natural disasters like Hurricane Melissa or man-made crises like the current disruptions in the Middle East.

Up north, economic growth in the U.S. slowed towards the end of 2025, with the Bureau of Economic Analysis second estimate showing Q4 2025 GDP growth revised sharply down to 0.7% (annualized) from an initial 1.4%, marking a significant deceleration from the 4.4% growth recorded in Q3. Real GDP grew 2.1% year-on-year at the end of 2025, primarily reflected increases in consumer spending and investment<sup>8</sup> and below 2.8% recorded the year prior. In line with slower growth, employment conditions continue to soften, albeit at a more modest than expected pace. The steady rise in unemployment since 2023, saw the rate ending February 2026 at 4.4%<sup>9</sup>, due to rising layoffs and changes in economic policies. Despite this trend, the rate remains within the historical 3% to 5% unemployment range, required for full employment. The inflation rate, while stable, remains above the Federal Reserve’s 2% target, ending February 2026 at 2.4%<sup>10</sup>, driven mainly by energy shocks. The Federal Open Market Committee held the federal funds rate steady at 3.50%–3.75% for a second consecutive meeting, signalling a deliberate “wait-and-see” approach amid heightened uncertainty, particularly from geopolitical tensions and rising energy prices.

<sup>8</sup> <https://www.bea.gov/news/2026/gdp-second-estimate-4th-quarter-and-year-2025>

<sup>9</sup> <https://www.bls.gov/news.release/pdf/empisit.pdf>

<sup>10</sup> <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>

While the global economy entered 2026 on a resilient footing, a “collision of risks” has intensified inflationary pressures, pushing global price growth to its highest level since May 2025. According to S&P Global Market Intelligence, the outbreak of war in the Middle East has transformed a previously “sedate” outlook into one of extreme volatility, with Brent crude oil prices soaring past \$100 per barrel. The IMF warns that this 50% surge in energy prices, if sustained, could add 40 basis points to global inflation through a “rule of thumb” effect where every 10% increase in energy costs impacts the headline rate. This energy shock is compounded by OECD data showing that, despite a brief dip in headline inflation to 3.3% in January 2026, average price levels remain nearly 36% above pre-pandemic (2019) levels, underscoring a period of “sticky” inflation.

## 11.2 FIVE YEAR CONSOLIDATED FINANCIAL REVIEW (2021 TO 2025)

Income Statement					
FYE December (J\$000)	2021	2022	2023	2024	2025
Net Interest Income	369,214	253,038	47,821	151,399	187,232
Net Operating Revenue	1,856,147	2,336,950	1,882,536	2,643,423	2,357,924
Total Expenses	1,197,928	1,400,674	1,873,649	2,382,109	2,470,304
Net Profit	440,032	716,588	198,844	555,722	165,975
Balance Sheet					
Total Assets	30,924,602	28,941,792	29,506,794	30,455,151	35,062,924
Total Liabilities	27,868,027	26,453,220	25,456,585	25,837,018	30,411,002
Total Equity	3,056,575	2,488,572	4,050,209	4,618,133	4,651,922
Cash Flow					
Cash From Operating Activities	1,934,484	(2,020,206)	(3,048,136)	1,410,338	4,821,033
Cash From Investing Activities	(5,057,797)	532,667	153,109	(485,922)	(3,935,923)
Cash From Financing Activities	2,217,321	1,936,083	2,573,566	(335,142)	(1,683,065)
Cash and Cash Equivalents	763,557	1,192,249	877,655	1,469,290	681,291

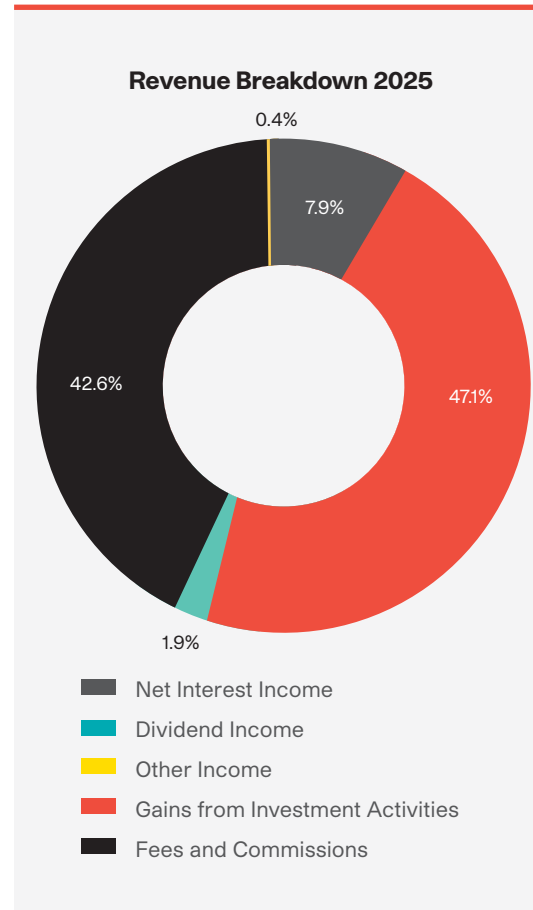
### 11.2.1 INCOME STATEMENT

VMIL has grown its net operating income over the last five years by a compound annual growth rate (CAGR) of 6.16%. The modest growth resulted from the lingering impacts of the fallout from the COVID-19 pandemic on Net Interest Income (NII) and muted growth in Net Fees and Commissions, which are two of the Company's major revenue segments. These were tempered by the 13.45% CAGR in the Company's gains from Investment Activities, which underscores VMIL's agility to reposition its portfolio and expand into diverse revenue streams such as private equity investments.

Performance in 2025 was shaped by a challenging operating environment. A downturn in global financial markets weighed on trading activity, while heightened capital markets volatility adversely impacted deal flow. Investor confidence was further tempered by ongoing geopolitical and macroeconomic uncertainty across major developed economies.

On a year-over-year basis, our total interest income fell marginally by 0.56%, from \$1.75 billion in 2024 to \$1.7 billion in 2025, as rates fell across the market. In a similar manner, interest expense declined by 2.86% resulting in the NII improving by 23.67% at the end of the year. NII improved from \$151.40 million in 2024 to \$187.23 million at the end of 2025.

The Company's other operating revenue items weathered the difficult environment and produced mixed results compared to 2024. Net Fees and Commission Income, which continued to account for almost 50% of other operating revenue, had a 1.0% decline in 2025, to end the year at \$1.0 billion.

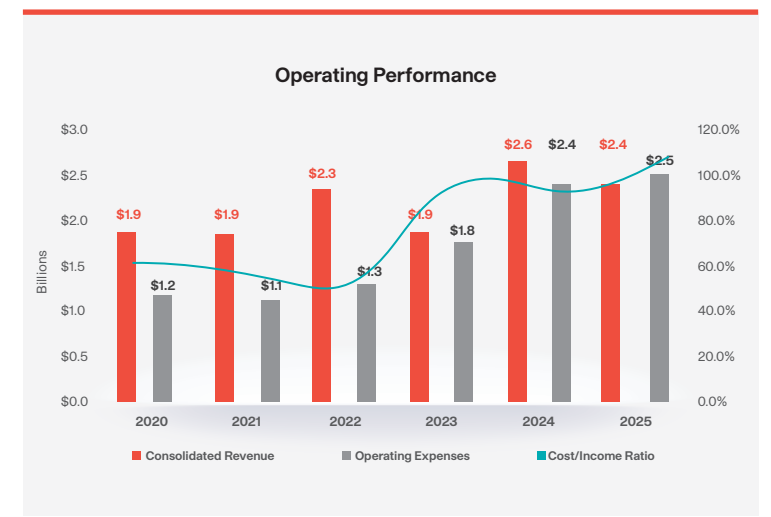


The challenging environment of the stock market continues to impact the valuations of many companies on the JSE and those wishing to list, along with lower consumer demand, which have contributed to lower fees.

Gains from Investment Activities, the largest contributor to other operating revenue, declined by 22.76% to \$1.1 billion in 2025, reflecting a

normalisation from the prior year, which included a one-off gain from the sale of VMIL's stake in Carilend Caribbean Holdings Limited. Our Dividend Income surged after adding \$18.85 million to end at \$45.0 million, as we benefited from the declaration of dividend payments by our associate company, KPREIT. These mixed results culminated in VMIL's total other operating revenue declining by 12.89% to \$2.17 billion. Ultimately, Total/Consolidated Revenue dipped 18.6% to \$2.15 billion, compared to \$2.64 billion at year end 2024.

Operating expenses for 2025 amounted to \$2.47 billion, down 3.70% over 2024's \$2.38 billion. The improvement in the cost base was driven by favourable adjustments to provisions for credit losses on financial assets reflecting strengthened collateral positions across the loan portfolio as well as a decline in management fees. Impairment on financial assets for 2025 was \$77.18 million compared to a loss of \$163.87 million in the previous year. Staff costs, on the other hand, grew by \$169.66 million to \$1.28 billion.



VMIL's share of profit from associates declined over the prior year, mainly attributable to a write-down in a foreclosed overseas investment property. Our Pre-tax Profit fell to \$38.63 million from \$454.68 million at year end 2024. VMIL recorded a \$127.34 million tax credit in 2025. Subsequently, our Net Profit saw a \$389.75 million or 70.13% year-over-year decline to \$165.97 million and Earnings per Share (EPS) declined to \$0.11 from \$0.37. Comparisons with 2024's net income should factor the significant gain in 2024 from the sale of our private equity investment in Carilend which realised a gain of \$422 million.

### 11.2.2 BALANCE SHEET



The Company's asset base has remained solid over the 5-year period, supported primarily by Investment Securities. As at December 2025, VMIL's asset base improved to \$35.06 billion when compared to \$30.45 billion reported in the prior year, an equivalent increase of 15.13%. The outcome was largely driven by growth in

resale agreements and investment securities. This was also supported by interest in associates at \$2.05 billion for the year. Of note, the growth achieved in resale agreements contributed to lower cash resources as the company seeks to capitalise on the high-interest rate environment that is expected to persist over the short term. Investment securities continue to be challenged by tight monetary policy which has resulted in the underperformance of the stock market as prices remain depressed.

In a bid to maintain liquidity and access lower interest rates, VMIL's Repurchase agreements have contributed to over 50% of total liabilities over the 5-year period. VMIL's consolidated total liabilities for the financial year 2025 increased from \$25.84 billion in the prior year to \$30.41 billion representing a 17.70% uplift. This was chiefly associated with a \$6.84 billion rise in repurchase agreements to \$20.77 billion, followed by 12.22% increase in other payables. Importantly, borrowings decreased from the 2024 figure of \$8.47 billion to \$7.01 billion or by 17.27%. In the first quarter of 2025, VMIL successfully raised \$5.43 billion through a public bond offer with the primary objective to refinance current debt and fund investment opportunities as they arise.

Meanwhile, total shareholders' equity pivoted marginally higher to \$4.65 billion or by 0.73% for the year relative to \$4.62 billion for 2024. This was marked by increases in reserves, where investment revaluation and other reserves closed the year-end higher while retained earnings fell to \$3.04 billion representing a 0.64% drop off. Notably, these have been the only contributors to the changes in total

shareholders' equity over the 5-year period. VMWM capital adequacy ratio as at March 2026 was 21.41%, sitting comfortably above the regulatory requirement outlined under the capital adequacy framework.

Return on equity (ROE) for the 2025, stood at 3.57%. The significant decline was characterised by weaker profitability results underpinned by lower overall revenue. Lower earnings were a result of growing financial strain as markets continue to grapple with the current cycle and geopolitical tensions.

### 11.2.3 CASH FLOW STATEMENT

In 2025, the Company's cash position declined despite exceptionally strong operating performance, driven by significant outflows for investment and financing activities. The closing cash balance decreased by 53.63% to \$681.29 million.

#### Operating Activities

Net cash from operating activities surged to a \$4.82 billion inflow in 2025, a dramatic 241.84% increase from the \$1.41 billion generated in 2024. This substantial improvement was primarily driven by favourable changes in working capital.

#### Investing Activities

Investing activities saw major growth, moving from \$485.92 million spent in 2024 to \$3.93 billion outflow in 2025. This was the result of a significant strategic increase in the acquisition of investment securities.

### Financing Activities

Net cash used in financing activities increased by 402.19% year-over-year, with a cash outflow of \$1.68 billion in 2025 compared to a \$335.14 million outflow in 2024. The larger outflow was principally due to increased repayments of loans and borrowings.

### 11.3 QUARTER ENDED MARCH 31, 2026

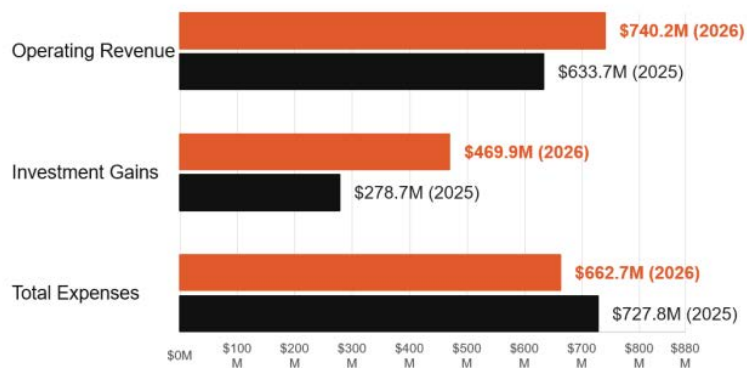
VMIL reported a consolidated net profit of \$70.1 million for the three-month period ended March 31, 2026, compared to a loss of \$32.5 million for the corresponding period in 2025. The quarter's performance was influenced by a subdued investment market following the economic fallout from the impact of Hurricane Melissa in late 2025 and compounded by the war in the Middle East. Notwithstanding these challenges, through a combination of disciplined execution and favourable operating factors.

The performance in Q1 2026 was supported by a \$106.5 million (16.8%) increase in operating revenues, largely attributable to higher gains from investment activities which increased by \$191.3 million (68.6%) over the prior-year period and accounted for approximately 173.7% of the overall variance in total revenue. Conversely, net interest income declined relative to the previous year.

Total operating expenses declined by \$65.1 million (9.0%) year over year and was mainly attributable to a 23.3% reduction in other operating costs. Operating expenses declined across most categories compared to the corresponding prior-year period, except for staff costs. Staff costs increased by

approximately 9.5%, driven by inflationary wage adjustments. The Company continues to realize benefits from cost-saving initiatives implemented over recent months, with additional gains expected through to year end.

Over on the balance sheet, total assets as at March 31, 2026, increased by 15.04% from the \$35.1 billion reported as at December 31, 2025. The \$5.2 billion increase is attributable to the growth in investment securities, cash resources and investment property. Total liabilities increased by \$5.8 billion as at March 31, 2026, largely due to a 19.2% increase in repurchase agreements. Other liabilities also increased over the December 2025 balance, primarily due to higher accounts payable and accruals associated with increased transaction activity. Despite the impact of bond market volatility on the Company's investment revaluation reserve, VMIL maintained a strong capital adequacy ratio of 21.41%, well above the regulatory minimum of 10%.



### 11.4 STRATEGY

VMIL has charted a clear and robust path to medium/long-term success. This path will increase revenue and minimise operational costs via our two-pillar strategy:

1. Diversify and Grow Revenue
2. Implement Self-Service

Underpinning VMIL's revenue generation and market expansion ambitions are several strategic initiatives, which will also serve to advance our drive to become a self-serve investment company. The steady implementation of these initiatives will see VMIL becoming increasingly customer-

adaptive, closing gaps related to customer touchpoints, empowering clients with financial education in line with their needs, and equipping customers with digital solutions to foster a sense of independence and control.

As VMIL pursues revenue growth and diversification in 2026 and beyond – reducing dependency on any one revenue source, spreading financial risk, driving innovation, and becoming competitive in multiple markets – there are robust efforts to grow Assets Under Management (AUM), expand funding sources, and rationalise products. In this context, VMIL will be operationalising a strategy to - inter alia - structure and launch new funds, facilitate lucrative private equity investments, explore real estate development, tokenise assets, increase our regional presence and engage international investors via our diaspora thrust.

Our 2024-2026 strategy fits into a wider strategic framework, dubbed 'Vision 2028'. Vision 2028 was conceptualised in 2018 and comprises the following markers of success:

- The Place to Work for High Performers
- Overseas Expansion – Caribbean, Central America and Latin America
- #1 in Customer Service
- #1 Provider of Financial Education
- #1 Provider of Cutting-Edge Solutions
- #1 Fund Manager
- JSE Stock of the Decade – Best Corporate Governance and Investor Relations

### 11.5 ASSETS UNDER MANAGEMENT HIGHLIGHTS (APRIL 2026)

Fund	Type F – Fixed Income E – Equity	Net Asset Value	12M Growth	YTD Growth	Yield (Estimated Yearly Income)
VM Wealth Global Income Portfolio (US\$)	F	3.84%	0.84%	1.45%	4.96%
VM Wealth Global Income Plus Portfolio (US\$)	F	3.27%	1.47%	2.01%	4.87%
VM Wealth Global Income Max Portfolio (US\$)	F	2.14%	1.50%	1.02%	4.48%
VM Wealth Classic Income Portfolio (JA\$)	E/F	4.65%	-0.41%	3.22%	3.90%
VM Wealth Classic Equity Growth Portfolio (JA\$)	F	9.35%	0.18%	4.82%	N/A
VM Wealth Classic Property Portfolio (JA\$)	E/F	7.70%	0.24%	2.72%	5.48%
VM Wealth Global Equity Growth Portfolio (US\$)	R/F	6.51%	-4.46%	-0.75%	N/A
VM Wealth Classic Protector Portfolio (JA\$)	F	13.77%	-0.02%	17.61%	5.15%
VM Wealth Goal Maximizer Portfolio (JA\$)	E/R/F	-0.91%	-0.09%	0.39%	5.25%
VM Wealth Constant Stream (JA\$)	F	N/A	-0.14%	0.06%	3.49%

### 11.6 IMPAIRMENT ON FINANCIAL ASSETS/ INCREASE IN ECL PROVISION

The group recognises loss allowances for expected credit losses (“ECL”) on the following financial instruments that are not measured at fair value through profit and loss (FVTPL): - financial assets that are:

- debt instruments; and
- lease receivables.

The group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The calculation of ECL incorporates forward-looking information. The group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the Probability of Default (“PD”), Exposure at Default (“EAD”) and Loss Given Default (LGD) vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are provided by the group’s Finance team on an annual basis and provide the best and worst estimate view of the economy based

from stock broking activities, investing activities, collateralised lending and deposits with other institutions. Balances arising from these activities include debt securities, resale agreements, cash and cash equivalents and accounts receivable. Credit risk management employed by VMIL included:

**Margin Loans** - daily monitoring of the collateral package and executing margin calls or asset sales to address any shortfall. Additional scrutinizing of tradeable securities utilized as collateral and removing those negatively impacted by the pandemic.

**Corporate Loans** - Assessing loans likely impacted by the existing conditions (e.g. tourism).

In relation to VMIL's holding of investment securities, VMIL manages the level of risk it undertakes by investing substantially in short-term Government of Jamaica, BOJ and foreign Government debt securities, which are generally unsecured. There is a significant concentration of credit risk in that VM Wealth, being a securities dealer that is obliged to trade mostly debt securities issued by the Government of Jamaica and Bank of Jamaica, holds substantial amounts of these debt securities. The management of the concentration of credit risk is guided by the group's Investment Policy, whereby exposure per debt security is limited to 20%. Compliance with these limits is reported on and monitored monthly.

## 11.7 LIQUIDITY MANAGEMENT

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations from its financial

liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due under value. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due under normal and stressed conditions. Prudent liquidity risk management procedures which the group applies include maintaining sufficient cash and marketable securities and monitoring future cash flows and liquidity on a daily basis.

The group's liquidity management process, as monitored by the Asset and Liability Committee, includes:

- i Monitoring future cash flows and liquidity on a daily basis. This incorporates collateral which could be used to secure funding if required;
- ii Maintaining a portfolio of highly marketable and diverse assets that can readily be liquidated as protection against any unforeseen interruption to cash flows;
- iii Optimising cash returns on investments;
- iv Monitoring liquidity ratios against internal and regulatory requirements. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities;
- v Maintaining cash reserves well above the Regulatory requirement towards absorbing any additional shocks; and
- vi Managing the concentration and profile of debt maturities.

VM Wealth manages liquidity risk by keeping a pre-determined portion of its financial assets in liquid form. The key measure used for monitoring liquidity risk is the ninety-day liquidity gap ratio. In computing the ratio, the numerator is calculated by subtracting the total assets maturing within ninety days from the total liabilities which fall due in ninety days. The denominator is total liabilities. VM Wealth's ninety-day liquidity gap ratio at the end of the year was 67% (2022: 75.32%). During 2023 there was no change to the nature of liquidity risk to which the group is exposed, or to the manner in which it measures and manages the risk.

## 11.8 ACKNOWLEDGEMENT

Despite the challenging financial environment, the VMIL team is dedicated to prudently managing our operations and implementing improvements to drive shareholder value. We continue to reiterate our commitment to delivering value to our shareholders and enhancing your everyday experience for our clients and Team Members.

## 11.9 VMIL'S DIVIDENDS PAID SINCE IPO

	Annual Dividend Payment				
FYE December (J\$000)	2021	2022	2023	2024	2025
Net Income	\$440,032	\$716,588	\$198,844	\$555,722	\$165,975
Dividend Paid	\$232,504	-	-	\$127,502	-
Earnings Per Share	\$0.29	\$0.48	\$0.13	\$0.37	\$ 0.11
Dividend Per Share	\$0.1550	-	-	\$0.0850	-
Dividend Payout Ratio	52.84%	0.0%	0.0%	22.94%	0.0%
Dividend Yield	0.5%	0.0%	0.0%	3.1%	0.0%

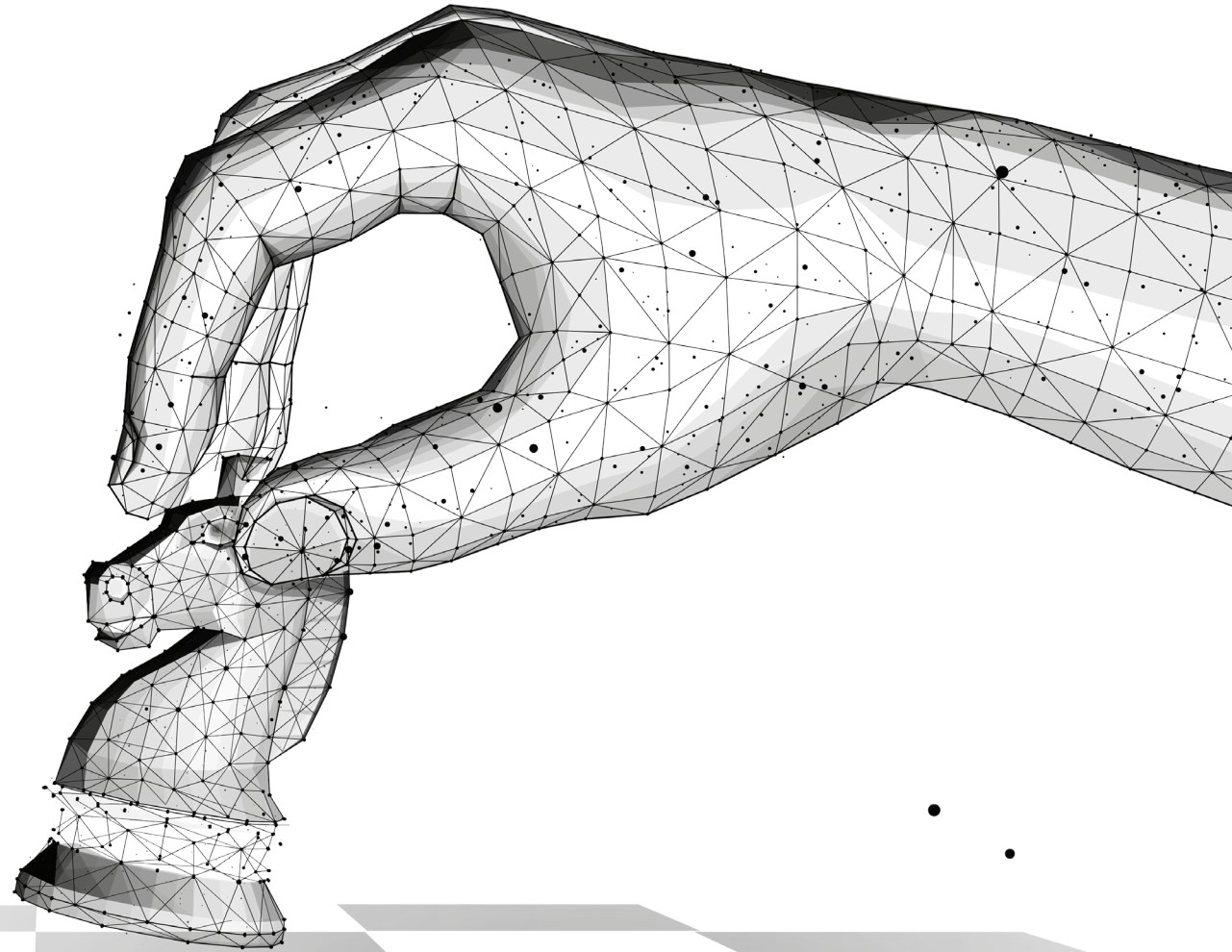
VMIL's dividend payout ratio averaged 12.04% over the last five (5) years. During the pandemic period, the Company prudently reduced its payout ratio in order to preserve capital and maintain financial resilience amid heightened economic uncertainty. Dividend payments continued up to 2021, after which the Company suspended distributions for a two-year period.

This suspension reflected the lagged effects of the pandemic on market conditions, compounded by increased geopolitical tensions that contributed to economic volatility and adversely impacted the Company's performance.

Following a comprehensive review of the Company's financial position and in keeping with its objective of enhancing shareholder value, the Board of Directors approved the payment of an interim dividend of J\$0.032 per ordinary share. This dividend was paid on July 9, 2024, to shareholders on record and represented a payout ratio of approximately 7.4%. No dividend was declared in the subsequent financial year, in an effort to preserve liquidity to continue growing the business.

In May 2026, VMIL advised shareholders that its Board of Directors, at a Board Meeting held on May 13, 2026, approved an interim dividend of J\$0.02 per share, payable on June 4, 2026, to shareholders on record as at May 29, 2026.





**SECTION 12**

# Enterprise Risk Management

## 12.1 RISK PROCESS

VMIL's business operations expose it to risks as it pursues its strategic objectives. The company's Enterprise Risk Management ("ERM") adheres to international best practices and evolves with new risk exposures. Risks are proactively managed and communicated across the organization to balance risk and return, maximize value, and minimize adverse effects on performance, brand, and team engagement. This is supported by innovative risk solutions and methodologies across the three lines of accountability.

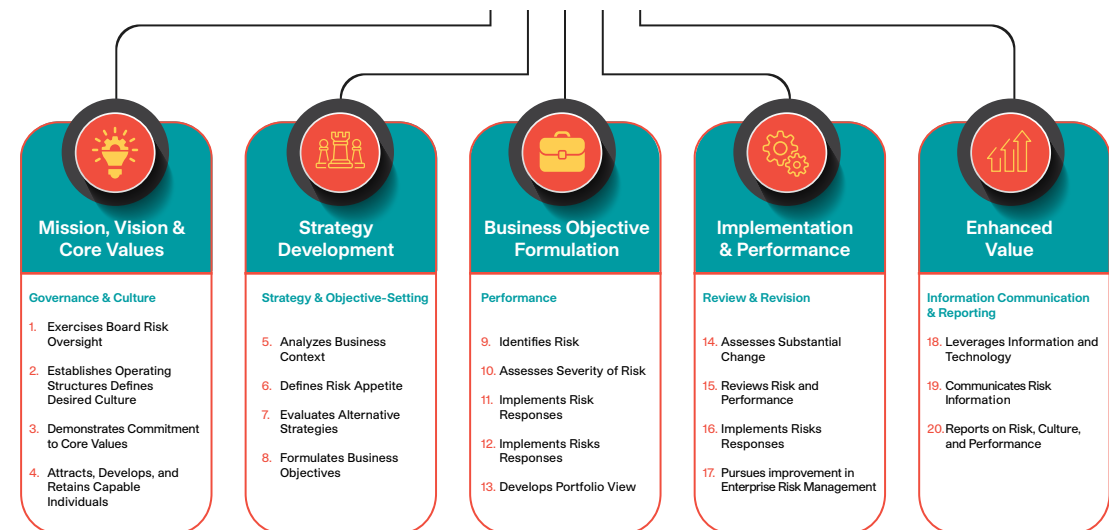
## 12.2 RISK GOVERNANCE

The Board of Directors has ultimate oversight and responsibility for risks and has a fiduciary responsibility to its stakeholders. The Board is supported by the Audit, Risk and Conduct Review Committee, which oversees VMIL's risk management framework, the integrity of the financial statements, compliance with legal and regulatory requirements, as well as the performance of the internal audit function. While the Board has overall responsibility for risk management, and VMIL's alignment with established risk appetite statements and tolerance limits, the Board is supported by the:

- i Group Finance and Risk Management Committee
- ii Group Audit Committee
- iii Group Corporate Governance and Nominations Committee
- iv VMIL Corporate Governance, Nominations and Compensation Committee
- v VMIL Finance Committee, VMIL Audit, Risk and Conduct Review Committee

## 12.3 RISK MANAGEMENT FRAMEWORK

VMIL's ERM Framework continues to be robust and facilitative of growth despite the heightened risk. Risk management continues to be an integral part of good internal control and corporate governance. The Board is responsible for ensuring that an effective ERM Framework is in place and promoting a risk aware culture that ensures that all key risks are adequately managed. To safeguard and protect VMIL's reputation, the Board and management ensure that there is a well-established decision process, direct reporting lines with clarity of roles and responsibilities, defined codes of ethics and conduct, periodic monitoring of stakeholder and media analysis, industry and market benchmarking, transparent disclosures, and communications. Risk assessments are conducted monthly and are designed to identify events that have the potential to cause strategic objectives and initiatives to deviate from what is expected.



## 12.4 GOVERNANCE AND CULTURE

Governance and culture together form a basis for all other components of enterprise risk management. Governance sets VMIL's tone, reinforcing the importance of enterprise risk management, and establishing oversight responsibilities for it.

## 12.5 STRATEGY AND OBJECTIVE-SETTING

Enterprise risk management is integrated into VMIL's strategic plan through the process of setting strategy and business objectives. With an understanding of business context, VMIL gains insight into internal and external factors and their effect on risk. VMIL sets its risk appetite in conjunction with strategy-setting. The business objectives allow strategy to be put into practice and shape VMIL's day-to-day operations and priorities.

## 12.6 PERFORMANCE

VMIL identifies and assesses risks that may affect the achievement of strategy and business objectives. Risks are prioritised according to severity with consideration for established risk appetites. VMIL then selects risk responses and monitors performance for change. In this way, VMIL develops a portfolio view of the amount of risk it has assumed in the pursuit of its strategy and organisation level business objectives.

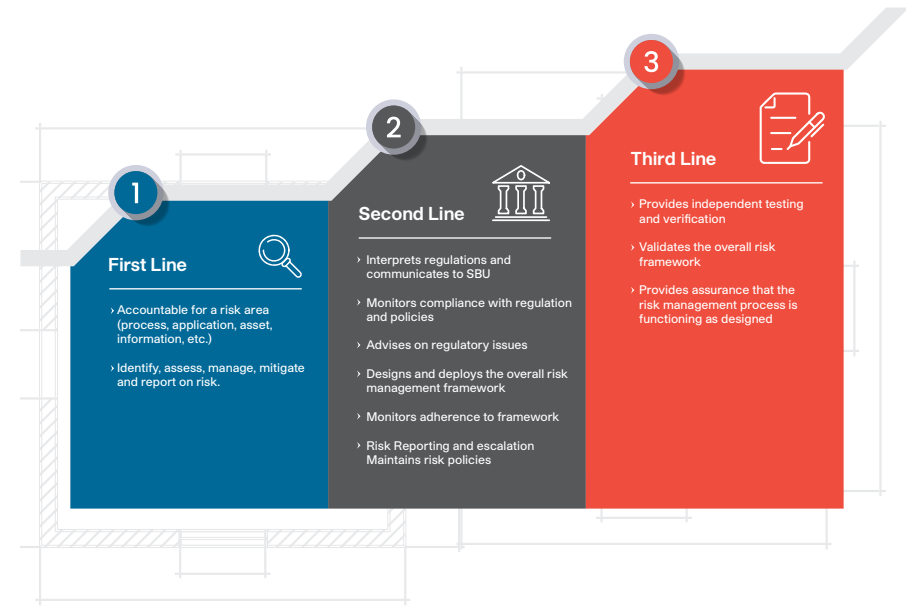
## 12.7 REVIEW AND REVISION

By reviewing enterprise risk management capabilities and practices, and performance relative to its targets, VMIL considers how well the enterprise risk management capabilities and practices have increased value over time and will continue to drive value considering substantial changes.

## 12.8 INFORMATION, COMMUNICATION AND REPORTING

Communication is the continual, iterative process of obtaining information and sharing it throughout VMIL. Management uses relevant information from both internal and external sources to support enterprise risk management. VMIL leverages information systems to capture, process, and manage data and information. By using information that applies to all components, management reports on risk, culture, and performance.

## 12.9 RISK CULTURE



Risks are inherent in everyday activities, therefore VMIL establishes and communicates its risk appetite and its risk tolerance limits for appropriate risk taking to occur so that VMIL can make informed risk decisions, innovate and be competitive. In pursuit of its strategic objectives and initiatives, VMIL uses systems and the expertise of subject matter experts to determine an appropriate balance between expected return and potential associated risks. The Board has created an environment for team members where integrity, teamwork, innovation, excellence, accountability, and client interests are at the core of VMIL's values and practices. This strong risk culture drives how team members approach their work and also guides decision making.

## 12.10 RISK APPETITE

Overall, we take a conservative approach to risk and will maintain our risk exposure at tolerable limits that have been set by our management team and approved by our Board. We are guided by the following key principles:

- i We will maintain the highest ethical and professional standards when dealing with all stakeholders
- ii We will consider the needs of our members and seek to serve the communities in which we operate
- iii We will protect our capital base and will not introduce any new strategies, products or services that place our long-term value at risk
- iv We will maintain a robust enterprise risk management system to effectively identify, assess and manage existing and emerging risks.

## 12.11 KEY RISKS

### 12.11.1 Financial Risk

Is an umbrella term for multiple types of risks including credit risk, market risk, and liquidity risk. Financial risks arise from a lack of robust credit management practices; inadequate assessment of financial strategies; or lack of effective cash flows and cost management needed to: (a) maximise cash availability, (b) reduce uncertainty of currency, interest rate, credit, and other financial risks, or (c) move cash funds quickly and without loss of value to wherever they are needed most.

### 12.11.2 Market Risks

The risk that the fair value of future cash flows of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to the individual security or its issuer or factors affecting securities in the market.

These arise from changes in interest rates, foreign exchange rates and equity prices and will affect the value of the holding in the financial instrument.

### 12.11.3 Liquidity Risk

The risk of failing to meet demands and commitments to provide funds to customers and other third parties. Wholesale and retail funding are monitored with the aim of mitigating funding concentration risk, which enhances VMIL's ability to refinance maturing liabilities. VMIL's management of liquidity and funding risk aims to always ensure that there are sufficient liquid resources to adequately cover its cash flow needs and meet its financial obligations as they fall due even during stressful environments.

### 12.11.4 Credit Risk

The risk of financial loss if a counterparty to a financial instrument fails to meet legal and contractual obligations when they fall due. VMIL faces credit risk from its lending operations and treasury investments to counterparties. The credit portfolio is managed in accordance with VMIL's Credit Policy and underwriting criteria. The Credit Policy is reviewed at least annually by the Board and contains detailed limits on the amounts and types of lending that VMIL can undertake. Treasury counterparty risks and new investments are managed primarily by investing in counterparties which meet the scoring criteria stipulated in the Framework for Managing Counterparty Credit Risk. In addition, VMIL limits exposures to particular counterparties, investment types and investment sizes in accordance with the Investment Policy guidelines and the Framework for Managing Counterparty Credit Risk.

### 12.11.5 Strategic Risk

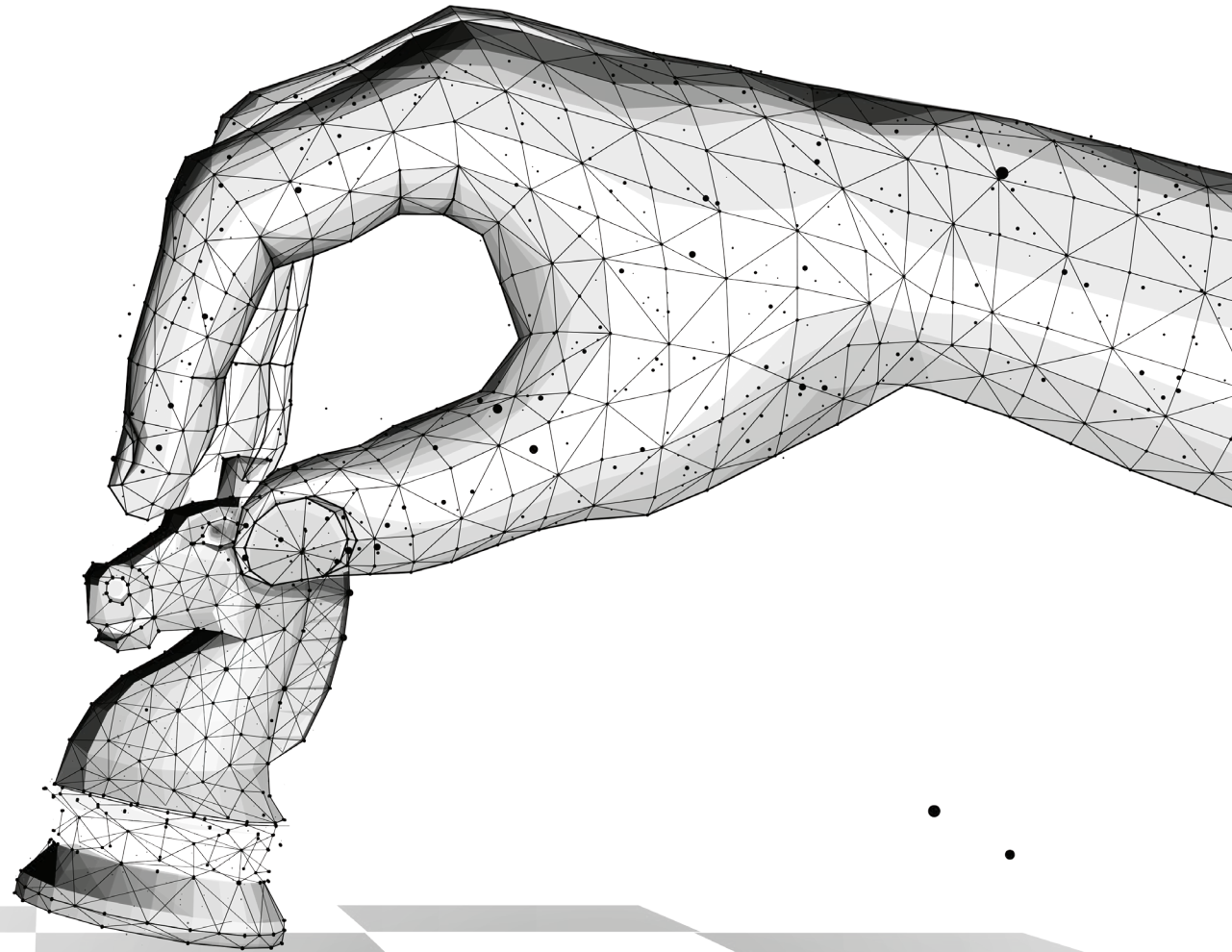
The risk of loss arising from VMIL adopting the wrong business strategy, failure to properly execute business strategy, or respond to industry, economy, or technological changes. VMIL aims to mitigate strategic risk through an integrated business strategy, risk appetite and capital planning process; tracking of strategic initiatives and deliverables; investment in processes, systems, and people to support new business development and through the regular review of strategic objectives and initiatives by management and the Board.

### 12.11.6 Operational Risk

The risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events which are neither market related nor credit related. VMIL ensures that effective controls exist at the three levels of defence. The earlier the controls are established in the risk journey, the more effective the risk detection and mitigation mechanism will be. Periodic assessments of all facets of VMIL's operational risks bring more relief to its organisational management. It is crucial to remain risk-ready by gauging regulatory obligations, investing in technology infrastructure, skills, competencies, processes, and business decisions. VMIL aims to mitigate people-risk through a rigorous onboarding process, combined with talent management systems. Development of customer interface and services is very important, however, VMIL is also aware of external threats, in particular cybercrime attacks designed to deny access to systems and to compromise or misuse the data and assets held on VMIL's systems.

### 12.11.7 Compliance Risk

The risk of exposure to legal penalties, financial forfeiture, and material loss an organisation faces when it fails to act in accordance with accepted corporate governance standards, the law and regulations, internal policies or prescribed best practices. VMIL's regulatory risk framework outlines the governing processes, which aims to ensure that it delivers fair customer outcomes and meets prudential requirements. VMIL's risk and compliance function is responsible for identifying regulatory developments and assisting team members in understanding the required regulatory changes, within requisite time scales.



**SECTION 13**

# Financial Information

**13.1 7-YEAR STATISTICAL REVIEW**

	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>SUMMARY BALANCE SHEET</b>									
Total Assets (\$'000)	20,068,454	21,610,199	25,327,701	29,493,139	30,924,602	28,941,792	29,506,794	30,455,151	35,062,924
Cash & Cash Equivalents (\$'000)	3,409,989	740,538	1,917,241	1,571,567	763,557	1,192,249	877,655	1,469,290	681,291
Resale Agreements (\$'000)	3,371,409	4,217,141	3,937,275	7,380,680	4,051,332	752,147	1,570,685	861,775	1,691,192
Investments Securities (\$'000)	11,683,640	13,241,358	16,718,180	16,366,621	20,399,811	17,560,235	18,276,764	19,471,561	24,739,876
Loan Receivables (\$'000)	441,057	1,376,139	1,876,637	1,789,651	3,482,266	5,467,380	4,651,668	4,102,234	3,037,131
Total Liabilities (\$'000)	17,484,432	18,837,775	21,000,873	25,359,543	27,868,027	26,453,220	25,456,585	25,837,018	30,411,002
Repurchase Agreements (\$'000)	13,164,960	15,454,981	16,999,392	20,312,831	19,649,270	15,589,291	14,356,049	13,933,279	20,770,682
Shareholder's Equity (\$'000)	2,584,022	2,772,424	4,326,828	4,133,596	3,056,575	2,488,572	4,050,209	4,618,133	4,651,922
Shareholder's Equity Attributable to the owners (\$'000)	2,534,022	2,722,424	4,276,828	4,083,596	3,006,575	2,438,572	2,500,209	3,068,133	3,101,922
<b>SUMMARY INCOME STATEMENT</b>									
Net Interest Income (\$'000)	246,989	250,079	260,381	289,622	369,214	253,038	47,821	151,399	187,232
Net Fees & Commission (\$'000)	500,163	838,268	933,128	925,323	791,956	1,011,760	944,933	1,014,789	1,005,073
Gains From Investment Activities (\$'000)	193,077	213,879	485,899	593,988	670,156	946,527	866,343	1,437,398	1,110,210
Consolidated Revenues (\$'000)	966,455	1,306,775	1,682,961	1,875,589	1,856,147	2,336,950	1,882,536	2,643,423	2,357,924
Total Operating Expense (\$'000)	498,630	767,740	881,397	1,240,712	1,197,928	1,400,674	1,873,649	2,382,109	2,470,304
Staff Cost (\$'000)	292,329	349,068	518,023	587,487	648,619	764,675	912,572	1,109,818	1,279,482
Other Operating Cost (\$'000)	206,301	313,230	459,416	533,906	544,443	756,325	810,701	1,108,423	1,113,637
Depreciation & Amortization (\$'000)	11,241	28,888	66,452	72,604	79,019	89,410	103,427	104,892	92,931
Taxation charge / (credit) (\$'000)	121,523	141,437	188,178	165,283	218,187	219,688	(25,546)	(101,038)	(127,341)
Profit Before Tax (\$'000)	467,825	539,035	786,227	598,873	658,219	936,276	173,298	454,684	38,634
Net Profit (\$'000)	346,302	397,598	598,049	433,590	440,032	716,588	198,844	555,722	165,975
<b>PROFITABILITY RATIOS/METRICS</b>									
Net Interest Margin	1.44%	1.30%	1.18%	1.12%	1.32%	0.94%	0.19%	0.59%	0.69%
Net Profit Margin	35.83%	30.43%	35.54%	23.12%	23.71%	30.66%	10.56%	21.02%	7.04%
Return on Equity	16.49%	14.85%	16.85%	10.25%	12.24%	25.85%	6.08%	12.82%	3.58%

	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>PROFITABILITY RATIOS/METRICS</b>									
Return on Assets	1.90%	1.91%	2.55%	1.58%	1.46%	2.39%	0.68%	1.85%	0.51%
Cost/Income Ratio	51.59%	58.75%	52.37%	66.15%	64.54%	59.94%	99.53%	90.11%	101.49%
Effective Tax Rate	25.98%	26.24%	23.93%	27.60%	33.15%	23.46%	-14.74%	-22.22%	-329.61%
<b>STOCK INFORMATION</b>									
Earnings Per Share	\$0.23	\$ 0.27	\$0.40	\$ 0.29	\$0.29	\$0.48	\$0.13	\$0.37	\$0.11
Closing Stock Price	\$3.24	\$3.82	\$8.97	\$5.90	\$6.13	\$4.02	\$2.75	\$2.52	\$2.14
Price to Earnings Ratio	14.03x	14.41x	22.50x	20.41x	20.90x	8.42x	20.75x	6.80x	19.34x
Book Value Per Share	\$1.72	\$1.85	\$2.88	\$2.76	\$2.04	\$1.66	\$1.67	\$2.05	\$2.07
Price to Book Ratio	1.88x	2.07x	3.11x	2.14x	3.01x	2.42x	1.65x	1.23x	1.03x
Dividends Per Share	\$0.25	\$0.14	\$0.19	\$0.03	\$0.16	\$ -	\$ -	\$0.08	\$ -
Dividends Paid	\$380,867.00	\$210,004.00	\$285,005.00	\$45,001.00	\$232,504.00	\$ -	\$ -	\$127,502.00	\$ -
Dividends Payout Ratio	109.98%	52.82%	47.66%	10.38%	52.84%	0.00%	0.00%	22.94%	0.00%
Capital Gains	32.24%	17.90%	134.82%	-34.23%	3.90%	-34.42%	-31.59%	-8.36%	-15.08%
<b>BALANCE SHEET RATIOS</b>									
Investments Securities as a % of Total Assets	58.22%	61.27%	66.01%	55.49%	65.97%	60.67%	61.94%	63.94%	70.56%
Repurchase Agreements as a % of Total Liabilities	75.30%	82.04%	80.95%	80.10%	70.51%	58.93%	56.39%	53.71%	68.30%
Capital to Assets Ratio	12.88%	12.83%	17.08%	14.02%	9.88%	8.60%	13.73%	15.16%	13.27%
<b>OTHER STATISTICS</b>									
JSE Main Market Index as at December 31	288,381.97	379,790.86	509,916.44	395,614.93	396,155.61	355,896.64	325,699.79	335,794.94	317,986.88
JSE Main Market Index Annual Movement	49.98%	31.70%	34.26%	-22.42%	0.14%	-10.16%	-8.48%	3.10%	-5.30%
12-Month Point-to-Point EOY Inflation Rate	5.25%	2.41%	6.24%	5.21%	7.30%	9.35%	6.88%	4.97%	4.34%
EOY JMD/USD Exchange Rate (Bid)	\$ 125.00	\$127.72	\$132.57	\$142.65	\$155.09	\$152.05	\$154.95	\$156.42	\$158.93
Annual Real GDP Growth	0.70%	1.80%	1.00%	-9.90%	4.60%	5.20%	2.60%	-0.80%	-7.06%
Average Annual Unemployment Rate	11.64%	9.10%	7.72%	7.61%	8.36%	6.28%	4.38%	4.18%	3.40%





INDEPENDENT AUDITORS' REPORT

# To the Members of VM Investments Limited

KPMG  
Chartered Accountants  
P.O. Box 436  
6 Duke Street  
Kingston  
Jamaica, W.I.  
+1 (876) 922 6640  
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## Report on the Audit of the Financial Statements

### Opinion

We have audited the separate financial statements of VM Investments Limited (“the company”) and the consolidated financial statements of the company and its subsidiary (“the group”), set out on pages 101 to 158, which comprise the group’s and company’s statements of financial position as at December 31, 2025, the group’s and company’s income statements, statements of comprehensive income, changes in equity and its cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the group and the company as at December 31, 2025, and of the group’s and company’s financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Jamaican Companies Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group and the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### Key Audit Matters

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

Fair value of level 3 investments	
The key audit matter [see notes 6 and 29]	How the matter was addressed in our audit
<p>The group and company hold level 3 investments of \$1,346,726,000 (2024: \$1,095,591,000) measured at fair value which are instruments for which quoted prices are not available.</p> <p>Valuation of these investments requires the use of unobservable inputs which require significant estimation and the selection of an appropriate valuation method.</p>	<p>Our procedures in this area included the following:</p> <ul style="list-style-type: none"> <li>Assessing the reasonableness of significant assumptions and suitability of the valuation models used by the group and the company.</li> <li>Involving our valuation specialists to determine or obtain yields or prices of specific securities and comparing these yield or prices to those used by the group and the company.</li> <li>Assessing the adequacy of the disclosures, including the degree of estimation uncertainty involved in determining fair values.</li> </ul>

KPMG, a Jamaican partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Rajan Trehan  
Norman O. Rainford  
Nigel R. Chambers  
Nyssa A. Johnson

Wilbert A. Spence  
Sandra A. Edwards  
Karen Ragoobirsingh  
Al A. Johnson

Damion D. Reid  
Uday Bhalara



INDEPENDENT AUDITORS' REPORT

# To the Members of VM Investments Limited

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

### Other Information

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

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 5-6, forms part of our auditors' report.

### Report on additional matters as required by the Jamaican Companies Act

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

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

The engagement partner on the audit resulting in this independent auditors' report is Damion D. Reid.

Chartered Accountants  
Kingston, Jamaica

March 31, 2026



INDEPENDENT AUDITORS' REPORT (CONTINUED)

## To the Members of VM Investments Limited

### Appendix to the Independent Auditors' Report

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

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

### Appendix to the Independent Auditors' Report (Continued)

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Statement of Financial Position

December 31, 2025

	Notes	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>ASSETS</b>					
Cash and cash equivalents	4	681,291	1,469,290	111,773	114,452
Resale agreements	5	1,691,192	861,775	-	438,982
Investment securities	6	24,739,876	19,471,561	4,067,587	2,259,241
Net investment in finance leases	18(b)(i)	5,456	54,759	5,456	54,759
Loans receivable	9	3,037,131	4,102,234	3,037,131	4,102,234
Accounts receivable and prepayments:					
Customers	10	100,619	130,720	-	-
Others and prepayments	10	651,062	455,415	196,269	160,178
Income tax recoverable		281,713	252,946	198,492	139,579
Deferred tax asset	11	1,447,678	1,354,783	224,216	189,129
Property, plant and equipment	12	93,476	91,880	-	-
Intangible asset	13	285,927	334,704	24,580	30,924
Interest in subsidiary	8	-	-	1,065,517	1,065,517
Interest in associate	7	2,047,503	1,875,084	2,047,503	1,875,084
<b>TOTAL ASSETS</b>		<b>35,062,924</b>	<b>30,455,151</b>	<b>10,978,524</b>	<b>10,430,079</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities:</b>					
Due to ultimate parent company	32(c)	8,366	3,840	5,496	1,044
Due to subsidiary company		-	-	182,165	1,810
Due to immediate parent company	32(c)	147,426	128,212	19,333	-
Borrowings	17	7,006,164	8,468,822	7,000,510	8,455,600
Accounts payable:					
Customers	14	1,445,386	2,341,955	-	-
Brokers		-	19,084	-	-
Others	14	970,086	864,441	328,174	241,247
Lease liabilities	18(a)(ii)	28,492	42,385	-	-
Repurchase agreements	15	20,770,682	13,933,279	1,719,087	378,000
Employee benefit obligation	16(b)(i)	34,400	35,000	-	-
<b>TOTAL LIABILITIES</b>		<b>30,411,002</b>	<b>25,837,018</b>	<b>9,254,765</b>	<b>9,077,701</b>

	Notes	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Equity:</b>					
Share capital	19	707,887	707,887	707,887	707,887
Share premium	19	24,000	24,000	24,000	24,000
Investment revaluation reserve	20(a)	( 780,569)	( 791,471)	( 20,675)	-
Other reserve	20(b)	108,812	66,420	92,279	52,420
Retained earnings		3,041,792	3,061,297	920,268	568,071
Equity attributable to owners of the company		3,101,922	3,068,133	1,723,759	1,352,378
Non-controlling interest	21	1,550,000	1,550,000	-	-
<b>TOTAL EQUITY</b>		<b>4,651,922</b>	<b>4,618,133</b>	<b>1,723,759</b>	<b>1,352,378</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,062,924</b>	<b>30,455,151</b>	<b>10,978,524</b>	<b>10,430,079</b>

The financial statements on pages 101 to 158 were approved for issue by the Board of Directors on March 31, 2026 and signed on its behalf by:

  
 Michael Morris, Director


  
 Rezworth Burchenson, Chief Executive Officer

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

# Income Statements

December 31, 2025

	Notes	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest income calculated using the effective interest method	22	1,734,628	1,725,248	675,181	790,033
Other interest income:					
Finance leases	22	2,563	5,698	2,563	5,698
Other	22	450	16,476	450	10
Interest expense	22	(1,550,409)	(1,596,023)	(793,135)	(868,391)
Net interest income/(expense)	22	<u>187,232</u>	<u>151,399</u>	<u>(114,941)</u>	<u>(72,650)</u>
Fees and commissions income	24	1,005,073	1,014,789	38,922	36,265
Gains from investment activities	23	1,110,210	1,437,398	408,874	725,820
Dividend income – Quoted equities		45,003	26,155	15,044	8,764
Other income		10,406	13,682	-	-
Other operating revenue		<u>2,170,692</u>	<u>2,492,024</u>	<u>462,840</u>	<u>770,849</u>
Net interest and dividend income and other operating revenue		<u>2,357,924</u>	<u>2,643,423</u>	<u>347,899</u>	<u>698,199</u>
Operating expenses					
Staff costs	25	(1,279,482)	(1,109,819)	-	-
Impairment (losses)/reversals on financial assets	28(b)(v)(f)	(77,185)	(163,867)	23,792	(268,242)
Other operating costs	26	(1,113,637)	(1,108,423)	(217,683)	(352,539)
		<u>(2,470,304)</u>	<u>(2,382,109)</u>	<u>(193,891)</u>	<u>(620,781)</u>
Share of profits in associate	7	<u>151,014</u>	<u>193,370</u>	<u>151,014</u>	<u>193,370</u>
Profit before income tax		38,634	454,684	305,022	270,788
Income tax credit	27	<u>127,341</u>	<u>101,038</u>	<u>47,175</u>	<u>127,406</u>
Profit for the year attributable to shareholders of the company		<u>165,975</u>	<u>555,722</u>	<u>352,197</u>	<u>398,194</u>
Earnings per share (expressed as ¢ per share)	33	<u>11¢</u>	<u>37¢</u>		
Diluted earnings per share (expressed as ¢ per share)	33	<u>11¢</u>	<u>36¢</u>		

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

# Statements of Comprehensive Income

Year ended December 31, 2025

	Notes	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Profit for the year		<u>165,975</u>	<u>555,722</u>	<u>352,197</u>	<u>398,194</u>
Other comprehensive income (OCI):					
Items that will never be classified to profit or loss:					
Net gains/(losses) on investment in equity instruments designated at FVOCI	6	(70,890)	168,300	-	-
Remeasurement of employee benefit obligation	16(b)(i)	3,800	(9,900)	-	-
Deferred tax on remeasurement of employee benefit obligation	11	(1,267)	3,300	-	-
		<u>2,533</u>	<u>(6,600)</u>	<u>-</u>	<u>-</u>
Net gains/(losses) on investment in equity instruments designated at FVOCI	6	(68,357)	161,700	-	-
Item that may be reclassified to profit or loss:					
Currency translation adjustment on investment in associate	7, 20(b)(ii)	39,859	14,648	39,859	14,648
Change in fair value of debt securities at FVOCI, net of expected credit losses	29(c)	133,027	31,197	(20,675)	-
Deferred tax on change in fair value of investment securities measured at FVOCI	11	(51,235)	(10,398)	-	-
		<u>81,792</u>	<u>20,799</u>	<u>(20,675)</u>	<u>-</u>
Total other comprehensive income, net of tax		<u>53,294</u>	<u>197,147</u>	<u>19,184</u>	<u>14,648</u>
Total comprehensive income for the year attributable to shareholders of the company		<u>219,269</u>	<u>752,869</u>	<u>371,381</u>	<u>412,842</u>

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

# Consolidated Statement of Changes in Equity

Year ended December 31, 2025

	Attributions by owners of the company					Total	Non-controlling interest (note 21) \$'000	Total equity \$'000
	Share capital (note 19) \$'000	Share premium (note 19) \$'000	Investment revaluation reserve (note 20(a)) \$'000	Other reserve (note 20(b)) \$'000	Retained earnings \$'000			
Balances at December 31, 2023	707,887	24,000	(980,570)	58,372	2,690,520	2,500,209	1,550,000	4,050,209
Comprehensive income:								
Profit for the year	-	-	-	-	555,722	555,722	-	555,722
Other comprehensive income:								
Currency translation adjustment on investment in associate	-	-	-	14,648	-	14,648	-	14,648
Change in fair value of debt securities, net of deferred tax and expected credit losses	-	-	20,799	-	-	20,799	-	20,799
Change in fair value of equities at FVOCI	-	-	168,300	-	-	168,300	-	168,300
Remeasurement of employee benefit obligation, net of deferred tax	-	-	-	( 6,600)	-	( 6,600)	-	( 6,600)
Total other comprehensive income	-	-	189,099	8,048	-	197,147	-	197,147
Total comprehensive income for the year	-	-	189,099	8,048	555,722	752,869	-	752,869
Transactions with owners:								
Dividends declared but not paid to immediate parent company [(note 31(c))]	-	-	-	-	( 57,443)	( 57,443)	-	( 57,443)
Dividends declared and paid to equity holders [(note 31(b))]	-	-	-	-	( 127,502)	( 127,502)	-	( 127,502)
Total transactions with owners	-	-	-	-	( 184,945)	( 184,945)	-	( 184,945)
Balances at December 31, 2024	707,887	24,000	(791,471)	66,420	3,061,297	3,068,133	1,550,000	4,618,133
Comprehensive income:								
Profit for the year	-	-	-	-	165,975	165,975	-	165,975
Other comprehensive income:								
Currency translation adjustment on investment in associate	-	-	-	39,859	-	39,859	-	39,859
Change in fair value of debt securities, net of deferred tax and expected credit losses	-	-	81,792	-	-	81,792	-	81,792
Change in fair value of equities at FVOCI	-	-	( 70,890)	-	-	( 70,890)	-	( 70,890)
Remeasurement of employee benefit obligation, net of deferred tax	-	-	-	2,533	-	2,533	-	2,533
Total other comprehensive income	-	-	10,902	42,392	-	53,294	-	53,294
Total comprehensive income for the year	-	-	10,902	42,392	165,975	219,269	-	219,269
Transactions with owners:								
Dividends declared but paid to immediate parent company [(note 31(a)), being total transactions with owners]	-	-	-	-	( 185,480)	( 185,480)	-	( 185,480)
Balances at December 31, 2025	707,887	24,000	(780,569)	108,812	3,041,792	3,101,922	1,550,000	4,651,922

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

# Company Statement of Changes in Equity

Year ended December 31, 2025

	Share capital (note 19) \$'000	Share premium (note 19) \$'000	Investment revaluation reserve \$'000	Other reserve [note 20(b)] \$'000	Retained earnings \$'000	Total \$'000
Balance at December 31, 2023	707,887	24,000	-	37,772	297,379	1,067,038
Profit for the year	-	-	-	-	398,194	398,194
Other comprehensive income:						
Currency translation adjustment on investment in associate	-	-	-	14,648	-	14,648
Total comprehensive income for the year	-	-	-	14,648	398,194	412,842
Transactions with owners:						
Dividends declared and paid to equity holders [note 31(b)]	-	-	-	-	(127,502)	(127,502)
Balance at December 31, 2024	707,887	24,000	-	52,420	568,071	1,352,378
Profit for the	-	-	-	-	352,197	352,197
Other comprehensive income:						
Currency translation adjustment on investment in associate	-	-	-	39,859	-	39,859
Change in fair value of debt securities, net of deferred tax and expected credit losses	-	-	(20,675)	-	-	(20,675)
Total comprehensive income for the year	-	-	(20,675)	39,859	352,197	371,381
Balance at December 31, 2025	707,887	24,000	(20,675)	92,279	920,268	1,723,759

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

# Statements of Cash Flows

Year ended December 31, 2025

	Notes	Group		Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Profit for the year		165,975	555,722	352,197	398,194
Adjustments for:					
Depreciation	12	25,970	26,452	-	-
Amortisation of intangible assets	13	66,961	78,440	9,783	6,286
Share of profits in associate	7	( 151,014)	( 193,370)	( 151,014)	( 193,370)
Impairment losses on financial assets	28(b)(v)(f)	77,185	163,867	( 23,792)	268,242
Change in employee benefit obligation		3,200	2,200	-	-
Amortisation of transaction costs		28,601	-	28,601	68,886
Unrealised exchange gains on foreign currency balances		( 16,811)	66,390	( 9,957)	( 1,511)
Gains from investment activities		( 1,110,210)	( 1,437,398)	( 408,874)	( 725,820)
Interest income	22	( 1,737,640)	( 1,747,422)	( 678,193)	( 795,741)
Dividend income		(45,003)	( 26,155)	( 15,044)	( 8,764)
Interest expense	22	1,546,796	1,591,093	793,135	868,391
Interest expense on lease liabilities	18(a)(v)	3,613	4,930	-	-
Income tax credit	27	( 127,341)	( 101,038)	( 47,175)	( 127,406)
		( 1,269,718)	( 1,016,289)	( 150,333)	( 242,613)
Changes in:					
Due to ultimate parent company		4,526	( 120,522)	4,452	1,044
Due to immediate parent company		19,214	128,212	19,333	-
Due to subsidiary company		-	-	180,355	( 177,794)
Loans receivable		1,092,315	1,040,899	1,092,315	1,040,899
Resale agreements		( 774,165)	712,252	438,982	( 223,288)
Accounts receivable and prepayments		( 25,474)	( 117,394)	13,578	( 33,148)
Accounts payable		( 916,643)	962,003	92,602	( 109,367)
Repurchase agreements		<u>6,580,560</u>	<u>( 490,446)</u>	<u>1,321,201</u>	<u>( 60,000)</u>
		4,710,615	1,098,715	3,012,485	195,733
Interest received		1,615,372	1,959,193	631,667	753,753
Interest paid		( 1,504,954)	( 1,631,605)	( 799,458)	( 873,921)
Income tax received/(paid)		-	( 15,965)	( 46,824)	( 20,139)
Net cash provided by operating activities		<u>4,821,033</u>	<u>1,410,338</u>	<u>2,797,870</u>	<u>55,426</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Acquisition of property, plant and equipment	12	( 27,564)	( 8,738)	-	-
Acquisition of intangible assets	13	( 18,184)	( 114,600)	-	( 2,136)
Proceeds from finance lease repayments		49,303	37,968	49,303	37,968
Purchase of investment securities		(80,268,190)	(62,307,272)	(2,898,998)	(1,551,199)
Proceeds from sale of investment securities		76,264,069	61,830,330	1,498,153	1,730,792
Dividends received		64,643	76,390	34,684	58,999
Net cash (used in)/provided by investing activities		<u>( 3,935,923)</u>	<u>( 485,922)</u>	<u>(1,316,858)</u>	<u>274,424</u>

	Notes	Group		Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Proceeds from loans and borrowings	17	1,780,570	1,670,091	1,780,570	1,670,091
Repayment of loans and borrowings	17	( 3,220,637)	( 1,865,155)	(3,220,637)	(1,846,932)
Transaction costs incurred on loans and borrowings	17	( 43,624)	-	( 43,624)	( 12,394)
Payment of lease liabilities	18(a)(v)	( 13,893)	( 12,576)	-	-
Dividends paid		<u>( 185,481)</u>	<u>( 127,502)</u>	<u>-</u>	<u>( 127,502)</u>
Net cash used in financing activities		<u>( 1,683,065)</u>	<u>( 335,142)</u>	<u>(1,483,691)</u>	<u>( 316,737)</u>
Net (decrease)/increase in cash and cash equivalents		( 797,955)	589,274	( 2,679)	13,113
Cash and cash equivalents at beginning of year		1,469,290	877,655	114,452	101,332
Effect of exchange rate movements on cash and cash equivalents held		<u>9,956</u>	<u>2,361</u>	<u>-</u>	<u>7</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	4	<u><b>681,291</b></u>	<u><b>1,469,290</b></u>	<u><b>111,773</b></u>	<u><b>114,452</b></u>

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

# Notes to the Financial Statements

Year ended December 31, 2025

## 1. Identification

VM Investments Limited (“the company”) is incorporated and domiciled in Jamaica. The company’s registered office is located at 6-10 Duke Street, Kingston, Jamaica. Under an approved Scheme of Arrangement for the restructuring of the Victoria Mutual Building Society (former parent society) and its subsidiaries, a new mutual holding company, VM Group Limited, along with a new financial holding company, VM Financial Group Limited were incorporated on February 1, 2024. Effectively, this meant that VM Group Limited became the new ultimate parent company and VM Financial Group Limited became the immediate parent company. Both the parent company and the ultimate parent company are domiciled in Jamaica.

The VM Group Limited is wholly owned by its Members and is the parent of VM Financial Group Limited.

VM Financial Group Limited is licensed under the Banking Services Act (2014) as the financial holding company for all the companies in the VM Group that offer financial services, including VM Investments Limited.

The company issued 20% of its ordinary shares to the public and is listed on the Jamaica Stock Exchange.

The company has a wholly-owned subsidiary, VM Wealth Management Limited (“the subsidiary company”), which is incorporated and domiciled in Jamaica. The principal activities of the subsidiary company are stock and investment broking, the provision of financial investment management and investment advisory services and money market dealing.

The company’s principal activities are administered by its subsidiary company and includes holding and management of certain securities. The company’s income during the year was mainly interest, gains from investment activities, fees and commission and dividend income.

The company and its subsidiary are collectively referred to as “the group”.

Effective December 30, 2023, the company acquired a 23% interest in Kingston Properties Limited (KPREIT), a company incorporated and domiciled in Jamaica that invests in real estate assets (note 7). KPREIT ordinary shares are listed on the Jamaica Stock Exchange.

## 2. Basis of preparation

### (a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board, and in the manner required by the Jamaican Companies Act (“the Act”).

## 2. Basis of preparation (continued)

### (a) Statement of compliance (continued)

New and amended standards that became effective during the year:

Certain new and amended standards came into effect during the current financial year. Amendments under IFRS Accounting Standards did not result in any significant changes to amounts recognised or disclosed in these financial statements.

New and amended standards issued but not yet effective:

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

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

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

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

IFRS 18 requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for management performance measures (MPMs), requiring them to be a subtotal of income and expenses, used in public communications outside the financial statements and reflective of management’s view of financial performance. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Companies are discouraged from labelling items as ‘other’ and will now be required to disclose more information if they continue to do so.

The group is assessing the impact that these amendments and standards may have on its future financial statements.

# Notes to the Financial Statements

Year ended December 31, 2025

## 2. Basis of preparation (continued)

### (a) Statement of compliance (continued)

New and amended standards issued but not yet effective (continued):

- Amendments to IFRS 9 Financial Instruments will apply to annual periods beginning on or after January 1, 2026. Entities may choose to early adopt these amendments.

Derecognition of a financial liability through electronic transfer:

The amendment allows the Company to deem a financial liability or part thereof that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendment will affect the Company for the first time in its 2026 financial statements. The amendment is not expected to have a significant impact. “

### (b) Basis of measurement

The financial statements are prepared on the historical cost basis, except for the following:

- Debt instruments at fair value through other comprehensive income (FVOCI), measured at fair value.
- Equity securities at fair value through profit or loss (FVTPL), measured at fair value.
- Certain equity securities designated as at FVOCI, measured at fair value.
- Post-employment medical benefit obligation measured at the present value of the obligation as set out in note 3(g)(iii).

### (c) Functional and presentation currency

The financial statements are presented in thousands of Jamaica dollars, which is the functional currency of the company.

### (d) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, as well as estimates, based on assumptions, that affect the application of accounting policies, and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts may differ from these estimates.

## 2. Basis of preparation (continued)

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

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

Except as otherwise stated below, there are no judgements, estimate and assumptions made by management in the application of IFRS Accounting Standards that may have a significant effect on the financial statements and significant estimate with a significant risk of material adjustment in the next financial year.

Key assumptions and other sources of estimation uncertainty:

Fair value of financial instruments

Fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices. In the absence of quoted market prices, the fair value of a proportion of the groups and the company's financial assets are determined using fair value models. Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimate arrived at may be significantly different from the actual price of the instrument in arm's length transaction (note 29).

## 3. Material accounting policies

The group has consistently applied the accounting policies as set out below to all periods presented in these financial statements.

### (a) Basis of consolidation

#### (i) Business combinations

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

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

- Fair values of the assets transferred
- Fair values 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

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (a) Basis of consolidation (continued)

#### (i) Business combinations (continued)

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date.

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

The group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the group. In determining whether a particular set of activities and assets is a business, the group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

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

#### (ii) Subsidiary

The company has one subsidiary which is controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the relevant activities of the investee. The financial statements of the subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## 3. Material accounting policies (continued)

### (a) Basis of consolidation (continued)

#### (iii) Loss of control

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

#### (iv) Transactions eliminated on consolidation

Balances and transactions between companies within the group, and any unrealised gains arising from those transactions, are eliminated in preparing the consolidated financial statements.

### (b) Financial instruments – Classification, recognition, derecognition and measurement

Financial assets comprise cash and cash equivalents, resale agreements, investment securities, loans receivable, net investment in finance leases and accounts receivable (excluding prepayments). Financial liabilities comprise accounts payable, borrowings, amounts due to related parties, lease liabilities and repurchase agreements.

Financial instruments are classified, recognised and measured in accordance with the substance of the terms of the contracts as set out herein.

#### (i) Recognition and initial measurement

The group recognises a financial instrument when it becomes a party to the contractual terms of the instrument. The group initially recognises accounts receivable on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

At initial recognition, the group measures a financial asset or financial liability at its fair value, plus or minus; in the case of a financial asset or financial liability not at fair value through profit or loss transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss over the life of the financial instruments.

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (ii) Classification and subsequent remeasurement

The group has applied IFRS 9 and classified its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

#### Financial assets

The classification requirements for debt and equity instruments are described below:

#### (a) Debt instruments

Classification and subsequent measurement of debt instruments depend on:

- the group's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the group classifies its debt instruments into one of the following two measurement categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described at [note 3(b)(vi)]. Interest income from these financial assets is included in 'Interest income' calculated using the effective interest method.
- **Fair value through other comprehensive income (FVOCI):** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in 'interest income' calculated using the effective interest method.
- **Business model:** the business model reflects how the group manages the assets in order to generate cash flows. That is, whether the group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets.

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (ii) Classification and subsequent remeasurement (continued)

#### Financial assets (continued)

#### (a) Debt instruments (continued)

Factors considered by the group in determining the business model for a group of assets include:

1. Past experience on how the cash flows for these assets were collected;
2. How the asset's performance is evaluated and reported to key management personnel;
3. How risks are assessed and managed; and
4. How managers are compensated.

For example, securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

**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 company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is 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 asset is classified and measured at fair value through profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (ii) Classification and subsequent remeasurement (continued)

##### Financial assets (continued)

#### (b) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The group subsequently measures all equity investments at fair value through profit or loss, except where the group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. Equity securities designated at FVOCI are held for business strategic reason and are not traded.

Gains and losses on equity investments at FVTPL are included in the 'Gains from investment activities' caption in the income statement.

##### Financial liabilities

Financial liabilities are classified as and subsequently measured at amortised cost.

#### (iii) Derecognition

The group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income (OCI) is recognised in profit or loss. For debt instruments, any cumulative gains or losses that had been recognised in other comprehensive income are recycled through the income statement.

Any cumulative gains or losses recognised in OCI in respect of equity investment securities designated as at FVOCI are not recognised in profit or loss on derecognition of such securities [note 3(b)(iii)]. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the group is recognised as a separate asset or liability.

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (iii) Derecognition (continued)

The group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

In transactions in which the group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment.

If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

#### (iv) Measurement and gains and losses

The 'investment securities' caption in the statement of financial position includes:

- debt investment securities measured at amortised cost which are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- debt securities measured at FVOCI;
- equity investment securities measured at FVTPL with fair value changes recognised immediately in profit or loss and;
- equity investment securities designated as at FVOCI.

For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL charges and reversals; and
- foreign exchange gains and losses.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (iv) Measurement and gains and losses (continued)

When debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The group elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

#### Specific financial instruments

#### (1) Derivatives

Derivatives are financial instruments that derive their value from the price of the underlying items such as equities, bond, interest rate, foreign exchange or other indices. Derivatives enable users to increase, reduce or alter exposure to credit or market risk.

The group may use derivatives to manage its own exposure to foreign exchange risk. Derivatives held for risk management purposes are measured initially at fair value in the statement of financial position. Subsequent to initial recognition, derivatives are measured at fair value, and, if the derivative is not held for trading, and is not designated in a qualifying hedge relationship, changes in fair value are recognised immediately in profit or loss.

#### (2) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents comprise short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term commitments (these investments include short-term deposits where the maturities do not exceed three months from the acquisition date). Cash and cash equivalents are measured and classified at amortised cost.

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (iv) Measurement and gains and losses (continued)

#### Specific financial instruments (continued)

#### (3) Resale and repurchase agreements

Resale agreements are accounted for as short-term collateralised lending and classified at amortised cost. They are measured at fair value on initial recognition and subsequently, at amortised cost. The difference between the purchase cost and the resale consideration is recognised in the income statement as interest income using the effective interest method.

The group enters into transactions whereby it transfers assets but retains either all risks or rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions. Repurchase agreements are accounted for as short-term collateralised borrowing and are classified as other liabilities. On initial recognition and subsequently, the securities given as collateral are retained in the statement of financial position and measured in accordance with their original measurement principles.

The proceeds of sale are reported as liabilities and are carried at amortised cost. The difference between the sale consideration and the repurchase price is recognised in the income statement over the life of each agreement as interest expense using the effective interest method.

#### (4) Accounts receivable

Accounts receivable (excluding prepayments) are classified and measured at amortised cost less impairment losses. Withholding taxes deducted and withheld from source of income such as dividends and/or interest income is measured at amortised cost. General consumption taxes (GCT) which are value added taxes in the local jurisdiction are recoverable from tax authorities and deducted from amounts payable. Withholding taxes and GCT payable or recoverable are measured at amortised cost.

#### (5) Accounts payable

Accounts payable are classified and measured at amortised cost.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.

#### (vi) Impairment

The group recognises loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments; and
- lease receivables.

The group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (vi) Impairment (continued)

##### Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the company if the commitment is drawn and the cash flows that the company expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the group expects to recover.

##### Credit-impaired financial assets

At each reporting date, the group assesses whether financial assets carried at amortised costs are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events of default have an impact on the estimated future cash flows of the financial asset.

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the group on terms that the company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (b) Financial instruments – Classification, recognition, derecognition and measurement (continued)

#### (vi) Impairment (continued)

##### Credit-impaired financial assets (continued)

In making an assessment of whether an investment in sovereign debt is credit-impaired, the group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of the debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

##### Presentation of allowance for ECL in the statement of financial position

Allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss is recognised in profit or loss as a reclassification from OCI.

##### Write-off

Loans, accounts receivable and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

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

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

## 3. Material accounting policies (continued)

### (c) Interest in associates

Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies. Interest in associate is accounted for using the equity method for the group and company.

It is recognised separately and initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's and the company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

When the group's and company's share of losses exceeds its interest in an associate, the group's and company's carrying amount is reduced to \$Nil and recognition of further losses is discontinued, except to the extent that the group and company has incurred legal or constructive obligations or made payments on behalf of an associate. If the associate subsequently reports profits, the group and company resumes recognising their share of those profits only after their share of profits equals the share of accumulated losses not recognised.

### (d) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rates ruling at that date. Transactions in foreign currencies are translated at the foreign exchange rates ruling at the date of the transaction. Gains and losses arising on translation are recognised in profit or loss.

### (e) Property, plant and equipment

Land is measured at historical cost. All other items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the group and its cost can be reliably measured.

The cost of day-to-day servicing of property, plant and equipment is recognised in profit or loss as incurred.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (e) Property, plant and equipment (continued)

Depreciation is charged on the straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Computers	5 years
Furniture and fixtures	10 years
Leasehold improvements	5 years
Right-of-use assets (leasehold properties)	7-10 years (over lease-term)
Buildings	40 years

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

### (f) Intangible assets

#### Computer software

Costs that are directly associated with acquiring identifiable and unique software products which are expected to generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs associated with maintaining computer software programs are recognised in profit or loss as incurred.

#### Exclusive rights

Exclusive rights arise from the acquisition of VM Wealth Funds Limited [formerly Republic Funds (Barbados) Incorporated] and represent the group's exclusive right to benefit from the management of the Funds and to appoint the manager of the Funds.

#### Amortisation

These assets are measured at cost less accumulated amortisation and, if any, impairment losses [note (3)(i)]. Intangible assets are amortised using the straight-line method over their useful lives.

The estimated useful lives are as follows:

Computer software	5-7 years
Exclusive rights	20 years

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

## 3. Material accounting policies (continued)

### (g) Employee benefits

#### (i) General benefits

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave. Post-employment benefits are accounted for as described in (ii) and (iii) below. Other long-term benefits, including termination benefits, which arise when either (1) the employer decides to terminate an employee's employment before the normal retirement date or (2) an employee decides to accept voluntary redundancy in exchange for termination benefits, are accrued as they are earned and charged as an expense, unless not considered material, in which case they are charged when they fall due.

Post-employment obligations included in these financial statements are actuarially determined by a qualified independent actuary. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuation was conducted in accordance with IAS 19, and the financial statements reflect the group's post-employment benefit obligations as computed by the actuary.

#### (ii) Defined-benefit pensions

The subsidiary company is a participating employer in a group defined-benefit pension plan operated by a related party. The related party is directly responsible for any deficit in the plan. Additionally, all residual interest in the scheme belongs to the related party. The plan is, therefore, accounted for as a defined-contribution plan in the financial statements of the individual participating subsidiaries. Each year, the sponsoring entity charges a contribution to each of the group entities on an annual basis, based on the contributions recommended by the actuary.

The subsidiary company also participates in a defined contribution plan [see note 16(a)]. Pension contributions are expensed as they become due.

#### (iii) Employee medical benefits

The subsidiary company provides post-employment medical benefits to retirees.

The group's net obligation in respect of medical benefits provided to retirees is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (g) Employee benefits (continued)

#### (iii) Employee medical benefits (continued)

The discount rate is the yield on long-term government securities that have maturity dates approximating the terms of the group's obligation. The calculation is performed by an independent, qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses are recognised immediately in other comprehensive income (OCI). The group determines the net interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the defined benefit liability, taking into account any changes in the defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in profit or loss.

When the benefits of the plan are changed or when the plan is curtailed, the portion of the change in benefit relating to past service by employees is recognised as an expense immediately in profit or loss. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

### (h) Income tax

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

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

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the group. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

## 3. Material accounting policies (continued)

### (i) Impairment of non-financial assets

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of non-financial assets is the greater of its value in use and its fair value less costs to sell.

Impairment losses are recognised in the income statement.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### (j) Leases

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

#### (a) As a lessee

At commencement or on modification of a contract that contains a lease component, the group allocates the consideration in the contracts to each lease component on the basis of its relative stand-alone prices.

Non-lease components have been separated for leases of properties.

The group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term or the cost of the right-of-use asset reflects that the group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (i) Leases (continued)

#### (a) As a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

The group determines its incremental borrowing rate by obtaining interest rates from The Victoria Mutual Building Society and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

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

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

The group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities as such in the statement of financial position.

#### Short-term leases

The group has elected not to recognise right-of-use assets and lease liabilities for lease that are considered short-term leases. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 3. Material accounting policies (continued)

### (i) Leases (continued)

#### (b) As a lessor

At inception or on modification of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the group applies IFRS 15 to allocate the consideration in the contract.

The group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

### (k) Interest

#### (i) Effective interest rate

Interest income and expenses are recognised in profit or loss using the effective interest method.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimate future cash flows including ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

#### (ii) Presentation

Interest income calculated using the effective interest method presented in the income statement includes interest on financial assets measured at amortised cost and interest on debt instruments measured at FVOCI; interest expense presented in the income statement includes financial liabilities measured at amortised cost and interest expense on lease liabilities.

# Notes to the Financial Statements

Year ended December 31, 2025

## 3. Material accounting policies (continued)

### (l) Gain or loss from trading and holding securities

Gain or loss on securities trading is recognised when the group becomes a party to a contract to dispose of the securities, or, in the case of financial assets measured at fair value, upon remeasurement of those assets.

### (m) Dividend income

Dividends are recognised in the income statement when the group's irrevocable right to receive payment is established.

### (n) Fee and commission income

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The group recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type	Nature and timing of satisfaction of performance obligation, including significant payment term	Revenue recognition under IFRS 15
Brokerage services	The group provides stockbroking services to customers.  A fixed fee is charged for each transaction executed.	Revenue related to transactions is recognised at the point in time when the transaction takes place.
Corporate advisory services	The group provides finance-related services including loan administration services, administration of a loan syndication, execution of client transactions with exchanges and securities underwriting.  Transaction-based fees for administration of a loan syndication, execution of transactions, and securities underwriting are charged when the transaction takes place.	Revenue related to transactions is recognised at the point in time when the transaction takes place.

## 3. Material accounting policies (continued)

### (n) Fee and commission income (continued)

Type	Nature and timing of satisfaction of performance obligation, including significant payment term	Revenue recognition under IFRS 15
Portfolio asset management service	The group provides portfolio/asset management services.  Fees for provides portfolio/asset management services are calculated based on a fixed percentage of the value of assets managed and deducted from the customer's account balance on a monthly basis.	Revenue from portfolio/asset management services is recognised over time as the services are provided.

### (o) Share capital

The company's ordinary shares are classified as equity instruments in accordance with the substance of the contractual terms of the instrument. Dividends thereon are recognised when declared as distributions within equity.

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instrument.

### (p) Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses its performance; and for which discrete financial information is available. The group's activities are limited to revenue earned from securities, operating in a single segment, therefore no additional segment information is provided.

# Notes to the Financial Statements

Year ended December 31, 2025

## 4. Cash and cash equivalents

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Bank accounts	655,939	1,435,520	111,773	114,452
Accounts with brokers	<u>25,352</u>	<u>33,770</u>	-	-
	<u>681,291</u>	<u>1,469,290</u>	<u>111,773</u>	<u>114,452</u>

## 5. Resale agreements

The group purchases government and corporate securities and agrees to resell them on a specified date and at a specified price ('resale agreements').

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Denominated in Jamaica dollars	-	500,000	-	500,000
Denominated in United States dollars [US\$10,641,590 (2024: US\$2,325,000)]	<u>1,691,219</u>	<u>361,775</u>	<u>1,691,219</u>	<u>861,775</u>
Less allowance for expected credit losses [note 28(b)(v)(d)]	( <u>27</u> )	-	( <u>27</u> )	-
	<u>1,691,192</u>	<u>861,775</u>	<u>1,691,192</u>	<u>861,775</u>
	Company		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Denominated in Jamaica dollars	-	410,974	-	410,974
Denominated in United States dollars [US \$Nil (2024: US \$180,000)]	-	<u>28,008</u>	-	<u>28,008</u>
	-	<u>438,982</u>	-	<u>438,982</u>

Under collateralised resale agreements, the group obtains securities as collateral on terms which permit it to re-pledge or resell them to others under repurchase agreements as set out in note 15. At December 31, 2025, securities that the group and company held under repurchase arrangements had a fair value of \$1,807,618,000 (2024: \$931,372,000) and \$Nil (2024: \$450,309,000), respectively.

## 6. Investment securities

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Investment securities at FVTPL:				
Unquoted equities	245,935	77,320	245,935	77,320
Quoted equities	343,088	382,557	342,017	381,789
Redeemable preference shares	-	216,920	-	216,920
US\$ convertible preference share [US\$ 6,842,569 (2024: US\$ 5,144,997)]	1,087,458	801,351	1,087,458	801,351
Convertible corporate note	13,333	14,153	13,333	14,153
Unit trusts:				
Unit in trust funds	-	595,455	-	224,786
	<u>1,689,814</u>	<u>2,087,756</u>	<u>1,688,743</u>	<u>1,716,319</u>
Debt securities at amortised cost:				
Corporate bonds	1,024,998	553,227	1,024,998	553,227
Preference shares	<u>64,000</u>	<u>365,000</u>	-	-
	<u>1,088,998</u>	<u>918,227</u>	<u>1,024,998</u>	<u>553,227</u>
Investment securities at FVOCI:				
Jamaica quoted equities	<u>607,404</u>	<u>678,300</u>	-	-
Debt securities at FVOCI:				
Government of Jamaica securities:				
Treasury bills	-	1,000	-	-
Investment notes	7,658,033	5,499,841	-	-
US\$ bonds [US\$64,812,906 (2024: US\$43,743,425)]	<u>10,237,924</u>	<u>6,647,761</u>	<u>1,356,603</u>	-
	<u>17,895,957</u>	<u>12,148,602</u>	<u>1,356,603</u>	-
Bank of Jamaica securities:				
Certificates of deposit	941,462	824,068	-	-
Foreign government securities:				
US\$ bonds [US\$5,529,985 (2024: US\$5,799,025)]	878,855	902,341	-	-
Other public sector securities				
US\$ [US\$62,199 (2024: US\$308,631)]	9,885	16,130	-	-
Corporate bonds				
US\$ [US\$5,121,900 (2024: US\$4,711,122)]	814,000	1,178,500	-	-
JS Corporate bonds	<u>817,173</u>	<u>733,061</u>	-	-
	<u>1,631,173</u>	<u>1,911,561</u>	-	-
[Note 28(b)(iv)]	<u>21,357,332</u>	<u>15,802,702</u>	<u>1,356,603</u>	-
Total investment securities before allowance for impairment	24,743,548	19,486,985	4,070,344	2,269,546
Less allowance for impairment on instruments at amortised cost [note 28(b)(v)(d)]	( <u>3,672</u> )	( <u>15,424</u> )	( <u>2,757</u> )	( <u>10,305</u> )
	<u>24,739,876</u>	<u>19,471,561</u>	<u>4,067,587</u>	<u>2,259,241</u>
Allowance for impairment on debt investments at FVOCI [note 28(b)(iv)(d)]	( <u>32,761</u> )	( <u>23,283</u> )	( <u>575</u> )	-

# Notes to the Financial Statements

Year ended December 31, 2025

## 6. Investment securities (continued)

Investment securities mature (excluding allowance for impairment), in relation to the reporting date, as follows:

	Group 2025					Total \$'000
	Current		Non-current			
	Within 3 month \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	No maturity \$'000	
Investment securities at FVTPL						
Unquoted equities	-	-	-	-	245,935	245,935
Quoted equities	-	-	-	-	343,088	343,088
US\$ convertible preference shares	-	-	1,087,458	-	-	1,087,458
Convertible corporate note	-	-	13,333	-	-	13,333
	-	-	<u>1,100,791</u>	-	<u>589,023</u>	<u>1,689,814</u>
Debt securities at amortised cost:						
Corporate bonds	435,000	-	291,000	298,998	-	1,024,998
Preference shares	-	-	64,000	-	-	64,000
	<u>435,000</u>	-	<u>355,000</u>	<u>298,998</u>	-	<u>1,088,998</u>
Investment securities at FVOCI:						
Jamaican quoted equities	-	-	-	-	607,404	607,404
Debt instruments at FVOCI:						
Bank of Jamaica securities	98,235	-	803,899	39,328	-	941,462
Investment notes	60,118	-	4,143,361	3,454,554	-	7,658,033
Treasury bills	-	-	-	-	-	-
US\$ bonds	-	-	2,527,260	7,710,664	-	10,237,924
Foreign government securities	-	394,056	478,872	5,927	-	878,855
Other public sector securities	-	-	9,885	-	-	9,885
Corporate bonds	<u>208,000</u>	<u>54,831</u>	<u>657,031</u>	<u>711,311</u>	-	<u>1,631,173</u>
	<u>366,353</u>	<u>448,887</u>	<u>8,620,308</u>	<u>11,921,784</u>	-	<u>21,357,332</u>
	<u>801,353</u>	<u>448,887</u>	<u>10,076,099</u>	<u>12,220,782</u>	<u>1,196,427</u>	<u>24,743,548</u>

## 6. Investment securities (continued)

Investment securities mature (excluding allowance for impairment), in relation to the reporting date, as follows (continued):

	Group 2024					Total \$'000
	Current		Non-current			
	Within 3 month \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	No maturity \$'000	
Investment securities at FVTPL:						
Unquoted equities	-	-	-	-	77,320	77,320
Quoted equities	-	-	-	-	382,557	382,557
Redeemable preference shares	-	-	216,920	-	-	216,920
US\$ convertible preference shares	-	-	801,351	-	-	801,351
Convertible corporate note	-	-	-	14,153	-	14,153
Unit in unit trust funds	-	-	-	-	595,455	595,455
	-	-	<u>1,018,271</u>	<u>14,153</u>	<u>1,055,332</u>	<u>2,087,756</u>
Debt securities at amortised cost:						
Corporate bonds	-	-	459,982	93,335	-	553,227
Preference shares	-	-	365,000	-	-	365,000
	-	-	<u>824,982</u>	<u>93,335</u>	-	<u>918,227</u>
Investment securities at FVOCI:						
Jamaican quoted equities	-	-	-	-	678,300	678,300
Debt instruments at FVOCI:						
Bank of Jamaica securities	824,068	-	-	-	-	824,068
Investment notes	299,118	537	1,952,745	3,247,441	-	5,499,841
Treasury bills	1,000	-	-	-	-	1,000
US\$ bonds	-	178,717	2,411,869	4,057,175	-	6,647,761
Foreign government securities	-	-	598,728	303,613	-	902,341
Other public sector securities	-	-	16,130	-	-	16,130
Corporate bonds	-	-	1,178,500	733,061	-	1,911,561
	<u>1,124,186</u>	<u>179,254</u>	<u>6,157,972</u>	<u>8,341,290</u>	-	<u>15,802,702</u>
	<u>1,124,186</u>	<u>179,254</u>	<u>8,001,135</u>	<u>8,448,778</u>	<u>1,733,632</u>	<u>19,486,985</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 6. Investment securities (continued)

Investment securities mature (excluding allowance for impairment), in relation to the reporting date, as follows (continued):

	Company				Total
	2025				
	Current	Non-current			
3 months to 1 year	1 to 5 years	More than 5 years	No maturity		
	\$'000	\$'000	\$'000	\$'000	\$'000
Investment securities at FVTPL:					
Unquoted equities	-	-	-	245,935	245,935
Quoted equities	-	-	-	342,017	342,017
Redeemable preference shares	-	-	-	-	-
US\$ convertible preference shares	-	1,087,458	-	-	1,087,458
Convertible corporate note	-	13,333	-	-	13,333
	-	1,100,791	-	587,952	1,688,743
Debt securities at amortised cost:					
Corporate bonds	435,000	291,000	298,998	-	1,024,998
Debt instruments at FVOCI:					
US\$ bonds	-	1,734	1,354,869	-	1,356,603
	-	1,393,525	1,653,867	587,952	4,070,344

	Company				Total
	2024				
	Current	Non-current			
3 months to 1 year	1 to 5 years	More than 5 years	No maturity		
	\$'000	\$'000	\$'000	\$'000	\$'000
Investment securities at FVTPL:					
Unquoted equities	-	-	-	77,320	77,320
Quoted equities	-	-	-	381,789	381,789
Redeemable preference shares	-	216,920	-	-	216,920
US\$ convertible preference shares	-	801,351	-	-	801,351
Convertible corporate note	-	-	14,153	-	14,153
Unit in trust funds	-	-	-	224,786	224,786
	-	1,018,271	14,153	683,895	1,716,319
Debt securities at amortised cost:					
Corporate bonds	-	459,989	93,335	-	553,227
	-	1,478,260	107,488	683,895	2,269,546

## 6. Investment securities (continued)

Certain Bank of Jamaica, Government of Jamaica and foreign government securities are pledged as collateral for repurchase agreements (see note 15).

Government of Jamaica securities having an aggregate face value of \$42,601,000 (2024: \$44,233,000) have been pledged as collateral against possible overdrafts and uncleared effects at one of the subsidiary company's bankers. The fair value of the securities is \$42,601,000 (2024: \$44,233,000).

Equity investment securities designated at FVOCI

The following table shows investments in equity securities that are designated at FVOCI. The FVOCI designation was made because the investments are expected to be held for the long term.

	Group			
	Jamaica		Stock Exchange	
	Fair value		Dividend income recognised	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
At beginning of year	678,300	510,000		
Net fair value (losses)/gains recognised during the year	( 70,896)	168,300	29,959	17,392
At end of year	607,404	678,300		

None of these investments were disposed of during the year ended December 31, 2025 (2024: \$Nil). The change in fair value on these investments was \$70,896,000 for the year ended December 31, 2025 (2024: \$168,300,000).

Debt instruments designated at FVOCI

The following table shows the movement in the gross carrying value of debt instruments designated at FVOCI:

	Group	
	2025	2024
	\$'000	\$'000
Balance at beginning of year	15,802,702	15,086,118
New debt instruments originated or purchased	80,268,190	60,291,072
Debt instruments derecognised	(74,738,556)	(59,421,722)
Purchased premiums amortised	( 279,451)	( 266,524)
Fair value gains recognised during the year in OCI	121,069	38,114
Effect of changes in foreign exchange rates	183,378	75,644
Balance at end of year	21,357,332	15,802,702

# Notes to the Financial Statements

Year ended December 31, 2025

## 6. Investment securities (continued)

Debt instruments designated at FVOCI (continued)

The following table shows the movement in the gross carrying value of debt instruments designated at FVOCI (continued):

	Company	
	2025 \$'000	2024 \$'000
Balance at beginning of year	-	-
New debt instruments originated or purchased	2,901,643	-
Debt instruments derecognised	(1,519,022)	-
Purchased premiums amortised	( 2,287)	-
Fair value gains recognised during the year in OCI	( 23,731)	-
Balance at end of year	<u>1,356,603</u>	<u>-</u>

Involvement with unconsolidated structured entities

The Group has concluded that the unlisted closed-end investment fund in which it holds an interest, but does not consolidate, meets the definition of a structured entity because:

- Control is not primarily determined by voting rights, but rather by contractual arrangements which dictate how the fund operates and who has power over it;
- The fund's activities are restricted by its operating agreement and are subject to compliance with the regulations outlined Financial Services Commission; and
- The fund has well-defined objectives to provide investment opportunities to investors.

The table below describes the type of structured entity that the Group does not consolidate but in which it holds an interest:

Type of structured entity	Nature and purpose	Interest held by the Group
Unit Trusts and funds - a unit trust scheme, comprising of a diverse portfolio of investments	Private equity funds intended to generate risk adjusted returns by generating current income and capital appreciation through equity or debt investments and properties	A contractual agreement for management and registrar services resulting in fee income and related receivables

## 6. Investment securities (continued)

Involvement with unconsolidated structured entities (continued)

During the year the group exited its investment in the unit trust funds. The table below sets out interests held by the Group in the unconsolidated structured entity. The maximum exposure to loss is the carrying amount of the financial assets held.

	Number of Investee funds	Group 2025	Company
		Carrying Amount \$'000	Carrying Amount
Investment in unlisted closed-end investment fund (see note 6)	-	<u>-</u>	<u>-</u>
Fee income receivable	10	<u>69,125</u>	<u>-</u>

	Number of Investee funds	Group 2024	Company
		Carrying Amount \$'000	Carrying Amount
Investment in unlisted closed-end investment fund (see note 6)	1	<u>595,455</u>	<u>224,786</u>
Fee income receivable	12	<u>80,556</u>	<u>-</u>

During the year ended December 31, 2025, the Group provided no financial support (2024: \$Nil) to the unconsolidated structured fund.

## 7. Interest in associate

	Group and Company	
	2025 \$'000	2024 \$'000
Carrying amount of interest in associate:		
Kingston Properties Limited (KPREIT)	<u>2,047,503</u>	<u>1,875,084</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 7. Interest in associate (continued)

Effective December 30, 2022, the company acquired 23% shareholding in Kingston Properties Limited (KPREIT).

The following table summarises the financial information of KPREIT as included in its own audited financial statements as at and for the year ended December 31, 2025 adjusted for fair value adjustments. The financial statements of KPREIT are denominated in United States dollars.

	Group and Company	
	2025 \$'000	2024 \$'000
Percentage ownership interest in KPREIT	<u>23%</u>	<u>23%</u>
Non-current assets	13,600,541	12,550,102
Current assets	<u>1,347,781</u>	<u>924,396</u>
Total assets	<u>14,948,322</u>	<u>13,474,498</u>
Non-current liabilities	( 5,413,780)	( 4,824,510)
Current liabilities	<u>( 724,610)</u>	<u>( 587,778)</u>
Total liabilities	<u>( 6,138,390)</u>	<u>( 5,412,288)</u>
Net assets (100%)	<u>8,809,932</u>	<u>8,062,210</u>
Group's share of net assets	2,026,284	1,854,309
Goodwill and intangible asset recognised on acquisition	<u>21,219</u>	<u>20,775</u>
Carrying amount of interest in KPREIT	<u>2,047,503</u>	<u>1,875,084</u>
Revenue	<u>1,350,044</u>	<u>1,474,158</u>
Profit from continuing operations	<u>652,239</u>	<u>840,737</u>
Share of profit from continuing operations	<u>151,014</u>	<u>193,370</u>
Dividend	<u>18,454</u>	<u>52,194</u>

The following table provides a movement in the carrying value of KPREIT:

	Group and Company	
	2025 \$'000	2024 \$'000
At beginning of year	1,875,084	1,719,260
Share of profit from continuing operations	151,014	193,370
Currency translation adjustment	39,859	14,648
Dividends received during the year	<u>( 18,454)</u>	<u>( 52,194)</u>
At end of year	<u>2,047,503</u>	<u>1,875,084</u>

## 7. Interest in associate (continued)

The fair value of the interest in KPREIT indicated by its quoted price on the Jamaica Stock Exchange as at December 31 2025 was J\$1,911,770,000 (2024: J\$1,921,939,000).

The recoverable amount for the associate has been calculated based on its value in use, determined by discounting the future cash flows expected to be generated from the associate.

No impairment losses were recognised during the year ended December 31, 2025 (2024: \$Nil) because the recoverable amounts of the interest in associate was determined to be higher than its carrying amounts.

## 8. Interest in subsidiary

	Company	
	2025 \$'000	2024 \$'000
Shares in subsidiary – VM Wealth Management Limited	1,009,500	1,009,500
Contribution to subsidiary – VM Wealth Management Limited	<u>56,017</u>	<u>56,017</u>
	<u>1,065,517</u>	<u>1,065,517</u>

On January 19, 2024, the company acquired VM Wealth Funds Limited [formerly Republic Funds (Barbados) Incorporated] having received the approval of regulators in Barbados and Jamaica. The acquisition of the stated capital in VM Wealth Funds Limited for the aggregate amount of \$56,017,000 confers only the exclusive rights for the company to manage and appoint the investment manager for the funds. Consequently, the acquisition is recognised as a contribution to the subsidiary company.

The company's subsidiary, VM Wealth Management Limited has been appointed as administrator of the mutual funds, comprising:

VM Wealth Capital Growth Fund (formerly Republic Capital Growth Fund)  
 VM Wealth Income Fund (formerly Republic Income Fund)  
 VM Wealth Property Fund (formerly Republic Property Fund)

# Notes to the Financial Statements

Year ended December 31, 2025

## 9. Loans receivable

	Group and Company	
	2025 \$'000	2024 \$'000
Margin loans	1,624,264	2,752,059
Corporate loans	<u>1,957,766</u>	<u>1,911,893</u>
	3,582,030	4,663,952
Less allowance for impairment on instruments at amortised cost [note 28(b)(v)(d)]	<u>( 544,899)</u>	<u>( 561,718)</u>
	<u>3,037,131</u>	<u>4,102,234</u>

The following table shows the movement in gross carrying value of loan receivable:

	Group and Company	
	2025 \$'000	2024 \$'000
At beginning of year	4,663,952	4,941,038
New loans granted	849,281	1,200,096
Loan repayments	(1,945,913)	(1,476,439)
Effect of changes in foreign exchange rates	<u>14,710</u>	<u>( 743)</u>
At end of year	<u>3,582,030</u>	<u>4,663,952</u>

## 10. Accounts receivable and prepayments

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Customer receivables	100,619	130,720	-	-
Interest receivable	474,382	324,311	156,702	82,928
GCT recoverable	7,242	8,647	7,242	8,647
Dividend receivable	2,084	3,270	2,084	3,270
Prepaid expenses	56,920	26,192	13,601	8,130
Other receivables	<u>110,434</u>	<u>92,995</u>	<u>16,641</u>	<u>57,203</u>
	<u>651,062</u>	<u>455,415</u>	<u>196,270</u>	<u>160,178</u>
	<u>751,681</u>	<u>586,135</u>	<u>196,270</u>	<u>160,178</u>

## 10. Accounts receivable and prepayments (continued)

(a) The balances are reflected net of expected credit loss allowances as follows:

	Group	
	2025 \$'000	2024 \$'000
At beginning of the year	129,250	231,316
Increase/(decrease) in allowance [note 28(b)(v)(f)]	<u>96,025</u>	<u>(102,066)</u>
At end of year [note 28(b)(v)(e)]	<u>225,275</u>	<u>129,250</u>

(b) Reconciliation of amounts due from related parties included in accounts receivable

	Group 2025		
	Included in interest receivable \$'000	Other accounts receivable \$'000	Total [note 32(c)] \$'000
Due from immediate parent company [note 32(c)]	40,410	-	40,410
Due from related parties [note 32(c)]	<u>-</u>	<u>39,622</u>	<u>39,622</u>

	Company 2025		
	Included in interest receivable \$'000	Other accounts receivable \$'000	Total [note 32(c)] \$'000
Due from immediate parent company [note 32(c)]	40,366	-	40,366
Due from subsidiary company [note 32(c)]	<u>13</u>	<u>3,719</u>	<u>3,732</u>

	Group 2024		
	Included in interest receivable \$'000	Other accounts receivable \$'000	Total [note 32(c)] \$'000
Due from immediate parent company [note 32(c)]	61,311	5,046	66,357
Due from related parties [note 32(c)]	<u>-</u>	<u>30,637</u>	<u>30,637</u>

	Company 2024		
	Included in interest receivable \$'000	Other accounts receivable \$'000	Total [note 32(c)] \$'000
Due from immediate parent company [note 32(c)]	61,207	5,046	66,253
Due from subsidiary company [note 32(c)]	<u>117</u>	<u>-</u>	<u>117</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 11. Deferred tax asset

	Group 2025			
	2024	Recognised in OCI	Recognised in income (note 27)	2025
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment & intangibles	65,466	-	7,745	73,211
Right-of-use assets	( 18,147)	-	( 3,768)	( 21,915)
Investment securities	1,111,763	(51,235)	65,125	1,125,653
Accounts receivable	38,218	-	31,866	70,084
Interest receivable	( 54,760)	-	( 41,479)	( 96,239)
Interest payable	44,412	-	18,268	62,680
Accounts payable	3,514	-	( 1,581)	1,933
Accrued vacation leave	1,716	-	182	1,898
Employee benefit obligation	( 6,268)	( 1,267)	333	( 7,202)
Finance leases	13,648	-	4,797	18,445
Unused tax losses	134,668	-	80,256	214,924
Lease liabilities	21,673	-	( 865)	20,808
Unrealised foreign exchange	( 1,120)	-	( 15,482)	( 16,602)
	<u>1,354,783</u>	<u>(52,502)</u>	<u>145,397</u>	<u>1,447,678</u>

	Group 2024			
	2023	Recognised in OCI	Recognised in income (note 27)	2024
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment & intangibles	50,091	-	15,375	65,466
Right-of-use assets	( 21,914)	-	3,767	( 18,147)
Investment securities	1,081,863	(10,398)	40,298	1,111,763
Accounts receivable	77,099	-	( 38,881)	38,218
Interest receivable	( 103,369)	-	48,609	( 54,760)
Interest payable	54,405	-	( 9,993)	44,412
Accounts payable	4,896	-	( 1,382)	3,514
Accrued vacation leave	7,189	-	( 5,473)	1,716
Employee benefit obligation	99	3,300	( 9,667)	( 6,268)
Finance leases	11,070	-	2,578	13,648
Unused tax losses	35,404	-	99,264	134,668
Lease liabilities	25,865	-	( 4,192)	21,673
Unrealised foreign exchange	( 2,384)	-	1,264	( 1,120)
	<u>1,220,314</u>	<u>( 7,098)</u>	<u>141,567</u>	<u>1,354,783</u>

## 11. Deferred tax asset (continued)

	Company				
	2023 (note 27)	Recognised in income	2024	Recognised in income (note 27)	2025
	\$'000	\$'000	\$'000	\$'000	\$'000
Intangible assets	1,637	( 1,142)	495	( 449)	46
Interest receivable	(20,874)	( 8,732)	(29,606)	(21,063)	( 50,669)
Investment securities	(46,497)	( 25,029)	(71,526)	(30,693)	(102,219)
Loans receivable	76,087	67,061	143,148	( 1,394)	141,754
Finance leases	11,070	2,834	13,904	4,541	18,445
Accounts payable	4,896	( 1,382)	3,514	( 1,581)	1,933
Interest payable	-	-	-	-	-
Unused tax losses	<u>35,404</u>	<u>93,796</u>	<u>129,200</u>	<u>85,726</u>	<u>214,926</u>
	<u>61,723</u>	<u>127,406</u>	<u>189,129</u>	<u>35,087</u>	<u>224,216</u>

The company and its subsidiary recognise deferred tax assets based on management's assumption that there will be sufficient future taxable profits against which the assets can be utilised. The group's strategy is embedded in optimising its trading portfolio and operational efficiencies to pursue and capitalise on growth and profit making opportunities.

## 12. Property, plant and equipment

	Group				
	Leasehold property [note 18(a)(i)]	Computer equipment	Furniture and fixtures	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Cost:					
December 31, 2023	99,275	37,586	112,800	31,116	280,777
Additions	-	3,083	254	5,401	8,738
December 31, 2024	99,275	40,669	113,054	36,517	289,515
Additions	-	2,595	11,176	13,795	27,566
December 31, 2025	<u>99,275</u>	<u>43,264</u>	<u>124,230</u>	<u>50,312</u>	<u>317,081</u>
Depreciation:					
December 31, 2023	56,137	30,554	54,463	30,029	171,183
Charge for the year	<u>11,302</u>	<u>4,062</u>	<u>9,539</u>	<u>1,549</u>	<u>26,452</u>
December 31, 2024	67,439	34,616	64,002	31,578	197,635
Charge for the year	<u>11,302</u>	<u>3,567</u>	<u>9,200</u>	<u>1,901</u>	<u>25,970</u>
December 31, 2025	<u>78,741</u>	<u>38,183</u>	<u>73,202</u>	<u>33,479</u>	<u>223,605</u>
Net book values:					
December 31, 2025	<u>20,534</u>	<u>5,081</u>	<u>51,028</u>	<u>16,833</u>	<u>93,476</u>
December 31, 2024	<u>31,836</u>	<u>6,053</u>	<u>49,052</u>	<u>4,939</u>	<u>91,880</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 13. Intangible assets

	Group		
	Computer software \$'000	Exclusive rights \$'000	Total \$'000
Cost:			
December 31, 2023	589,164	-	589,164
Additions	58,583	56,017	114,600
Transfers from prepayments	<u>61,675</u>	-	<u>61,675</u>
December 31, 2024	709,422	56,017	765,439
Additions	<u>18,184</u>	-	<u>18,184</u>
December 31, 2025	<u>727,606</u>	<u>56,017</u>	<u>783,623</u>
Amortisation:			
December 31, 2023	352,295	-	352,295
Charge for the year	<u>75,639</u>	<u>2,801</u>	<u>78,440</u>
December 31, 2024	427,934	2,801	430,735
Charge for the year	<u>64,160</u>	<u>2,801</u>	<u>66,961</u>
December 31, 2025	<u>492,094</u>	<u>5,602</u>	<u>497,696</u>
Net book values:			
December 31, 2025	<u>235,512</u>	<u>50,415</u>	<u>285,927</u>
December 31, 2024	<u>281,488</u>	<u>53,216</u>	<u>334,704</u>

Exclusive rights arise from the acquisition of VM Wealth Funds Limited [formerly Republic Funds (Barbados) Incorporated] on January 19, 2024 and represent the group's exclusive right to benefit from the management of the Funds and to appoint the manager of the Funds. VM Wealth Management Limited, the company's subsidiary, has been appointed as the sole investment manager of the Funds (see note 8).

	Company Computer software \$'000
Cost:	
December 31, 2023, 2024 and 2025	<u>44,011</u>
Amortisation:	
December 31, 2023	6,801
Charge for the year	<u>6,286</u>
December 31, 2024	13,087
Charge for the year	<u>6,344</u>
December 31, 2025	<u>19,431</u>
Net book values:	
December 31, 2025	<u>24,580</u>
December 31, 2024	<u>30,924</u>

## 14. Accounts payable

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Customer payable	<u>1,445,386</u>	<u>2,341,955</u>	-	-
Interest payable	192,239	146,784	7,734	14,057
Withholding tax payable	291,175	292,208	109,421	82,580
General Consumption Tax (GCT) payable	3,908	8,248	-	-
Other payables and accrued expenses	<u>482,764</u>	<u>417,201</u>	<u>211,019</u>	<u>144,610</u>
	<u>970,086</u>	<u>864,441</u>	<u>328,174</u>	<u>241,247</u>
	<u>2,415,472</u>	<u>3,206,396</u>	<u>328,174</u>	<u>241,247</u>

(a) Reconciliation of amounts due to related parties included in accounts payable:

	Group 2025		
	Interest payable \$'000	Other accounts payable \$'000	Total [note 32(c)] \$'000
Due to fellow subsidiaries [note 32(c)]	<u>29,082</u>	<u>27,546</u>	<u>56,628</u>
	Company 2025		
	Included in interest payable \$'000	Other accounts payable \$'000	Total [note 32(c)] \$'000
Due to subsidiary company [note 32(c)]	3,293	182,386	185,679
Due to fellow subsidiaries [note 32(c)]	-	<u>1,304</u>	<u>1,304</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 14. Accounts payable (continued)

(a) Reconciliation of amounts due to related parties included in accounts payable (continued):

	Group 2024			Total [note 32(c)] \$'000
	Included in customer payable \$'000	Interest payable \$'000	Other accounts payable \$'000	
Due to directors [note 32(c)]	29,332	-	42	29,374
Due to related parties [note 32(c)]	4,323	-	1,589	5,912
Due to fellow subsidiaries [note 32(c)]	-	<u>11,053</u>	<u>83,521</u>	<u>94,574</u>

	Company 2024		
	Included in interest payable \$'000	Other accounts payable \$'000	Total [note 32(c)] \$'000
Due to subsidiary company [note 32(c)]	289	-	289
Due to related parties [note 32(c)]	-	<u>1,465</u>	<u>1,465</u>

## 15. Repurchase agreements

The group sells government and corporate securities, or interests therein, to clients and agrees to repurchase them on a specified date and at a specified price ('repurchase agreements' or 'repos').

	Group	
	2025 \$'000	2024 \$'000
Denominated in Jamaica dollars	9,438,695	6,039,967
Denominated in United States dollars [US\$71,303,815 (2024: US\$55,410,069)]	<u>11,331,987</u>	<u>7,893,312</u>
	<u>20,770,682</u>	<u>13,933,279</u>

## 15. Repurchase agreements (continued)

	Company	
	2025 \$'000	2024 \$'000
Denominated in Jamaica dollars	<u>1,719,087</u>	<u>378,000</u>

At December 31, 2025, securities obtained under resale agreements and certain investments (see notes 5 and 6) and interest accrued thereon are pledged by the group as collateral for repurchase agreements.

## 16. Employee benefit obligation

(a) Pensions

The group participates in The Victoria Mutual (Defined Benefit) Pension Plan ("Plan"), which is administered by trustees.

The members make compulsory contributions at 5% of pensionable salaries and may elect to pay voluntary contributions up to 14.5% to the extent that the total contributions paid by or on behalf of a member in any year does not, in aggregate, exceed 20% of remuneration in that year.

The employer makes ordinary annual contributions as advised by the Actuary to be adequate, in addition to the members' compulsory contributions, to ensure the solvency of the Plan or to provide for any improvement, so long as such are in keeping with the relevant Act or other applicable legislation. The Plan provides for retirement and death benefits.

The defined benefit plan was closed to new entrants effective December 31, 2016. The new defined contribution plan was approved by the Financial Services Commission and Tax Administration Jamaica with an effective date of January 1, 2017 and will benefit employees who were hired on or after January 1, 2017. Both the defined benefit plan and the defined contribution plan are funded by contributions from the subsidiary company and employees in accordance with the respective Trust Deed and Plan Rules.

The most recent funding actuarial valuation of the defined benefit plan, operated by the ultimate parent company [note 3(g)(ii)], performed as of December 31, 2025, indicated that it is adequately funded. The group's contribution to the plans for the year amounted to \$18,688,000 (2024: \$16,118,000) as set out in note 25.

# Notes to the Financial Statements

Year ended December 31, 2025

## 16. Employee benefit obligation (continued)

### (b) Medical benefit obligation

The group's obligation in respect of post-employment medical benefits has been recognised primarily in respect of medical benefits for pensioners:

(i) Movements in the present value of the medical obligation recognised in the statement of financial position.

	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Balance at beginning of year	35,000	22,900
Interest cost	3,300	2,500
Current service cost	900	600
Benefits paid	( 1,000)	( 900)
Experience adjustments and actuarial losses recognised in OCI	( 3,800)	9,900
Net expense in profit or loss and OCI	( 600)	12,100
Balance at end of year	<u>34,400</u>	<u>35,000</u>

(ii) Expense recognised in staff costs (note 25):

	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
Current service cost	900	600
Interest on obligation	<u>3,300</u>	<u>2,500</u>
	<u>4,200</u>	<u>3,100</u>

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

	<u>2025</u>	<u>2024</u>
	%	%
Inflation rate	5.00	5.50
Discount rate	10.00	9.50
Medical premiums growth	<u>7.50</u>	<u>8.00</u>

(iv) As at December 31, 2025, the weighted average duration of the employee benefit obligation was 14 years (2024: 16 years).

## 16. Employee benefit obligation (continued)

### (b) Medical benefit obligation (continued)

#### (v) Sensitivity analysis

A one (2024: one) percentage point change at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the post-employment medical benefit obligations by amounts shown below:

	<u>2025</u>		<u>2024</u>	
	1.0% increase \$'000	1.0% decrease \$'000	1.0% increase \$'000	1.0% decrease \$'000
Discount rate	(6,000)	5,000	3,200	(2,700)
Medical premiums growth	<u>(5,000)</u>	<u>6,000</u>	<u>(2,600)</u>	<u>3,100</u>

## 17. Borrowings

	<u>Group</u>		<u>Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$'000	\$'000	\$'000	\$'000
Fixed and variable unsecured bonds (i)	6,683,586	7,707,623	6,677,932	7,694,401
Other loans (ii)	<u>322,578</u>	<u>761,199</u>	<u>322,578</u>	<u>761,199</u>
	<u>7,006,164</u>	<u>8,468,822</u>	<u>7,000,510</u>	<u>8,455,600</u>

(i) These are comprised of fixed and variable rate unsecured bonds issued by the company.

- \$701,400,000 Tranche A – \$694,902,000 fixed rate 9.50% with a maturity date of March 31, 2027.
- \$98,600,000 Tranche B – \$98,230,000 variable rate 10.00% plus 90 days WATBY with a maturity date of March 31, 2028.
- \$229,640,000 Tranche A – \$229,161,000 fixed rate 10.00% with a maturity date of April 1, 2027.
- \$191,726,000 Tranche A(ii) – \$191,032,000 fixed rate 10.00 with a maturity date of June 30, 2027.
- \$48,168,000 Tranche B – \$48,295,000 fixed rate 10.75% with a maturity date of June 30, 2027.
- \$2,031,230,000 Tranche D - \$2,026,070,000 fixed rate 9.75% with a maturity date of June 27, 2026.
- \$1,924,253,000 Tranche E - \$1,916,647,000 fixed rate 10.00% with a maturity date of December 27, 2026.
- \$1,477,983,000 Tranche F - \$1,467,720,000 variable rate 10.50% (plus 90 days WATBY) with a maturity date of December 27, 2027.

# Notes to the Financial Statements

Year ended December 31, 2025

## 17. Borrowings (continued)

### (i) (Continued)

The Group issued an \$800,000,000 bond during the year. From the bond issue, the company received funds of \$332,795,000, net of transaction costs in March 2025. The remaining units of the bond were subscribed through reinvestment of funds totaling \$467,205,000 which were due to be repaid for a bond which matured in March 2025.

Funds of \$1,447,775,000, net of transaction costs, were received during the year from Tranche D, Tranche E and Tranche F bond issues.

The Group repaid bonds totaling \$5,774,668,000 of which \$2,782,016,000 (2024: \$1,116,843,000) was settled in cash and \$2,992,652,000 (2024: \$513,072,000) was settled through reinvestments in other bonds and securities issued by the company amounting to. The bond repayments were made in respect of:

- \$649,460,826 Tranche A which was issued on December 30, 2022 and matured on January 29, 2025
- \$4,322,099,684 Tranche B which was issued on December 30, 2022 and matured on January 29, 2025
- \$16,000,000 Tranche B which was issued on December 30, 2022 and which had a maturity date of January 29, 2027
- \$454,227,300 Tranche A which was issued on November 1, 2023 and matured on March 29, 2025
- \$81,380,737 Tranche B which was issued on November 1, 2023 and matured on March 29, 2025
- \$251,500,000 Tranche B which was issued on April 1 2024 and matured on May 15, 2025

### (ii) The Group holds other loans from the Development Bank of Jamaica which are broken down as follows:

- \$750,000,000 received in November 2022 with a maturity period of 5 years attracting an interest rate of 7.5% per annum.
- \$50,000,000 received during 2023 with a maturity period of 4 years with an interest rate of 10.99%

The Group repaid loans during the year totaling \$438,621,000. The repayments were settled in cash and made in respect of:

- \$550,000,000 received in October 2021 which matured in February 2025 was repaid in full. The repayment amounted to \$281,121,000.
- \$750,000,000 received in November 2022 with a maturity period of 5 years attracting an interest rate of 7.5% per annum. A partial principal repayment of \$150,000,000 was made during the year.
- \$50,000,000 received during 2023 with a maturity period of 4 years with an interest rate of 10.99%. A partial principal repayment of \$7,500,000 was made during the year.

## 17. Borrowings (continued)

	Group			
	2025		2024	
	Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Fixed and variable unsecured bonds (i)	6,703,500	6,683,586	7,706,332	7,707,623
Other loans (ii)	<u>322,500</u>	<u>322,578</u>	<u>754,321</u>	<u>761,199</u>
	<u>7,026,000</u>	<u>7,006,164</u>	<u>8,460,653</u>	<u>8,468,822</u>

	Company			
	2025		2024	
	Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Fixed and variable unsecured bonds (i)	6,703,500	6,677,932	7,706,332	7,694,401
Other loans (ii)	<u>322,500</u>	<u>322,578</u>	<u>754,321</u>	<u>761,199</u>
	<u>7,026,000</u>	<u>7,000,510</u>	<u>8,460,653</u>	<u>8,455,600</u>

The following tables show reconciliations from the opening balances to the closing balances for borrowings and other loans:

	Group 2025		
	Borrowings \$'000	Other loans \$'000	Total borrowings & other loans \$'000
Balance as at January 1, 2025	7,707,623	761,199	8,468,822
Proceeds from loans and borrowings	1,780,570	-	1,780,570
Repayment of loans and borrowings	<u>(2,776,362)</u>	<u>(438,621)</u>	<u>(3,214,983)</u>
	6,711,831	322,578	7,034,409
Other changes:			
Transaction cost incurred/reversed	( 56,846)	-	( 56,846)
Transaction cost amortised	<u>28,601</u>	<u>-</u>	<u>28,601</u>
Balance as at December 31, 2025	<u>6,683,586</u>	<u>322,578</u>	<u>7,006,164</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 17. Borrowings (continued)

The following tables show reconciliations from the opening balances to the closing balances for borrowings and other loans (continued):

	Group 2024		
	Borrowings \$'000	Other loans \$'000	Total borrowings & other loans \$'000
Balance as at January 1, 2024	7,154,375	1,502,654	8,657,029
Proceeds from loans and borrowings	1,670,091	-	1,670,091
Repayment of loans and borrowings	(1,116,843)	( 748,312)	(1,865,155)
	7,707,623	754,342	8,461,965
Other changes:			
Transaction cost amortised	-	6,857	6,857
Balance as at December 31, 2024	<u>7,707,623</u>	<u>761,199</u>	<u>8,468,822</u>

	Company 2025		
	Borrowings \$'000	Other loans \$'000	Total borrowings & other loans \$'000
Balance as at January 1, 2025	7,694,401	761,199	8,455,600
Proceeds from loans and borrowings	1,780,570	-	1,780,570
Repayment of loans and borrowings	(2,782,016)	(438,621)	(3,220,637)
	6,692,955	322,578	7,015,533
Other changes:			
Transaction cost incurred	( 43,624)	-	( 43,624)
Transaction cost amortised	28,601	-	28,601
Balance as at December 31, 2025	<u>6,677,932</u>	<u>322,578</u>	<u>7,000,510</u>

	Company 2024		
	Borrowings \$'000	Other loans \$'000	Total borrowings & other loans \$'000
Balance as at January 1, 2024	7,066,438	1,502,654	8,569,092
Proceeds from loans and borrowings	1,670,091	-	1,670,091
Repayment of loans and borrowings	(1,098,620)	( 748,312)	(1,846,932)
	7,637,909	754,342	8,392,251
Other changes:			
Transaction cost	( 12,394)	-	( 12,394)
Transaction cost amortised	68,886	6,857	75,743
Balance as at December 31, 2024	<u>7,694,401</u>	<u>761,199</u>	<u>8,455,600</u>

## 18. Leases

The group leases office spaces. The leases typically run for a period of 5 years, with an option to renew the lease after that date. Lease payments are renegotiated to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local market conditions.

The office spaces leases were entered into combined leases of land and buildings.

Information about leases for which the group is a lessee is presented below.

### (a) Leases as lessee

#### (i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property and are presented as property, plant and equipment (see note 12).

	Group	
	2025 \$'000	2024 \$'000
Balance at January 1	99,275	99,275
Depreciation at January 1	67,439	56,137
Depreciation charge for the year	11,302	11,302
	78,741	67,439
Balance at December 31	<u>20,534</u>	<u>31,836</u>

#### (ii) Lease liabilities:

	Group	
	2025 \$'000	2024 \$'000
Undiscounted cashflows of lease liabilities		
Less than one year	17,242	17,506
One to five years	14,924	32,165
More than five years	-	-
	32,166	49,671
Less future interest charges	( 3,673)	( 7,286)
Carrying amount of lease liabilities	<u>28,493</u>	<u>42,385</u>
Current	15,071	13,893
Non-current	<u>13,421</u>	<u>28,492</u>
	<u>28,492</u>	<u>42,385</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 18. Leases (continued)

### (iii) Reconciliation of movement during the period in the carrying amount of lease liabilities

	Group	
	2025 \$'000	2024 \$'000
Balance at January 1	42,385	54,961
Lease principal payments during the year	(13,893)	(12,576)
Balance at December 31	<u>28,492</u>	<u>42,385</u>

### (a) Leases as lessee (continued)

#### (i) Amounts recognised in profit or loss

	Group	
	2025 \$'000	2024 \$'000
Depreciation (note 12)	<u>11,302</u>	<u>11,302</u>
Interest on lease liabilities (note 22)	<u>3,613</u>	<u>4,930</u>

#### (ii) Amounts recognised in statement of cash flows

	Group	
	2025 \$'000	2024 \$'000
Lease interest payments	3,613	4,930
Lease principal payments	<u>13,893</u>	<u>12,576</u>
Total cash outflow for leases	<u>17,506</u>	<u>17,506</u>

#### (iii) Extension options

Some property leases contain extension options exercisable by the group up to one year before the end of the non-cancellable contract period. Where practicable, the group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the group and not by the lessors. The group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

### (b) Leases as lessor

The group leases out equipment under finance leases in its capacity as a lessor.

The group recognised interest income on lease receivable of \$2,563,000 (2024: \$5,698,000); see note 22. The allowance for impairment on finance leases receivable was \$567,000 (2024: \$567,000).

## 18. Leases (continued)

### (b) Leases as lessor (continued)

The maturity analysis of lease receivables showing the undiscounted lease payments to be received after the reporting dates under are as follows:

	Group and Company	
	2025 \$'000	2024 \$'000
Gross investment in finance leases, receivable:		
2024	-	-
2025	-	39,426
2026	4,905	17,182
2027	<u>1,226</u>	<u>1,226</u>
	6,131	57,834
Unearned finance income	( 675)	( 3,075)
Net investment in finance leases	<u>5,456</u>	<u>54,759</u>

## 19. Share capital

	Company	
	2025 \$'000	2024 \$'000
Authorised:		
Unlimited (2024: Unlimited) ordinary shares at no par value		
Issued and fully paid:		
1,500,025,000 (2024: 1,500,025,000) ordinary shares	713,262	713,262
Less: share issuance costs	( 5,375)	( 5,375)
	<u>707,887</u>	<u>707,887</u>

The issued share capital does not include premium of \$24,000,000 (2024: \$24,000,000) on the shares, in accordance with Section 39(7) of the Companies Act Jamaica. This has been retained in the share premium account.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings.

At the annual general meeting held on July 11, 2024, the shareholders voted to increase the company's authorised share capital to an unlimited amount of shares and authorised the directors to issue shares as preference shares, from time to time, and determine the terms of those shares without further reference to the members in general meetings.

# Notes to the Financial Statements

Year ended December 31, 2025

## 20. Reserves

### (a) Investment revaluation reserve

This represents:

- the cumulative net change in the fair value of equity securities designated at FVOCI.
- the cumulative net change in the fair value of debt securities measured at FVOCI until the assets are derecognised or reclassified, net of deferred tax.

This amount is adjusted for expected credit losses on debt securities measured at FVOCI.

### (b) Other reserve

This represents:

- (i) accumulated actuarial gains or losses arising from the remeasurement of the post-retirement medical benefit obligation, net of deferred taxes and
- (ii) currency translation adjustments arising from translation of investment in foreign operation (associate). See note 7.

## 21. Non-controlling interest

### (a) Pursuant to the approved Scheme of Arrangement, effective February 1, 2024, the convertible preference shares in the subsidiary company were transferred to the immediate parent company, VM Financial Group Ltd.

The preference shares are redeemable, redemption being at the option of the subsidiary company and dividends are payable at such time as the subsidiary company may determine. The number of units in this category totals 50,000,000 (2024: 50,000,000).

### (b) On October 31, 2024, the subsidiary company issued 1,500,000 non-redeemable, non-cumulative preference shares to the immediate parent company, VM Financial Group Limited. Each preference share was issued at \$1,000 per share. Dividends are payable at such time as the subsidiary company may determine.

Preference shareholders are not entitled to a share of profits.

## 22. Net interest income

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest income calculated using the effective interest method:				
Investment securities at FVOCI	1,002,184	895,548	-	-
Investment securities at amortised cost	245,517	239,158	245,517	239,158
Resale agreements at amortised cost	62,955	49,134	6,088	9,467
Preference shares	62,192	74,363	62,192	74,363
Loan receivables at amortised cost	<u>361,780</u>	<u>467,045</u>	<u>361,384</u>	<u>467,045</u>
	1,734,628	1,725,248	675,181	790,033
Interest income on finance leases [note 18 (b)]	2,563	5,698	2,563	5,698
Other	<u>450</u>	<u>16,476</u>	<u>450</u>	<u>10</u>
	<u>1,737,641</u>	<u>1,747,422</u>	<u>678,194</u>	<u>795,741</u>
Interest expense:				
Repurchase agreements	( 821,275)	( 758,091)	( 67,614)	( 35,389)
Loans and borrowings	<u>( 725,521)</u>	<u>( 833,002)</u>	<u>(725,521)</u>	<u>(833,002)</u>
	(1,546,796)	(1,591,093)	(793,135)	(868,391)
Lease liabilities [note 18(iv)]	<u>( 3,613)</u>	<u>( 4,930)</u>	<u>-</u>	<u>-</u>
	<u>(1,550,409)</u>	<u>(1,596,023)</u>	<u>(793,135)</u>	<u>(868,391)</u>
Net interest income/(expense)	<u>187,232</u>	<u>151,399</u>	<u>(114,941)</u>	<u>( 72,650)</u>

## 23. Gains from investment activities

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Gain on sale of fixed income securities classified as FVOCI	771,944	675,041	72,602	2,855
Gain on sale of disposal of interest in associate – Carilend [note 32(d)(i)]	-	422,265	-	422,265
Convertible preference shares at FVTPL	266,398	360,903	266,398	360,903
Equities at FVTPL	52,520	( 102,259)	50,565	(102,070)
Fair value adjustments	( 820)	4,153	( 820)	4,153
Unit trust funds at FVTPL	11,879	67,500	( 4,445)	24,785
Net foreign exchange translation gains/(losses) (i)	<u>8,289</u>	<u>9,795</u>	<u>24,574</u>	<u>12,929</u>
	<u>1,110,210</u>	<u>1,437,398</u>	<u>408,874</u>	<u>725,820</u>

- (i) Net foreign exchange translation gains/(losses) include gains and losses arising from the translation of financial assets and liabilities denominated in foreign currencies.

# Notes to the Financial Statements

Year ended December 31, 2025

## 24. Fees and commissions income

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Fee and commission income:				
Brokerage activities	179,157	188,486	-	-
Corporate advisory services	280,486	302,641	-	-
Portfolio management fees - unit trust funds	447,385	400,845	-	-
Portfolio management services -other	59,123	67,173	-	-
Portfolio management services -VM Wealth Funds Ltd. [note 32(d)]	-	19,379	-	-
Commitment fees on loans	35,224	33,638	35,224	33,638
Other	<u>3,698</u>	<u>2,627</u>	<u>3,698</u>	<u>2,627</u>
	<u>1,005,073</u>	<u>1,014,789</u>	<u>38,922</u>	<u>36,265</u>

## 25. Staff costs

	Group	
	2025 \$'000	2024 \$'000
Salaries and wages [note 32(d)]	933,342	788,821
Statutory payroll contributions	88,013	71,575
Pension plan contributions [note 16(a)]	18,688	16,118
Post-employment medical benefit [note 16(b)(ii)]	4,200	3,100
Allowances and other staff related benefits	<u>235,239</u>	<u>230,205</u>
	<u>1,279,482</u>	<u>1,109,819</u>

## 26. Other operating costs

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Advertising and public relations	34,924	37,250	-	14,080
Asset tax	53,978	48,479	-	-
Audit fees – current	66,470	72,598	33,720	47,763
– prior	55,687	80,385	12,914	48,000
Bad debt written off	5,738	175	5,738	-
Bank charges	20,009	21,489	180	346
Communication and courier	318	462	-	-
Depreciation and amortisation (notes 12 and 13)	<u>92,931</u>	<u>104,892</u>	<u>6,344</u>	<u>6,286</u>
Carry forward to page 66	<u>363,583</u>	<u>365,730</u>	<u>58,896</u>	<u>116,475</u>

## 26. Other operating costs (continued)

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Brought forward from page 65	363,583	365,730	58,896	116,475
Directors' fees [note 32(d)]	29,594	25,251	16,949	14,235
Financial Services Commission fees	37,202	12,956	-	-
Irrecoverable GCT	18,586	3,418	-	-
JCSD charges	34,686	41,123	22,725	25,104
JSE charges	6,303	2,065	-	-
Legal and other professional fees	156,319	214,891	56,539	111,288
Short-term rent, maintenance and utilities	83,384	37,721	2,290	190
Settlement with customers	18,658	67,555	-	-
Software maintenance and IT expenses	149,419	121,013	-	-
Management fees [note 32(d)]	143,589	165,877	36,036	75,685
Other administrative related expenses	<u>72,314</u>	<u>50,823</u>	<u>24,248</u>	<u>9,562</u>
	<u>1,113,637</u>	<u>1,108,423</u>	<u>217,683</u>	<u>352,539</u>

## 27. Income tax

- (a) The charge for income tax is computed at statutory tax rate of 33½% (2024: 33½%) of the profit for the year for the subsidiary company and 25% (2024: 25%) for the company, as adjusted for tax purposes, and is made up as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(i) Current income tax				
Current year	16,263	117,502	(12,090)	-
Prior year adjustment	<u>1,793</u>	<u>(76,973)</u>	<u>-</u>	<u>-</u>
	<u>18,056</u>	<u>40,529</u>	<u>(12,090)</u>	<u>-</u>
(ii) Deferred income tax (note 11)				
Origination and reversal of temporary differences	<u>(145,397)</u>	<u>(141,567)</u>	<u>(35,085)</u>	<u>(127,406)</u>
Total income tax credit	<u>(127,341)</u>	<u>(101,038)</u>	<u>(47,175)</u>	<u>(127,406)</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 27. Income tax (continued)

- (b) The effective tax rate for 2025 was a credit of 329.53% (2024: 22.22%) for the group and a credit of 15.46% (2024: 47.05%) for the company of pre-tax profits. The actual tax charge differs from the theoretical tax charge for the year, as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Profit before income tax	<u>38,634</u>	<u>454,684</u>	<u>305,022</u>	<u>270,788</u>
Tax calculated at a rate of:				
25%	76,256	67,697	76,256	67,697
33 $\frac{1}{3}$ %	( 86,228)	37,327	-	-
Adjusted for the effects of:				
Income not subject to tax	( 89,904)	(165,986)	(78,578)	(154,117)
Tax effect of items (deductible) /not deductible for tax purposes	( 29,257)	36,897	(44,853)	( 40,986)
Prior year adjustments	<u>1,792</u>	<u>( 76,973)</u>	<u>-</u>	<u>-</u>
Actual tax credit	<u>(127,341)</u>	<u>(101,038)</u>	<u>(47,175)</u>	<u>(127,406)</u>

## 28. Financial instruments-risk management

### (a) Introduction and overview

The group's activities are principally related to the use of financial instruments. The group therefore has exposure to the following risks from its use of financial instruments in the ordinary course of business:

- credit risk
- liquidity risk
- market risk

The Board of Directors of the company has overall responsibility for the establishment and oversight of the group's risk management framework. Senior management of the company and the subsidiary company report to the respective Board of Directors on their activities. The group's risk management policies are designed to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The group regularly reviews its risk management policies and systems to reflect changes in market conditions and product and service offerings. The respective Audit, Risk and Conduct Review Committees of the company and the subsidiary company are responsible for monitoring compliance with the group's risk management policies and for reviewing the adequacy of the risk management framework in relation to the risks faced by the group.

### (a) Introduction and overview (continued)

The Audit, Risk and Conduct Review Committees are assisted in these functions by the Victoria Mutual Group's Internal Audit Unit and the Group Risk Management Unit, which undertakes periodic reviews of risk management controls and procedures, the results of which are reported to the Audit, Risk and Conduct Review Committees.

The key risks to which the group is exposed and the manner in which it measures and manages them are as follows:

### (b) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises primarily from credit given to customers from stock broking activities, investing activities, collateralised lending and deposits with other institutions. Balances arising from these activities include debt securities, resale agreements, cash and cash equivalents loan receivable and accounts receivable (excluding prepayments).

#### (i) Management of credit risk

Credit risk is the single largest risk for the group's business; management therefore carefully manages its exposure to credit risk. Credit risk management and control is delegated to the group's Finance Committees. The Committees are responsible for oversight of credit risk, including formulating credit policies, establishing the authorisation structure for the approval of credit facilities, reviewing and assessing credit risk, and limiting concentration of exposure to counterparties.

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The group measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

#### (ii) Collateral and other credit enhancements held against certain financial assets

The group holds collateral against loans to customers and others in the form of registered securities over assets. Professional and other means are used to arrive at fair values of such collateral, based on the value of collateral assessed at the time of borrowing. These collateral values are updated across the board annually, with individual focus given to individual collateral values (including but not limited to professional valuations) when a loan is individually assessed as impaired.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (ii) Collateral and other credit enhancements held against financial assets (continued)

Collateral generally is not held over balances with banks or brokers/dealers, except when securities are held under resale agreements. Collateral is generally not held against investment securities.

- Cash and cash equivalents

These are held with regulated financial institutions and collateral is not required for such accounts.

- Resale agreements

Collateral is held for all resale agreements.

- Investment securities and loans receivable

Credit risk management includes:

(i) Margin loans – daily monitoring of the collateral package and executing margin calls or asset sales to address any shortfall. Additional scrutinising of tradeable securities utilised as collateral and removing those negatively impacted by the pandemic.

(ii) Corporate loans - Undertake assessment of loans likely impacted by the current conditions (e.g., Tourism).

In relation to its holding of investment securities, the group manages the level of risk it undertakes by investing substantially in short term Government of Jamaica, Bank of Jamaica, preference shares with related party and foreign Government debt securities; such securities are generally unsecured.

- Accounts receivable (excluding prepayments)

Exposure to credit risk is managed by regular analysis of the ability of the customers and other counter parties to meet repayment obligations.

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (ii) Collateral and other credit enhancements held against financial assets (continued)

The group holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

	Percentage of exposure that is subject to collateral requirements		
	2025	2024	Collateral type
Loan advances to customers			
Margin loans	99%	83%	Debt and equity securities
Corporate loans	100%	100%	Real property, shares, debt securities
Resale agreements	100%	100%	Debt securities

The following table stratifies credit exposures from loans to customers by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of:

The gross amount of the loan (or the amount committed for loan commitments) to the value of the collateral. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. For credit-impaired loans, the value of the collateral is based on the most recent appraisals.

	Note	Group and Company	
		2025 \$'000	2024 \$'000
LTV ratio:			
Less than 50%		246,482	1,661,326
51-70%		2,196,837	2,246,919
71-90%		131,025	39,516
91-100%		-	-
More than 100%		<u>1,007,687</u>	<u>716,191</u>
Total	9	<u>3,582,031</u>	<u>4,663,952</u>
Credit-impaired loans:			
Less than 50%		63,209	257,961
51-70%		1,643,345	185,962
More than 70%		<u>1,103,272</u>	<u>720,801</u>
Total	28(b)(iv)	<u>2,809,826</u>	<u>1,164,724</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (ii) Collateral and other credit enhancements held against financial assets (continued)

The group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the group since the prior period.

#### (iii) Concentration of credit risk

There is significant concentration of credit risk in that the subsidiary company, being a securities dealer that is obliged to trade mostly debt securities issued by the Government of Jamaica, Bank of Jamaica, foreign government, corporate bonds and preference shares with related party holds substantial amounts of these debt securities (note 6). The management of the concentration of credit risk is guided by the group's Investment Policy, whereby exposure per debt security is limited to 20% of capital base. Compliance with these limits is reported on and monitored monthly.

#### (iv) Maximum exposure to credit risk and credit quality analysis

The following table sets out information about the maximum exposure to credit risk and the credit quality of financial assets measured at amortised cost and FVOCI debt instruments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

- Debt securities at FVOCI:

	Group 2025	
	12-month PD ranges %	Stage 1 12-month ECL \$'000
Credit grade		
Investment grade	0.00-0.07	730,774
Non-investment grade	0.42-14.72	<u>20,972,270</u>
		21,703,044
Less interest receivable, included in accounts receivable		( <u>345,712</u> )
(note 6)		<u>21,357,332</u>
Loss allowance (note 6)		<u>32,761</u>

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (iv) Maximum exposure to credit risk and credit quality analysis (continued)

- Debt securities at FVOCI (continued):

	Group 2024	
	12-month PD ranges %	Stage 1 12-month ECL \$'000
Credit grade		
Investment grade	0.00-0.07	659,893
Non-investment grade	0.42-14.72	<u>15,382,746</u>
		16,042,639
Less interest receivable, included in accounts receivable		( <u>239,937</u> )
(note 6)		<u>15,802,702</u>
Loss allowance (note 6)		( <u>23,283</u> )

	Company 2025	
	12-month PD ranges %	Stage 1 12-month ECL \$'000
Credit grade		
Non-investment grade		<u>1,395,388</u>
		1,395,388
Less interest receivable, included in accounts receivable		( <u>38,785</u> )
(note 6)		<u>1,356,603</u>
Loss allowance (note 6)		( <u>575</u> )

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (iv) Maximum exposure to credit risk and credit quality analysis (continued)

- Resale agreements, investment securities, finance leases, loans receivable and debt securities at amortised cost:

	Group 2025				
	12-month PD ranges	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	%	\$'000	\$'000	\$'000	\$'000
Credit grade					
Non-Investment grade	0.3-3.0	3,614,528	47,882	-	3,662,410
Default	2.0-100.0	-	-	2,809,826	2,809,826
Gross carrying amount including interest receivable [notes 5,6,9 and 18 (b)]		3,614,528	47,882	2,809,826	6,472,236
Loss allowance [note 28(b)(v)(d)]		(4,239)	(3)	(544,896)	(549,138)
		3,610,289	47,879	2,264,930	5,923,098
Less: Interest receivable, included in accounts receivable		(93,981)	-	-	(93,981)
		<u>3,516,308</u>	<u>47,879</u>	<u>2,264,930</u>	<u>5,829,117</u>

- Resale agreements, net investment in finance leases, loans receivable and debt securities at amortised cost:

	Group 2024				
	12-month PD ranges	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	%	\$'000	\$'000	\$'000	\$'000
Credit grade					
Non-Investment grade	0.3-3.0	5,269,111	163,972	-	5,433,083
Default	2.0-100.0	-	-	1,164,724	1,164,724
Gross carrying amount including interest receivable [notes 5,6,9 and 18 (b)]		5,269,111	163,972	1,164,724	6,597,807
Loss allowance [note 28(b)(v)(d)]		(17,754)	(168)	(559,787)	(577,709)
		5,251,357	163,804	604,937	6,020,098
Less: Interest receivable, included in accounts receivable		(84,374)	-	-	(84,374)
		<u>5,166,983</u>	<u>163,804</u>	<u>604,937</u>	<u>5,935,724</u>

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (iv) Maximum exposure to credit risk and credit quality analysis (continued)

- Resale agreements, net investment in finance leases, loans receivable and debt securities at amortised cost (continued):

	Company 2025				
	12-month PD ranges	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	%	\$'000	\$'000	\$'000	\$'000
Credit grade					
Non-Investment grade	0.3-3.0	1,845,237	47,882	-	1,893,119
Default	100.00	-	-	2,809,826	2,809,826
Gross carrying amount including interest receivable (notes 5,6,9)		1,845,237	47,882	2,809,826	4,702,945
Loss allowance [note 28(b)(v)(d)]		(3,324)	(3)	(544,896)	(548,223)
		1,841,913	47,879	2,264,930	4,154,722
Less: Interest receivable, included in accounts receivable		(76,589)	-	-	(76,589)
		<u>1,765,337</u>	<u>47,879</u>	<u>2,264,930</u>	<u>4,078,146</u>

	Company 2024				
	12-month PD ranges	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Credit grade					
Non-Investment grade	0.3-3.0	4,479,872	163,972	-	4,643,844
Default	100.00	-	-	1,164,724	1,164,724
Gross carrying amount including interest receivable (notes 5,6,9)		4,479,872	163,972	1,164,724	5,808,568
Loss allowance [note 28(b)(v)(d)]		(12,635)	(168)	(559,787)	(572,590)
		4,467,237	163,804	604,937	5,235,978
Less: Interest receivable, included in accounts receivable		(82,928)	-	-	(82,928)
		<u>4,384,309</u>	<u>163,804</u>	<u>604,937</u>	<u>5,153,050</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (iv) Maximum exposure to credit risk and credit quality analysis (continued)

- Resale agreements, finance leases, loans receivable and debt securities at amortised cost (continued):

Loans receivable at amortised cost – overdue status

	Group and Company			
	2025			
	Stage 1	Stage 2	Stage 3	Total
	\$'000	\$'000	\$'000	\$'000
Current	723,189	49,015	2,350,180	3,122,383
Past due 1-30 days	-	-	220,599	220,599
Past due 31-60 days	-	-	152,810	152,810
Past due 61-90 days	-	-	-	-
Past due over 90 days	-	-	86,238	86,238
	<u>723,189</u>	<u>49,015</u>	<u>2,809,826</u>	<u>3,582,030</u>

	Group and Company			
	2024			
	Stage 1	Stage 2	Stage 3	Total
	\$'000	\$'000	\$'000	\$'000
Current	3,335,023	-	144,055	3,479,078
Past due 1-30 days	234	-	-	234
Past due 31-60 days	-	5,663	-	5,663
Past due 61-90 days	-	158,309	-	158,309
Past due over 90 days	-	-	1,020,668	1,020,668
	<u>3,335,257</u>	<u>163,972</u>	<u>1,164,724</u>	<u>4,663,952</u>

#### (v) Impairment

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the group.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to below for a description of how the group determines when a significant increase in credit risk has occurred.

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below (continued):

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Please refer to below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information. Please see below which includes an explanation of how the group has incorporated this in its ECL models.

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below:

#### (a) Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and third party policies including forward-looking information.

The group uses three criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on movement in PD;
- qualitative indicators; and
- a backstop of 30 days past due.

Credit risk grades:

The group uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The group uses internal rating models tailored to the various categories of counterparties.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (a) Significant increase in credit risk (continued)

Credit risk grades (continued):

Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

For debt securities in the Treasury portfolio which includes benchmark investment notes, treasury bills, US\$ bonds, foreign government securities, corporate bonds and other public sector securities (note 6), external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.

Determining whether credit risk has been increased significantly:

The group assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower.

As a backstop, the group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist.

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (a) Significant increase in credit risk (continued)

Determining whether credit risk has been increased significantly (continued):

In assessing whether a borrower is in default, the group considers indicators that are:

- qualitative: e.g., breaches of covenant; extension to the terms granted; early signs of cashflow/liquidity problems;
- quantitative: e.g., overdue status and non-payment on another obligation of the same issuer to the company; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

#### (b) Incorporation of forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by the group's Finance team on an annual basis and provide the best and worst estimate view of the economy based on the expected impact of interest rates, unemployment rates and gross domestic product (GDP).

The impact of these economic variables on the PD, EAD and LGD has been determined by performing a trend analysis and compared historical information with forecast macro-economic data to determine whether the indicator describes a positive, negative or stable trend and to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (b) Incorporation of forward-looking information (continued)

The group formulates three economic scenarios: a base case, which is the median scenario, one upside and one downside scenario. The group concluded that three scenarios appropriately captured non-linearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of.

For the economic scenarios used as at December 31, 2025 and 2024, the following key indicators represent scores used to adjust the forward-looking information for Jamaica for the years 2025 and 2026:

	2025	2026
Unemployment rates	4.0%	4.0%
Base	0.6	0.6
Upside	0.3	0.6
Downside	0.6	0.8
Interest rates	5.0%	6.0%
Base	0.2	0.2
Upside	0.2	0.2
Downside	0.2	0.2
GDP growth	2.0%	1.0%
Base	0.3	0.2
Upside	0.2	0.2
Downside	0.3	0.3
Inflation rates	5.0%	5.0%
Base	0.1	0.2
Upside	0.1	0.2
Downside	0.2	0.2

Each scenario considers the expected impact of interest rates, unemployment rates and gross domestic product (GDP).

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (c) Measurement of the expected credit loss (ECL)

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12 month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on a quarterly basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

# Notes to the Financial Statements

Year ended December 31, 2025

28. Financial instruments-risk management (continued)

(b) Credit risk (continued)

(v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

(d) Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Debt securities at FVOCI:

	<u>Group</u> <u>2025</u> Stage 1 12-month ECL \$'000
Balance as at January 1, 2025	23,283
New financial assets originated or purchased	15,459
Financial assets derecognised during the year	(10,332)
Foreign exchange adjustment	4,159
Changes in models/assumptions used in ECL calculation	192
Net remeasurement of loss allowance [note 28(b)(v)(f)]	9,478
Balance as at December 31, 2025 (note 6)	<u>32,761</u>

	<u>Group</u> <u>2024</u> Stage 1 12-month ECL \$'000
Balance as at January 1, 2024	30,200
New financial assets originated or purchased	7,288
Financial assets derecognised during the year	( 8,890)
Foreign exchange adjustment	88
Changes in models/assumptions used in ECL calculation	( 5,403)
Net remeasurement of loss allowance [note 28(b)(v)(f)]	( 6,917)
Balance as at December 31, 2024 (note 6)	<u>23,283</u>

28. Financial instruments-risk management (continued)

(b) Credit risk (continued)

(v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

(d) Loss allowance (continued)

	<u>Company</u> <u>2025</u> Stage 1 12-month ECL \$'000
Balance as at January 1, 2025	-
New financial assets originated or purchased	575
Net remeasurement of loss allowance [note 28(b)(v)(f)]	575
Balance as at December 31, 2025 (note 6)	<u>575</u>

Debt securities, net investment in finance lease, loans receivable and resale agreement at amortised cost:

	<u>Group</u> <u>2025</u>			<u>Total</u>
	<u>Stage 1</u> 12-month ECL \$'000	<u>Stage 2</u> Lifetime ECL \$'000	<u>Stage 3</u> Lifetime ECL \$'000	<u>\$'000</u>
Balance as at January 1, 2025	17,754	168	559,787	577,709
New financial assets originated/purchased	1,897	-	-	1,897
Financial assets derecognised during the year	( 5,843)	-	-	( 5,843)
Changes to inputs used in ECL calculation	( 9,569)	(165)	( 14,891)	( 24,625)
Net remeasurement of loss allowance [note 28(b)(v)(f)]	(13,515)	(165)	( 14,891)	( 28,571)
Balance as at December 31, 2025 [notes 5, 6, 9 and 18(b)]	<u>4,239</u>	<u>3</u>	<u>544,896</u>	<u>549,138</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (d) Loss allowance (continued)

Debt securities, net investment in finance lease, loans receivable and resale agreement at amortised cost (continued):

	Group 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at January 1, 2024	17,455	306	287,098	304,859
New financial assets originated/purchased	7,001	168	420	7,589
Financial assets derecognised during the year	( 511)	-	-	( 511)
Changes to inputs used in ECL calculation	( 6,191)	(306)	272,269	265,772
Net remeasurement of loss allowance [note 28(b)(v)(f)]	299	(138)	272,689	272,850
Balance as at December 31, 2024 [notes 5, 6, 9 and 18(b)]	17,754	168	559,787	577,709

	Company 2025			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at January 1, 2025	12,635	168	559,787	572,590
New financial assets originated/purchased	982	-	40,031	41,013
Financial assets derecognised during the year	724	-	-	724
Changes in inputs used in ECL calculations	( 9,569)	(165)	( 54,922)	( 64,655)
Net remeasurement of loss allowance [note 28(b)(v)(f)]	( 9,311)	(165)	( 14,891)	( 24,367)
Balance as at December 31, 2025 [note 5, 6, 9, 18(b)]	3,324	3	544,896	548,223

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (d) Loss allowance (continued)

Debt securities, net investment in finance lease, loans receivable and resale agreement at amortised cost (continued):

	Company 2024			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at January 1, 2025	16,944	306	287,098	304,348
New financial assets originated/purchased	1,882	168	420	2,470
Changes in inputs used in ECL calculations	( 6,191)	( 306)	272,269	265,772
Net remeasurement of loss allowance [note 28(b)(v)(f)]	( 4,309)	( 138)	272,689	268,242
Balance as at December 31, 2025 [note 5, 6, 9, 18(b)]	12,635	168	559,787	572,590

#### (e) Expected credit loss assessment

The following table provides information about the exposure to credit risk and ECLs for accounts receivable.

Age buckets	Group 2025			
	Weighted average loss rate	Gross carrying amount \$'000	Loss allowance \$'000	Credit impaired
Current (not past due)	1.54%	78,608	1,208	No
31-60 days	0.00%	11,702	-	No
61-90 days	0.00%	62,316	-	No
Over 90 days	116.16%	192,902	224,066	Yes
		345,528	225,274	

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (e) Expected credit loss assessment (continued)

The following table provides information about the exposure to credit risk and ECLs for accounts receivable (continued).

	Group 2024			
	Weighted average loss rate	Gross carrying amount \$'000	Loss allowance \$'000	Credit impaired
Age buckets				
Current (not past due)	0.00%	69,060	3	No
31-60 days	0.00%	23,473	-	No
61-90 days	0.00%	6,467	-	No
Over 90 days	75.37%	171,490	129,247	Yes
		<u>270,490</u>	<u>129,250</u>	
	Company 2025			
Age buckets	Weighted average loss rate	Gross carrying amount \$'000	Loss allowance \$'000	Credit impaired
Current (not past due)	0.00%	9,109	-	No
31-60 days	0.00%	36	-	No
61-90 days	0.00%	-	-	No
Over 90 days	0.00%	9,128	-	Yes
		<u>18,273</u>	<u>-</u>	

## 28. Financial instruments-risk management (continued)

### (b) Credit risk (continued)

#### (v) Impairment (continued)

The key judgements and assumptions adopted by the group in addressing the requirements of the standard are discussed below (continued):

#### (f) Reconciliation of loss allowance for ECL

Loss allowance recognised/(reversed) in the income statement on financial assets during the year is summarised below:

	Group	
	2025 \$'000	2024 \$'000
Debt securities at FVOCI (note 6)	9,478	( 6,917)
Resale agreements, debt securities, loans receivable, and finance leases at amortised cost	(28,317)	272,850
Accounts receivable [note 10(a)]	<u>96,024</u>	<u>(102,066)</u>
	<u>77,185</u>	<u>163,867</u>
	Company	
	2025 \$'000	2024 \$'000
Debt securities at FVOCI	575	-
Debt securities, finance leases, loans receivable and resale agreements at amortised cost [notes 5,6,9,18(b), 28(b)(v)(d)]	(24,367)	268,242
	<u>(23,792)</u>	<u>268,242</u>

### (c) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations from its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. Prudent liquidity risk management procedures which the group applies include maintaining sufficient cash and marketable securities, and monitoring future cash flows and liquidity on a daily basis.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (c) Liquidity risk (continued)

The group's liquidity management process, as monitored by the Asset and Liability Committee, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates collateral which could be used to secure funding if required;
- (ii) Maintaining a portfolio of highly marketable and diverse assets that can readily be liquidated as protection against any unforeseen interruption to cash flows;
- (iii) Optimising cash returns on investments;
- (iv) Monitoring liquidity ratios against internal and regulatory requirements. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities;
- (v) Maintaining cash reserves well above the Regulatory requirement towards absorbing any additional shocks; and
- (vi) Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month, respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The subsidiary company manages liquidity risk by keeping a pre-determined portion of its financial assets in liquid form. The key measure used for monitoring liquidity risk is the ninety-day liquidity gap ratio. In computing the ratio, the numerator is calculated by subtracting the total assets maturing within ninety days from the total liabilities which fall due in ninety days. The denominator is total liabilities. The subsidiary company's ninety-day liquidity gap ratio at the end of the year was 72% (2024: 72%).

During the year, there was no change to the nature of liquidity risk to which the group is exposed, or to the manner in which it measures and manages the risk.

The following table presents an analysis of the undiscounted cash flows required to settle the group's financial liabilities, including interest payments, on the basis of their earliest possible contractual maturity.

The group does not expect that all of its customers will demand payment of funds at the earliest date pass due.

## 28. Financial instruments-risk management (continued)

### (c) Liquidity risk (continued)

In the normal course of business, 65% - 85% of the subsidiary company's repurchase agreements contractually repayable within 3 months and within one year will be rolled-over into new contracts of similar or extended tenure. Subsequent to the year end, concluded the new bonds (borrowings) raise amounted to \$ 800,000,000 (2024: \$5,433,966,000) issued by the company have been used to finance maturing bonds.

The group is also able to meet unexpected net cash outflows by selling securities and accessing funding from the ultimate parent company and from other financial institutions.

The maturity gapping of the assets and liabilities is a core business line of the company which is managed by our Investment Policy and governed by our Risk Management Unit, the Group Asset and Liability Committee and the Finance Committee of the Board.

An unmatched position potentially enhances profitability but can also increase the risk of loss. Based on historical trend, there is no expectation that the investments by our clients will be withdrawn or repaid by the Company within 3 months despite the maturity dates as a majority of the clients will reinvest. These investments are from a diverse set of clients. Liquid assets are far in excess of the obligation within 3 months.

	Group				
	Within 3 months	3 to 12 months	Over 12 months	Contractual cashflow	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
Cash and cash equivalents	681,291	-	-	681,291	681,291
Resale agreements, including interest	1,477,100	228,147	-	1,705,247	1,705,220
Investment securities	944,685	477,057	38,196,540	39,618,282	24,119,133
Loans receivable and net investment in finance leases, including interest	1,236,354	464,172	2,079,457	3,779,983	3,082,953
Accounts receivable *	209,497	-	-	209,497	209,497
<b>Total financial assets</b>	<b>4,548,926</b>	<b>1,169,376</b>	<b>40,275,997</b>	<b>45,994,300</b>	<b>29,798,094</b>
<b>Financial liabilities</b>					
Borrowings	-	4,239,225	3,579,479	7,818,704	7,019,385
Accounts payable **	1,864,593	-	-	1,864,593	1,864,593
Repurchase agreements, including interest	17,301,707	4,617,664	-	21,919,371	21,909,566
Lease liabilities including interest	3,628	13,614	14,924	32,166	28,492
Due to ultimate parent company	8,366	-	-	8,366	8,366
Due to immediate parent company	147,426	-	-	147,426	147,426
<b>Total financial liabilities</b>	<b>19,325,720</b>	<b>8,870,503</b>	<b>3,594,403</b>	<b>31,790,626</b>	<b>30,977,829</b>
On statement of financial position gap, being total liquidity gap	(14,776,793)	(7,701,127)	36,681,594	14,203,674	
<b>Cumulative gap</b>	<b>(14,776,793)</b>	<b>(22,477,920)</b>	<b>14,203,674</b>	<b>-</b>	

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

## (c) Liquidity risk (continued)

	Group 2024				
	Within 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Contractual cashflow \$'000	Carrying amount \$'000
Financial assets					
Cash and cash equivalents	1,469,290	-	-	1,469,290	1,469,290
Resale agreements, including interest	416,949	453,586	-	870,535	863,364
Investment securities	1,174,584	316,882	27,007,115	28,498,581	18,037,435
Loans receivable and net investment in finance leases, including interest	946,890	1,182,641	3,514,122	5,643,653	4,218,200
Accounts receivable *	<u>207,829</u>	<u>-</u>	<u>-</u>	<u>207,829</u>	<u>207,829</u>
Total financial assets	<u>4,215,542</u>	<u>1,953,109</u>	<u>30,521,237</u>	<u>36,689,888</u>	<u>24,796,118</u>
Financial liabilities					
Borrowings	6,272,738	739,209	2,537,038	9,548,985	8,468,822
Accounts payable **	2,708,130	-	-	2,708,130	2,708,130
Repurchase agreements, including interest	10,102,384	3,717,736	251,725	14,071,845	14,066,295
Lease liabilities including interest	4,377	13,130	32,164	49,671	42,385
Due to ultimate parent company	3,840	-	-	3,840	3,840
Due to immediate parent company	<u>128,212</u>	<u>-</u>	<u>-</u>	<u>128,212</u>	<u>128,212</u>
Total financial liabilities	<u>19,219,681</u>	<u>4,470,075</u>	<u>2,820,927</u>	<u>26,510,683</u>	<u>25,417,684</u>
On statement of financial position gap, being total liquidity gap	<u>(15,004,139)</u>	<u>(2,516,966)</u>	<u>27,700,310</u>	<u>10,179,205</u>	
Cumulative gap	<u>(15,004,139)</u>	<u>(17,521,105)</u>	<u>10,179,205</u>	<u>-</u>	

## 28. Financial instruments-risk management (continued)

## (c) Liquidity risk (continued)

The gap is in relation to items recognised in the statement of financial position. There are no "off balance sheet" exposures.

	Company 2025				
	Within 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Contractual cashflow \$'000	Carrying amount \$'000
Financial assets					
Cash and cash equivalents	111,773	-	-	111,773	111,773
Loans receivable and net investment in finance leases including interest	1,236,354	464,172	2,079,457	3,779,983	3,082,953
Accounts receivable*	15,085	-	-	15,085	15,085
Investments	<u>559,586</u>	<u>-</u>	<u>5,355,988</u>	<u>5,915,574</u>	<u>3,751,667</u>
Total financial assets	<u>1,922,798</u>	<u>464,172</u>	<u>7,435,445</u>	<u>9,822,415</u>	<u>6,961,478</u>
Financial liabilities					
Borrowings	-	4,239,225	3,579,479	7,818,704	7,006,163
Accounts payable**	143,554	-	-	143,554	143,554
Repurchase agreements, including interest	1,732,185	-	-	1,732,185	1,722,380
Due to ultimate parent company	5,496	-	-	5,496	5,496
Due to parent company	19,333	-	-	19,333	19,333
Due to subsidiary	<u>182,165</u>	<u>-</u>	<u>-</u>	<u>182,165</u>	<u>182,165</u>
Total financial liabilities	<u>2,082,733</u>	<u>4,239,225</u>	<u>3,579,479</u>	<u>9,901,437</u>	<u>9,079,091</u>
On statement of financial position gap, being total liquidity gap	<u>(159,935)</u>	<u>(3,775,053)</u>	<u>3,855,996</u>	<u>(79,022)</u>	
Cumulative gap	<u>(159,935)</u>	<u>(3,934,988)</u>	<u>(79,022)</u>	<u>-</u>	

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (c) Liquidity risk (continued)

	Company				
	2024				
	Within 3 months	3 to 12 months	Over 12 months	Contractual cashflow	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	114,452	-	-	114,452	114,452
Resale agreements including interest	416,949	29,204	-	446,153	438,982
Loans receivable and net investment in finance leases including interest	946,890	1,182,641	3,514,122	5,643,653	4,218,200
Accounts receivable*	41,872	-	-	41,872	41,872
Investments	40,012	107,448	1,348,499	1,495,959	1,634,503
<b>Total financial assets</b>	<b>1,560,175</b>	<b>1,319,293</b>	<b>4,862,621</b>	<b>7,742,089</b>	<b>6,448,009</b>
Financial liabilities					
Borrowings	6,272,738	739,209	2,537,038	9,548,985	8,455,600
Accounts payable**	74,500	-	-	74,500	74,500
Repurchase agreements, including interest	380,247	-	-	380,247	378,289
Due to ultimate parent company	1,044	-	-	1,044	1,044
Due to subsidiary	1,810	-	-	1,810	1,810
<b>Total financial liabilities</b>	<b>6,730,339</b>	<b>739,209</b>	<b>2,537,038</b>	<b>10,006,586</b>	<b>8,911,243</b>
On statement of financial position gap, being total liquidity gap	(5,170,164)	580,084	2,325,583	(2,264,497)	
Cumulative gap	(5,170,164)	(4,590,080)	(2,264,497)	-	

\*Accounts receivable excludes interest receivable and prepayments.

\*\*Accounts payable excludes interest payable, withholding taxes and GCT payable.

The gap is in relation to items recognised in the statement of financial position. There are no "off balance sheet" exposures.

There was no change to the group's approach to managing liquidity risk during the year.

### (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market.

These arise mainly from changes in interest rate, foreign currency rates and equity prices and will affect the group's income or the value of its holdings of financial instruments.

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

Market risk is monitored by management which 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.

The group's market risk management process, includes active monitoring of our portfolio of assets.

### (i) Foreign currency risk

Foreign currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The group is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaica dollar.

The main currency giving rise to this risk is the United States dollar (US\$). The group ensures that this risk is kept to an acceptable level by matching foreign currency assets with foreign currency liabilities, to the extent practicable. The net foreign currency exposure is kept to an acceptable level by buying or selling currencies at spot rates when necessary to address short-term imbalances. Foreign exchange gains and losses from these activities are included in other income.

At the reporting date, the group's exposure to foreign currency risk was as follows, in nominal amounts:

	Group		Company	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Foreign currency assets:				
Cash and cash equivalents	2,996	1,770	-	5
Resale agreements	16,626	2,325	-	180
Investment securities	73,441	58,487	6,843	5,150
Loans receivable	1,029	926	1,029	926
Accounts receivable	4,386	1,152	1,303	175
	<u>98,478</u>	<u>64,660</u>	<u>9,175</u>	<u>6,436</u>
Foreign currency liabilities:				
Accounts payable	16,132	5,389	195	153
Repurchase agreements	77,288	50,728	5,984	-
	<u>93,420</u>	<u>56,117</u>	<u>6,179</u>	<u>153</u>
Net foreign currency assets	<u>5,058</u>	<u>8,543</u>	<u>2,996</u>	<u>6,283</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (i) Foreign currency risk (continued)

##### Foreign exchange rates

The group uses the average of Bank of Jamaica's buying and selling rates [see note 3(d)]. The rates as at the reporting date were as follows:

	2025	2024
	\$	\$
United States dollar	<u>158.9254</u>	<u>155.6022</u>

##### Sensitivity to foreign exchange rate movements:

A 1% strengthening (2024: 1%) and a 1.5% weakening (2024: 4%) of the Jamaica dollar against the United States dollar at December 31, 2025 would have increased/(decreased) profit by the amounts shown in the table below. The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis as for 2024.

	Group			
	2025		2024	
	% Change in Currency Rate	Effect on Profit	% Change in Currency Rate	Effect on Profit
	%	\$'000	%	\$'000
Currency:				
US\$	<u>1% Revaluation</u>	<u>6,689</u>	<u>1% Revaluation</u>	<u>13,293</u>
US\$	<u>1.5% Devaluation</u>	<u>(10,034)</u>	<u>4% Devaluation</u>	<u>(53,172)</u>

	Company			
	2025		2024	
	% Change in Currency Rate	Effect on Profit	% Change in Currency Rate	Effect on Profit
	%	\$'000	%	\$'000
Currency:				
US\$	<u>1% Revaluation</u>	<u>2,908</u>	<u>1% Revaluation</u>	<u>9,776</u>
US\$	<u>1.5% Devaluation</u>	<u>(4,363)</u>	<u>4% Devaluation</u>	<u>(39,106)</u>

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The group manages this risk by monitoring interest rates daily. Even though there are no formally predetermined gap limits, where possible and to the extent judged appropriate, the maturity profile of its financial assets is matched by that of its financial liabilities; where gaps are deliberately arranged, management expects that its monitoring will, on a timely basis, identify the need to take appropriate action to close a gap if it becomes necessary.

The following table summarises the carrying amounts of assets, liabilities and equity to arrive at the group's interest rate gap based on the earlier of contractual repricing and maturity dates.

	Group				
	2025				
	Within 3 months	3 to 12 months	Over 12 months	Non-rate sensitive	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	111,773	-	-	-	111,773
Resale agreements***	13	-	-	1,705,247	1,705,260
Loans receivable ***	1,422,566	429,479	1,770,351	-	3,622,396
Investment securities***	1,009,813	663,721	22,231,052	1,261,342	25,165,928
Accounts receivable*	-	-	-	209,497	209,497
Net investment in finance leases	-	-	5,456	-	5,456
Total financial assets	<u>2,544,165</u>	<u>1,093,200</u>	<u>24,006,859</u>	<u>3,176,086</u>	<u>30,820,310</u>
Financial liabilities					
Lease liabilities	-	-	-	28,492	28,492
Repurchase agreements	17,288,362	3,670,117	-	-	20,958,479
Borrowings	-	3,952,608	3,047,902	-	7,000,510
Due to immediate parent company	-	-	-	147,426	147,426
Due to ultimate parent company	-	-	-	8,366	8,366
Accounts payable**	-	-	-	1,864,593	1,864,593
Total financial liabilities	<u>17,288,362</u>	<u>7,622,725</u>	<u>3,047,902</u>	<u>2,048,877</u>	<u>30,007,866</u>
Total interest sensitivity gap****	<u>(14,744,197)</u>	<u>(6,529,525)</u>	<u>20,958,957</u>	<u>1,127,209</u>	<u>812,444</u>
Cumulative gap	<u>(14,744,197)</u>	<u>(21,273,722)</u>	<u>(314,765)</u>	<u>812,444</u>	<u>-</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk (continued)

	Group 2024				
	Within 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Non-rate sensitive \$'000	Total \$'000
<b>Financial assets</b>					
Cash and cash equivalents	389,112	-	-	1,080,178	1,469,290
Resale agreements***	280,785	82,285	-	500,526	863,596
Loans receivable ***	780,517	872,007	3,072,633	-	4,725,157
Investment securities***	1,175,695	186,370	15,912,965	2,500,911	19,775,940
Accounts receivable*	-	-	-	207,829	207,829
Net investment in finance leases	<u>10,912</u>	<u>25,438</u>	<u>18,409</u>	<u>-</u>	<u>54,759</u>
<b>Total financial assets</b>	<b><u>2,637,021</u></b>	<b><u>1,166,100</u></b>	<b><u>19,004,007</u></b>	<b><u>4,289,444</u></b>	<b><u>27,096,572</u></b>
<b>Financial liabilities</b>					
Lease liabilities	-	-	-	42,385	42,385
Repurchase agreements	10,097,252	3,717,318	251,677	-	14,066,247
Borrowings	5,619,392	511,158	2,363,883	-	8,494,433
Due to immediate parent company	-	-	-	128,212	128,212
Due to ultimate parent company	-	-	-	3,840	3,840
Accounts payable**	-	-	-	<u>2,708,130</u>	<u>2,708,130</u>
<b>Total financial liabilities</b>	<b><u>15,716,644</u></b>	<b><u>4,228,476</u></b>	<b><u>2,615,560</u></b>	<b><u>2,882,567</u></b>	<b><u>25,443,247</u></b>
Total interest sensitivity gap****	<u>(13,079,632)</u>	<u>(3,062,376)</u>	<u>16,388,447</u>	<u>1,406,877</u>	<u>-1,653,325</u>
Cumulative gap	<u>(13,079,623)</u>	<u>(16,141,999)</u>	<u>246,448</u>	<u>1,653,325</u>	<u>-</u>
	Company 2025				
	Within 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Non-rate sensitive \$'000	Total \$'000
<b>Financial assets</b>					
Cash and cash equivalents	111,773	-	-	-	111,773
Investment securities***	551,324	-	3,047,392	587,951	4,186,667
Net investment in finance leases	-	-	5,456	-	5,456
Resale agreement***	13	-	-	-	13
Loans receivable***	1,422,566	429,479	1,770,351	-	3,622,396
Accounts receivable*	-	-	-	15,085	15,085
<b>Total financial assets</b>	<b><u>2,085,676</u></b>	<b><u>429,479</u></b>	<b><u>4,823,199</u></b>	<b><u>603,036</u></b>	<b><u>7,941,390</u></b>
<b>Financial liabilities</b>					
Borrowings	-	3,952,608	3,047,902	-	7,000,510
Repurchase agreements***	1,722,380	-	-	-	1,722,380
Accounts payable**	-	-	-	143,554	143,554
Due to ultimate parent	-	-	-	24,829	24,829
Due to subsidiary company	-	-	-	<u>182,165</u>	<u>182,165</u>
<b>Total financial liabilities</b>	<b><u>1,722,380</u></b>	<b><u>3,952,608</u></b>	<b><u>3,047,902</u></b>	<b><u>350,548</u></b>	<b><u>9,073,438</u></b>
Total interest sensitivity gap****	<u>-363,296</u>	<u>(3,523,129)</u>	<u>1,775,297</u>	<u>-252,488</u>	<u>(1,132,048)</u>
Cumulative gap	<u>-363,296</u>	<u>(3,159,833)</u>	<u>(1,384,536)</u>	<u>(1,132,048)</u>	<u>-</u>

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk (continued)

	Company 2024				
	Within 3 months \$'000	3 to 12 months \$'000	Over 12 months \$'000	Non-rate sensitive \$'000	Total \$'000
<b>Financial assets</b>					
Cash and cash equivalents	114,452	-	-	-	114,452
Investment securities***	48,852	-	1,183,373	1,086,174	2,318,399
Net investment in finance leases	10,912	25,438	18,409	-	54,759
Resale agreement***	439,098	-	-	-	439,098
Loans receivable***	780,516	872,007	3,072,633	-	4,725,157
Accounts receivable*	-	-	-	<u>41,872</u>	<u>41,872</u>
<b>Total financial assets</b>	<b><u>1,393,831</u></b>	<b><u>897,445</u></b>	<b><u>4,274,415</u></b>	<b><u>1,128,046</u></b>	<b><u>7,693,737</u></b>
<b>Financial liabilities</b>					
Borrowings	5,606,170	511,158	2,363,883	-	8,481,211
Repurchase agreements***	378,289	-	-	-	378,289
Accounts payable**	-	-	-	74,500	74,500
Due to ultimate parent	-	-	-	1,044	1,044
Due to subsidiary company	-	-	-	<u>1,810</u>	<u>1,810</u>
<b>Total financial liabilities</b>	<b><u>5,984,459</u></b>	<b><u>511,158</u></b>	<b><u>2,363,883</u></b>	<b><u>77,354</u></b>	<b><u>8,936,854</u></b>
Total interest sensitivity gap****	<u>(4,590,628)</u>	<u>(386,287)</u>	<u>1,910,532</u>	<u>1,050,692</u>	<u>(1,243,117)</u>
Cumulative gap	<u>(4,590,628)</u>	<u>(4,204,341)</u>	<u>(2,293,809)</u>	<u>(1,243,117)</u>	<u>-</u>

Accounts receivable excludes interest receivable and prepayments

Accounts payable excludes interest payable, withholding tax and GCT payable. These financial instruments include interest. The total gap relates to financial instruments recognised in the statement of financial position as there are no unrecognised financial instruments.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk (continued)

Average effective yields by the earlier of contractual re-pricing and maturity dates are as follows:

	2025			
	Group			
	Within 3 months %	3 to 12 months %	Over 12 months %	Overall average %
<b>Assets</b>				
J\$ Cash and cash equivalents	2.54	-	-	2.54
US\$ Cash and cash equivalents	0.23	-	-	0.23
J\$ Resale agreements	5.76	-	-	5.76
US\$ Resale agreements	4.81	5.74	-	5.28
J\$ Investment securities	10.95	7.04	9.80	9.26
US\$ Investment securities	-	4.50	7.63	6.07
J\$ Margin loans	13.75	14.44	14.79	14.33
J\$ Corporate loans	10.80	7.00	12.61	10.14
Net investment in finance leases	-	-	7.00	7.00
<b>Liabilities</b>				
Borrowings	-	9.88	10.05	-
J\$ Repurchase agreements	3.50	1.84	-	2.67
US\$ Repurchase agreements	<u>3.12</u>	<u>3.44</u>	<u>-</u>	<u>3.28</u>
<b>2024</b>				
Group				
	Within 3 months %	3 to 12 months %	Over 12 months %	Overall average %
<b>Assets</b>				
J\$ Cash and cash equivalents	5.00	-	-	5.00
US\$ Cash and cash equivalents	0.30	-	-	0.30
J\$ Resale agreements	5.22	-	-	5.22
US\$ Resale agreements	5.22	3.45	-	4.34
J\$ Investment securities	7.75	8.28	12.38	9.47
US\$ Investment securities	-	8.55	5.98	7.27
J\$ Margin loans	15.20	14.45	14.88	14.84
J\$ Corporate loans	10.48	9.75	9.47	9.90
Net investment in finance leases	-	7.25	7.00	7.13
<b>Liabilities</b>				
Borrowings	11.00	11.50	8.63	10.41
J\$ Repurchase agreements	4.15	4.85	-	4.50
US\$ Repurchase agreements	<u>0.76</u>	<u>3.61</u>	<u>3.49</u>	<u>2.62</u>

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk (continued)

Average effective yields by the earlier of contractual repricing and maturity dates are as follows (continued):

	2025			
	Company			
	Within 3 months %	3 to 12 months %	Over 12 months %	Overall average %
<b>Assets</b>				
J\$ Cash and cash equivalents	0.08	-	-	0.08
US\$ Cash and cash equivalents	0.16	-	-	0.16
J\$ Resale agreements	-	-	-	-
US\$ Resale agreements	-	-	-	-
J\$ Investments securities	11.75	-	10.75	11.25
US\$ Investments securities	-	-	7.87	7.87
J\$ Margin loans	13.75	14.44	14.79	14.33
J\$ Corporate loans	10.80	7.00	12.61	10.14
Net investment in finance leases	-	-	7.00	7.00
<b>Liabilities</b>				
Borrowings	-	9.88	10.05	9.97
J\$ Repurchase agreements	5.70	-	-	5.70
US\$ Repurchase agreements	<u>4.73</u>	<u>-</u>	<u>-</u>	<u>4.73</u>
<b>2024</b>				
Company				
	Within 3 months %	3 to 12 months %	Over 12 months %	Overall average %
<b>Assets</b>				
J\$ Cash and cash equivalents	-	-	-	-
US\$ Cash and cash equivalents	-	-	-	-
J\$ Resale agreements	4.00	-	-	4.00
US\$ Resale agreements	-	3.40	-	3.40
J\$ Investments securities	-	-	12.38	12.38
US\$ Investments securities	-	-	11.44	11.44
J\$ Margin loans	15.20	14.45	14.88	14.84
J\$ Corporate loans	10.48	9.75	9.47	9.90
Net investment in finance leases	-	7.25	7	7.13
<b>Liabilities</b>				
Borrowings	11.10	11.50	8.63	10.41
J\$ Repurchase agreements	7	-	-	7
US\$ Repurchase agreements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (d) Market risk (continued)

#### (ii) Interest rate risk (continued)

Sensitivity to interest rate movements

The following shows the sensitivity to interest rate movements at the reporting date on the group's profit and equity. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis is performed on the same basis as for 2024.

	2025		2024	
	Increase by 25/decrease by 50 bps		Increase/decrease by 50 bps	
J\$ interest rates				
US\$ interest rates	Increase by 25/decrease by 50 bps		Increase/decrease by 50 bps	

	2025			2024		
	Change in basis points	Effect on Profit	Effect on equity	Change in basis points	Effect on Profit	Effect on equity
	JMD/USD	\$'000	\$'000	JMD/USD	\$'000	\$'000
+25/+25		(19,299)	(756,957)	+25/+25	(10,853)	(288,536)
<u>-50/-50</u>		<u>41,000</u>	<u>348,410</u>	<u>-50/-50</u>	<u>21,707</u>	<u>130,899</u>

#### (iii) Equity price risk

Equity price risk arises from equity securities held by the group as part of its investment portfolio. Management monitors the mix of debt and equity securities in its investment portfolio based on market expectations. The primary goal of the group's investment strategy is to maximise investment returns while managing risk.

The group equity securities that are listed on the Jamaica Stock Exchange total \$950,492,000 (2024: \$1,060,858,000). An increase of 1.5% (2024: 6%) in share prices would result in an increase in profit of \$5,105,000 (2024: \$22,810,000) and an increase in other comprehensive income of \$9,180,000 (2024: \$40,800,000). A decrease of 1% (2024: 2%) in share prices would result in a decrease in profit of \$6,960,000 (2024: \$7,693,000) and a decrease in other comprehensive income of \$12,240,000 (2024: \$13,770,000).

### (e) Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern, so that it can continue to provide returns to its shareholders and benefits for other stakeholders, to maintain a strong capital base to support the development of its business and to comply with the capital requirements set by the regulators of the subsidiary company.

## 28. Financial instruments-risk management (continued)

### (e) Capital management (continued)

The Financial Services Commission ("FSC") stipulates and monitors capital requirements for the non-deposit-taking financial services sector. The FSC requires that the subsidiary company maintains a capital base of which at least 50% is to be of Tier 1 capital. In addition, the FSC employs certain ratios to test capital adequacy and solvency.

The subsidiary company's regulatory capital position as at the reporting date was as follows:

	2025	2024	
	\$'000	\$'000	
Tier 1 Capital	3,881,118	4,227,276	
Tier 2 Capital	<u>67,800</u>	<u>64,000</u>	
Total regulatory capital	<u>3,948,918</u>	<u>4,291,276</u>	
Risk-Weighted Assets:			
On statement of financial position	23,157,262	18,027,935	
Foreign exchange exposure	<u>2,407,633</u>	<u>429,536</u>	
Operational risk-weighted assets	<u>25,564,895</u>	<u>18,457,471</u>	
	<u>471,376</u>	<u>458,133</u>	
	<u>26,036,271</u>	<u>18,915,604</u>	
Capital adequacy ratios:			
	FSC Benchmark	2025	2024
Tier 1 Capital/total regulatory capital	Greater than 50%	<u>98.28%</u>	<u>98.51%</u>
Total regulatory capital/risk-weighted assets	Minimum 10%	<u>15.17%</u>	<u>22.69%</u>
Actual capital base/total assets	Greater than 6%	<u>14.62%</u>	<u>19.63%</u>

The capital position is sensitive to changes in market conditions. This sensitivity is due primarily to changes in the value of assets and liabilities resulting from changes in interest rates.

There was no change in the way the subsidiary company managed its capital during the financial year.

The Jamaica Stock Exchange ("JSE") monitors the capital requirements of the subsidiary as a member dealer.

# Notes to the Financial Statements

Year ended December 31, 2025

## 28. Financial instruments-risk management (continued)

### (e) Capital management (continued)

The subsidiary company's capital position as at the reporting date was as follows:

	2025 \$'000	2024 \$'000
Net Free Capital	2,119,561	2,271,972
Minimum Capital Requirements	( 1,156,025)	( 879,292)
Excess of Net Free Capital	<u>963,536</u>	<u>1,392,680</u>
Total liabilities	<u>23,055,375</u>	<u>17,565,402</u>

	JSE Benchmark	2025	2024
Net Free Capital/Total Liabilities	Greater than 5%	<u>9.19%</u>	<u>12.93%</u>

Throughout the year, the subsidiary company met all the requirements of the FSC and JSE relating to capital adequacy.

## 29. Financial instruments - fair values

### (a) Definition and measurement of fair values

The group's accounting policies on measurement and disclosure require the measurement of fair values for financial assets and financial liabilities.

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.

When measuring fair value of an asset or liability, where a quoted market price is available, fair value is computed by the group using the quoted bid price at the reporting date, without any deduction for transaction costs or other adjustments.

Where a quoted market price is not available, fair value is computed using alternative techniques making use of available input data; the group uses observable data as far as possible. Fair values are categorised into different levels in a three-level fair value hierarchy, based on the degree to which the inputs used in the valuation techniques are observable.

Fair value hierarchy: The different levels in the hierarchy have been defined as follows:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

## 29. Financial instruments - fair values (continued)

### (a) Definition and measurement of fair values (continued)

Fair value hierarchy: The different levels in the hierarchy have been defined as follows (continued):

- Level 2: Inputs other than quoted prices included within certain Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Input that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The techniques used to estimate fair values, together with the inputs used, are described below.

### (b) Valuation techniques for investment securities classified as Levels 2 and 3 as well as any significant unobservable inputs used.

The following table shows the valuation method for each unquoted investment security.

Investment security	Valuation approach	Fair value hierarchy level
Unquoted equities	Income	Level 3
Convertible preference shares	Income	Level 3
Preference shares	Income	Level 2
Convertible corporate bonds	Income	Level 2

Market Approach:

Under the market-based method, the fair market value of a business reflects valuation multiples based on comparable public companies or the price at which comparable businesses are purchased under similar circumstances. Use of the market based method requires that comparable companies or transactions be available.

The primary limitation associated with the market-based method is the availability of comparable companies or transactions occurring as of a recent date upon which to establish fair market value.

# Notes to the Financial Statements

Year ended December 31, 2025

## 29. Financial instruments - fair values (continued)

- (b) Valuation techniques for investment securities classified as Levels 2 and 3 as well as any significant unobservable inputs used (continued)

### Income Approach:

The earnings/cash flow value of a going concern is based upon the yield to an investor, at the desired rate of return on investment, having regard to a number of factors such as the rate of return on alternate investments, the degree of risk involved and the liquidity of the investment. An earnings/cash flow based method suggests a continuation of the business operation and is based upon a hypothetical purchaser's desire to develop the future profits of the business.

The following table shows the valuation techniques used in measuring the fair value of investment securities.

Type	Valuation techniques	Significant Unobservable input	Range of estimates (weighted average) for unobservable input	Fair value measurement sensitivity to unobservable inputs
JS denominated securities issued or guaranteed by the Government of Jamaica and Bank of Jamaica.	<ul style="list-style-type: none"> <li>Obtain bid yield from yield curve provided by a recognised pricing source (which uses market-supplied indicative bids);</li> <li>Using this yield, determine price using accepted formula; and</li> <li>Apply price to estimate fair value.</li> </ul>	<ul style="list-style-type: none"> <li>There are no significant unobservable inputs</li> </ul>		
US\$ denominated Government of Jamaica securities, Foreign government securities, public sector securities, deferred shares and corporate bonds.	<ul style="list-style-type: none"> <li>Obtain bid price provided by a recognised brokers/dealers, namely, Oppenheimer;</li> <li>Apply price to estimate fair value.</li> </ul>	<ul style="list-style-type: none"> <li>There are no significant unobservable inputs</li> </ul>		
Units in unit trust funds	<ul style="list-style-type: none"> <li>Obtain prices quoted by unit trust managers; and</li> <li>Apply price to estimate fair value.</li> </ul>	<ul style="list-style-type: none"> <li>There are no significant unobservable inputs</li> </ul>		
Unquoted equities	<ul style="list-style-type: none"> <li>Discounted cash flow</li> </ul>	<ul style="list-style-type: none"> <li>Expected net cash flows derived from the entity</li> </ul>	<ul style="list-style-type: none"> <li>Investment based</li> </ul>	<ul style="list-style-type: none"> <li>A significant increase in the expected cash flows would result in a higher fair value.</li> </ul>

## 29. Financial instruments - fair values (continued)

- (b) Valuation techniques for investment securities classified as Levels 2 and 3 as well as any significant unobservable inputs used (continued)

The following table shows the valuation techniques used in measuring the fair value of investment securities (continued).

Type	Valuation techniques	Significant Unobservable input	Range of estimates (weighted average) for unobservable input	Fair value measurement sensitivity to unobservable inputs
Convertible preference shares	<ul style="list-style-type: none"> <li>Fair value determined by discounting the future expected cashflows using the after-tax cost of debt of 9.85% (2024: 10.36%)</li> </ul>	<ul style="list-style-type: none"> <li>Risk-adjusted discount rate</li> <li>Expected net cash flows derived from the entity</li> </ul>	<ul style="list-style-type: none"> <li>Spread of 5.83% (2024: 7.85%) above risk-free interest rate</li> <li>Investment based</li> </ul>	<ul style="list-style-type: none"> <li>A significant increase in the spread above the risk-free rate would result in a lower fair value.</li> </ul>
Call options	<ul style="list-style-type: none"> <li>Applying the Black Scholes merton formula</li> </ul>			<ul style="list-style-type: none"> <li>A significant increase in the expected cash flows would result in a higher fair value.</li> </ul>
Preference shares	<ul style="list-style-type: none"> <li>Obtain bid price provided by a recognised brokers/dealers, namely, Oppenheimer;</li> <li>Apply price to estimate fair value.</li> </ul>	<ul style="list-style-type: none"> <li>There are no significant unobservable inputs</li> </ul>		
Convertible corporate bonds – call option	<ul style="list-style-type: none"> <li>Applying the Black Scholes merton formula</li> </ul>	<ul style="list-style-type: none"> <li>There are no significant unobservable inputs</li> </ul>		

### Level 3 fair values

In respect of Level 3 instruments, the group recognised in the profit or loss, total gains of \$271,891,000 relating to call options (2024: 369,634,000) and \$14,216,000 as a result of the effects of fair value and foreign exchange rate movements (2024: \$5,546,000).

# Notes to the Financial Statements

Year ended December 31, 2025

## 29. Financial instruments - fair values (continued)

- (b) Valuation techniques for investment securities classified as Levels 2 and 3 as well as any significant unobservable inputs used (continued)

Level 3 fair values (continued)

The following tables shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	Group			
	Redeemable preference shares	Convertible preference shares	Unquoted Equities	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2023	416,140	747,104	77,280	1,240,524
Additions	211,426	-	-	211,426
Disposals	(410,646)	( 320,893)	-	( 731,539)
Recognition of call option	-	360,903	-	360,903
Net change in fair value	-	8,731	-	8,731
Effect of changes in foreign exchange rates	-	5,506	40	5,546
Balance at 31 December 2024	216,920	801,351	77,320	1,095,591
Additions	-	-	163,805	163,805
Disposals	(216,920)	-	-	( 216,920)
Recognition of call option	-	( 19,619)	-	( 19,619)
Net change in fair value	-	291,510	4,810	296,320
Effect of changes in foreign exchange rates	-	14,216	-	14,216
Balance at 31 December 2025	-	1,087,458	245,935	1,333,393

	Company			
	Redeemable preference shares	Convertible preference shares	Unquoted Equities	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2023	416,140	747,104	77,280	1,240,524
Additions	211,427	-	-	211,427
Disposals	(410,647)	( 320,893)	-	( 731,540)
Recognition of call option	-	360,903	-	360,903
Net change in fair value	-	8,731	-	8,731
Effect of changes in foreign exchange rates	-	5,506	40	5,546
Balance at 31 December 2024	216,920	801,351	77,320	1,095,591
Additions	-	-	163,805	163,805
Disposals	(216,920)	-	-	( 216,920)
Recognition of call option	-	( 19,619)	-	( 19,619)
Net change in fair value	-	291,510	4,810	296,320
Effect of changes in foreign exchange rates	-	14,216	-	14,216
Balance at 31 December 2025	-	1,087,458	245,935	1,333,393

## 29. Financial instruments - fair values (continued)

- (c) Accounting classifications and fair values:

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy.

	Group 2025							
	Carrying amount				Fair value			
	FVOCI	Amortised	Total	Level 1	Level 2	Level 3	Total	
	\$'000	or loss	cost	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets measured at fair value:								
Unquoted equities	-	245,935	-	245,935	-	-	245,935	245,935
Quoted equities	607,404	343,088	-	950,492	342,991	607,501	-	950,492
Units in unit trust funds	-	-	-	-	-	-	-	-
Redeemable preference shares	-	-	64,000	64,000	-	64,000	-	64,000
Convertible preference shares	-	1,087,458	-	1,087,458	-	-	1,087,458	1,087,458
Convertible corporate note	-	13,333	-	13,333	-	-	13,333	13,333
Bank of Jamaica securities	941,462	-	-	941,462	375,549	565,913	-	941,462
Government of Jamaica securities	17,895,957	-	-	17,895,957	9,015,517	8,880,440	-	17,895,957
Foreign government securities	878,855	-	-	878,855	878,855	-	-	878,855
Other public sector securities	9,885	-	-	9,885	-	9,885	-	9,885
Corporate bonds	1,631,173	-	1,024,998	2,656,171	1,455,613	1,122,814	-	2,578,427
	<u>21,964,736</u>	<u>1,689,814</u>	<u>1,088,998</u>	<u>24,743,548</u>	<u>12,068,525</u>	<u>11,250,553</u>	<u>1,346,726</u>	<u>24,665,804</u>
Financial assets not measured at fair value:								
Cash and cash resources	-	-	1,691,192	1,691,192	-	1,691,192	-	1,691,192
Resale agreements	-	-	681,291	681,291	-	681,291	-	681,291
Net investment in finance leases	-	-	5,456	5,456	-	5,456	-	5,456
Loans receivable	-	-	3,201,401	3,201,401	-	3,201,401	-	3,201,401
Accounts receivable excluding prepaid expense	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>5,579,340</u>	<u>5,579,340</u>	<u>-</u>	<u>5,579,340</u>	<u>-</u>	<u>5,579,340</u>
Financial liabilities not measured at fair value:								
Due to ultimate parent company	-	-	8,366	8,366	-	8,366	-	8,366
Borrowings	-	-	7,000,510	7,000,510	-	7,000,510	-	7,000,510
Lease liabilities	-	-	28,492	28,492	-	28,492	-	28,492
Repurchase agreements	-	-	20,770,682	20,770,682	-	20,770,682	-	20,770,682
Accounts payable-other	-	-	2,104,216	2,104,216	-	2,104,216	-	2,104,216
	<u>-</u>	<u>-</u>	<u>29,912,266</u>	<u>29,912,266</u>	<u>-</u>	<u>29,912,266</u>	<u>-</u>	<u>29,912,266</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 29. Financial instruments - fair values (continued)

### (c) Accounting classifications and fair values:

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy (continued).

	Group							
	2024				2025			
	Carrying amount		Fair value		Carrying amount		Fair value	
FVOCI \$'000	Fair value through profit or loss \$'000	Amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	
<b>Financial assets measured at fair value:</b>								
Unquoted equities	-	77,320	-	77,320	-	-	77,320	77,320
Quoted equities	678,300	382,557	-	1,060,857	1,060,857	-	1,060,857	1,060,857
Units in unit trust funds	-	595,455	-	595,455	-	595,455	595,455	595,455
Redeemable preference shares	-	216,920	-	581,920	-	365,000	216,920	581,920
Convertible preference shares	-	801,351	-	801,351	-	-	801,351	801,351
Convertible corporate note	-	14,153	-	14,153	-	14,153	14,153	14,153
Bank of Jamaica securities	824,068	-	-	824,068	-	824,068	824,068	824,068
Government of Jamaica securities	12,148,602	-	-	12,148,602	4,264,788	7,883,814	12,148,602	12,148,602
Foreign government securities	902,341	-	-	902,341	677,813	224,528	902,341	902,341
Other public sector securities	16,130	-	-	16,130	-	16,130	16,130	16,130
Corporate bonds	1,911,561	-	-	1,911,561	-	1,911,561	1,911,561	1,911,561
	<u>16,481,002</u>	<u>2,087,756</u>	<u>-</u>	<u>19,486,985</u>	<u>6,003,458</u>	<u>12,387,936</u>	<u>1,095,591</u>	<u>19,486,985</u>
<b>Financial assets not measured at fair value:</b>								
Cash and cash resources	-	-	1,469,290	1,469,290	-	1,469,290	-	1,469,290
Resale agreements	-	-	861,775	861,775	-	861,775	-	861,775
Redeemable preference shares	-	-	365,000	365,000	-	365,000	-	365,000
Corporate bonds	-	-	553,227	553,227	-	2,464,788	-	2,464,788
Net investment in finance leases	-	-	54,759	54,759	-	54,759	-	54,759
Loans receivable	-	-	4,102,234	4,102,234	-	4,102,234	-	4,102,234
Accounts receivable excluding prepaid expense	-	-	559,943	559,943	-	559,943	-	559,943
	<u>-</u>	<u>-</u>	<u>7,966,228</u>	<u>7,966,228</u>	<u>-</u>	<u>7,966,228</u>	<u>-</u>	<u>7,966,228</u>
<b>Financial liabilities not measured at fair value:</b>								
Due to ultimate parent company	-	-	3,840	3,840	-	3,840	-	3,840
Borrowings	-	-	8,468,822	8,468,822	-	8,468,822	-	8,468,822
Lease liabilities	-	-	42,385	42,385	-	42,385	-	42,385
Repurchase agreements	-	-	13,933,279	13,933,279	-	13,933,279	-	13,933,279
Accounts payable-other	-	-	2,905,940	2,905,940	-	2,905,940	-	2,905,940
	<u>-</u>	<u>-</u>	<u>25,354,266</u>	<u>25,354,266</u>	<u>-</u>	<u>25,354,266</u>	<u>-</u>	<u>25,354,266</u>

## 29. Financial instruments - fair values (continued)

### (c) Accounting classifications and fair values (continued):

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy (continued).

	Company							
	2025				2025			
	Carrying amount		Fair value		Carrying amount		Fair value	
FVOCI \$'000	Fair value through profit or loss \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	
<b>Financial assets measured at fair value:</b>								
Unquoted equities	-	245,935	-	245,935	-	-	245,935	245,935
Quoted equities	-	342,017	-	342,017	-	342,017	-	342,017
Corporate bonds	-	13,333	-	13,333	-	-	13,333	13,333
Convertible preference shares	-	1,087,458	-	1,087,458	-	-	1,087,458	1,087,458
Government of Jamaica securities	1,356,603	-	-	1,356,603	1,356,603	-	-	1,356,603
	<u>1,356,603</u>	<u>1,688,743</u>	<u>-</u>	<u>3,045,346</u>	<u>1,356,603</u>	<u>342,017</u>	<u>1,346,726</u>	<u>3,045,346</u>
<b>Financial assets not measured at fair value:</b>								
Cash and cash resources	-	-	111,773	111,773	-	111,773	-	111,773
Net investment in finance leases	-	-	5,456	5,456	-	5,456	-	5,456
Loans receivable	-	-	3,201,401	3,201,401	-	3,201,401	-	3,201,401
Corporate bonds	-	-	1,024,998	1,024,998	-	1,024,998	-	1,024,998
Accounts receivable excluding prepaid expense	-	-	167,854	167,854	-	167,854	-	167,854
	<u>-</u>	<u>-</u>	<u>4,511,482</u>	<u>4,511,482</u>	<u>-</u>	<u>4,511,482</u>	<u>-</u>	<u>4,511,482</u>
<b>Financial liabilities not measured at fair value:</b>								
Due to ultimate parent company	-	-	5,496	5,496	-	5,496	-	5,496
Due to subsidiary	-	-	182,165	182,165	-	182,165	-	182,165
Borrowings	-	-	7,000,510	7,000,510	-	7,000,510	-	7,000,510
Repurchase agreements	-	-	1,719,087	1,719,087	-	1,719,087	-	1,719,087
Accounts payable-other	-	-	215,033	215,033	-	215,033	-	215,033
	<u>-</u>	<u>-</u>	<u>9,122,291</u>	<u>9,122,291</u>	<u>-</u>	<u>9,122,291</u>	<u>-</u>	<u>9,122,291</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 29. Financial instruments - fair values (continued)

### (c) Accounting classifications and fair values (continued):

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy (continued).

	Company					
	2025			2024		
	Carrying amount		Total	Fair value		
Fair value through profit or loss	Amortised cost	Level 1		Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets measured at fair value:</b>						
Unquoted equities	77,320	-	77,320	-	77,320	77,320
Quoted equities	381,789	-	381,789	381,789	-	381,789
Units in unit trust funds	224,786	-	224,786	224,786	-	224,786
Corporate bonds	14,153	-	14,153	14,153	-	14,153
Redeemable preference shares	216,920	-	216,920	-	216,920	216,920
Convertible preference shares	801,351	-	801,351	-	801,351	801,351
	<u>1,716,319</u>	<u>-</u>	<u>1,716,319</u>	<u>238,939</u>	<u>1,095,591</u>	<u>1,716,319</u>
<b>Financial assets not measured at fair value:</b>						
Resale agreements	-	438,982	438,982	438,982	-	438,982
Cash and cash resources	-	114,452	114,452	114,452	-	114,452
Net investment in finance leases	-	54,759	54,759	54,759	-	54,759
Corporate bonds	-	553,227	553,227	553,227	-	553,227
Loans receivable	-	4,102,234	4,102,234	4,102,234	-	4,102,234
Accounts receivable excluding prepaid expense	-	143,401	143,401	143,401	-	143,401
	<u>-</u>	<u>5,407,055</u>	<u>5,407,055</u>	<u>5,407,055</u>	<u>-</u>	<u>5,407,055</u>
<b>Financial liabilities not measured at fair value:</b>						
Due to ultimate parent company	-	1,044	1,044	1,044	-	1,044
Due to subsidiary	-	1,810	1,810	1,810	-	1,810
Borrowings	-	8,455,600	8,455,600	8,455,600	-	8,455,600
Repurchase agreements	-	378,000	378,000	378,000	-	378,000
Accounts payable-other	-	158,667	158,667	158,667	-	158,667
	<u>-</u>	<u>8,995,121</u>	<u>8,995,121</u>	<u>8,995,121</u>	<u>-</u>	<u>8,995,121</u>

- During the year, the group experienced fair value gains (2024: gains) related to instruments that are measured at FVOCI amounting to \$133,027,000 (2024: \$31,197,000), net of expected credit losses and recycling gains of \$834,438,000 (2024: \$675,041,000) [See note 23]. The change is as a result of market conditions such as discount rates, yields and other macro-economic factors that affect the fair values.

- The carrying amounts reflected in the financial statements for financial instruments such as cash and cash equivalents, accounts receivable, accounts payable, corporate bonds, lease liabilities, resale and repurchase agreements approximate their fair value due to their short term nature, or, where long term, due to no discounting anticipated on settlement.

## 30. Contingent liabilities and capital commitment

The subsidiary company is subject to claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when it is probable that a payment will be made by the subsidiary company, and the amount can be reasonably estimated.

Certain suits have been filed by customers against the subsidiary company for alleged breach of fiduciary duty, abetting of breach of fiduciary duty, breach implied contract and breach of contract related to investment services provided to plaintiff. At the date of authorising these financial statements for issue, no legal opinion was formed on the probable outcome of the cases as the disputes were in the early stages. As such, no provision was made in the financial statements for these claims.

As at December 31, 2025, the company made no capital contributions (2024: US\$1,121,567).

## 31. Dividends

(a) On November 12, 2025, the Board of Directors of the subsidiary company declared dividends of \$55.149026 per non-redeemable non-cumulative preference share unit of the paid up capital stock of 1,550,000 (2024: 1,500,000) preference share units, paid on December 22, 2025 to its intermediate parent company and the group's parent company, VM Financial Group Limited. The amounts were paid as at the reporting period. On August 12, 2025, the Board of Directors of the subsidiary company declared dividends of \$66.666666667 per non-redeemable non-cumulative preference share unit of the paid up capital stock of 1,500,000 (2024: 1,500,000) preference share units, paid on September 30, 2025 to its intermediate parent company and the group's parent company, VM Financial Group Limited.

(b) On June 28, 2024 and November 25, 2024, the Board of Directors declared dividends of 0.032 cents and 0.053 cents per ordinary stock unit respectively, of the paid up capital stock of 1,500,025,000 ordinary stock units, paid to the shareholders on record as at July 9, 2024 and December 5, 2024 respectively.

(c) On December 31, 2024, the subsidiary's Board of Directors declared an interim dividend of \$38.2951 per non-redeemable non-cumulative preference share unit of the paid up capital stock of 1,500,000 ordinary stock units to its immediate parent company and the group's parent company, VM Financial Group Limited. The amounts were paid on January 28, 2025.

# Notes to the Financial Statements

Year ended December 31, 2025

## 32. Related party transactions and balances

### (a) Definition of related party

A related party is a person or entity that is related to the group

- (i) A person or a close member of that person's family is related to the group if that person:
- (1) has control or joint control over the group;
  - (2) has significant influence over the group; or
  - (3) is a member of the key management personnel of the group or of a parent of the group.
- (ii) An entity is related to the group if any of the following conditions applies:
- (i) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an entity of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group.
  - (vi) The entity is controlled, or jointly controlled, by a person identified in (a)(i) above.
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity or any member of a group of which it is a part providing key management services to the group or to the parent of the group;

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

### (b) Identity of related parties

The group has a related party relationship with its ultimate parent company, immediate parent company, fellow subsidiaries, entities over which it has significant influence, associate of ultimate parent company, key management personnel, including directors and the pension plan.

## 32. Related party transactions and balances (continued)

- (c) The statement of financial position includes balances, arising in the ordinary course of business, with related parties, as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash and cash equivalents:				
Fellow subsidiary	<u>96,787</u>	<u>138,956</u>	<u>26,505</u>	<u>15,937</u>
Resale agreements:				
Fellow subsidiary	-	-	-	438,982
Repurchase agreements:				
Subsidiary	-	-	1,719,087	378,000
Fellow subsidiaries	2,164,326	1,249,069	-	-
Directors	6,438	20,479	-	-
Key management personnel, excluding directors	<u>80,452</u>	<u>82,995</u>	<u>-</u>	<u>-</u>
Investment securities:				
Immediate parent company	64,000	576,427	-	211,427
Related party – VM Unit Trusts	<u>-</u>	<u>595,455</u>	<u>-</u>	<u>224,786</u>
Accounts receivable:				
Immediate parent company	<u>40,410</u>	<u>66,357</u>	<u>40,366</u>	<u>66,253</u>
Subsidiary	-	-	13	117
Fellow subsidiaries	7,396	1,548	3,719	-
Related party – VM Wealth Funds Ltd.	<u>35,945</u>	<u>29,089</u>	<u>-</u>	<u>-</u>
	<u>43,341</u>	<u>30,637</u>	<u>3,732</u>	<u>117</u>
Loans receivable:				
Directors	122,151	151,563	122,151	151,563
Immediate parent company	<u>762,600</u>	<u>762,600</u>	<u>762,600</u>	<u>762,600</u>
Due to ultimate parent company	<u>8,366</u>	<u>3,840</u>	<u>5,496</u>	<u>1,044</u>
Due to immediate parent company	<u>147,426</u>	<u>128,212</u>	<u>19,333</u>	<u>-</u>
Due to subsidiary company	<u>-</u>	<u>-</u>	<u>182,165</u>	<u>1,810</u>
Borrowings:				
Directors	<u>237,397</u>	<u>11,000</u>	<u>242,397</u>	<u>11,000</u>
Accounts payable – other:				
Subsidiary	-	-	3,293	289
Fellow subsidiaries	56,628	94,574	1,304	1,465
Related parties by significant influence	-	4,323	-	-
Directors	-	29,374	-	-
Key management personnel, excluding directors	<u>-</u>	<u>1,589</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 32. Related party transactions and balances (continued)

(c) The statement of financial position includes balances, arising in the ordinary course of business, with related parties, as follows (continued):

(i) Cash and cash equivalents, resale agreements, repurchase agreements and investment securities transactions with related parties have been conducted in the ordinary course of the business at contracted rates.

Range of interest rates charged on transactions are disclosed below:

	Group	
	2025 \$'000	2024 \$'000
Cash and cash equivalents	0.01-0.08% per annum	0.01-0.08% per annum
Resale agreements	3.15-6.25% per annum	5.00-5.35% per annum
Repurchase agreements	1.15-7.00% per annum	3.00-4.25% per annum
Investment securities <sup>1</sup>	3.15-11.88% per annum	10.00-12.50% per annum
Due from related party	5.13% per annum	6.28% per annum

	Company	
	2025 \$'000	2024 \$'000
Cash and cash equivalents	0.01-0.08% per annum	0.01-0.08% per annum
Resale agreements	3.15-6.25% per annum	5.00-5.35% per annum
Repurchase agreements	1.15-7.00% per annum	5.00-5.35% per annum
Investment securities <sup>1</sup>	3.15-11.88% per annum	10.00-12.50% per annum

Included in investments are the following quoted preference shares held in the immediate parent company:

- (a) 3,000,000 10% "Class A" Redeemable Cumulative Preference Shares with a carrying value of \$300 million. Dividends are paid quarterly at 10% per annum up to redemption date, being March 31, 2026. The immediate parent company has the option to redeem 365 days after the issue date up to the date of redemption. These investments were redeemed early in May 2025.
- (b) 640,000 12.5% "Class C" Redeemable Cumulative Preference Shares with a carrying value of 64,000,000. Dividends are fixed at 12.50% for 24 months to March 2025. Thereafter, dividend will vary at 300 bps points above the GOJ Weighted Average 3-month Treasury Bill rate in June, September, December, and March until maturity. The shares are redeemable on March 31, 2028. The immediate parent company also has the option to redeem 365 days after the issue date up to the date of redemption.

## 32. Related party transactions and balances (continued)

(c) The statement of financial position includes balances, arising in the ordinary course of business, with related parties, as follows (continued):

(i) (Continued)

Rights of the preference shareholder include:

- Cumulative preferential dividend at the dividend yield;
- Priority of payment to receive all dividends over any form of capital distributions (e.g. dividends or share buybacks) to common equity holders;
- Full voting rights on winding up only or in the case of certain dividend non-payments; and
- Ranking in priority to common equity in the event of a winding up.

Other balances due to or from related parties are unsecured, interest free, and are expected to be settled within the next 12 months. Impairment loss reversed on related party balances during the reporting period was \$Nil (2024: a reversal of \$Nil).

(d) The income statement includes the following income earned from, and expenses incurred in, transactions with related parties, in the ordinary course of business:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest and dividend income:				
Immediate parent company	103,288	105,941	86,772	72,353
Subsidiary	-	-	6,088	9,467
Fellow subsidiaries	18,126	14,083	-	-
Directors	<u>1,607</u>	<u>15,977</u>	<u>1,607</u>	<u>15,977</u>
Management fee income:				
Unit Trust Funds	447,385	-	-	-
Related parties	<u>22,115</u>	-	-	-
Fees and commission income:				
Related party – VM Wealth Funds Ltd.(iv)	<u>5,654</u>	<u>19,379</u>	-	-
Gain on disposal of interest in associated company-Carilend:				
Immediate parent company (i)	-	<u>422,265</u>	-	<u>422,265</u>

# Notes to the Financial Statements

Year ended December 31, 2025

## 32. Related party transactions and balances (continued)

- (d) The income statement includes balances, arising in the ordinary course of business, with related parties, as follows (continued):

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Operating expenses:				
Management fees (included in note 26):				
Ultimate parent company	98,694	133,133	-	-
Immediate parent company	44,895	32,744	28,763	3,750
Subsidiary (ii)	-	-	7,273	71,935
Payroll related recharges (iii) (included in note 25)	-	165,877	-	75,685
Immediate parent company	225,342	211,080	-	-
Maintenance and other expenses (iii) (included in note 26)				
Fellow subsidiary	4,561	4,449	-	1,149
Interest expense:				
Subsidiary	-	-	67,614	35,389
Fellow subsidiaries	102,771	57,532	-	-
Directors	149	2,483	-	1,254
Key management personnel, excluding directors	25,522	2,818	24,009	-
Directors' fees (note 26)	29,594	25,251	16,949	14,235
Short-term employee benefits:				
Key management personnel, excluding directors	221,950	126,953	-	-

- (i) Effective March 28, 2024, the group sold the 300 "Class C" Common Shares and 2,175 "Class C" Cumulative Convertible Redeemable Preference shares held in Carilend to its immediate parent company for a consideration of US\$2,745,000 and US\$2,175,000, respectively to aggregate US\$4,920,000 or J\$762,600,000. The gain on sale of the disposal of these shares was \$422,265,000.

On the same date, the immediate parent company entered into a secured promissory note arrangement to borrow J\$762,600,000 from the company to assist in purchasing 750,000 Class C ordinary shares and 2,175,000 "Class C" Cumulative Convertible Redeemable Preference shares held in Carilend. The term of the arrangement is twenty-four (24) months.

Interest on the facility is payable quarterly at a fixed rate basis of 10.50% per annum.

## 32. Related party transactions and balances (continued)

- (d) The income statement includes balances arising in the ordinary course of business, with related parties, as follows (continued):
- (ii) The parent company has no employees. The parent company's activities are administered by staff employed to the subsidiary company. The price that is charged to administer the affairs of the parent company is represented by the management fees charged by the subsidiary company.
- Management fee expense is based on 20% of the parent company's profit before tax excluding management fees and dividend income.
- (iv) The group receives support services from its immediate parent company, VM Financial Group Limited, for which payroll costs are recharged.
- (v) Portfolio management fee income from a related party, VM Wealth Funds Limited is based on 1.00 – 1.50% per annum of the total assets of the funds.

## 33. Earnings per share

- (a) Basic earnings per share

The calculation of basic earnings per share is calculated by dividing the profit for the year attributable to owners of the company of \$165,975,000 (2024: \$555,722,000), by a weighted average number of ordinary shares held during the year.

	2025	2024
Number of ordinary shares at December 31	1,500,025,000	1,500,025,000
Basic earnings per share (cents)	11¢	37¢

- (b) Diluted earnings per share

The calculation of diluted earnings per share is calculated by dividing the profit for the year attributable to owners of the company of \$165,975,000 (2024: \$555,722,000), by a weighted average number of ordinary shares held during the year, after adjustments for the effects of all dilutive potential ordinary shares.

	2025	2024
Number of ordinary shares at December 31	1,500,025,000	1,500,025,000
Effect of potential redemption of convertible preference shares	-	50,000,000
Weighted average number of ordinary shares held during the year (diluted)	1,500,025,000	1,550,025,000
Diluted earnings per share (cents)	11¢	36¢

# Notes to the Financial Statements

Year ended December 31, 2025

## 34. Subsequent event

On 28 February 2026, a war began when the United States and Israel launched surprise airstrikes on multiple sites and cities across Iran.

Management has performed its initial assessment of the impact of the war in the Middle East and have concluded that there is no material impact on the financial statement of the VM Investments Limited Group and its subsidiary at audit report date. Escalation of the situation is being closely monitored, as it may result in significant implications for global financial markets, energy prices, supply chains, and regional operations. The Group will continue to evaluate the developments through the Asset and Liability Committee (ALCO), and where applicable, adjust our enterprise risk management framework for any emerging credit, market, and liquidity risks.

# UNAUDITED Q1

## Ended March 31, 2026

	Unaudited March 31, 2026 \$'000	Unaudited March 31, 2025 \$'000	Audited December 31, 2025 \$'000
<b>Assets</b>			
Cash and cash equivalents	1,387,801	2,429,788	681,291
Resale agreements	1,485,428	208,862	1,091,192
Investment securities	28,712,885	20,744,047	24,739,876
Net Investments in finance lease	4,325	44,837	5,456
Loans receivable	2,768,998	3,723,310	3,037,132
Accounts receivable:			
- Customers	198,270	111,388	100,619
- Other	1,258,478	622,220	651,080
Income tax recoverable	255,524	238,089	281,713
Deferred tax asset	1,439,526	1,450,079	1,447,678
Property, plant and equipment	86,898	91,382	93,476
Investment Property	388,750	-	-
Intangible assets	280,288	321,192	285,927
Interest in associates	2,073,007	1,918,938	2,047,503
<b>Total Assets</b>	<b>40,337,976</b>	<b>31,904,132</b>	<b>35,062,924</b>
<b>Liabilities And Equity</b>			
<b>Liabilities:</b>			
Due to ultimate parent company	8,366	7,504	8,366
Due to immediate parent company	228,469	133,567	147,428
Due to related parties	-	51,808	-
Borrowings	7,012,082	6,371,223	7,006,164
Accounts payable:			
- Customers	2,546,470	2,829,515	1,445,385
- Brokers	-	166,126	-
- Other	1,488,880	1,816,952	970,087
Lease liabilities	24,864	39,041	28,492
Repurchase agreements	24,824,210	15,850,197	20,770,682
Employee benefit obligation	34,400	35,000	34,400
<b>Total Liabilities</b>	<b>36,167,741</b>	<b>27,300,933</b>	<b>30,411,002</b>
<b>Equity:</b>			
Share capital	707,887	707,887	707,887
Share premium	24,000	24,000	24,000
Investment revaluation reserve	(1,246,082)	(773,879)	(780,569)
Other reserves	108,812	66,420	108,812
Retained earnings	3,025,618	3,028,771	3,041,792
<b>Equity Attributable To Owners Of The Company</b>	<b>2,620,235</b>	<b>3,053,199</b>	<b>3,101,922</b>
Non-controlling interest	1,550,000	1,550,000	1,550,000
<b>Total Equity</b>	<b>4,170,235</b>	<b>4,603,199</b>	<b>4,651,922</b>
<b>Total Equity And Liabilities</b>	<b>40,337,976</b>	<b>31,904,132</b>	<b>35,062,924</b>

	Quarter Ended March 31, 2026 \$'000	Quarter Ended March 31, 2025 \$'000	Quarter Ended December 31, 2025 \$'000
Interest income	485,253	428,291	425,797
Interest expense	(449,922)	(336,553)	(425,158)
<b>Net interest income</b>	<b>15,331</b>	<b>91,738</b>	<b>639</b>
Fees and commissions	247,588	258,984	185,314
Gains from investment activities	489,954	278,668	367,259
Dividend Income	1,479	-	3,946
Other income	5,845	4,301	2,064
<b>Other operating revenue</b>	<b>724,866</b>	<b>541,953</b>	<b>558,583</b>
<b>Net interest income and other operating revenue</b>	<b>740,197</b>	<b>633,691</b>	<b>559,222</b>
<b>Operating expenses</b>			
Staff costs	(374,572)	(342,020)	(349,122)
Impairment on financial assets	(61,241)	(90,162)	58,458
Other operating costs	(226,851)	(295,628)	(294,861)
<b>Total operating expenses</b>	<b>(662,664)</b>	<b>(727,810)</b>	<b>(585,525)</b>
<b>Net operating income/(loss)</b>	<b>77,533</b>	<b>(94,119)</b>	<b>(26,303)</b>
Share of profit in associates	25,505	43,855	119,989
<b>Profit/(loss) before income tax</b>	<b>103,038</b>	<b>(50,264)</b>	<b>93,686</b>
Income tax (charge)/credit	(32,902)	17,739	54,213
<b>Profit/(loss) for the year attributable to shareholders of the company</b>	<b>70,136</b>	<b>(32,525)</b>	<b>147,899</b>
<b>Other Comprehensive Income:</b>			
<b>Items that will never be reclassified to profit or loss:</b>			
Net gains/(loss) on equity investments designated at fair value through other comprehensive income (FVOCI)	14,790	(15,300)	(28,560)
Remeasurement of employee benefit obligation, net of taxes	-	-	2,533
<b>Items that may be reclassified to profit or loss:</b>			
Change in fair value of investment securities, net of taxes	(480,303)	32,891	(61,035)
Currency translation adjustment on investment in associate	-	-	39,859
<b>Total other comprehensive (loss)/income net of tax</b>	<b>(465,513)</b>	<b>17,591</b>	<b>(87,062)</b>
<b>Total comprehensive (loss)/income attributable to shareholders</b>	<b>(395,377)</b>	<b>(14,934)</b>	<b>60,837</b>
<b>Earnings per share (expressed in cents per share)</b>	<b>\$0.05</b>	<b>(\$0.02)</b>	<b>\$0.10</b>

# UNAUDITED Q1

## Ended March 31, 2026

	Share capital \$'000	Share premium \$'000	Investment revaluation reserve \$'000	Other reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interest \$'000	Total equity \$'000
Balances as at January 1, 2025	707,887	24,000	(791,471)	66,420	3,061,297	3,068,133	1,550,000	4,618,133
Profit for the period	-	-	-	-	(32,525)	(32,525)	-	(32,525)
Other comprehensive income:	-	-	-	-	-	-	-	-
Change in fair value of investment securities, net of deferred tax	-	-	32,891	-	-	32,891	-	32,891
Net loss on equity instruments designated at fair value	-	-	(15,300)	-	-	(15,300)	-	(15,300)
<b>Total other comprehensive income for the period</b>	-	-	<b>17,591</b>	-	-	<b>17,591</b>	-	<b>17,591</b>
<b>Total comprehensive income/(loss) for the period</b>	-	-	<b>17,591</b>	-	<b>(32,525)</b>	<b>(14,934)</b>	-	<b>(14,934)</b>
<b>Balances as at March 31, 2025</b>	<b>707,887</b>	<b>24,000</b>	<b>(773,880)</b>	<b>66,420</b>	<b>3,028,772</b>	<b>3,053,199</b>	<b>1,550,000</b>	<b>4,603,199</b>
Balances as at January 1, 2026	707,887	24,000	(780,569)	108,812	3,041,792	3,101,922	1,550,000	4,651,922
Profit for the period	-	-	-	-	70,136	70,136	-	70,136
Other comprehensive loss:	-	-	-	-	-	-	-	-
Change in fair value of investment securities, net of deferred tax	-	-	(480,303)	-	-	(480,303)	-	(480,303)
Net gain on equity instruments designated at fair value	-	-	14,790	-	-	14,790	-	14,790
<b>Total other comprehensive loss for the period</b>	-	-	<b>(465,513)</b>	-	-	<b>(465,513)</b>	-	<b>(465,513)</b>
<b>Total comprehensive loss for the period</b>	-	-	<b>(465,513)</b>	-	<b>70,136</b>	<b>(395,377)</b>	-	<b>(395,377)</b>
Dividends paid on preference shares	-	-	-	-	(86,310)	(86,310)	-	(86,310)
<b>Balances as at March 31, 2026</b>	<b>707,887</b>	<b>24,000</b>	<b>(1,246,082)</b>	<b>108,812</b>	<b>3,025,618</b>	<b>2,620,235</b>	<b>1,550,000</b>	<b>4,170,235</b>

	March 31, 2025 \$'000	March 31, 2025 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss)/profit for the period	70,136	(32,525)
Adjustments for items not involving cash:		
Depreciation of property, plant & equipment	6,578	6,306
Amortisation of intangible assets	11,450	18,832
Impairment loss on investments and margin loans	61,241	90,162
Amortisation of transaction costs	2,640	3,965
Interest income	(465,253)	(428,291)
Dividend income	(1,479)	-
Interest expense	449,922	336,553
Income tax expense	32,902	(17,739)
Gains from interest in associate	(25,505)	(43,855)
Gains from investment activities	(469,954)	(278,668)
Unrealised exchange gains	(8,341)	135,216
<b>Operating loss before changes in other assets and liabilities:</b>	<b>(333,663)</b>	<b>(210,044)</b>
<b>Changes in operating assets and liabilities:</b>		
Resale agreements	290,577	650,081
Receivable from customers	160,915	29,152
Accounts receivable - other	(605,588)	(240,405)
Loans and advances	206,893	169,259
Due to ultimate parent company	-	3,664
Due to parent company	81,043	5,355
Due to related party	-	51,808
Repurchase agreements	3,956,601	2,020,791
Payable to customers	1,081,098	404,745
Payable to brokers	-	147,042
Accounts payable - other	549,274	880,502
	<b>5,387,150</b>	<b>4,001,950</b>
Interest and dividends received	215,275	423,757
Interest paid	(480,396)	(262,289)
Income tax paid	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>5,122,029</b>	<b>4,163,418</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property, plant & equipment	-	(5,808)
Acquisition of intangible assets	(5,811)	(5,320)
Investment securities, net movement	(4,328,136)	(1,094,672)
<b>Net Cash Used in Investing Activities</b>	<b>(4,333,947)</b>	<b>(1,105,800)</b>
<b>Cash Flows From Financing Activities</b>		
Net repayments from loans	3,278	(2,101,564)
Net proceeds from finance lease payments	1,131	9,822
Dividends paid	(86,310)	-
Lease liabilities	(3,628)	(3,344)
<b>Net Cash Used in Financing Activities</b>	<b>(85,529)</b>	<b>(2,094,986)</b>
Increase in net cash and cash equivalents	702,553	962,632
Net cash and cash equivalents at beginning of the year	681,291	1,469,290
Effect of exchange rate changes on cash and cash equivalents	3,757	(2,134)
<b>Net Cash and Cash Equivalents at end of Period</b>	<b>1,387,601</b>	<b>2,429,788</b>

**SECTION 14**

# Statutory And General Information

The following statutory and general information is required to be set out in the Prospectus by section 42 of, and the Third Schedule to, the Companies Act, 2004 (as amended). Additional information is also set out in this Section.

1. (a) The Company has no founders or management or deferred shares. as follows:

Sub-paragraphs 1 (b) and (c) do not apply to this Prospectus since the Prospectus is being issued more than two (2) years since the Company was entitled to commence and in fact actually commenced business.

- (b) The Articles of Incorporation of the Company fixes no shareholding qualification for its Directors and none has been otherwise fixed by the Company in general meeting or by the Directors themselves. The Articles of Incorporation contain the following provisions with respect to the remuneration of directors:

1. The remuneration of the Directors shall be such sum or sums as may from time to time be determined by them and approved by the Company in general meeting.
2. The Directors shall be paid such travelling, hotel and other expenses as may properly be incurred by them in the execution of their duties, including any such expenses incurred in connection with their attendance at meetings of Directors and at general meetings or in connection with the business of the Company.
3. The Directors may award special remuneration out of the funds of the Company to any Director going or residing abroad in the interest of the Company or undertaking of a company similar to this.

- (c) The names and addresses of the Directors of the Company are

Name	Address	Description
<b>Michael McMorris,</b> B.Sc.	2 Dillsbury Avenue Townhouse #7, Kingston 6	Businessman
<b>Vikram Dhiman,</b> CPA, MBA, BSc,	1A Upper Melwood Avenue, Kingston 8	Business Executive
<b>Milton J. Samuda,</b> LL.B. (Hons.)	43 Paddington Terrace, Townhouse # 10, Kingston 6	Attorney-at-law
<b>Noel Hann,</b> EJD, FAIA, MCMII	Rose Hall, Linstead, St Catherine	Business Executive (Retired)
<b>Dennis Cohen,</b> FCA, FCCA, B.Sc.	1 Upper Caramel Close	Business Executive (Retired)
<b>Maria Evelyn Robinson,</b> BB, CPA (NS), FCA	Garden Road, Christ Church, Barbados	Accountant
<b>Sandra M. Shirley-Auxilly,</b> MBA, BSc (Hons), PMP	4 Rosa Place, Kingston 6	Business Consultant
<b>Courtney Campbell,</b> MBA (Dist.), ACIB, BSc, JP	28 Charlemont Drive, Kingston 6	Business Executive
<b>Frederick Williams</b>	4 Harmony Close, Kingston 8	Business Executive
<b>Rezworth Burchenson,</b> BSc (Econ), MBA	2 Montclair Terrace, Kingston 6	Business Executive

2. No minimum amount is required to be raised out of the proceeds of the Unsecured Corporate Bonds to provide for any of the matters set out in paragraph 2 of Part 1 of the Third Schedule to the Act.
- 3.1 (a) The Subscription Lists with respect to the Unsecured Corporate Bonds will open at 9:00 a.m. in Jamaica on June 17, 2026 and will close July 17, 2026 at 4:30 p.m. The Company reserves the right to: (a) close a Subscription List for Unsecured Corporate Bonds at any time without prior notice if subscriptions have been received prior to the Closing Date for the full amount of the respective Unsecured Corporate Bonds available for subscription. If the Company closes the Subscription Lists prior to the Closing Date, the Company will provide prior notice of such closure via a press release and/or by posting a notice on the website of the JSE at [www.jamstockex.com](http://www.jamstockex.com) and at the Company's website at [vmil.myvmgroup.com](http://vmil.myvmgroup.com). The Company reserves the right, subject to section 48 of the Act, to extend such Closing Date beyond the above-mentioned date, with notice of such extension being given by posting a notice on the website of the JSE at [www.jamstockex.com](http://www.jamstockex.com) and at the Company's website at [vmil.myvmgroup.com](http://vmil.myvmgroup.com) as soon as reasonably practicable upon such extension being granted.
- (b) All Applicants will be required to pay in full, on subscription, the Subscription Price per Unsecured Corporate Bond plus the JCSD Processing Fee of J\$172.50 (inclusive of GCT). No further sum will be payable on allotment.
- 3.2. The Company invited applications for subscriptions from the public for unsecured corporate bonds of \$5,433,965,621.04 in December 2024. In December 2017 the Company issued a prospectus inviting subscription for 300,005,000 ordinary shares at a price of J\$2.45 (reduced for employees to J\$2.08 and members of the Victoria Mutual Building Society to J\$2.33). The IPO was fully subscribed, and the Company raised approximately J\$690 million.
4. No person has been given any option to subscribe for any shares or debentures in the Company.
5. (a) As at March 31, 2026 the Company held the following investments:
- i **Trade Investments** – J\$2,391,603,289.80
  - ii **Quoted Investments** (other than trade investments) – J\$342,015,648.65
  - iii **Unquoted Investments** (other than trade investments) – J\$245,934,969.25
- (b) *There is an amount of J\$20.60 million goodwill shown in the financial statements of the Company on investment in KPREIT which is an associated company, but no amount for patents or trademarks; and there is no contract for sale and purchase which would involve any goodwill, patent, or trademarks.*
- (c) *Borrowings reflects specific debt obligations as at December 31, 2025. See note 17 of the year end 2025 unaudited Financial Statements for details.*
- (d) Apart from such amounts that have already been paid as dividend, there are no amounts that have been recommended for distribution by way of dividend, the last dividend payment of a sum of \$48 million was paid in July 2024.
6. No property has been or is proposed to be purchased or acquired by the Company, which is to be paid for wholly or partly out of the proceeds of this Invitation as prescribed by paragraphs 6 to 9 (inclusive) of Part 1 of the Third Schedule of the Act. Accordingly, paragraphs 6, 7, 8 and 9 of Part 1 of the Third Schedule to the Companies Act do not apply.
7. Not applicable.
8. Not applicable.
9. Not applicable.
- 10.1 (a) No amount has been paid within the two (2) years preceding the date of this Prospectus, or is payable, as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares of the Company.

Between 2024 and YTD 2026 the Company privately placed by way of an exempt distribution three (3) bonds, which includes various tranches under the individual bonds for the principal sum of J\$1,521,034,378.44. The distribution was arranged by VM Wealth. No commission was paid to any bondholder, placement or otherwise to subscribe for the bonds.

During the same period, the Company publicly offered bonds, across multiple tranches for the principal sum of \$5,433,965,621.04. The distribution was arranged by VM Wealth. No commission was paid to any bondholder, placement or otherwise to subscribe for the bonds.

- (b) This sub-paragraph does not apply with respect to preliminary expenses as this Prospectus is being issued more than 2 years after the date on which the Company was entitled to commence, and in fact commenced business. All costs associated with this Invitation are intended to be paid out of the proceeds of the Invitation, including legal and other professional fees, Auditor's fees, initial listing fees and marketing and logistical costs relating to the Invitation. These fees and costs are estimated at J\$25,000,000.
- (c) VMIL may elect to pay commissions to certain persons involved in the selling and marketing of the Bonds. It is proposed that the following commissions be paid:

Independent Agents	Internal Network	Advisors	Client Relations Officer
0.5% of Volume	\$5,000 per every Million	100% of Budget Achieved - \$100,000 Incentive	100% of Budget Achieved - \$50,000 Incentive
		90% of Budget Achieved - \$80,000 Incentive	90% of Budget - \$50,000 Incentive
		80% of Budget Achieved - \$50,000 Incentive	80% of Budget - \$30,000 Incentive

- 11.1 The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company within the last two (2) years immediately preceding the date of issue of this Prospectus and is, or may be, material, namely:

Date	Counterparty	Description
November 25, 2022	JCSD Trustee Services Limited	Trust Deed under which VMIL authorized the issuance of secured and/or unsecured J\$ fixed rate Bonds and variable rate Bonds in one or more series/tranches.
January 1, 2021	VM Wealth Management Limited	Management Agreement under which VM Wealth agreed to manage the business on the Company for an annual management fee of 20%.
February 26, 2021	Caribbean Information and Credi Rating Services Limited (CariCRIS)	Rating Agreement outlines the terms and conditions upon which CariCRIS assigns Issue/Corporate credit rating to VMIL.

12. The name and address of the auditors of the Company is KPMG and its address is the VM Building, 6 Duke Street, Kingston, Jamaica.

### 13. INTEREST OF DIRECTORS

Directors will be entitled to be reimbursed for travelling and hotel expenses incurred in attending Board meetings and committee meetings and for other travelling expenses related to the business of the Company. Non-Executive Director will be paid Director's fees approved by the Company.

Except as stated above, no payment or benefit has been made or given to any Director for services rendered by him personally to the Company and, except for Director's fee stated above, the Directors are not aware of any payment or benefit granted to any Director by the Company to induce him to serve as a Director of the Company or to qualify him as a Director of the Company.

Milton J. Samuda is the Managing Partner of the law firm Samuda & Johnson. That firm may from time to time be engaged on a matter-by-matter basis, to provide legal services to the Company or any of its subsidiaries. Any such engagement would be on an arm's length basis.

14. The share capital of the Company is divided into two classes of shares, namely ordinary shares and preference shares. The ordinary shares all rank pari passu among themselves. On a vote by show of hands or voice a holder of ordinary

shares will have one vote regardless of the number of shares held either in his own name or as proxy but, on a poll, a holder of ordinary shares will have one vote for each ordinary share registered in his name or for which he is the duly appointed proxy. The ordinary shares have been converted into stock units.

As at the date of this Prospectus, there are no issued preference shares in the capital of the Company.

- 15. The Company was incorporated on July 23, 1984, and it has carried on business since then.
- 16. This Invitation is not underwritten.
- 17. **JAMAICA TAXATION**

This summary does not purport to be a complete discussion of all tax consequences relating to making an investment in Jamaica in the Bonds or in particular to the tax implications to holders of the Bonds. It is based on current income tax law including judicial and administrative interpretations in Jamaica. Tax law is subject to continual change, at times on a retroactive basis. This summary is intended only as a descriptive summary and does not purport to be a complete technical analysis or listing of all potential tax effects to holders of the Bonds. Prospective purchasers of Bonds should consult with their own tax advisers concerning issues specific to them; any consequences to them arising under the laws of any other taxing jurisdiction; the availability for income tax purposes of a tax credit or deduction for Jamaica taxes; the availability of double taxation relief; the consequences of receipt of interest and sale or redemption of the Bonds.

(a) The Bonds:

Tax on Interest: The Company being a “connected person” within the meaning of the Jamaican Income Tax Act (“JITA”) to VM Wealth and also to VM Building Society it is beyond doubt that it is a “prescribed person” as defined in section 31A (5) of the JITA. As such, when it pays or credit interest to a Bondholder resident in Jamaica it must deduct tax at the rate of 25% and pay over such tax to the Tax Administration of Jamaica (“TAJ”). Some taxpayers such as an Approved Retirement Scheme or a Collective Investment Scheme enjoy special exemption from such withholding tax. If the Bondholder is resident in a country with which Jamaican as a double

taxation treaty, then by reason of that treaty the withholding rate may be reduced below the standard 25%. For instance, bondholders who are residents in a Caricom country would by virtue of the Caricom Double Taxation Treaty suffer withholding at 15%. Jamaica has double taxation treaties with other countries such as, but not limited to, the following where the withholding rate on outbound interest is as shown in the following table:

Country	Withholding tax rate on Interest
Canada	15.00%
United Kingdom	12.50%
United States of America	12.50%

Under the various treaties where withholding tax is deducted in Jamaica the Bondholder would be entitled to a “dollar for dollar” tax credit against its home country income tax subject to any applicable tax credit limitation which applies in its home country.

**Bond washing:** If a Bond has a face value of say J\$10 million and is ripe with interest of say J\$300,000.00 falling due in a short time it would be expected to be sold at a price which takes into account the accruing interest- say for instance J\$10,250,000.00. The premium above the face was at common law treated as capital and not eligible to income tax. Note however that under section 31 (5) of the Income Tax Act “interest was specially defined to include bond-washing gains of the kind described above and was therefore taxable at the 25% withholding rate.

In terms of overseas Bondholders entitled to double taxation treaty benefits the meaning of interest would be that used in the relevant treaty and not under the JITA. In most double taxation treaties “interest” is defined in the traditional sense as “income on a debt claim” and that would not seem to cover bond washing gains which accrue not on the bonds but on the purchase price premium. However, as far as the Directors are aware no court or private ruling by TAJ has been issued on this matter and so the issue cannot be regarded as positively settled.

**Transfer of Bonds:** Bonds even though unsecured would possibly fall under the terms “debenture” which is a term capable of covering almost any document which evidences a debt- other than an invoice in respect of a trade debt. A transfer of a

debenture and therefore a bond would attract transfer tax of 2% on the transfer price or of market value if the transfer is not at arms' length. The transfer instrument would also attract stamp duty at J\$5,000. However, if the transfer takes place by book entry in the JCS D then since stamp duty is a duty on document and not on persons and no document would have been created to affect the conveyance there probably would be no stamp duty. Likewise, under the Transfer Tax Act ("TTA") a transfer of listed securities on the JSE in the course trading is expressly exempt from transfer tax. See section 17.1 (e) of the TTA. So, if the Bonds are duly listed on the Bond Market of the JSE there should be no transfer or stamp duty in the case of transfer effected across the JSE.

## 18. ORDINARY SHARES

The ordinary shares of the Company all rank pari passu among themselves. On a poll, a holder of ordinary shares will have one vote for each ordinary share registered in his name or for which he is the duly appointed proxy. On a vote by a show of hands or voice, a holder of ordinary shares will have one vote regardless of the number of shares held either in his own name or as proxy. The ordinary shares have been converted into stock units.

## 19. MATERIAL LITIGATION

Neither the Company nor any of its subsidiaries or Portfolio Companies is involved in any litigation, arbitration or other legal proceedings in Jamaica or in any other jurisdiction and the Directors of the Company are not aware of any circumstance which would give rise to any such litigation, arbitration or other proceedings.

## 20. INDUSTRIAL RELATIONS

The Company currently has no other operating business and is an investment holding company. No part of the workforce of any of its subsidiaries or Portfolio Companies is unionized. The Company' subsidiaries have enjoyed stable relations with their staff. The Directors have no reason to believe that the industrial climate which currently prevails will change in the near future.

## 21. WORKING CAPITAL

The Directors of the Company are of the opinion that taking into account the credit lines available to their subsidiaries and their cash flow, they have sufficient working capital for their present requirements (that is to say, for at least the next 12 months from the publication of this Prospectus).

## 22. AUDIT REPORT QUALIFICATION

There are no qualifications in the auditor's report of the historical consolidated financial information of the Company.

## 23. SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of the Company since December 31, 2023 being the latest date as of which the audited financial statements of the Company were prepared.

## 24. OTHER MATTERS RELATING TO DIRECTORS

None of the Directors have a written service contract with the Company, other than Rezworth Burchenson who has a written contract with VMIL. The Directors are not aware of any actual or potential conflict of interest between the duties owed by the Directors of the Company the private or business interests of any of the Directors.

## 25. None of the Directors has, during the last five (5) years:

- i been convicted in relation to an offence involving fraud;
- ii been associated with any bankruptcy receivership or liquidation while acting in the capacity of a director or member of the management team of the relevant entity;
- iii been sanctioned or subject to disciplinary action by a professional body; or
- iv been disqualified by a court from acting as a director or member of the administration, management or supervisory body of a company or otherwise from acting in the management of the affairs of a company.

## 26. The Company has not made any loan to, or granted any guarantee for the benefit of, any of the Directors. Directors will, however, be at liberty to apply for Bonds or Shares in the Offer as any ordinary member of the public.

## 27. The Company's Articles provides that the number of Directors shall not be more than twelve (12). A Director need not hold shares in the Company.

## MONEY LAUNDERING

- 28.** In order to ensure compliance with the Proceeds of Crime Act and applicable money laundering regulations, Applications in the Offer for Sale must be submitted through VM Wealth, the arranger and authorised lead selling and collecting agent. VM Wealth and any other selling and collecting agents, being regulated financial institutions, must necessarily maintain and administer Anti-Money Laundering Policies and Procedures approved by their respective regulators (whether Bank of Jamaica or the FSC) and the process will ensure that where necessary, Applicants will be vetted for money laundering purposes.
- 29.** VM Wealth or collecting agent, may, in its absolute discretion, require verification of source of funds from any Applicant. Failure to provide the required information may result in the Application being rejected. VM Wealth and each selling or collecting agent reserves the right, as part of their money laundering and Know-Your-Customer (KYC) procedures, to request credit information in respect of any Applicant from any local credit bureau and, by submitting an Application Form, an Applicant shall be deemed to authorise VM Wealth or such selling or collecting agent to request such credit report and to sign, if requested, any requisite consent form.
- 30.** By submitting an Application Form, the Applicant shall be deemed to represent and warrant to the Company that no part of the sum offered to purchase any of the Bonds in this IPO constitutes proceeds of crime or is otherwise tainted money.

## INDUSTRY AND MARKET DATA

- 31.** Where third party information has been used in this document, the source of such information has been identified. The Company confirms that such information has been accurately reproduced and, so far as it is aware has been able to ascertain, from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

- 32.** Unless otherwise stated, financial information in relation to the Company has been extracted without material adjustment from the audited financial statements.

## ANNOUNCEMENT OF THE RESULTS OF THE OFFER

- 33.** Within three (3) Business Days after close of the Subscription Lists the Company will make an appropriate public announcement with results of the Offer.

## MISCELLANEOUS

- 34.** Persons applying for Bonds under this Prospectus who are allocated such Bonds may only rely on the information contained in this Prospectus and, to the fullest extent permitted by law, any liability for representations, warranties and conditions express or implied and whether statutory or otherwise (including without limitation pre-contractual representations but excluding fraudulent misrepresentations) are expressly excluded in relation to the Bonds and this Invitation.
- 35.** In the event that the Company is required to publish any supplementary prospectus or amendment to this Prospectus, Applicants who have applied for Bonds in the Offer will have the right exercisable within two (2) Business Days after publication of the supplementary prospectus or amendment to withdraw their Application in whole or in part. References to publication of a supplementary prospectus or amendment means publication of the supplementary prospectus or amendment on the website of the JSE and/or of the Company.

## OVERSEAS INVESTORS

- 17.28** No person receiving a copy of the Prospectus and/or an Application in any territory outside Jamaica may treat the Application as constituting an invitation or offer to him nor should he in any event use such Application.

**SECTION 15****Director's Report**

The Board hereby confirms that, after due inquiry by us, in its opinion and to the best of its knowledge and belief, in the period between March 31, 2025 to the date of this Prospectus:

- 1 the business of the Company has been satisfactorily maintained;
- 2 there have not been any circumstances arising which have adversely affected the trading or the value of the assets of the Company;
- 3 the current assets of the Company appear in the books at values which are realizable in the ordinary course of business;
- 4 there are no contingent liabilities, which may arise by reason of guarantees or indemnities given by the Company; and
- 5 there have been no significant changes affecting the financial position of the Company.

## SECTION 16

### Consent

In connection with the publication of this Prospectus, KPMG has given and has not withdrawn the following:

- a. its written consent to the inclusion in this Prospectus of the auditor's report required pursuant to Part 11 of the Third Schedule to the Companies Act including the summary of the dividend history; and
- b. the audited financial statements for the year ended December 31, 2025 set out in Section 13,
- c. and the references thereto in the form and context in which they appear. KPMG have also consented to references to their name in the Prospectus in the form and context in which such references appear.

VM Wealth, Patterson Mair Hamilton and MF&G Asset Management Limited have given and, as at the date of this Prospectus, not withdrawn their written consents to the publication of their names, addresses, and logos and the statements (if any) attributed to it in the context in which they appear in this Prospectus. The Directors of the Company have given and have not withdrawn their written consent to the issue of the Prospectus and the inclusion therein of all material facts relevant to the Company as required by the Act.

**The information contained on, or that can be accessed through, any website mentioned in this Prospectus is not a part of, and should not be considered as being incorporated by reference into, this Prospectus.**

## SECTION 17

### Documents Available For Inspection

From the date of publication of the Prospectus up to the Closing Date, the following documents will be available for inspection on Mondays to Fridays (except public holidays during the hours of 9:00 a.m. to 4:00 p.m., at the offices of the Company at 53 Knutsford Boulevard, Kingston 5:

1. this Prospectus;
2. the Company's Certificate of Incorporation and Articles of Incorporation;
3. the Form of the Global Bonds;
4. the written consent of the Auditor;
5. the material contracts referred to under Section 14 above;
6. the unaudited Financial Statements for the Company for the year ended December 2025;
7. the Audited Financial Statements for the Company for the years ended December 31, 2024, 2023, 2022, 2021, and 2020.

**SECTION 18**

## Directors' Signatures

This Prospectus is signed on behalf of VM Investments Limited by its Directors and dated as of the 8<sup>th</sup> day of May 2026.

Name of Director	Original Signed By
Michael McMorris	
Milton J. Samuda	
Noel Hann	
Sandra Shirley-Auxilly	
Vikram Dhiman	
Dennis Cohen	
Maria Robinson	
Courtney Campbell	
Rezworth Burchenson	
Frederick Williams	
Keri-Gaye Brown (Company Secretary)	

**SECTION 19**

## Appendix 1 - Wealth's IPO Edge Portal Instructions

**VM WEALTH'S IPO EDGE PORTAL APPLICATION GUIDE:**
Summary of the Invitation

Applications for the offer can also be made on VM Wealth Management Limited's Wealth IPO Edge Portal by logging onto the website [wealthipo.myvmgroup.com](http://wealthipo.myvmgroup.com) (See Appendix 6 – Wealth IPO Edge Portal Procedures). Each Application must be accompanied/supported by payment for the full amount payable on purchase and/or subscription. Payment for all applicants must be made in accordance with the instructions available on the Wealth IPO Edge Portal.

**SECTION 20**

## Appendix 2 – Portal Procedures

### VM WEALTH MANAGEMENT LIMITED'S WEALTH IPO EDGE PORTAL APPLICATION GUIDE

**1. Download Prospectus**

- Navigate to “Offerings” from the main screen.
- Navigate to “More Details” of available IPO offering.
- Click “View Prospectus”

*Note: A pop-up window will appear to download document with the option to choose destination folder.*

**2. User Registration**

- On your device, visit [wealthipo.myvmgroup.com](http://wealthipo.myvmgroup.com)
- Select “Sign Up”
- Complete all the required fields and submit.

**3. Activating User Account**

- After registering as a new user, go to the email used in the sign-up process.
- Click the link received in the email to confirm your email address.
- Log into the platform

**4. Account Log In**

- Navigate to the home page.
- Select “Log in”
- Enter email address & password credentials used to sign up.
- Click Log In button.

*Note: If password is forgotten, use the ‘forgot password’ feature to create a new password.*

**5. Register JCSD Account & Add Joint Holder(s)**

- Log in.
- Go to the “My Accounts” Tab
- Navigate to “Add Account”
- Complete all required fields.
- Review details and click Submit.

**6. Apply for Offering.**

- Navigate to “Offerings” from the main screen.
- Navigate to “More Details” of available IPO Offering.
- Click “Apply Now” to begin application.
- Complete required fields to apply for the offering.



PLEASE READ CAREFULLY BEFORE COMPLETING THIS FORM

**VM INVESTMENTS LIMITED**

DATED AS OF \_\_\_\_\_, 2026

**BOND PURCHASE AGREEMENT**

Facilities for the benefit of  
VM INVESTMENTS LIMITED  
(as the 'Issuer')

## SECTION 20

## Bond Subscription Agreement

**VM INVESTMENTS LIMITED**

**Tranche A** - 9.00% Unsecured 25-month Fixed Rate Bonds valued at up to J\$2,000,000,000.00 in the aggregate

**Tranche B** - 9.50% Unsecured 43-month Fixed Rate Bonds valued at up to J\$2,000,000,000.00 in the aggregate

May [ ], 2026

To:

Ladies and Gentlemen:

We, VM INVESTMENTS LIMITED a company duly incorporated under the laws of Jamaica and having its registered office at 8-10 Duke Street in the parish of Kingston (hereinafter called the “Issuer”), agrees with the party or parties whose names and addresses are set out in Schedule A (the “Purchaser”) as follows:

WHEREAS:

- a. The Issuer has authorized the issue and sale of the following series of Bonds (referred to collectively as the “Bonds” and each as a “Bond”):

	<b>Tranche A</b>	<b>Tranche B</b>
Amounts	J\$2,000,000,000.00	J\$2,000,000,000.00
Tenure	25 MONTHS	43 MONTHS
Coupon	9.00%	9.50%

- b. Each Tranche of the Bonds will be issued pursuant to a prospectus approved by the Issuer (“**Prospectus**”) and a Trust Deed (“**Trust Deed**”) (as same may be amended or supplemented from time to time) between the Issuer and MF&G Asset Management Limited (the “**Trustee**”), as trustee for the benefit of holders of the Bonds (“**Bondholders**”).
- c. The Bonds will be unsecured.

- d. Bonds will be issued in dematerialised form. The Trustee will keep a register of the Bondholders and act as paying agent for the purposes of payments of interest and principal, in accordance with the terms of the Trust Deed.
- e. The Purchaser having reviewed the terms as contained in the Term Sheet and having read and understood the Prospectus prepared by the Issuer is desirous of purchasing the Bonds on the terms and conditions set out herein and in the Prospectus; which Bonds will be governed by, and constituted under, the Trust Deed.

### 1. Authorization of Bonds

- 1.1 The Issuer has authorized the issue and sale of each Tranche of Bonds which will be issued pursuant to and constituted and governed by the Trust Deed and held by the Purchaser and the Other Purchasers (as hereinafter defined).
- 1.2 The discharge of the obligations of the Issuer to the Trustee and the Bondholders under this Bond Purchase Agreement, the Trust Deed and the Bonds is/shall be unsecured.

### 2. Definitions and Interpretation

Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Trust Deed.

### 3. Sale and Purchase of the Bonds

- 3.1 Subject to the terms and conditions of this Bond Purchase Agreement (the “Agreement”), the Issuer will issue to the Purchaser and the Purchaser will accept from the Issuer, at the Closing provided for in clause 4, Bonds in the principal amount and tranche specified opposite the Purchaser’s name in Schedule A (being the amount of Tranche A or Tranche B Bonds applied for by the Purchaser, or any lesser amount as the Arranger shall determine to be available in the event of excess demand) at the face value (being 100% of the

principal amount thereof) (the “Purchase Price”).

- 3.2 Contemporaneous with entering into this Agreement the Issuer may enter into separate Bond Purchase Agreements, whose terms and conditions shall be identical to those of this Agreement, with other purchasers (herein referred to as the “Other Purchasers”), providing for the Sale at Closing to each of the Other Purchasers of additional Bonds (or interest(s) in the Bonds) provided that the principal amount of all Bonds in all Tranches shall not exceed J\$4,800,000,000.00. Your obligation hereunder and the obligations of the Other Purchasers under the Other Agreements are several and not joint obligations and you shall have no obligation under any Other Agreement and no liability to any Person for the performance or non-performance by any Other Purchaser thereunder.
- 3.3 All Bond Payments will be made in Jamaican Dollars.
- 3.4 The Bonds currently being placed are set out in the table below.

	Tranche A	Tranche B
<b>Amounts</b>	J\$2,000,000,000.00	J\$2,000,000,000.00
<b>Tenure</b>	25 Months	43 Months
<b>Coupon</b>	9.00%	9.50%

- 3.5 At or as soon as possible after the Closing the Trustee will deliver or cause to be delivered to the Purchaser, Allocation Confirmation Letters evidencing the Bonds (or interest(s) in the Bonds) being purchased by the Purchaser dated as of the date of the Closing (as agreed) and registered in the Purchaser’s name (or in the name of the Purchaser’s nominee) in the Register of Bondholders maintained by the Trustee. If at or within a reasonable period of time following the Closing the Trustee shall fail to tender such Allocation Confirmation Letter to the Purchaser as provided above in this clause 3 , or any of

the conditions specified in clause 5 shall not have been fulfilled to the Purchaser's satisfaction, the Purchaser shall, at the Purchaser's election by notice in writing to the Issuer, be relieved of all further obligations under this Agreement, without thereby waiving any rights the Purchaser may have by reason of such failure or such nonfulfillment.

#### 4. Closing

The sale and purchase of the Bonds to be purchased by you shall occur at the closing (the "Closing") as provided for in the Prospectus. At the Closing, the Bonds purchased by you will be deposited in the Jamaica Central Securities Depository and you will be provided with a depository receipt evidencing your legal title to the Bonds allocated to you. At Closing, the subscription sum for the Bonds shown in Schedule A which shall be allocated to you will be credited as paid in full. For good measure we will also deliver a Global Bond in respect of each Tranche of Bonds to the Trustee. A Global Bond will be in the outstanding principal amount of the Bonds comprised in the relevant Tranche.

The Global Bond will be duly stamped and perfected according to Jamaican law. The Global Bond will be held by the Trustee as trustee, paying agent and enforcement agent for all existing Bondholders to facilitate enforcement in Jamaica if and to the extent that becomes necessary. All payments made under individual Bonds issued to investors (including you) will reduce pro tanto our obligation under the Global Bond. If at the Closing any of the conditions referred to in Section 5 below shall not have been fulfilled to your satisfaction, you shall, at your election, be relieved of all further obligations under this Agreement, without thereby waiving any rights you may have by reason of such failure or such non-fulfillment."

#### 5. Conditions Precedent to Closing

Your obligation to purchase and pay for the Bond(s) to be sold to you at the Closing is subject to the satisfaction or written waiver of the conditions precedent set forth in the Trust Deed (which shall be deemed to be incorporated herein as if the same were set out in full).

#### 6. Representations and Warranties of the Company

We hereby make the representations and warranties (set forth in the Trust Deed) to you as if the same were set out in full herein, and such representations and warranties are hereby incorporated herein by reference.

#### 7. Indemnification and Contribution

- (a) **Indemnification by the Company:** Save for as otherwise disclosed therein, we are solely responsible for the contents of the Prospectus and any supplemental information and all appendices and attachments to such document (collectively called "the Approved Offering Material"). Subject to paragraph (b) below, we agree to indemnify and hold you harmless from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact on which you have relied in investing in the Bonds and which is contained in the Approved Offering Material or any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.
- (b) **Protection of The Trustee & Others:** Our obligation to indemnify you pursuant to paragraph (a) above is conditional upon your acknowledgement and acceptance that the Trustee, and any attorney-at-law, accountant or other professional adviser is not responsible for the contents of the Approved Offering Material and your waiving all claims, complaints, rights of action suits or other proceedings against them for any matter or thing arising out of or in connection with the Approved Offering Material.
- (c) **Indemnification of the Company:** You agree to indemnify and hold us and our Affiliates, directors and officers harmless to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with misrepresentation as to your status as a person to whom an

offer to purchase the Bonds may be made.

- (d) **Notice and Procedures:** If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either paragraph (a) or (c) above, such person (the “**Indemnified Person**”) shall promptly notify the person against whom such indemnification may be sought (the “**Indemnifying Person**”) in writing; provided that the failure to notify the Indemnifying Person shall not relieve the Indemnifying Person from any liability that it may have under this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve the Indemnifying Person from any liability that it may have to an Indemnified Person otherwise than under this Section 7.

## 8. Payment of Expenses

Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, we agree to pay or cause to be paid all costs and expenses incidental to the performance of our obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Bonds and any stamp duties payable in that connection; (ii) the costs of reproducing and distributing each of the Bonds; (iii) the fees and expenses of any paying agent (including related fees and expenses of any counsel to such parties).

## 9. Approved Offering Materials

By subscribing for Bond(s) you represent and confirm to us that you have read and understood the Approved Offering Materials or, if you have not done so, that you were given reasonable opportunity to do so and that the Approved Offering Materials were made available to you on a timely basis.

## 10. Governing Law

This Agreement shall be governed by, and construed in accordance, with Jamaican law.

## 11. Optional Prepayment

The Issuer shall have the right to prepay, in the Payment Currency pursuant to and in the manner more particularly set out in the Trust Deed.

## 12. Effectiveness of Agreement

This Agreement shall become effective upon execution and delivery of a counterpart hereof by each of the parties hereto and upon satisfaction or waiver of each of the conditions set forth in the Term Sheet and the Trust Deed.

## 13. Counterparts

This Agreement may be executed by facsimile or PDF electronic signatures (with an original to follow by mail) in separate counterparts, in which event the signature pages of this Agreement shall be combined in order to constitute a single original document and shall become effective upon receipt by the parties of original, facsimile or pdf signed counterparts (whichever is received sooner) containing the signatures of each of the parties required to sign.

If you agree with the foregoing, please sign the form of agreement on the accompanying counterpart of this Agreement and return it to us, whereupon the foregoing shall become a binding agreement between you and us.

Very truly yours,  
VM INVESTMENTS LIMITED

By:

Title:

---

## Purchaser's Acceptance

---

The foregoing is hereby agreed by me/us as of the date thereof.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## Schedule A

Tranche	Tranche A Bonds	Tranche B Bonds
Principal amount of Bond Purchased.		
Name of Purchaser		
Address of Purchaser		
Name and Address of Joint Purchaser(s)		
TRN of Purchaser		
Contact Number of Purchaser		
Email Address of Purchaser		
JCSD Account Number		
Broker Code		



## Coupon Mandate & Security Dematerialisation Form

**Security:** VM Investments Limited J\$4B ( \_\_\_\_\_ %) \_\_\_\_\_ Months Unsecured Bond (202\_\_)

Investor Name(s): \_\_\_\_\_

Investment Amount(s): \_\_\_\_\_

Address: \_\_\_\_\_

Contact Number(s): \_\_\_\_\_ Email Address: \_\_\_\_\_

Broker Name & Number: \_\_\_\_\_

This mandate serves as my authority for you to deposit coupons paid on the above security as follows: (Please choose one)

Deposited to the account as detailed below:

Name of Institution: \_\_\_\_\_ Address of Institution: \_\_\_\_\_

Name(s) on Account: \_\_\_\_\_ Account Number: \_\_\_\_\_ Account Type: \_\_\_\_\_

BIC Number/Routing Number (if applicable): \_\_\_\_\_ Intermediary Bank (if applicable): \_\_\_\_\_

This serves as my authority for you to deposit the security to my account at the Jamaica Central Securities Depository as follows:

JCSD Account Number: \_\_\_\_\_

Primary Holder/Company Name: \_\_\_\_\_

1<sup>st</sup> Joint Holder Name: \_\_\_\_\_

2<sup>nd</sup> Joint Holder Name: \_\_\_\_\_

3<sup>rd</sup> Joint Holder Name: \_\_\_\_\_

VMWM OPICS CLAC: \_\_\_\_\_

Broker Name and Number: \_\_\_\_\_

TRN: \_\_\_\_\_

TRN: \_\_\_\_\_

TRN: \_\_\_\_\_

TRN: \_\_\_\_\_

VMWM OPICS CLAC No.: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

COMPANIES AFFIX SEAL HERE:

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_



**VM INVESTMENTS LIMITED**

**Section B - Account Holders**

**PRIMARY HOLDER (Either Company or Individual)**

Full Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Mailing address (if different): \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Phone#(s): \_\_\_\_\_

Nationality: \_\_\_\_\_

Date of Birth (DD/MM/YYYY) \_\_\_\_\_

TRN #: \_\_\_\_\_

JCSD ACCOUNT #: \_\_\_\_\_

Broker Name & No. \_\_\_\_\_

**SIGNATURES:**

Companies: \_\_\_\_\_

Director

Director/Secretary

\_\_\_\_\_ Date signatures affixed

Individual: \_\_\_\_\_

Applicant

\_\_\_\_\_ Date signature affixed

COMPANIES AFFIX STAMP/SEAL BELOW:

**FIRST JOINT HOLDER:**

Full Name: \_\_\_\_\_

Signature: \_\_\_\_\_

TRN #: \_\_\_\_\_

**SECOND JOINT HOLDER:**

Full Name: \_\_\_\_\_

Signature: \_\_\_\_\_

TRN #: \_\_\_\_\_

**THIRD JOINT HOLDER:**

Full Name: \_\_\_\_\_

Signature: \_\_\_\_\_

TRN #: \_\_\_\_\_

**VM INVESTMENT LIMITED**

**Payment Verification Information**

**Please complete the relevant section(s) to confirm your payment method(s).**

**PAYMENT METHOD #1:**     ACH/RTGS     ONLINE TRANSFER     VMWM ACCOUNT

Cheque #/ACH/RTGS/Online Transfer #/VMWM A/C # \_\_\_\_\_

Institution \_\_\_\_\_

Cheque/Payment Date \_\_\_\_\_ Amount J\$ \_\_\_\_\_

Sender's (Payee's) Name \_\_\_\_\_

Sender's (Payee's) Account Number \_\_\_\_\_

**Please complete the relevant section/section(s) to confirm your payment method(s).**

**PAYMENT METHOD #2:**     ACH/RTGS     ONLINE TRANSFER     VMWM ACCOUNT

Cheque #/ACH/RTGS/Online Transfer #/VMWM A/C # \_\_\_\_\_

Institution \_\_\_\_\_

Cheque/Payment Date \_\_\_\_\_ Amount J\$ \_\_\_\_\_

Sender's (Payee's) Name \_\_\_\_\_

Sender's (Payee's) Account Number \_\_\_\_\_



**VM INVESTMENTS LIMITED**

**Section C - For Use By Lead Broker Only**

Please complete the relevant section(s) to confirm your payment method(s).

PAYMENT METHOD #1:  ACH/RTGS  ONLINE TRANSFER  VMWM ACCOUNT

Cheque #/ACH/RTGS/Online Transfer #/VMWM A/C # \_\_\_\_\_

Institution \_\_\_\_\_

Cheque/Payment Date \_\_\_\_\_ Amount J\$ \_\_\_\_\_

Sender's (Payee's) Name \_\_\_\_\_

Sender's (Payee's) Account Number \_\_\_\_\_

BROKER STAMP AND SIGNATURE:

**VM INVESTMENTS LIMITED****21. Appendix 3 – VM Wealth Management Locations**

VM Wealth Management Limited	
Branch	Location
Kingston – Head Office	73 Knutsford Boulevard, Kingston 5.
Manchester – Mandeville	Shop #3 Manchester Shopping Centre, Mandeville, Manchester.
St. Ann – Ocho Rios	7 Newlin Street, Ocho Rios.
St. James – Montego Bay	Unit No. 33, Fairview Shopping Complex, Bogue Estate, Montego Bay, St. James.
St. Andrew – Liguanea	115 Old Hope Road, Kingston 6
St. Andrew – University of Technology	237 Old Hope Road, Kingston 6

**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds.**

**Form of Tranche A Bond**  
**VM INVESTMENTS LIMITED**  
 Issued and Constituted under a Trust Deed dated the \*\*, 2026

**Serial number:**
**Issue Date:** \_\_\_\_\_, 2026

Principal Sum: J\$ \_\_\_\_\_

Maturity Date: July 12, 2028

*THIS BOND HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER FOREIGN SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS BOND, AGREES FOR THE BENEFIT OF THE PROMISOR THAT NEITHER THIS BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.*

*FOR VALUE RECEIVED, VM INVESTMENTS LIMITED (the "Promisor") HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of \_\_\_\_\_ or other registered holder hereof (the "Bondholder") the principal sum of \_\_\_\_\_ JAMAICAN DOLLARS (J\$ \_\_\_\_\_ (the "Principal Sum") on the 12<sup>th</sup> day of July, 2028 (the "Maturity Date") by a single lump sum payment.*

*The Promisor further promises to pay interest at the Agreed Rate on the Principal Sum outstanding from time to time on each Interest Payment Date. Interest shall be computed for the actual number of days elapsed in each Interest Period and on the basis of a year of 365 days (366 in the case of a leap year)) at the Agreed Rate (both before and after any judgment). If principal or interest shall fall due for payment on a day which is not a Business Day, then payment shall be made on the immediately preceding Business Day and the Non-Business Day(s) omitted from that quarterly calculation of interest shall be carried forward and added to the days comprised in the next Interest Period. On the occurrence of an Event of Default the Trustee (hereinafter described) shall be entitled to calculate Interest due on a daily basis, capitalized with monthly rest on any payment made after the due date.*

*Principal, interest and other sums payable hereunder shall be payable in lawful money of Jamaica at the offices of the Paying Agent (the "Place of Payment"). All payments hereunder shall be made in same day funds or such other funds as are equivalent to same day funds. Payment of the Principal Sum and interest shall be made without set-off or counterclaim but subject to any withholding tax which the Promisor is obliged to deduct by applicable law.*

*This Bond is one of the Tranche A Bonds referred to in, and constituted under, the Trust Deed dated the \_\_\_\_ day of \_\_\_\_\_ 2026 between the Promisor and MF&G Asset Management Limited, as trustee (the "Trust Deed") and is issued along with other Tranche A Bonds and Tranche B Bonds constituted as a single series bearing the serial number stated above. This Bond is subject to, and entitled to the benefit of, the provisions of the aforesaid Trust Deed. All such individual Bonds in the series shall rank pari passu and rateable in all respects.*

**VM INVESTMENTS LIMITED****Appendix 4 - Forms Of Global Bonds Continued**

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**This Bond is not secured.**

*The Promisor may at any time, on or after forty-five (45) days after the Issue Date, without premium or penalty, prepay or redeem this Bond on any Interest Payment Date upon giving the Bondholder and the Trustee not less than thirty (30) days' notice of prepayment or redemption (a "Notice of Pre-payment" or "Notice of Redemption"), as the case may be. In the case of a partial prepayment such prepayment shall be effected rateably across all Bonds in the series and otherwise in accordance with the terms of the Trust Deed and in the case of redemption of less than all the Bonds such redemption shall likewise be effected in accordance with the terms of the Trust Deed.*

*Upon the occurrence of an Event of Default (as defined in the Trust Deed) the Bondholders in the series may by Ordinary Resolution resolve or by written direction of a Bondholders' Majority direct that the Trustee shall serve a Notice of Acceleration declaring all principal and interest owing under this and other Bonds in the series to be, immediately due and payable, as provided in the Trust Deed and may take Recovery Action.*

*The Promisor hereby waives notice of dishonour, protest and presentment.*

*This Bond shall be governed by, and construed in accordance with, the laws of Jamaica.*

*In this Bond capitalized terms shall have the meaning assigned thereto by the Trust Deed and additionally the following terms shall have the following meanings:*

*"Agreed Rate" means, in respect of each Interest Period, 9.00% per annum, PROVIDED that if any Event of Default shall occur and be subsisting at any time then during the continuance of such Event of Default, the Agreed Rate shall be increased by two per cent (2.00%) per annum;*

*"Bondholders" means without double counting, the holders of all or any Bonds in the series constituted under, and governed by, the aforesaid Trust Deed including individual Tranche A Bonds, Tranche B Bonds, Tranche A Global Bond, and Tranche B Global Bond outstanding at the material time, as the case may be;*

*"Bondholders' Majority" means, without double counting, at any time, one or more Bondholder(s) holding outstanding Bonds in the series having an aggregate principal value of more than 50% of all outstanding Bonds (including Tranche A, and Tranche B Bonds);*

*"Business Day" means a day on which banks are generally open for business in Jamaica (excluding Saturdays, Sundays and public general holidays) and "Non-Business Day" means any day which is not a Business Day;*

*"Interest Payment Date" means, in each calendar year the following dates (i) January 12; (ii) April 12; (iii) July 12; and (iv) October 12, PROVIDED that the first Interest Payment Date shall be October 12, 2026 ("the First Interest Payment Date") and the last Interest Payment Date shall be the Maturity Date or the date on which the principal sum on the Bonds shall become payable pursuant to a Notice of Acceleration;*

*"Interest Period" means, in the first instance, the period commencing on the Issue Date and ending on the day immediately preceding the First Interest Payment Date and thereafter each 3-month period commencing on an Interest Payment Date and ending on the day immediately preceding the next Interest Payment Date, but in respect of the last Interest Period, commencing on the penultimate Interest Payment Date and continuing up to but excluding the Maturity Date;*

**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**


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*“Maturity Date” means the Maturity Date set out above on the face of the Bond or any other date (whether arising by acceleration, early redemption or otherwise) on which the principal amounts become due on this Bond;*

*“Notice of Acceleration” means a written notice stating that the principal sum owing hereunder has become due and payable (with or without interest) due to the occurrence of an Event of Default;*

*“Notice of Prepayment” means a notice served by the Company upon the Trustee and relevant Bondholders of its intention to prepay a part only of the principal sum owing under the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Notice of Redemption” means a notice served by the Company upon the Trustee and Bondholders of its intention to redeem some or all of the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Ordinary Resolution” shall have the meaning ascribed thereto in **Appendix 1** to the Trust Deed;*

*“Paying Agent” means MF&G Asset Management Limited or other paying agent appointed under the Trust Deed;*

*“Recovery Action” means any action taken by the Trustee on behalf of Bondholders to enforce recovery of obligations due under the Bonds, the Global Bond or under the Trust Deed or under any other Transaction Document (as defined in the Trust Deed) or otherwise pursuant to any common law or statutory right;*

*IN WITNESS whereof, the Promisor has caused this Bond to be duly executed manually or in facsimile on its behalf.*

VM INVESTMENTS LIMITED

By: \_\_\_\_\_

Director

By: \_\_\_\_\_

Director/Secretary/ Authorised Signatory

**VM INVESTMENTS LIMITED**

**Appendix 4 - Forms Of Global Bonds Continued**

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**ENDORSEMENTS**

*(Endorsee should note the transfer restrictions referred to above. An endorsee should register change of ownership with the Trustee who maintains a Register of Bondholders.)*

(1) Pay: \_\_\_\_\_ (2) Pay: \_\_\_\_\_  
[Name of Transferee] [Name of Transferee]

By: \_\_\_\_\_ By: \_\_\_\_\_  
Name: Name:  
Title Title:

*Further endorsements may be made below or upon an allonge attached hereto.*

**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**
**Form of Tranche A Global Bond**
**VM INVESTMENTS LIMITED**

Issued and Constituted under a Trust Deed dated the \*\*, 2026

**Serial number:**
**Issue Date:** , 2026

Principal Sum: J\$ \_\_\_\_\_

Maturity Date: July 12, 2028

THIS GLOBAL BOND IS ISSUED TO MF&G ASSET MANAGEMENT LIMITED (“THE TRUSTEE”) TO BE HELD FOR THE BENEFIT OF ALL HOLDERS OF TRANCHE A BONDS IN THE RELEVANT SERIES IDENTIFIED HEREIN. THIS GLOBAL BOND MAY BE TRANSFERRED TO, AND HELD ONLY BY, THE TRUSTEE FOR THE TIME BEING OF BONDHOLDERS APPOINTED UNDER THE TRUST DEED DATED THE \_\_\_\_ DAY OF \_\_\_\_\_ 2026 BETWEEN VM INVESTMENTS LIMITED AND MF&G ASSET MANAGEMENT LIMITED.

THIS GLOBAL BOND HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER FOREIGN SECURITIES LAW. THE HOLDER HEREOF, AGREES FOR THE BENEFIT OF THE PROMISOR THAT NEITHER THIS GLOBAL BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

FOR VALUE RECEIVED, VM INVESTMENTS LIMITED (the “Promisor”) HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of the Trustee (the “Trustee”) the principal sum of \_\_\_\_\_ JAMAICAN DOLLARS (J\$ \_\_\_\_\_ (the “Principal Sum”) on the 12<sup>th</sup> day of July, 2028 (the “Maturity Date”) by a single lump sum payment.

The Promisor further promises to pay interest at the Agreed Rate on the Principal Sum outstanding from time to time on each Interest Payment Date. Interest shall be computed for the actual number of days elapsed in each Interest Period and on the basis of a year of 365 days (366 in the case of a leap year)) at the Agreed Rate (both before and after any judgment). On the occurrence of an Event of Default the Trustee (hereinafter described) shall be entitled to calculate Interest due on a daily basis, capitalized with monthly rest on any payment made after the due date.

If principal or interest shall fall due for payment on a day which is not a Business Day, then payment shall be made on the immediately preceding Business Day and the Non-Business Day(s) omitted from that quarterly calculation of interest shall be carried forward and added to the days comprised in the next Interest Period.

Principal, interest and other sums payable hereunder shall be payable in lawful money of Jamaica at the offices of the Paying Agent (the “Place of Payment”). All payments hereunder shall be made in same day funds or such other funds as are equivalent to same day funds. Payment of the Principal Sum and interest shall be made without set-off or counterclaim but subject to any withholding tax which the Promisor is obliged to deduct by applicable law.

This Global Bond represents the Tranche A Bonds referred to in, and constituted under, the Trust Deed dated the \_\_\_\_ day of \_\_\_\_ 2026 between the Promisor and MF&G Asset Management Limited, as trustee (the “Trust Deed”) and is issued to the Trustee for the benefit of all holders of individual Tranche A Bonds in the series. This Global Bond is subject to, and entitled to the benefit of, the provisions of the aforesaid Trust Deed. All payments (of principal or interest or otherwise) made by the Promisor, from time to time, on account of individual Bonds covered by this Global Bond shall pro tanto reduce the amount payable under this Global Bond.

## VM INVESTMENTS LIMITED

### Appendix 4 - Forms Of Global Bonds Continued

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#### **This Bond is not secured.**

*The Promisor may at any time, on or after forty-five (45) days after the Issue Date, without premium or penalty, prepay or redeem this Global Bond on any Interest Payment Date upon giving the Bondholder and the Trustee not less than thirty (30) days' notice of prepayment or redemption (a "Notice of Pre-payment" or "Notice of Redemption"), as the case may be. In the case of a partial prepayment such prepayment shall be effected rateably across all individual Bonds in the series and otherwise in accordance with the terms of the Trust Deed and in the case of redemption of less than all the individual Bonds in the series such redemption shall likewise be effected in accordance with the terms of the Trust Deed.*

*Upon the occurrence of an Event of Default (as defined in the Trust Deed) the Trustee may, pursuant to any Ordinary Resolution or by a written direction of a Bondholders' Majority, serve a Notice of Acceleration declaring all principal and interest owing under this Global Bond, and all individual Bonds in Tranche A covered by this Global Bond to be, immediately due and payable, as provided in the Trust Deed and may take Recovery Action.*

*The Promisor hereby waives notice of dishonour, protest and presentment.*

*This Global Bond shall be governed by, and construed in accordance with, the laws of Jamaica.*

*In this Global Bond capitalized terms shall have the meaning assigned thereto by the Trust Deed and additionally the following terms shall have the following meanings:*

*"Agreed Rate" means, in respect of each Interest Period, 9.00% per annum, PROVIDED that if any Event of Default shall occur and be subsisting at any time then during the continuance of such Event of Default, the Agreed Rate shall be increased by two per cent (2.00%) per annum;*

*"Bondholders" means without double counting, the holders all or any Bonds in the series constituted under, and governed by, the aforesaid Trust Deed including individual Tranche A Bonds, Tranche B Bonds, Tranche A Global Bond, and Tranche B Global Bond outstanding at the material time, as the case may be;*

*"Bondholders' Majority" means, without double counting, at any time, one or more Bondholder(s) holding outstanding Bonds in the series having an aggregate principal value of more than 50% of all outstanding Bonds (including Tranche A, and Tranche B Bonds);*

*"Business Day" means a day on which banks are generally open for business in Jamaica (excluding Saturdays, Sundays and public general holidays) and "Non-Business Day" means any day which is not a Business Day;*

*"Interest Payment Date" means, in each calendar year the following dates (i) January 12; (ii) April 12; (iii) July 12; and (iv) October 12, PROVIDED that the first Interest Payment Date shall be October 12, 2026 ("the First Interest Payment Date") and the last Interest Payment Date shall be the Maturity Date or the date on which the principal sum on the Bonds shall become payable pursuant to a Notice of Acceleration;*

*"Interest Period" means, in the first instance, the period commencing on the Issue Date and ending on the day immediately preceding the First Interest Payment Date and thereafter each 3-month period commencing on an Interest Payment Date and ending on the day immediately preceding the next Interest Payment Date, but in respect of the last Interest Period, commencing on the penultimate Interest Payment Date and continuing up to but excluding the Maturity Date;*

**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**


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*“Maturity Date” means the Maturity Date set out above on the face of the Bond or any other date (whether arising by acceleration, early redemption or otherwise) on which the principal amounts become due on this Bond;*

*“Notice of Acceleration” means a written notice stating that the principal sum owing hereunder has become due and payable (with or without interest) due to the occurrence of an Event of Default;*

*“Notice of Prepayment” means a notice served by the Company upon the Trustee and relevant Bondholders of its intention to prepay a part only of the principal sum owing under the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Notice of Redemption” means a notice served by the Company upon the Trustee and Bondholders of its intention to redeem some or all of the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Ordinary Resolution” shall have the meaning ascribed thereto in **Appendix 1** to the Trust Deed;*

*“Paying Agent” means MF&G Asset Management Limited or other paying agent appointed under the Trust Deed;*

*“Recovery Action” means any action taken by the Trustee on behalf of Bondholders to enforce recovery of obligations due under the Bonds, the Global Bond or under the Trust Deed or under any other Transaction Document (as defined in the Trust Deed) or otherwise pursuant to any common law or statutory right;*

*IN WITNESS whereof, the Promisor has caused this Global Bond to be duly executed manually or in facsimile on its behalf.*

VM INVESTMENTS LIMITED

By: \_\_\_\_\_

Director

By: \_\_\_\_\_

Director/Secretary/ Authorised Signatory



**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**

**Form of Tranche B Bond**  
**VM INVESTMENTS LIMITED**  
 Issued and Constituted under a Trust Deed dated the \*\*, 2026

**Serial number:**
**Issue Date:** \_\_\_\_\_, 2026

Principal Sum: J\$ \_\_\_\_\_

Maturity Date: July 12, 2030

*THIS BOND HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER FOREIGN SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS BOND, AGREES FOR THE BENEFIT OF THE PROMISOR THAT NEITHER THIS BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.*

*FOR VALUE RECEIVED, VM INVESTMENTS LIMITED (the "Promisor") HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of \_\_\_\_\_ or other registered holder hereof (the "Bondholder") the principal sum of \_\_\_\_\_ JAMAICAN DOLLARS (J\$ \_\_\_\_\_ (the "Principal Sum") on the 12<sup>th</sup> day of January, 2030 (the "Maturity Date") by a single lump sum payment.*

*The Promisor further promises to pay interest at the Agreed Rate on the Principal Sum outstanding from time to time on each Interest Payment Date. Interest shall be computed for the actual number of days elapsed in each Interest Period and on the basis of a year of 365 days (366 in the case of a leap year) at the Agreed Rate (both before and after any judgment). If principal or interest shall fall due for payment on a day which is not a Business Day, then payment shall be made on the immediately preceding Business Day and the Non-Business Day(s) omitted from that quarterly calculation of interest shall be carried forward and added to the days comprised in the next Interest Period. On the occurrence of an Event of Default the Trustee (hereinafter described) shall be entitled to calculate Interest due on a daily basis, capitalized with monthly rest on any payment made after the due date.*

*Principal, interest and other sums payable hereunder shall be payable in lawful money of Jamaica at the offices of the Paying Agent (the "Place of Payment"). All payments hereunder shall be made in same day funds or such other funds as are equivalent to same day funds. Payment of the Principal Sum and interest shall be made without set-off or counterclaim but subject to any withholding tax which the Promisor is obliged to deduct by applicable law.*

*This Bond is one of the Tranche B Bonds referred to in, and constituted under, the Trust Deed dated the \_\_\_\_\_ day of \_\_\_\_\_ 2026 between the Promisor and MF&G Asset Management Limited, as trustee (the "Trust Deed") and is issued along with other Tranche A Bonds and Tranche B Bonds constituted as a single series bearing the serial number stated above. This Bond is subject to, and entitled to the benefit of, the provisions of the aforesaid Trust Deed. All such individual Bonds in the series shall rank pari passu and rateable in all respects.*

## VM INVESTMENTS LIMITED

### Appendix 4 - Forms Of Global Bonds Continued

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#### **This Bond is not secured.**

The Promisor may at any time, on or after forty-five (45) days after the Issue Date, without premium or penalty, prepay or redeem this Bond on any Interest Payment Date upon giving the Bondholder and the Trustee not less than thirty (30) days' notice of prepayment or redemption (a "Notice of Pre-payment" or "Notice of Redemption"), as the case may be. In the case of a partial prepayment such prepayment shall be effected rateably across all Bonds in the series and otherwise in accordance with the terms of the Trust Deed and in the case of redemption of less than all the Bonds such redemption shall likewise be effected in accordance with the terms of the Trust Deed.

Upon the occurrence of an Event of Default (as defined in the Trust Deed) the Trustee may by Ordinary Resolution resolve or by written direction of a Bondholders' Majority direct that the Trustee shall serve a Notice of Acceleration declaring all principal and interest owing under this and other Bonds in the series to be, immediately due and payable, as provided in the Trust Deed and may take Recovery Action.

The Promisor hereby waives notice of dishonour, protest and presentment.

This Bond shall be governed by, and construed in accordance with, the laws of Jamaica.

In this Bond capitalized terms shall have the meaning assigned thereto by the Trust Deed and additionally the following terms shall have the following meanings:

"Agreed Rate" means, in respect of each Interest Period, 9.50% per annum, PROVIDED that if any Event of Default shall occur and be subsisting at any time then during the continuance of such Event of Default, the Agreed Rate shall be increased by two per cent (2.00%) per annum;

"Bondholders" means without double counting, the holders all or any Bonds in the series constituted under, and governed by, the aforesaid Trust Deed including individual Tranche A Bonds, Tranche B Bonds, Tranche A Global Bond, and Tranche B Global Bond outstanding at the material time, as the case may be;

"Bondholders' Majority" means, without double counting, at any time, one or more Bondholder(s) holding outstanding Bonds in the series having an aggregate principal value of more than 50% of all outstanding Bonds (including Tranche A, and Tranche B Bonds);

"Business Day" means a day on which banks are generally open for business in Jamaica (excluding Saturdays, Sundays and public general holidays) and "Non-Business Day" means any day which is not a Business Day;

"Interest Payment Date" means, in each calendar year the following dates (i) January 12; (ii) April 12; (iii) July 12; and (iv) October 12, PROVIDED that the first Interest Payment Date shall be October 12, 2026 ("the First Interest Payment Date") and the last Interest Payment Date shall be the Maturity Date or the date on which the principal sum on the Bonds shall become payable pursuant to a Notice of Acceleration;

"Interest Period" means, in the first instance, the period commencing on the Issue Date and ending on the day immediately preceding the First Interest Payment Date and thereafter each 3-month period commencing on an Interest Payment Date and ending on the day immediately preceding the next Interest Payment Date, but in respect of the last Interest Period, commencing on the penultimate Interest Payment Date and continuing up to but excluding the Maturity Date;

**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**


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*“Maturity Date” means the Maturity Date set out above on the face of the Bond or any other date (whether arising by acceleration, early redemption or otherwise) on which the principal amounts become due on this Bond;*

*“Notice of Acceleration” means a written notice stating that the principal sum owing hereunder has become due and payable (with or without interest) due to the occurrence of an Event of Default;*

*“Notice of Prepayment” means a notice served by the Company upon the Trustee and relevant Bondholders of its intention to prepay a part only of the principal sum owing under the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Notice of Redemption” means a notice served by the Company upon the Trustee and Bondholders of its intention to redeem some or all of the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Ordinary Resolution” shall have the meaning ascribed thereto in **Appendix 1** to the Trust Deed;*

*“Paying Agent” means MF&G Asset Management Limited or other paying agent appointed under the Trust Deed;*

*“Recovery Action” means any action taken by the Trustee on behalf of Bondholders to enforce recovery of obligations due under the Bonds, the Global Bond or under the Trust Deed or under any other Transaction Document (as defined in the Trust Deed) or otherwise pursuant to any common law or statutory right;*

IN WITNESS whereof, the Promisor has caused this Bond to be duly executed manually or in facsimile on its behalf.

VM INVESTMENTS LIMITED

By: \_\_\_\_\_

Director

By: \_\_\_\_\_

Director/Secretary/ Authorised Signatory



**VM INVESTMENTS LIMITED**
**Appendix 4 - Forms Of Global Bonds Continued**
**Form of Tranche B Global Bond**
**VM INVESTMENTS LIMITED**

Issued and Constituted under a Trust Deed dated the \*\*, 2026

**Serial number:**

Principal Sum: J\$ \_\_\_\_\_

**Issue Date:** \_\_\_\_\_, 2026

Maturity Date: July 12, 2030

THIS GLOBAL BOND IS ISSUED TO MF&G ASSET MANAGEMENT LIMITED (“THE TRUSTEE”) TO BE HELD FOR THE BENEFIT OF ALL HOLDERS OF TRANCHE B BONDS IN THE RELEVANT SERIES IDENTIFIED HEREIN. THIS GLOBAL BOND MAY BE TRANSFERRED TO, AND HELD ONLY BY, THE TRUSTEE FOR THE TIME BEING OF BONDHOLDERS APPOINTED UNDER THE TRUST DEED DATED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2026 BETWEEN VM INVESTMENTS LIMITED AND MF&G ASSET MANAGEMENT LIMITED.

THIS GLOBAL BOND HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER FOREIGN SECURITIES LAW. THE HOLDER HEREOF, AGREES FOR THE BENEFIT OF THE PROMISOR THAT NEITHER THIS GLOBAL BOND NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

FOR VALUE RECEIVED, VM INVESTMENTS LIMITED (the “Promisor”) HEREBY UNCONDITIONALLY PROMISES TO PAY to the order of MF&G Asset Management Limited (the “Trustee”) the principal sum of \_\_\_\_\_ JAMAICAN DOLLARS (J\$ \_\_\_\_\_ (the “Principal Sum”) on the 12<sup>th</sup> day of January, 2030 (the “Maturity Date”) by a single lump sum payment.

The Promisor further promises to pay interest at the Agreed Rate on the Principal Sum outstanding from time to time on each Interest Payment Date. Interest shall be computed for the actual number of days elapsed in each Interest Period and on the basis of a year of 365 days (366 in the case of a leap year)) at the Agreed Rate (both before and after any judgment). If principal or interest shall fall due for payment on a day which is not a Business Day, then payment shall be made on the immediately preceding Business Day and the Non-Business Day(s) omitted from that quarterly calculation of interest shall be carried forward and added to the days comprised in the next Interest Period. On the occurrence of an Event of Default the Trustee (hereinafter described) shall be entitled to calculate Interest due on a daily basis, capitalized with monthly rest on any payment made after the due date.

Principal, interest and other sums payable hereunder shall be payable in lawful money of Jamaica at the offices of the Paying Agent (the “Place of Payment”). All payments hereunder shall be made in same day funds or such other funds as are equivalent to same day funds. Payment of the Principal Sum and interest shall be made without set-off or counterclaim but subject to any withholding tax which the Promisor is obliged to deduct by applicable law.

## VM INVESTMENTS LIMITED

### Appendix 4 - Forms Of Global Bonds Continued

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*This Global Bond represents the Tranche B Bonds referred to in, and constituted under, the Trust Deed dated the \_\_\_\_ day of \_\_\_\_ 2026 between the Promisor and MF&G Asset Management Limited, as trustee (the “Trust Deed”) and is issued to the Trustee for the benefit of all holders of individual Tranche B Bonds in the series. This Global Bond is subject to, and entitled to the benefit of, the provisions of the aforesaid Trust Deed. All payments (of principal or interest or otherwise) made by the Promisor, from time to time, on account of individual Bonds covered by this Global Bond shall pro tanto reduce the amount payable under this Global Bond.*

**This Bond is not secured.**

*The Promisor may at any time, on or after forty-five (45) days after the Issue Date, without premium or penalty, prepay or redeem this Global Bond on any Interest Payment Date upon giving the Bondholder and the Trustee not less than thirty (30) days' notice of prepayment or redemption (a “Notice of Pre-payment” or “Notice of Redemption”), as the case may be. In the case of a partial prepayment such prepayment shall be effected rateably across all individual Bonds in the series and otherwise in accordance with the terms of the Trust Deed and in the case of redemption of less than all the individual Bonds in the series such redemption shall likewise be effected in accordance with the terms of the Trust Deed.*

*Upon the occurrence of an Event of Default (as defined in the Trust Deed) the Trustee may serve a Notice of Acceleration declaring all principal and interest owing under this Global Bond, and all individual Bonds in Tranche B covered by this Global Bond to be, immediately due and payable, as provided in the Trust Deed and may take Recovery Action.*

*The Promisor hereby waives notice of dishonour, protest and presentment.*

*This Global Bond shall be governed by, and construed in accordance with, the laws of Jamaica.*

*In this Global Bond capitalized terms shall have the meaning assigned thereto by the Trust Deed and additionally the following terms shall have the following meanings:*

*“Agreed Rate” means, in respect of each Interest Period, 9.50% per annum, PROVIDED that if any Event of Default shall occur and be subsisting at any time then during the continuance of such Event of Default, the Agreed Rate shall be increased by two per cent (2.00%) per annum;*

*“Bondholders” means without double counting, the holders all or any Bonds in the series constituted under, and governed by, the aforesaid Trust Deed including individual Tranche A Bonds, Tranche B Bonds, Tranche A Global Bond, and Tranche B Global Bond outstanding at the material time, as the case may be;*

*“Bondholders’ Majority” means, without double counting, at any time, one or more Bondholder(s) holding outstanding Bonds in the series having an aggregate principal value of more than 50% of all outstanding Bonds (including Tranche A, and Tranche B Bonds);*

*“Business Day” means a day on which banks are generally open for business in Jamaica (excluding Saturdays, Sundays and public general holidays) and “Non-Business Day” means any day which is not a Business Day;*

*“Interest Payment Date” means, in each calendar year the following dates (i) January 12; (ii) April 12; (iii) July 12; and (iv) October 12, PROVIDED that the first Interest Payment Date shall be October 12, 2026 (“the First Interest Payment Date”) and the last Interest Payment Date shall be the Maturity Date or the date on which the principal sum on the Bonds shall become payable pursuant to a Notice of Acceleration;*

**VM INVESTMENTS LIMITED****Appendix 4 - Forms Of Global Bonds Continued**

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*“Interest Period” means, in the first instance, the period commencing on the Issue Date and ending on the day immediately preceding the First Interest Payment Date and thereafter each 3-month period commencing on an Interest Payment Date and ending on the day immediately preceding the next Interest Payment Date, but in respect of the last Interest Period, commencing on the penultimate Interest Payment Date and continuing up to but excluding the Maturity Date;*

*“Maturity Date” means the Maturity Date set out above on the face of the Bond or any other date (whether arising by acceleration, early redemption or otherwise) on which the principal amounts become due on this Bond;*

*“Notice of Acceleration” means a written notice stating that the principal sum owing hereunder has become due and payable (with or without interest) due to the occurrence of an Event of Default;*

*“Notice of Prepayment” means a notice served by the Company upon the Trustee and relevant Bondholders of its intention to prepay a part only of the principal sum owing under the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Notice of Redemption” means a notice served by the Company upon the Trustee and Bondholders of its intention to redeem some or all of the Bonds on a fixed future date prior to the stated Maturity Date;*

*“Ordinary Resolution” shall have the meaning ascribed thereto in **Appendix 1** to the Trust Deed;*

*“Paying Agent” means MF&G Asset Management Limited or other paying agent appointed under the Trust Deed;*

*“Recovery Action” means any action taken by the Trustee on behalf of Bondholders to enforce recovery of obligations due under the Bonds, the Global Bond or under the Trust Deed or under any other Transaction Document (as defined in the Trust Deed) or otherwise pursuant to any common law or statutory right;*

*IN WITNESS whereof, the Promisor has caused this Global Bond to be duly executed manually or in facsimile on its behalf.*

VM INVESTMENTS LIMITED

By: \_\_\_\_\_

Director

By: \_\_\_\_\_

Director/Secretary/ Authorised Signatory



**VM INVESTMENTS LIMITED**
**Appendix 5 - Auditor's Consent**


KPMG  
 Chartered Accountants  
 P.O. Box 436  
 6 Duke Street  
 Kingston  
 Jamaica, W.I.  
 +1 (876) 922 6640  
 firmmail@kpmg.com.jm

May 19, 2026

The Board of Directors  
 VM Investments Limited  
 73-75 Half-Way-Tree Road  
 Kingston 10

Ladies and Gentlemen:

**Prospectus for Unsecured Corporate Bonds having an aggregate principal amount of up to J\$4,000,000,000, with the option to upsize by up to 20% offer by VM Investments Limited.**

With respect to the prospectus for the offer of Unsecured Corporate Bonds by VM Investments Limited, we hereby consent to the inclusion in the prospectus of:

- our audit report dated March 31, 2026, on the separate financial statements of VM Investments Limited ("the Company") and the consolidated financial statements of the Company and its subsidiary ("the Group"), which comprise the Group's and Company's statements of financial position as at December 31, 2025, the Group's and Company's income statements, statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information; and
- references to our name in the form and context in which it is included in the prospectus.

We confirm that we have not withdrawn such consent before delivery of a copy of the prospectus to the Financial Services Commission for registration.



Page 2

May 19, 2026

The Board of Directors  
VM Investments Limited

This letter should not be regarded as in any way updating the aforementioned reports or representing that we performed any procedures subsequent to the date of such reports.

Yours faithfully,  
 For and on behalf of KPMG

Damion D. Reid  
 Partner, Audit

DDR:PP:sb



