2026 ANNUAL REPORT

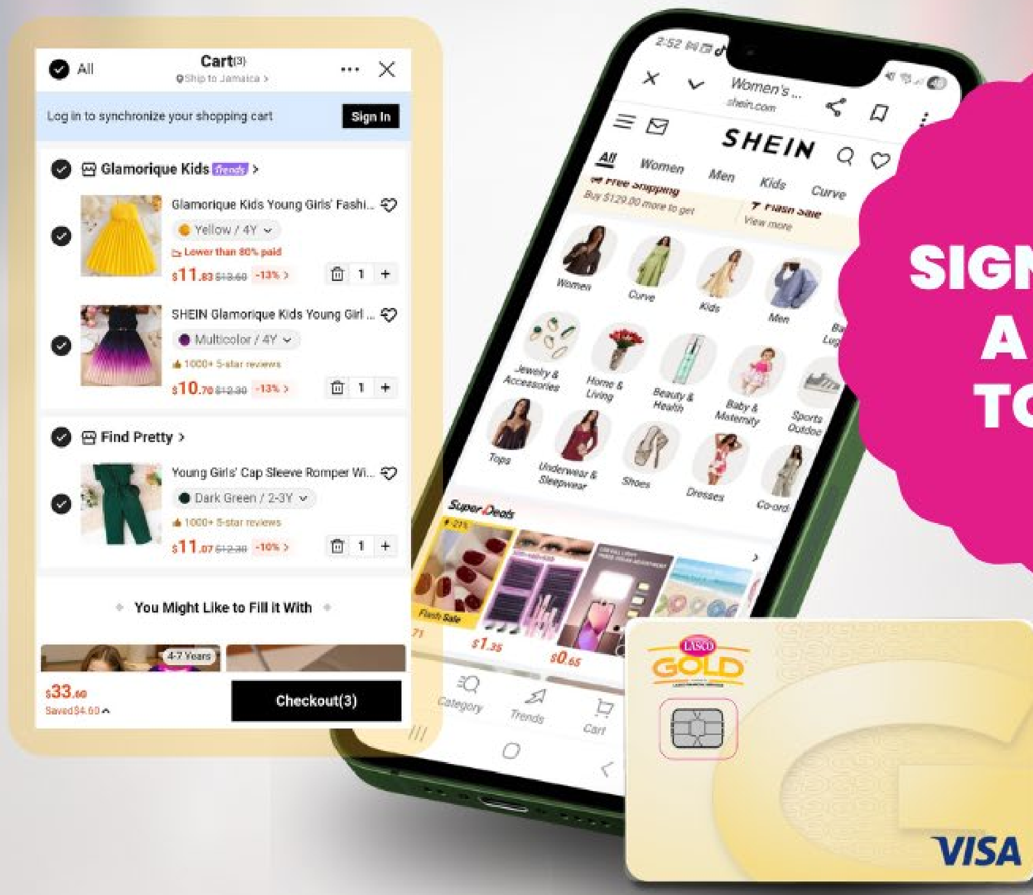
LASCO FINANCIAL SERVICES

POWERING

EVERYDAY FINANCIAL SOLUTIONS

SHOP ONLINE

AND PAY WITH YOUR
LASCO GOLD CARD
for the convenience!



SIGN UP FOR A CARD TODAY!

LASCO GOLD Visa Prepaid Card is being tested in Bank of Jamaica's Fintech Regulatory Sandbox

CONTENTS

VISION

To become a global corporate leader, through innovation and entrepreneurship. Driven by a passion for excellence and compassion for our fellow man, we will make LASCO a world name, synonymous with integrity, value and service.

MISSION

To provide quality products and services to our customers, ensure profitability and promote employee development.

Being the best…Always!

CORE VALUES

Care for our customers:

We respect our customers' time and privacy

Commitment:

We are committed to achieving success for our team, agents and shareholders.

Integrity:

In dealing with our customers, agents, staff and shareholders.

Continuous Improvement of our Processes

"Simplifying Access to Financial Services: A 20-year Journey of Resilience, Relevance and Responsibility".

LASCO Financial Services has been at the forefront of simplifying access to financial services for Jamaicans for the past two decades. Through our commitment to resilience, relevance, and responsibility, we have continually evolved to meet the diverse needs of our customers.

Over the course of the past 22 years, we have proudly provided Cambio (FX), Remittance, Loans, and Prepaid card services, empowering individuals and businesses to manage their finances with ease and confidence. Our journey has been marked by unwavering dedication to serving our community, fostering financial inclusion, and driving economic empowerment.

As we celebrate this milestone, we reaffirm our commitment to simplifying access to financial services, leveraging innovation and technology to enhance convenience, efficiency, and security for our valued customers. We remain steadfast in our mission to make financial services accessible to all, ensuring that each and every one of our customers have the tools they need to SIMPLIFY their everyday lives.

Here's to 20 years of Resilience, Relevance, and Responsibility – and to many more years of empowering dreams and transforming lives through financial innovation and inclusion.

NOTICE OF 16TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting of LASCO FINANCIAL SERVICES LIMITED will be held on Friday, October 9, 2026, at 9:00 a.m., in the Montego Suite Room at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5. The meeting will be streamed live and can be accessed at *www.LASCOjamaica.com/financial/* and will be for viewing purposes only.

This meeting is called to consider and pass the resolutions set out hereunder:

ORDINARY RESOLUTIONS

1. Audited Accounts

To receive the audited accounts for the year ended March 31, 2026, and consider and if thought fit, pass the following resolution:

"THAT the Audited Accounts for the year ended March 31, 2026, and the Reports of the Directors and Auditors, circulated with the notice convening the meeting, be and are hereby adopted."

2. Election of Directors

Article 102 of the Company's Articles of Incorporation provides that one-third of the Directors, if their number is not three (3) or a multiple of three (3), the number nearest one-third (1/3), shall retire from office at each Annual General Meeting.

Article 103 of the Company's Articles of Incorporation further states that the Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Directors retiring under these Articles are Mr. Colin Maxwell and Mr. Vincent Chen and being eligible, offer themselves for re-election.

The proposed resolutions are therefore as follows:

To consider and if thought fit pass the following resolution:

(i) **"THAT** retiring Director Mr. Colin Maxwell be and is hereby re-elected a Director of the Company."

To consider and if thought fit pass the following resolution:

(ii) **"THAT** retiring Director Mr. Vincent Chen be and is hereby re-elected a Director of the Company."

3. Directors Remuneration

Article 82 of the Articles of Incorporation empowers the Directors or any appropriate Committee of the Board of Directors to fix the remuneration of the Directors.

To consider and if thought fit pass the following resolution:

"THAT, the remuneration of the Directors be fixed by the Compensation and Human Resources Committee of the Board.

Article 123 empowers the Directors, or any appropriate Committee of the Board of Directors, to determine, the remuneration of the Managing Director."

To consider and if thought fit pass the following resolution:

> **"THAT**, the remuneration of the Managing Director be fixed by the Compensation Committee of the Board.

4. Remuneration of Auditors

To consider and if thought fit pass the following resolution:

> **"THAT** the remuneration of the Auditors, BDO, be fixed by the Directors of the Company".

Dated this 18th day of June 2026

BY ORDER OF THE BOARD

Vincent A. Chen

COMPANY SECRETARY

NOTES:

1. A Member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more persons as his/her Proxy to attend in person or remotely and vote in his/her stead. A Proxy need not be a Member of the Company.
2. All Members are entitled to attend and vote at the meeting.
3. Enclosed is a form of Proxy which must be deposited with the Secretary at the registered office of the Company at 27 Red Hills Road, Kingston 10, no less than 48 hours before the time appointed for holding the meeting; or, to the Registrar and Transfer Agent, Jamaica Central Securities Depository, 40 Harbour Street, Kingston.

CORPORATE DATA

(AS AT MARCH 31, 2026)

REGISTERED OFFICE

LASCO Financial Services Limited
27 Red Hills Road
Kingston 10, Jamaica, W.I.
Tel: (876) 960-7473, (876) 920-0322
Fax: (876) 960-4595
Website: www.lascojamaica.com/financial

BOARD OF DIRECTORS

Executive Directors

Mr. James Rawle, MSc CD
Executive Chairman

Mrs. Sharlene Williams, BSc., MBA, FCCA
Managing Director

Non-Executive Directors:

Mr. Colin Maxwell, FCA, FCCA
Dr. Eileen Chin, MBA
Mr. Compton Rodney, BSc (Econ), FCA, FCCA
Mr. Vincent Chen, Attorney-at-Law
Mr. Bevan Callam, FCIB, JP
Mr. David Andrade, BSc, MBA

Company Secretary

Mr. Vincent A. Chen
Attorney-at-law and Notary Public

Senior Managers

Mrs. Sharlene Williams, BSc., MBA, FCCA
Managing Director

Mr. Norris Clarke, FCA, FCCA
Group Chief Financial Officer

Ms. Denise West, Ph.D, LLB (Hons.), LEC, BSc.
Group Chief Compliance Officer

Mrs. Nordel Leach-Murphy B.Sc., Dip., ED
Human Resource Manager

ATTORNEYS-AT-LAW

Chen Green and Co.
6 Haining Road
Kingston 5

BANKERS

CIBC Caribbean (Jamaica) Ltd.
23-27 Knutsford Boulevard
Kingston 5, Jamaica, W. I.

National Commercial Bank Jamaica Limited
94 Half-Way-Tree Road
Kingston 10, Jamaica, W.I.

AUDITORS

BDO
26 Beechwood Avenue
Kingston 5, Jamaica, W. I

REGISTRAR AND TRANSFER AGENTS

Jamaica Central Securities Depository
40 Harbour Street
Kingston, Jamaica, W. I.

TOP TEN SHAREHOLDERS *As at March 31, 2026*

Name	Volume	Percentage
East West (St. Lucia) Ltd	382,972,852	29.91
Estate Lascelles A. Chin	380,731,480	29.73
Mayberry Jamaican Equities Limited	221,171,723	17.27
Victoria Mutual Pensions Management Limited	57,665,276	4.50
Jacinth A. Hall-Tracey	14,573,319	1.13
Manwei International Ltd.	13,959,095	1.09
JN Fund Managers Limited for JN Pooled Pension	12,085,756	0.94
Estate Michael A. Campbell	11,000,000	0.85
VMPM – Pooled Private Equity	8,500,000	0.66
Prime Asset Management JPS Employees Superannuation Fund	8,000,000	0.62

SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES *As at March 31, 2026*

Name Primary Holder	Position *Connected Party	Units	Percentage
Sharlene Williams		0.00	0.0000
Compton Rodney		1,000,000	0.0781
David Andrade		0.00	0.00
Bevan Callam		0.00	0.00
Eileen Chin		98,060	0.0076
	* Estate Lascelles Chin -Direct	{380,731,480}	{29.7393}
Colin Maxwell		0.00	0.0000
James E. D. Rawle		0.00	0.0000
Vincent Chen		0.00	0.0000

SHAREHOLDINGS OF SENIOR MANAGERS AND CONNECTED PARTIES *As at March 31, 2026*

Name Primary Holder	Position *Connected Party	Units	Percentage
Sharlene Williams		0.00	0.0000
Norris Clarke		0.00	0.0000
Nordel Leach		546,112	0.0426
Denise West		0.00	0.0000

LASCO FINANCIAL SERVICES

POWERING
EVERYDAY FINANCIAL SOLUTIONS

OUR BRANDS AND SERVICES

LASCO MONEY Transfers

REMITTANCE SERVICES

- MoneyGram
- BOSS Money
- Remitly
- Ria

LASCO GOLD POWERED BY LASCO FINANCIAL SERVICES

PAYMENT SOLUTION: VISA PREPAID CARD

- Shop Online or In-Store
- Transfer funds (Card-to-Card)
- Top up funds
- Receive remittance (Visa Direct)
- Pull down MoneyGram direct to card
- Supplementary card
- Corporate Petty Cash card
- Staff card

LASCO MONEY CAMBIO

CAMBIO SERVICES

- Foreign Exchange for Businesses or Individuals
- Cash Reservation
- Cash Disbursements

LASCO MICROFINANCE LIMITED

LOAN SERVICES

- Personal Loans
- Micro Business Loans
- Small and Medium Business Loans

SEN2ME

CROSS-BORDER PAYMENTS

- Instant payments from the U.S.
- Secure and convenient money transfers

LASCO BIZ E-COMMERCE SOLUTIONS

ECOMMERCE

- LASCO BIZ E-LINK
  - Payment Button

OUR PARTNERS

MoneyGram. | ria Money Transfer | VISA

BOSS MONEY | PALLA | Remitly

ABOUT US

Powering Everyday Financial Solutions – **ONE CARD AT A TIME**

Financial needs have evolved beyond singular transactions and standalone products. Today's customers demand solutions that move with them, services that are accessible, connected, secure and designed to support the realities of everyday life. LASCO Financial Services Limited in understanding this, continues to shape our approach to innovation and service delivery, and is reflected in this year's theme: **Powering Everyday Financial Solutions**.

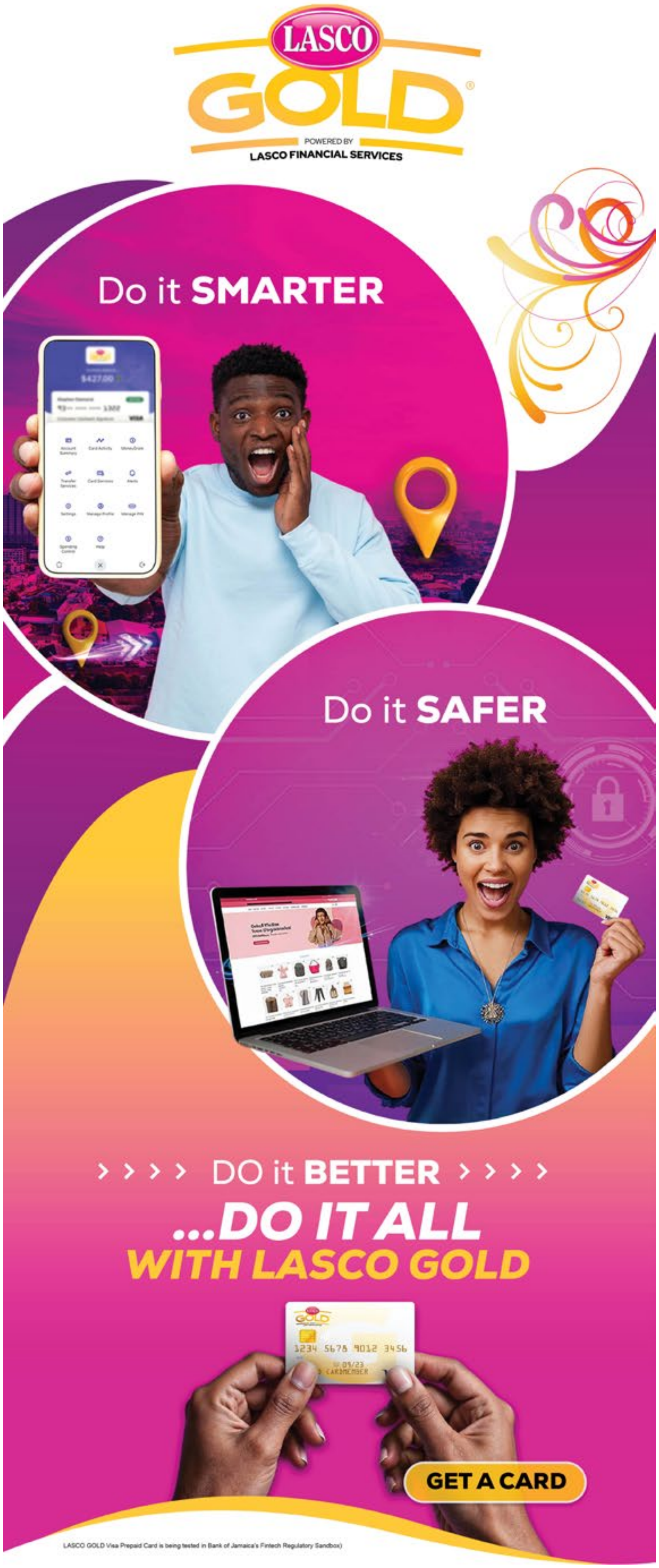
This theme captures who we are and what we continue to build, a financial ecosystem that empowers individuals, families and businesses to navigate life's moments with confidence and convenience. It speaks to our commitment to delivering meaningful financial experiences that simplify everyday activities while creating opportunities for growth, inclusion and financial independence.

At the centre of this transformation is our primary campaign, **DO IT ALL WITH LASCO GOLD**, which reinforces our vision of positioning the LASCO GOLD Visa Prepaid Card as more than a card. It is a versatile financial companion designed to support how our customers live, spend, safeguard, receive and move money.

EXPAND THE POSSIBILITIES

Throughout the year, LASCO GOLD continued to expand the possibilities available to customers. Whether shopping online or in-store, locally and internationally, receiving remittances directly to card through MoneyGram Direct to Card, transferring funds instantly from overseas through Sen2Me, managing household spending with the Family Card, receiving payments through Visa Direct, loading funds digitally or through our extensive Agent network, or simply choosing a safer and more convenient way to transact, our customers have increasingly embraced the flexibility of doing more through one connected platform.

Our introduction and continued enhancement of solutions such as the Family Card further reflected our understanding that financial services must evolve along-



side changing customer needs. By extending card access to younger family members (from 9 years old) while maintaining parental oversight and control, we created a practical solution that empowers households to manage finances more efficiently and securely.

Beyond card services, LASCO Financial Services continues to provide a broad range of financial solutions designed to support customers across every stage of their financial journey.

Our Remittance Services remain a critical pillar of our business, connecting families and communities through trusted global partnerships and convenient access points across Jamaica. Through our extensive network of over 100 agent locations and partnerships including MoneyGram, Ria, BOSS Money and Remitly, we continue to provide reliable, secure and accessible ways for customers to receive funds quickly and conveniently. Our digital enhancements and card-linked remittance solutions further demonstrate our commitment to making financial access faster and more seamless than ever before.

CAMBIO SERVICES

Through our Cambio Services, we continue to facilitate foreign exchange solutions that support personal travel, business operations and cross-border financial activity. Supported by convenient locations and customer-focused service, our Cambio operations remain dedicated to providing competitive and accessible exchange services that meet the evolving needs of our customers.

LOAN SERVICES

Our Loan Services, delivered through LASCO Microfinance, continue to empower individuals and businesses by providing financing solutions that help customers achieve their personal goals, expand businesses, strengthen operations and improve financial resilience. From personal loans that support life's everyday ambitions to business financing that enables entrepre-

Beyond card services, LASCO Financial Services continues to provide a broad range of financial solutions designed to support customers across every stage of their financial journey.

neurs and small-sized enterprises to grow, we remain committed to creating opportunities that strengthen economic participation and advancement.

DIGITAL INNOVATION

Equally important is our continued investment in digital innovation and customer experience. We recognize that convenience is no longer optional, it is expected. As such, we continue to enhance how customers interact with our services by simplifying access, reducing friction points and expanding channels that allow customers to transact anytime and anywhere!

Our commitment extends beyond products and transactions. Through community engagement initiatives, partnerships, financial literacy efforts and customer education initiatives, we remain focused on creating meaningful impact and helping to improve financial confidence among the communities we serve.

LOOKING AHEAD

Looking ahead, our focus remains clear. We will continue to evolve, innovate and strengthen our offerings to ensure that financial solutions remain practical, accessible and responsive to the everyday needs of Jamaicans.

At LASCO Financial Services, our ambition is not simply to provide financial services, but to empower financial possibilities, simplify processes, connect communities and to continue Powering Everyday Financial Solutions... one card at a time.

HIGHLIGHTS

in $000

2026: Total Revenues

$2,153,100

2025: $2,145,896
Change: 7,204
Percentage: 0.34%

2026: Administrative and Other Expenses

$1,200,307

2025: $1,205,815
Change: (5,508)
Percentage: -0.46%

2026: Selling & Promotion Expenses

$743,404

2025: $782,304
Change: (38,900)
Percentage: -4.97%

2026: Finance Cost

$85,076

2025: $71,604

Change: 13,472 • Percentage: 18.81%

2026: Net Profit Before Taxation

$124,313

2025: $86,173

Change: 38,140 • Percentage: 44.26%

2026: Taxation

$42,221

2025: $27,546

Change: 14,675 • Percentage: 53.27%

2026: Net Profit for Year

$82,092

2025: $58,627

Change: 23,465 • Percentage: 40.02%

Year ended 31 March	2026	2025	2024	2023
REVENUE AND EXPENSES	**$'000**	**$'000**	**$'000**	**$'000**
Total Revenue	**2,153,100**	**2,145,896**	**2,198,199**	**2,333,066**
% change over prior year	0.34%	-2%	-6%	-9%
Administrative and other expenses	**1,200,307**	**1,205,815**	**1,175,351**	**1,180,906**
% change over prior year	-0.46%	2.59%	-0.47%	7%
Selling and Promotion Expenses	**743,404**	**782,304**	**767,191**	**706,560**
% change over prior year	-5%	2%	9%	-13%
Finance Cost	**85,076**	**71,604**	**88,963**	**116,640**
% change over prior year	19%	-20%	-24%	-30%
Net Profit Before Taxation	**124,313**	**86,173**	**166,694**	**328,960**
% change over prior year	44%	-48%	-49%	-33%
Taxation	**42,221**	**27,546**	**4,720**	**114,998**
% change over prior year	53%	484%	-96%	-38%
Net Profit for the Year	**82,092**	**58,627**	**161,974**	**213,962**
% change over prior year	40%	-64%	-24%	-30%
STATEMENT OF FINANCIAL POSITION				
Short Term Deposits and Cash Equivalents	**1,103,171**	**1,129,679**	**1,342,271**	**1,630,062**
% change over prior year	-2%	-16%	-18%	19%
Total Assets	**4,199,960**	**4,100,028**	**4,440,323**	**4,560,050**
% change over prior year	2%	-10%	-5%	-2%
Total Liabilities	**1,787,236**	**1,769,396**	**2,168,317**	**2,450,020**
% change over prior year	1%	-28%	-20%	-9%
Total Stockholder's Equity	**2,412,724**	**2,330,632**	**2,272,005**	**2,110,031**
% change over prior year	4%	10%	16%	8%
FINANCIAL RATIOS				
Basic Earnings Per Share ($)	0.0641	0.0458	0.1265	0.1671
Diluted Earnings Per Share ($)	0.0641	0.0458	0.1265	0.1671
Book Value Per Share	1.8846	1.8205	1.7747	1.6482
Market Price Per Share (JSE closing price - J$)	1.9	1.68	1.89	2.49
Number of issued shares	1,280,227,725	1,280,227,725	1,280,227,725	1,280,227,725
Market Capitalisation (J$)	2,432,432,678	2,150,782,578	2,419,630,400	3,187,767,035
Dividend Per Share ($)	0	0	0	0.05
Dividend Payout Ratio	0	0	0	29.91%
Dividends for the respective period*	0	0	0	64,011
Price Earnings Ratio	30	37	15	15
Efficiency Ratio (admin exp./revenue)	55.75%	56.19%	53.47%	50.61%
Net Profit Growth (%growth)	40%	-64%	-24%	-30%
Return on Average Equity	3.46%	2.55%	7.39%	10.14%
Return on Average Assets	1.98%	1.37%	3.60%	4.63%
Number of Employees	145	153	159	201

2022	2021	2020	2019	2018	2017
$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
2,511,915	**2,293,041**	**2,507,304**	**2,211,508**	**1,620,265**	**1,070,591**
10%	-9%	13%	36%	51%	23%
1,104,952	**1,079,791**	**1,082,153**	**880,422**	**624,994**	**401,402**
2.33%	-0.22%	23%	41%	56%	31%
746,987	**765,820**	**1,194,837**	**765,641**	**593,035**	**432,874**
-2.00%	-36%	56%	29%	37%	27%
166,895	**187,047**	**208,345**	**168,800**	**66,819**	**4,843**
-11%	-10%	23%	153%	1280%	1423%
493,081	**260,383**	**21,969**	**396,645**	**335,417**	**231,472**
89%	1085%	-94%	18%	45%	5%
186,032	**103,631**	**78,887**	**114,890**	**81,133**	**43,694**
80%	31%	-31%	82%	86%	256924%
306,449	**156,752**	**-56,918**	**281,755**	**254,284**	**187,778**
95%	375%	-120%	11%	35%	-8%
1,389,581	**1,373,311**	**722,931**	**360,723**	**435,040**	**647,424**
1%	90%	100%	-17%	-33%	39%
4,663,814	**4,300,542**	**3,962,905**	**3,893,393**	**3,386,101**	**1,560,281**
8%	9%	2%	15%	117%	36%
2,701,617	**2,603,252**	**2,422,834**	**2,301,834**	**2,016,467**	**404,839**
4%	7%	5%	14%	398%	162%
1,962,197	**1,697,290**	**1,540,071**	**1,591,589**	**1,369,634**	**1,155,442**
16%	10%	-3%	16%	19%	16%
0.2405	0.1234	-0.0449	0.2228	0.2021	0.1504
0.2393	0.1225	-0.0444	0.2228	0.1995	0.1474
1.5327	1.3359	1.2126	1.2585	1.0830	0.9210
3.52	2.69	2.61	4.54	4.88	3.60
1,280,227,725	1,270,561,058	1,270,094,391	1,264,694,391	1,264,694,391	1,254,577,725
4,506,401,592	3,417,809,246	3,314,946,361	5,747,712,535	6,171,708,628.08	4,516,479,810.00
0.04	0	0	0	-	0.040
16.71%	0	0	0	-	26.74%
51,209	0	0	0	-	50,208
15	22	-58	20	24	24
43.99%	47.09%	43.16%	39.81%	38.57%	37.49%
95%	375%	-120%	11%	35%	-8%
16.75%	9.68%	-4%	19%	20%	17%
6.84%	3.79%	-1%	8%	10%	14%
164	192	214	185	138	82

LETTER TO SHAREHOLDERS

Dear Shareholders,

The financial year ended 31 March 2026 marked a period of leadership transition for Lasco Financial Services Limited ("the Company"). Against the backdrop of a challenging year, where we had to navigate the impact of a major hurricane, our strategic priorities, and risk profile reinforced our alignment with long term sustainability and shareholder value creation.

This period of transition has provided an important opportunity to reassess and confirm our approach to our mandate, our core capabilities and our response to evolving regulatory and market expectations.

During the year, Management started on a path toward strategic reset aimed at reinforcing the Company's foundational strengths to sharpen its focus on disciplined execution. This reset centers on three core pillars:

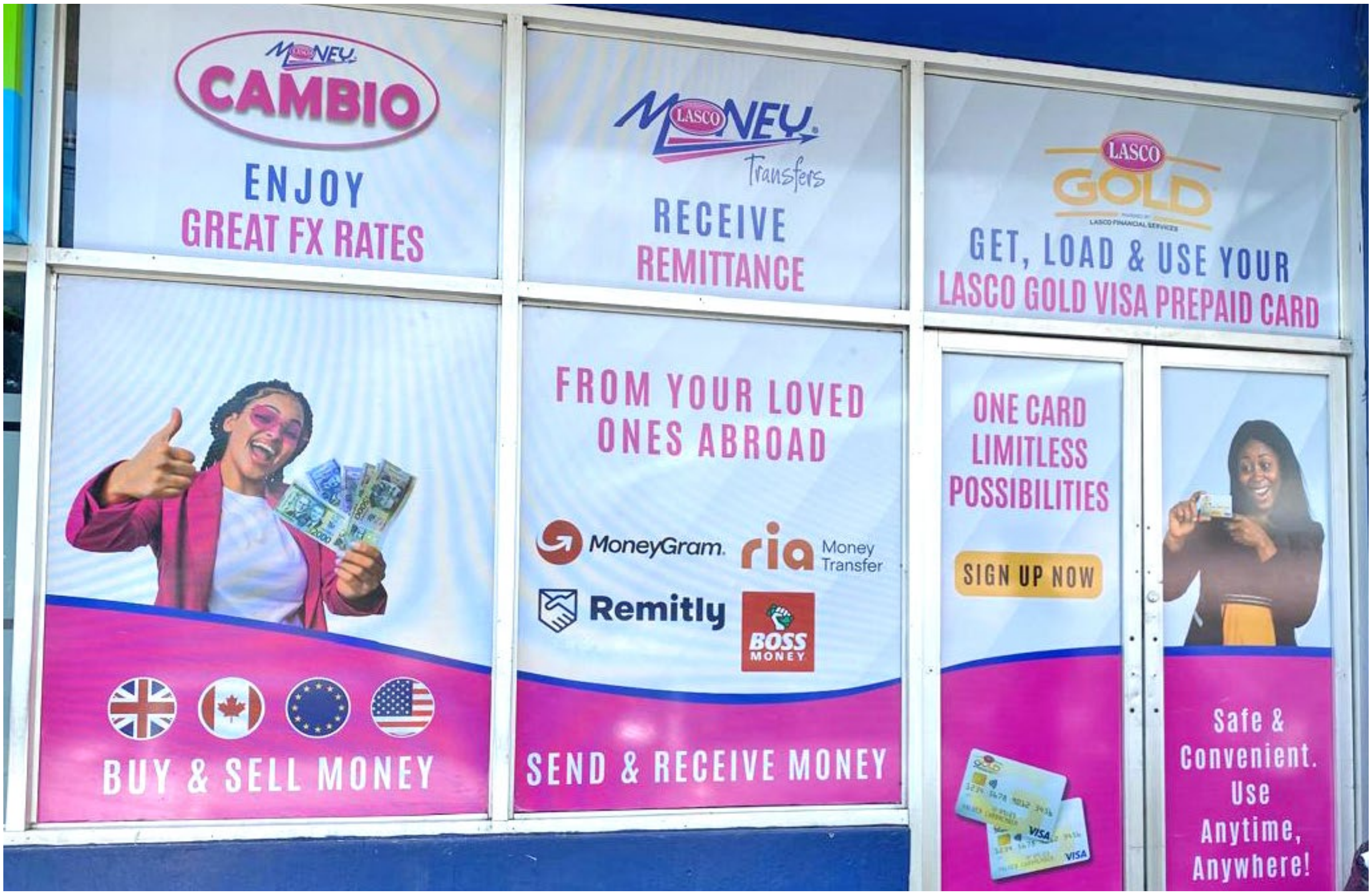
- Enhancing operational efficiency and control through process optimization and system improvements
- Reinforcing governance, risk management, and compliance frameworks to support sustainable growth; and
- Specifically related to our micro credit activities, working to strengthen portfolio quality through disciplined credit underwriting and active monitoring.

As part of this renewed strategic focus, Management is prioritizing optimization over expansion, ensuring that growth initiatives remain consistent with the Company's risk appetite and capital strength.

OPERATIONAL PERFORMANCE

Throughout FY 2026, operational performance reflected Management's commitment to stability and control during the leadership transition. Credit underwriting, monitoring and collections processes continued without disruption, supported by established policies and internal controls.

Consistent attention was given to cost discipline and operational efficiency, as Management sought to enhance productivity and support scalable operations while maintaining service standards and compliance obligations. As global financial services become increasingly digital, we have proactively positioned ourselves to support this evolution. However, cash remains the preferred transaction method for a significant



portion of our customer base and the wider Jamaican economy. As a result, we bear the dual burden of maintaining costly cash-handling operations while continuing to invest heavily in digital transaction platforms, despite the declining margins associated with these services.

For the 2025/ 2026 Financial year, consolidated income was largely flat, increasing by a marginal 0.3% to $2.153 Billion from $2.146 Billion in the previous year. Total Expenses for the year amounted to $1.94 Billion, compared to $1.99 Billion in the previous year, marking a 2.2% decrease. Consolidated Profit from Operations increased to $209.4 Million from $157.8 Million, reflecting a 32.7% increase. LASCO Microfinance reported a loss, resulting in a Net Profit of $82.09 Million, an increase of 40% from $58.6 Million in the previous year. Financial year 2026 was expected to be a significant year of recovery for the Company, and our first two quarters reflected positive results. However, Hurricane Melissa's passage in October, at the beginning of the 3rd quarter, curtailed the upward trajectory and limited the financial year's growth. In addition, we have not yet recovered from last year's business outages, which affected our remittance business. As a result, we have concluded that those previous transaction volumes need to be re-acquired through additional partnerships and initiatives, which we will be pursuing early in the next financial year.

Further, we achieved key strategic priorities and several of our objectives for the year. These included reducing our debt-to-equity ratio, increasing loan disbursements, though marginal, and keeping expenses at relatively stable levels even as we are working to replace our Loan Management System, so that we can better serve our micro credit customers.

BROAD AND LOYAL NETWORK

We have a broad and loyal Agent Network and customer base with diverse needs which we serve through both cash and digital services. We continue to serve our customers digitally, providing diverse access to services that can satisfy those with basic or mature digital skills. This is financial inclusion at its best. Our customers can:

- Pull MoneyGram transactions within the LASCO GOLD website or mobile app at their convenience (MoneyGram Direct).
- Send a money request for a payment by creating a Sen2Me link or receive remittances directly to their card by sharing their card number with the sender.
- Financially empower dependents from as young as nine (9) years old, through our LASCO GOLD Family Card by transferring money from a linked card to their dependents, reducing the risks associated with cash. The Family card allows free and easy transfers of funds.

Our Agent inclusive business model was also strengthened with the onboarding of new locations, replacing closures from the previous year.

PRIORITIZING RISK MANAGEMENT

While we are pleased with the catalysts which have been put in place to increase business transactions and profitability, we are still not at our targeted performance level. The strategies implemented will contribute to our long-term profitable growth, albeit at lower margins than we are accustomed to. Key to improving our overall financial performance is the turnaround of our subsidiary, LASCO Microfinance. We are now reaping some rewards for some of the strategies executed within the financial year for LASCO Microfinance, and we expect these to reflect in profits in future periods. We continue legal actions against delinquent customers, prioritizing prudent risk management and conservative credit approvals and increasing the pipeline of customers with lower risk profiles. We are also taking steps to improve our productivity ratio, an area of significant challenge over the past few years, including the introduction of increased automation.

We are building on the foundation laid in recent years to expand our digital services, grow remittance transactions year over year, and unlock greater value from our subsidiary. The full impact of current threats to remittance transactions remains difficult to quantify. According to Bank of Jamaica data, as at March 2026, net remittance flows of US$3.28 billion for the year, reflecting a US$132.8million or 4.2% increase, likely due to Hurricane Melissa recovery efforts. Our growth expectations for the new financial year are predicated on achieving net expansion in our agent network through the addition of new locations, rather than merely replacing attrited agents, together with increased transaction volumes from a new remittance partner expected to come on stream in the following financial year.

STRENGTHEN & EXPAND

The Company's strategic priorities for the 2026–2027 financial year will remain focused on strengthening sales and marketing initiatives aimed at expanding the base of long term users of the LASCO GOLD Visa Prepaid Card, enhancing customer retention, and increasing overall product utilization. In addition, emphasis will be placed on increasing market awareness and adoption of the Company's digital remittance offerings, including the expansion of new remittance brands and agent locations. A key priority for the period will also be the continued execution of initiatives to position LASCO Microfinance on a path to sustainable profitability.

We have made progress over the past few years, preparing for increased digital transition among certain sectors of our economy, while navigating the still dominant cash-based legacy services and external shocks affecting our customers and key partners. There is still much more to do to improve productivity ratios and increase awareness of our services. We are committed to the successful delivery of improved overall shareholder value.

We sincerely thank our committed employees, devoted agents, valued customers, and respected shareholders for their continued support and trust in LASCO Financial Services Limited. With your sustained partnership, we will build a stronger and more resilient company, ready to meet the demands of our changing customer base and stakeholders.

James E. D. Rawle
Executive Chairman

Sharlene Williams
Managing Director

THE BOARD OF DIRECTORS

James E. D. Rawle, CD

Executive Chairman

Mr. James E.D. Rawle is the Executive Chairman of LASCO Manufacturing Limited, LASCO Financial Services Limited and LASCO Distributors Limited. He is also the Managing Director of LASCO Manufacturing. He did undergraduate studies in Natural Sciences at the University of the West Indies, from which he also holds the Master of Science degree in Organic Chemistry. He brings to the Board a wealth of knowledge and experience, having served in various senior managerial positions, at one of the leading multinational food companies in the world for over 41 years. His extensive training in Organic Chemistry has been the base for his far-reaching work in manufacturing, new product research and development, as well as production and plant management. He also has extensive functional experience in brand management, sales, marketing, finance and strategy formulation and execution.

Mr. Rawle has been past Chairman of several public entities, including The Board of the Bureau of Standards, The Scientific Research Council, The Natural Resources Conservation Authority, The Environmental Foundation of Jamaica, Nutrition Products Limited and The Cocoa Industry Board.

Sharlene A. Williams, BSc., MBA, FCCA

Managing Director

Sharlene Williams is a seasoned finance professional with approximately 28 years of experience structuring and executing complex financing transactions across the public and private sectors. A Fellow of the Association of Chartered Certified Accountants (UK) and holder of an MBA in Finance from the University of Manchester, she brings deep expertise in structured finance, capital markets, and project management.

Sharlene served as an independent financial consultant after spending over two decades with PricewaterhouseCoopers, rising from Trainee Accountant to Director of Advisory Services. She joined LASCO Financial Services Limited as General Manager in July 2025, overseeing the operations of LFSL and LASCO Microfinance Limited (LASMF). The Board of LASCO Financial Services Limited (LFSL) later appointed her Managing Director.

Sharlene's core competencies include transaction structuring, financial modelling, due diligence, contract negotiation, and end-to-end project management across the full financing lifecycle, from concept to financial close and funding.

Dr. Eileen A. Chin, MBA

Non-Executive Director

Dr. Eileen A. Chin is a Non-Executive Director of the Company. Born in Havana City, Cuba, Dr. Chin holds a post graduate degree in medicine from the Havana University School of Medicine. She specialized and taught histology from 1993 to 1998 at the Girón School of Medicine, and migrated to Jamaica in 1998.

Dr. Chin joined the LASCO Group of Companies in 1999 serving in several positions including marketing, product and label development and international business development for Central and South American markets. She was appointed General Manager of LASCO Foods (Successors) Limited in 2008 and she was appointed Managing Director of LASCO Manufacturing Limited in 2015 where she implemented US$18M expansion of the manufacturing facility.

Dr. Chin holds an MBA in Global Management and has received knowledge and skills development training in Advanced Negotiation, Risk Management and Lean Six Sigma.

Dr. Chin currently serves as a member of the Board of Directors of LASCO Manufacturing Limited and LASCO Distributors Limited. She is a former member of the board of American International School of Kingston (AISK) and also a past member and former Chairman of the Portia Simpson Miller Foundation.

Mr. Compton Rodney, BSc, FCA, FCCA

Independent, Non-Executive Director

A Chartered Accountant, a Fellow of the Chartered Association of Certified Accountants (U.K.) and a Fellow of the Institute of Chartered Accountants of Jamaica, Mr. Compton Rodney also holds a B. Sc. (Economics) degree from the University of London.

He is the Registrar of the Public Accountancy Board. Director of the Sports Development Foundation and chairman of its Audit and Human Resources Committees and a member of its Finance Committee.

Mr. Rodney served as the Honorary Secretary/ Treasurer of the American Chamber of Commerce (AMCHAM) for 28 years and as the Honorary Treasurer of the Jamaica Olympic Association over 20 years. For many years he served as Vice-Chairman of the Kingston Technical High School Board of Management as well as the Chairman of the Multi-care Foundation.

In 2009, Mr. Rodney was the recipient of the Distinguished Members Award from the Institute of Chartered Accountants of Jamaica.

Mr. Rodney also serves as a Director on the Board of LASCO Manufacturing Limited.

THE BOARD OF DIRECTORS

Mr. Vincent A. Chen

Attorney-At-Law and Notary Public, Non-Executive Director

Mr. Vincent Anthony Chen holds the position of Director and Company Secretary for the LASCO Affiliated Companies - LASCO Distributors, LASCO Manufacturing and LASCO Financial Services Limited. He also serves as General Counsel for all three companies as well as Chief Legal Officer. Mr. Chen's duties include ensuring that the Company abides by the standard legal and financial practices along with maintaining Corporate Governance.

Mr. Chen has over 56 years of experience in the field of law, completing the Solicitors Qualifying examinations administered by the LAW Society in England. He is a partner at the law firm Chen, Green and Company as well as a Notary Public for Jamaica. He is qualified as a Barrister and Solicitor in British Colombia, Canada and as a Solicitor of the Supreme Court in England.

Mr. Chen was appointed as Non-Executive Director for LASCO Distributors Limited on February 1, 2016 and LASCO Financial Services Limited on February 12, 2019. He is a Board member of Level Bottom Farms and Supplies Limited, and Vanda Limited. Mr. Chen formerly served as the Chairman of Salada Foods Jamaica Limited.

Mr. Colin Maxwell, FCCA, FCA

Independent, Non-Executive Director

Mr. Maxwell brings a wealth of knowledge and experience to the Board with over 38 years' experience in Public Accounting. He is a graduate of the College of Arts, Science and Technology (now University of Technology) where he received a Diploma in Accounting (Hons.). Continuing his studies, he became a Fellow of the Association of Chartered Certified Accountants based in the United Kingdom and the Institute of Chartered Accountant of Jamaica.

Mr. Maxwell was a pioneer in computer audit in Jamaica, having been trained as a computer audit specialist in Canada and the United Kingdom, early in his career. He had also done a short tour of duty in Canada. He has presented papers at seminars on topics such as computer assisted auditing techniques and the audit implications of new banking regulations. He has had extensive experience in leading audit engagements for a wide range of clients across varying industries.

Mr. Maxwell currently serves as a member of the Board of Directors of LASCO Distributors Limited.

Mr. David Andrade, MBA, BSc.

Independent, Non-Executive Director

Mr. David Andrade has over two decades executive experience as business leader and seasoned technology expert. As the current Chief Technology Officer at Xponance, a US$16B asset management firm, Mr. Andrade is a member of the management committee and plays a pivotal role in driving the development and execution of the company's Information Technology platforms, applications, infrastructure, and solutions. Additionally, he serves as the General Manager at Aapryl, the fintech subsidiary of Xponance.

Mr. Andrade holds a M.B.A. from Columbia University's School of Business and B.Sc. in Engineering from University of Pennsylvania, along with certifications from prestigious institutions such as the Wharton School of Business and Harvard Business School. His considerable expertise, combined with his focus on technology product development, sales, and marketing strategy, position him as a valued resource to the Board of LASCO Financial Services Limited.

Mr. Bevan Callam, FICB, J.P.

Independent, Non-Executive Director

Mr. Bevan Anthony Callam is a fellow of the Institute of Canadian Bankers (FCIB) and brings with him a wealth of experience and acknowledge from his tenure at Scotiabank Jamaica. With expertise in Operations, Finance, Branch Banking, Corporate and Commercial Banking, and Credit Risk Management, Mr. Callam's insights into the banking industry and its various facets are indispensable.

His proficiency in analyzing business, financial statements, evaluating borrowers' business and industry and portfolio management is unparalleled. His extensive background in the financial sector and adeptness in evaluating credit risk, including accessing the probability of default, and identifying potential problems render him an invaluable asset to the LASCO Financial Services Board.

Get ready **for back to** SCHOOL

With a **LOAN** from us!

LASCO MICROFINANCE LIMITED

DIRECTORS' REPORT

The Directors of LASCO Financial Services Limited are pleased to present their report for the financial year ended March 31, 2026.

FINANCIAL RESULTS	**$'000**
Profit before Taxation	124,313
Taxation	42,221
Net Profit for the year	**82,092**
Earnings per ordinary stock unit (Cents per share)	6.41c

The results for the year were approved by the Board on June 15, 2026 and a comparison with the previous year is set out in the Consolidated Statement of Profit or Loss and other Comprehensive Income on Page 87.

DIRECTORS

The Directors of the Company as at March 31, 2026, are James Rawle, Compton Rodney, David Andrade, Bevan Callam, Eileen Chin, Vincent Chen, Colin Maxwell and Sharlene Williams.

Articles 102 and 103 of the Articles of Incorporation of the Company, provide for the rotation of Directors at the Annual General Meeting. The Directors retiring under these Articles are Mr. Colin Maxwell and Mr. Vincent Chen and being eligible offer themselves for re-election.

During the year under review, Mrs. Jacinth Hall-Tracey retired from the Board of Directors on December 31, 2025.

Pursuant to Article 122 of the Articles of Incorporation of the Company, the Managing Director while holding office shall not be subject to retirement or rotation. The Managing Director, who is subject to this Article is Mrs. Sharlene Williams.

SUBSEQUENT EVENT

On June 15, 2026, Dr. Eileen Chin was appointed Deputy Executive Chairman of LASCO Financial Services Limited.

The Directors take this opportunity to thank its employees, who continue to provide fast and efficient service to our customers. Special thanks to all our remittance agents, corporate as well as retail Cambio customers and loan customers who continue to support our business and to our shareholders and stakeholders for their confidence in the Company.

Dated this 18th day of June 2026

BY ORDER OF THE BOARD

Vincent A. Chen

Company Secretary


JOSIAH C MILLER
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CORPORATE SOCIAL RESPONSIBILITY

Through strategic sponsorships, educational support programmes, community partnerships and customer engagement initiatives, LFSL remained focused on creating positive social impact while simultaneously increasing awareness and accessibility of the company's financial products and services.

Nourishing Young Minds through Community Care

In recognition of Child's Month, LASCO Financial Services Limited (LFSL) supported the breakfast programme at United Early Development Centre through the donation of breakfast supplies for kindergarten students at the school.

The initiative was aimed at contributing to the well-being and development of young children through the provision of delicious, healthy meals in a supportive learning environment. Through this contribution, LFSL reinforced its commitment to community development and the importance of supporting programmes at positively impacting our nation's youth at the foundational stage of their education.

Championing Youth Excellence Through Sports and Education

LFSL proudly supported Calabar High School's Annual Sports Day through sponsorship, reinforcing the company's commitment to youth development and education. The trophies were presented on behalf of LFSL and LASCO GOLD.

Additionally, the Company donated fifteen cases of ICool beverages in support of the day's activities. The Sales Team was also present on-site and participated in the official trophy handover presentation during the event's proceedings.

The sponsorship reflected LFSL's continued support for youth engagement, school development and extracurricular excellence.

Supporting Community Partnerships and Rural Development

LFSL supported D&Y Bill Payment, one of the company's key agents within the parish of St. Mary, in its sponsorship of the St. Mary Agri-Expo Farm Queen Competition. The Company contributed branding materials, promotional and premium items to assist with the execution of the event. This further highlights LFSL's commitment to supporting community-based initiatives and strengthening relationships with key agents and stakeholders throughout the island.

Investing in Education, One Student at a Time

Education continued to remain a central pillar of LFSL's CSR efforts through the continuation of the Annual LASCO Money CSEC Scholarship Programme. The initiative supports students preparing for their Caribbean Secondary Education Certificate (CSEC) examinations by assisting with examination-related expenses.

This financial year marked the programme's 10th Anniversary, and the Company initially intended to significantly expand the initiative's reach and impact. However, due to the effects of Hurricane Melissa, plans had to be adjusted and scaled accordingly.

Ten schools located within communities served by LFSL were invited to participate in the programme, with two students from each institution eligible to receive financial assistance toward their CSEC examination fees. Of the ten schools approached, seven schools responded and were rewarded accordingly. These institutions included:

- Calabar High School
- Merl Grove High School
- Papine High School
- Titchfield High School
- Ascot High School
- Seaforth High School
- Cornwall College

The scholarship programme continues to reflect LFSL's dedication to empowering young Jamaicans through education and investing in the nation's future development.

Honouring National Service and Community Leadership

LFSL continues to support the LASCO Chin Foundation in honouring our Teachers/Principals, Policemen/women and our Nurses through annual award programmes, highlighting the recognition of excellence within Jamaica's law enforcement, education and healthcare communities. Participation in these initiatives reinforced the company's commitment to supporting national institutions and honouring individuals who contribute significantly to public service and national development. These initiatives not only reinforced LFSL's dedication to creating sustainable social value while advancing financial inclusion and community development across Jamaica.

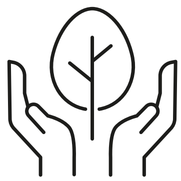
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Embedding Responsibility into Everyday Financial Solutions

At LASCO Financial Services Limited (LFSL), sustainability is more than an initiative. It is built on a commitment embedded in how we operate, serve communities, and create long-term value. Following the introduction of our ESG framework last year, we continued strengthening our efforts to ensure responsible business practices remain integrated into our strategy and daily operations.

LASCO FINANCIAL SERVICES

As we advance our journey under this year's theme, Powering Everyday Financial Solutions, our ESG focus reflects our belief that financial progress and corporate responsibility go hand in hand. Across our environmental, social and governance pillars, we continue to pursue initiatives that positively impact our people, customers, communities and stakeholders.



ENVIRONMENTAL RESPONSIBILITY

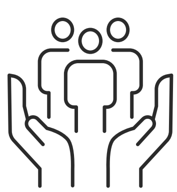
Supporting Sustainable Operations Through Digital Transformation

LFSL remains committed to reducing its environmental footprint by improving operational efficiencies and promoting sustainable business practices. During the financial year, efforts continued to reduce paper usage and encourage environmentally responsible behaviours through digital innovation and workplace initiatives.

Key Environmental Initiatives:

- Continued support of recycling initiatives at our Red Hills Road location in partnership with Recycling Partners of Jamaica.
- Increased adoption of electronic approvals and digital documentation processes to reduce reliance on printed materials.
- Expansion of digital customer processes across service areas, reducing paper dependency while improving convenience and service efficiency.
- Continued advancements in streamlining remittance procedures, allowing customers to complete transactions digitally, without traditional paper forms.

As our digital ecosystem evolves, these initiatives not only improve customer experience but also contribute to more sustainable business operations.



SOCIAL RESPONSIBILITY

Creating Meaningful Impact in the Communities We Serve

Social responsibility continues to remain central to LFSL's purpose. Throughout the year, we strengthened our commitment to supporting education, community development and financial inclusion initiatives that positively impact individuals and families across Jamaica.

Highlights included:

- Participation in community-based initiatives through partnerships and sponsorships across schools, our agent network and organizations island-wide.

SOCIAL RESPONSIBILITY

- Continued support of activities that recognize and celebrate the contributions of educators, parents and community stakeholders.
- Increased engagement surrounding the LASCO GOLD Family Card, designed to provide practical financial tools for families while encouraging safer and more controlled spending habits among younger users.

Continued expansion of digital solutions such as MoneyGram Direct to Card and Sen2Me, increasing convenience and accessibility while supporting customers' evolving financial needs.

At LFSL, we believe that empowering communities and improving access to financial solutions creates stronger and more sustainable outcomes for future generations.

GOVERNANCE

Strengthening Accountability and Building Trust

Strong governance practices remain essential to maintaining stakeholder confidence and supporting sustainable growth. LFSL continues to uphold principles of integrity, accountability and ethical conduct across all levels of the organization.

Governance priorities during the financial year included:

- Continued enhancement of risk management and internal control processes to support transparency and operational resilience.
- Ongoing development of formal ESG structures and policies aligned with evolving best practices.
- Strengthening data privacy, compliance and governance frameworks to support customer trust and regulatory accountability.
- Continued investment in employee development and training initiatives designed to foster ethical leadership and responsible decision-making.

As the organization evolves, governance remains a critical pillar supporting LFSL's long-term success and stakeholder confidence.

Looking Ahead

Our ESG journey continues to evolve as we seek opportunities to strengthen sustainability practices across our business. While meaningful progress has been made, we recognize that responsible growth requires continuous assessment, innovation and improvement.

As we move forward, LFSL remains committed to integrating ESG principles into our operations and advancing initiatives that support our vision of Powering Everyday Financial Solutions by creating sustainable value for our customers, employees, communities and stakeholders.

LASCO Financial Services claimed victory as the overall winner for the Junior Market at the JSE's Best Practices Awards for 2024. The Company received awards for the following categories:

Winner:
Annual Report

1st Runner Up:
Corporate Disclosure and Investor Relations

Winner:
Website

CORPORATE GOVERNANCE STATEMENT

As at March 31, 2026

LASCO Financial Services Limited (LFSL) is committed to achieving excellence as a thriving and profitable business that diligently serves the best interests of its stakeholders. At the core of our corporate governance lies a steadfast mission that guides the Board in its role of providing vigilant oversight, ensuring the implementation and effective governance framework which not only adheres to the industry best practices but also complies with regulatory and statutory requirements. The highest standards of risk management are pursued to safeguard the Company's operations, fostering an environment of trust, accountability, and transparency throughout all levels of our organization.

The governance structure of LFSL incorporates guidelines and standards established by the Company's Articles of Incorporation, policies and charters, adopted by the Board of Directors, and the Private Sector of Jamaica (PSOJ) Jamaica Corporate Governance code 2021. These Policy guidelines and charters are updated periodically to remain current.

DATA PROTECTION COMPLIANCE

Both LASCO Financial Services (LFSL) and LASCO Microfinance have now been officially registered as Data Controllers with the Office of the Information Commissioner (OIC), marking a major milestone in our commitment to safeguarding personal data.

We are pleased to report significant strides in our data protection compliance journey. Over the past year, we have made substantial progress in implementing the necessary policies and procedures to meet the data protection standards outlined by the Data Protection Act. Most of our internal frameworks are already in place, with only a few remaining areas currently under review or in development.

A key achievement has been the successful completion of data protection training awareness by all our staff, Directors and agents. Importantly, training is ongoing to ensure that our teams remain up to date with evolving best practices and regulatory expectations. These comprehensive training initiatives will lay a strong foundation for a culture of data privacy and accountability across the LFSL Group.

We are proud to share that we have begun to see the change in the culture where our employees have embraced the need to respect personal information. We remain committed to building on this momentum. As we continue to refine our practices and strengthen our compliance posture, our focus will remain on transparency, security, and respect for the rights of all data subjects.

THE ROLES AND RESPONSIBILITIES OF THE BOARD

The Directors' roles and responsibilities are governed by the Board Charter. The Board is responsible to:

- Set and approve policies,
- Make decisions based on the strategies including annual operating plans and budgets, business development initiatives, major acquisitions and disposals, corporate financing, and related treasury activities.
- Ensure compliance with laws, regulations and code of ethical business conduct
- Ensure that shareholders values are protected.

The Board strives to balance the interests of the Company's diverse constituencies, including its shareholders, customers, suppliers, employees, creditors, and the communities in which it operates. The aim of the Company is to be transparent in its activities, all of which are important to increase shareholders' confidence and maximize their value.

In carrying out its functions, the Board ensures that the Company is compliant with the applicable laws of the land, the rules of the Jamaica Stock Exchange Junior Market and the Company's corporate social responsibility and sustainable environmental practices. In doing so, the Board may rely on the advice and report of its Executive Management and other independent professionals.

BOARD COMPOSITION

As at March 31, 2026, the composition of the Board of LFSL (Parent Company) was eight directors, of which two are executive directors, six non-executive directors, four of which are independent - Mr. David Andrade, Mr. Bevan Callam, Mr. Compton Rodney and Mr. Colin Maxwell.

INDEPENDENT DIRECTOR

To be considered an Independent Director, the Director, at minimum, must not have served as an employee of the LASCO Affiliated companies for the past three years or is not being compensated for services other than by way of Director's Fees.

LASCO Microfinance, the subsidiary, established a separate Board which comprises five directors and has also established its own Board Committees to make recommendations to its Board which reports to the Board of the Parent Company.

The Board of Directors meets on a quarterly basis and from time –to- time will hold special meetings to deal with pertinent matters.

SELECTION AND APPOINTMENT OF DIRECTORS

The Corporate Governance Committee has been assigned the responsibility of identifying potential individuals to be appointed to the Board of Directors of the Company. The Committee will make recommendations to the Board which will grant approval for the appointments. The reference for this decision is outlined in LFSL's Corporate Governance Policy on its website ***www.LASCOjamaica.com/financial***.

To qualify for an appointment to the Board the committee shall have due regard to the qualification, skills, competence and expertise of the individual taking into consideration diversity, in terms of gender; currently, 25% of our directors are women. The members of the LFSL Board are very experienced and respected individuals, with diverse skills and knowledge from different professions relating to the core business of LFSL, including expertise in the management of Financial Services companies, expertise in regulatory and legal affairs and expertise in financial accounting standards. Their level of talent and experience provide a good basis for sound judgement in decision making and guiding the Company into successful endeavours.

Further details on the expertise, skills and academic qualifications of our directors are outlined in their Profiles on pages 18-21 in this report.

INDUCTION PROGRAMME

A newly appointed director shall participate in an induction programme that covers the Company's vision, strategy, regulatory requirements, market opportunities and risks. The new Board member is required to be reviewed under the Bank of Jamaica Fit & Proper Programme. The new director will also meet with the senior management team for a brief orientation.

ON-GOING TRAINING

The Board also recognises the importance of continuous education and training for its directors. Each director is required to complete a minimum of 14 hours each year relating to his/her profession. This is usually done through seminars/workshops. Each year, all members are required to attend mandatory AML training as outlined below:

The Company's Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) training is held annually. This is followed by an assessment of the Directors' knowledge for which he/she receives a score and certificate.

The Directors also participated in other relevant seminars and courses including Data Privacy Framework Training and Corporate Governance training during the year. For the year, the Board of Directors attended training in the following:

TOPIC	PRESENTER/FACILITATOR
Anti-Money Laundering & Countering the Financing of Terrorism	Georgia Munroe, Jamaica Institute of Financial Services (JIRS)
Corporate Governance Training CEO Seminar	Richard Downer, Director Pro
Corporate Governance Training And ESG / AI	Richard Downer, Director Pro
Data Privacy Training	Angeleta Wilson-Daley PwC / Manager, Risk Assurance

COMPANY SECRETARY

The Company Secretary is appointed by the Board and is a key advisor to the Board and management on compliance, corporate governance and shareholders matters. The Company Secretary provides new directors with information about the Company to assist them in their orientation. All directors have access to the Company Secretary's advice and services in respect of the administration of the functions of the Board.

COMMITTEES OF THE BOARD

The Board has four committees: Audit, Compensation, Corporate Governance and Assets and Liabilities Committees. The members of these Committees are appointed by the Board of Directors. All four Committees are comprised of three Independent Directors, and the other members are non-executive directors, one of whom serves as the Chairman of each Committee. The other members of the committee are non-executive Directors. The Executive Chairman, other non-independent directors, the Managing Director and Group Chief Financial Officer are invited to these meetings. Other staff may be invited to attend a committee meeting if so required.

Each Committee has its Charter or Terms of Reference which has been approved by the Board. The individual committees have the responsibility to review and revise its policies and Charters if deemed necessary.

The key responsibilities of each Committee are outlined in the Corporate Governance Terms of Reference which may be viewed on LFSL's website at: ***www.LASCOjamaica.com/financial***

AUDIT COMMITTEE

The Audit Committee is chaired by Mr. Compton Rodney. Mr. Rodney is a chartered accountant and has the skills and expertise to chair this Committee. The other appointed members are Mr. Colin Maxwell and Mr. Bevan Callam. These Directors are all independent Directors. Mr. James Rawle, Executive Chairman attends this meeting by invitation. Other invitees are the internal auditors, the Managing Director, General Manager, the Group Chief Financial Officer and the Group Chief Compliance Officer. The Committee meets quarterly and continues to be guided by its established Charter to ensure:

- Good fiscal discipline
- The integrity of financial reporting and
- Timely disclosures

For the financial period, Ernst & Young provided quality advisory and internal audit services on an out-sourcing basis to the Company. The Committee reviewed and approved the audit plan for the financial year. The Internal Auditors worked closely with the management team to establish, improve and add value to processes and controls in helping to bring effectiveness to risk management and internal controls. Systems, process-flows, policies and procedures are reviewed periodically. The Internal Auditors report to the Audit Committee at its quarterly meetings.

During the periodic meetings, members of the Committee also analyse the quarterly unaudited financial statements and the audited financial statements to ensure that they are prepared in accordance with the International Financial Reporting Standards and the Junior Market rules of the Jamaica Stock Exchange. These financial statements are approved by the Board of Directors for publication.

The Audit Committee Chairman reports to the Board quarterly on matters discussed at the Committee meetings.

During the year the Committee met four (4) times, but from time to time, may have special meetings based on the exigency of the matter.

ASSETS AND LIABILITIES COMMITTEE

The Assets and Liabilities Committee (ALCO) is responsible for reviewing the company's risk, management framework, operations and results and advising the Board on factors which may impact the Company's profitability and growth. This Committee is chaired by Mr. Compton Rodney. The other members are Mr. Colin Maxwell, Mr. David Andrade and Mr. Bevan Callam. Mr. James Rawle, Executive Chairman is invited to this meeting as well as the Managing Director, Group Chief Financial Officer and the Group Chief Risk Officer and the IT Manager.

The primary function of ALCO is to evaluate, monitor and advise the Board on all matters relating to values at risk, in particular, imbalances in the capital structure of the Company. It is this committee that reviews the annual budget and recommends the same to the Board for approval. The Committee monitors the company's performance against the plans and budgets and highlights to the Board any events which may prevent the Company from achieving its strategic objectives.

The Committee has the responsibility to ensure that sound policies, procedures and practices are in place for the management of the company's material risks and to report the results of the risk register reviews and mitigations to the Board.

The Committee met four (4) times for the financial year. The Committee Chairman reports to the Board on the activities of the Committee.

COMPENSATION AND HUMAN RESOURCES COMMITTEE

The Compensation Committee has the responsibility to advise the Board on all matters relating to the compensation of the Executive Chairman, the Managing Director, the Non-executive Directors, Senior Management and Staff. The Chairman of this Committee is Mr. Colin Maxwell the other appointed members are Mr. Compton Rodney, Dr. Eileen Chin and Mr. Bevan Callam. The Executive Chairman and Managing Director may be invited to the meetings of the Committee.

For the financial year under review, the Committee met as mandated once and made its recommendations to the Board of Directors. It is the duty of the Committee in discussion on matters of compensation to ensure that compensation is appropriate to attract and retain key staff and is aligned with overall business strategy.

The fees for Directors are highlighted on page 128 in the financial statements of the Annual Report. The fees paid for the year ended March 2026 totalled $23.5M.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is chaired by Mr. Colin Maxwell. Another member is Mr. Compton Rodney. The Group Chief Compliance Officer and the Managing Director are invited to this meeting. The Committee meets at least once per year to give oversight in respect of the structure, composition and functioning of the Board and its Committees.

Other responsibilities of this Committee are:

- The selection, induction, training and succession planning processes for Directors;
- Assisting the Board to determine, understand and work within the legal cultural and institutional framework that affect the goals and direction of the Company;
- Developing policies as are required for the effective governance of the Company, monitoring trends and best practices in corporate governance in order to properly discharge the Committee's duties and making the necessary proposals to the Board in accordance with the Board's Charter.

CORPORATE GOVERNANCE RECOGNITION

We were awarded a CGI Rating of A (CGI Rating Score: 82.56) for the year 2023/2024. This assessment was conducted by the JSE through its Corporate Governance Index Review Committee (CGIRC), the independent body with responsibility to measure how well a Company conforms to the various principles of corporate governance.

The following policies can be viewed on the Company's website:

- Corporate Governance
- Corporate Social Responsibility
- Enterprise Risk Management
- Dividend

The following can also be viewed on the website at *www.lascojamaica/financial*:

- Audit and Risk Management Committee Charter
- Board Charter
- Corporate Governance Terms of Reference

BOARD PERFORMANCE EVALUATION

The Company continues to work on the outcome of the previous evaluation to strengthen and improve governance. The areas normally covered during the assessment are:

- Succession plan for Board (Chairman and Directors), and executive management
- Discussions on strategic issues, industry, global trend and ESG commitments
- Board Processes and Board Stewardships.

The Board Evaluation review comprised the following areas:

- Board Chairman
- Directors' self-assessment
- Board committee
- Committee Chair.

RELATIONSHIP WITH SHAREHOLDERS

It is important that our stakeholders understand our vision and thereby continue to support our programmes. Equally important is the opportunity to receive feedback.

One of the key channels used to disseminate information to our shareholders is the Annual General Meeting (AGM). A session for questions and answers is made available to shareholders at the AGM, where views are clarified and the plans explained.

Another channel is via the "Management Discussion & Analysis" section in the Annual Report which provides detailed information on the Company's plans and opportunities.

A third channel used is the quarterly earnings release in which the Company explains our business performance.

Finally, during the year, the Company made press releases relating to marketing activities and corporate social responsibility activities.

The four above-mentioned activities were done with the objective of keeping shareholders abreast of the Company's activities.

MINUTES OF AGM

Shareholders may request a copy of the AGM Minutes from the Company Secretary's Office by contacting us via telephone at 876-749-5272.

ATTENDANCE REGISTERS

Below is a summary of the attendance recorded in respect of the meetings for the Financial Year ended March 31, 2026.

Meetings	LFSL AGM	LFSL BOD	LFSL Compensation Committee	LFSL Audit Committee	ALCO	Corporate Governance
No. of Meetings	**1**	**4**	**1**	**5**	**4**	**1**
James Rawle	1	4	-	5	4	-
Jacinth Hall-Tracey	1	3	-	5	4	-
Eileen Chin	1	3	-	-	-	-
Compton Rodney	1	4	1	5	4	1
Vincent Chen	1	4	-	5	-	-
Colin Maxwell	1	4	1	5	4	1
David Andrade	1	4	-	-	3	-
Bevan Callam	1	4	-	3	4	-
Sharlene Williams	1	3	-	3	3	-

The following table outlines the composition of each Committee.

Meetings	LFSL Compensation Committee	LFSL Audit Committee	ALCO	Corporate Governance
James Rawle	-	-	-	-
Compton Rodney**	√	√	√	√
Sharlene Williams	-	-	-	-
Eileen Chin	√	√	-	-
Vincent Chen	-	-	-	-
David Andrade	-	-	√	-
Colin Maxwell*	√	√	√	√
Bevan Callam	√	√	√	-

** Chairman – Compensation Committee*
*** Chairman - Assets and Liabilities Committee (ALCO)*
*** Chairman - Audit Committee*
** Chairman – Corporate Governance*

LASCO GOLD

POWERED BY LASCO FINANCIAL SERVICES

DO IT ALL
WITH LASCO GOLD

› › › › Do it ***FAST*** › › › ›

Get money ***FASTER*** with ***SEN2ME*** and MoneyGram. Direct to Card.

GET A CARD

LASCO FINANCIAL SERVICES

Everyday Financial Value

LASCO GOLD Visa Prepaid Card is being tested in Bank of Jamaica's Fintech Regulatory Sandbox)

DATA PRIVACY PROGRAMME REPORT

For the Financial Year Ended March 31, 2026

OVERVIEW

LASCO Financial Services Limited remains firmly committed to protecting personal data in accordance with the Jamaica Data Protection Act, 2020 (JDPA) and international best practices in information security and privacy governance.

As a financial services provider operating in the areas of remittance, cambio, loans, and prepaid card services, the Company processes significant volumes of customer and merchant data. The protection of that information is central to maintaining trust, regulatory compliance, and operational integrity.

During the reporting period, the Company continued to strengthen its Data Privacy Programme to ensure alignment with statutory requirements, evolving risk landscapes, and stakeholder expectations.

Governance and Oversight

Data protection governance remains an integral component of the Company's overall corporate governance and risk management framework. Oversight of the Data Privacy Programme is led by the Data Privacy Lead, who is responsible for coordinating the implementation and monitoring of privacy initiatives across the organization. Regular updates on data protection matters are provided to Senior Management to support informed decision-making and regulatory compliance. Data privacy considerations are also incorporated into enterprise risk management discussions to ensure that emerging risks are appropriately identified and addressed.

In addition, the Data Privacy/Breach Management committee continues to provide strategic oversight and guidance in relation to information security, incident management, and data protection matters.

Management maintains a zero-tolerance approach to the misuse or unauthorized disclosure of personal data.

Policy Framework

During the year under review, the Company continued to strengthen and maintain its data protection framework through the implementation and periodic review of key policies and procedures, including the Data Protection Policy, Data Breach Management Policy, and Incident Response Procedures. These policies are reviewed and updated as necessary to ensure ongoing compliance with the Jamaica Data Protection Act and alignment with the Company's operational and regulatory requirements.

Training and Awareness

Recognizing that data protection is everyone's responsibility, the Company delivered targeted training sessions to the Board, staff and agents throughout the year.

Training covered:

- Lawful basis for processing personal data
- Data minimization principles
- Confidential handling of customer information
- Identifying and reporting data breaches
- Consequences of non-compliance under the JDPA

New employees receive data privacy orientation as part of onboarding, and refresher training is conducted annually.

Risk Management and Security Controls

To safeguard personal data, the Company applies administrative, technical, and physical security measures, including:

- Access controls and role-based permissions
- Secure document storage protocols
- Password and authentication controls
- Monitoring and incident reporting mechanisms

Data protection impact considerations are incorporated into new projects, products, and system implementations where required.

Breach Management

The Company maintains documented data breach management and incident response procedures in accordance with the requirements of the Jamaica Data Protection Act. The Breach Management Team is responsible for coordinating the assessment, escalation, containment, and response to suspected or confirmed data breaches. All incidents are promptly evaluated to determine regulatory notification obligations, potential impact, and the appropriate corrective actions required to mitigate risk and strengthen internal controls.

Continuous Improvement

Data protection is treated as an ongoing programme rather than a one-time compliance exercise. During the year, the Company reviewed and strengthened internal controls for data handling across departments and enhanced oversight of third-party service providers handling personal data.

Future priorities include:

- Further automation of monitoring controls.
- Enhanced vendor due diligence processes.
- Continued staff awareness initiatives.

CONCLUSION

LASCO Financial Services Limited recognizes that safeguarding personal information is fundamental to customer confidence and business sustainability. The Company remains committed to operating transparently, ethically, and in full compliance with the Jamaica Data Protection Act, 2020. Data protection remains a strategic priority and an integral component of the Company's overall governance framework.

COMPLIANCE REPORT

LASCO Financial Services Limited (LFSL) maintains a comprehensive Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Counter Financing Proliferation (CFP) program designed to comply with both local and international regulations and local laws in Jamaica where it operates. LFSL takes compliance seriously and is committed to following specific guidelines so that its Money Service Providers and ultimately all end users, being its customers, can make payments, send and receive their money free of worry and any encumbrances. LFSL's AML/CFT/CP & Fraud Prevention policies and procedures comply with the laws of Jamaica and conforms to practices of the Money Service and Payment Providers with who LFSL partners in its operation.

The key components of LFSL's AML policy & procedure and compliance efforts consist of:

- **A Robust Compliance Framework:**

  In keeping with regulatory requirements, LFSL ensures it employs a dedicated compliance department that sets policies and procedures in place to combat money laundering, terrorist financing, proliferation financing as well as, implement measures to detect & prevent fraudulent transactions. Additionally, LFSL implements proper reporting mechanisms geared towards timely and accurate reports being sent to the relevant designated authority, the Financial Investigations Department of the Ministry of Finance & Public Service.

- **Due Diligence:**

  LFSL performs due diligence on all agents and correspondents before signing on with them. The bottom line of due diligence is, all money transfers and payments processed by LFSL are screened with enhanced controls to prevent money laundering and terrorist financing, proliferation and fraud. All Agents responsible officers/managers/owners, as well as LFSL senior managers and directors are subject to the regulatory (BOJ) Fit & Proper due diligence criteria.

- **Screening & Monitoring Focus, Technology-Driven:**

  As of 2025, LFSL enhanced its transaction monitoring capabilities using technology, allowing it to investigate more transactions across the LFSL network and enhance detection of suspicious patterns. It also upgraded from WorldCheck to Rzolut screening providing a wider scale of sanctions list screening of clients/customers across the Group's business lines. LFSL also incorporates the use of the Office of Foreign Asset Control (OFAC), European Union and United Nations (UN) sanctions listing in its screening tool.

- **Customer Verification (e-KYC):**

  For digital services, LFSL partially utilizes electronic Know Your Customer (e-KYC) processes, which include verifying identities via government issued photo identifications, Taxpayer Registration Numbers, or Electoral Registration card/National Identification card to prevent fraud.

- **Risk-Based Approach:**

  The Company applies a relevant and robust risk-based approach to the monitoring of transactions across the Board, ensuring compliance with laws like the Proceeds of Crime Act (2007) & its Amendments (2013) & (2019), the Bank of Jamaica Guidance Notes 2017 (Gazetted June 14, 2018) and the Proceeds of Crime Money Laundering Regulations, the Terrorism Prevention Act (2005) and its amendment of (2015).

- **Internal Controls:**

LFSL's compliance structure includes internal policies that manage risk from an enterprise-wide perspective, which is regularly reviewed and updated mainly on a quarterly basis. Notwithstanding where a risk requires updating outside of this period it is generally reported and reviewed and taken into consideration to ensure the entity is acting in accordance with regulations. LFSL also ensures internal, external and independent audits are conducted and more specifically an independent review of its AML/CFT/CP program is done annually for any gaps. Where any such gap is identified and recommendations made, it is implemented in accordance with regulatory requirements.

- **Training:**

Mandatory AML/CFT/CP training of all staff, managers, Board of Directors and agent staff and responsible officers/managers is implemented and remains a major part of the compliance mandate of the LFSL group compliance regime.

SUMMARY:

LFSL continues to abide by all the regulatory requirements and continuously reviews its action in regard to legislation adherence, transaction monitoring and reporting and ensuring its contribution is made to national risk assessment by employing risk-based approach to each transaction on its own merit. The department continues to be independent of the operational team and ensures no comingling of funds across the business entities. LFSL is poised to represent the country at the next Mutual Evaluation exercise for Jamaica in October 2026 and expects that through the entity's participation, this will help Jamaica maintain a more sustainable national AML programme designed to strengthen Jamaica's anti-money laundering and countering the financing of terrorism, counter proliferation (AML/CFT/CP) framework.

RISK MANAGEMENT

The Company operates in a dynamic financial technology environment that integrates digital remittance and payment services along with micro lending solutions. As part of its governance framework, the Company has implemented a comprehensive risk management approach designed to identify, assess, monitor, and mitigate risks that may affect its financial performance, operational resilience, regulatory compliance, and reputation. These risks are mitigated through regular strategic reviews, market analysis, product innovation, and diversification of revenue streams across remittance corridors and loan portfolios.

Risk management is overseen by senior management under the direction of the Board of Directors and is embedded within the Company's strategic planning and day to day operations. The framework is aligned with regulatory expectations and international best practices applicable to financial institutions and payment service providers.

LASCO Financial Services has adopted the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management (ERM) Framework, which provides a structured approach for organizations to manage risk proactively, aligning risk management with business strategy, enhancing decision-making, and improving overall performance. It emphasizes the importance of governance, culture, and continuous improvement in maintaining an effective risk management programme.

Core Components of the COSO ERM Framework as adopted by LFSL:

- **Risk Governance and Culture:** Establishing the tone at the top, setting risk appetite, and fostering a risk-aware culture.
- **Risk, Strategy, and Objective-Setting:** Integrating risk management into the strategic planning process to align risk appetite with business objectives.
- **Risk in Execution:** Identifying and prioritizing risks in daily operations, decision-making, and resource allocation.
- **Risk Information, Communication, and Reporting:** Ensuring accurate, timely, and comprehensive risk information is communicated to key stakeholders and reported across the organization.
- **Monitoring Enterprise Risk Management Performance:** Continuously evaluating the effectiveness of risk management practices and making necessary adjustments.

Changing government policies, geopolitical volatility, cybersecurity threats, talent management issues, economic pressures, are among the critical risks that can significantly affect operational resilience and effective implementation of strategic objectives. Additionally, the adoption of digital technologies, resistance to change, and the effective utilization of data analytics are pivotal to maintaining competitive advantage.

Looking ahead, future risks such as the rapid pace of disruptive innovation, shifts in regulatory and legal landscapes, among other factors will necessitate a robust and dynamic risk management approach. The ability to attract and retain talent, navigate economic uncertainties, and leverage big data will be crucial for sustaining growth and achieving long-term success.

A large portion of our revenues are derived from key global partners who themselves face ongoing risk, and their response to those risks can present an opportunity or a threat to LFSL's strategic objectives. The ERM Framework allows LFSL to identify these risks early and respond to them in a way that gives us competitive advantage or at least allows us to limit negative impact.

The Risk Policy guides the framework and incorporates it as part of LFSL's overall Corporate Plan, ensuring that internal controls are effectively integrated within its daily operations and are continuously developed and improved.

LFSL's Risk Policy may be viewed on our website [*https://www.lascojamaica.com/financial/corporate-policies/*](https://www.lascojamaica.com/financial/corporate-policies/)

RISK APPETITE STATEMENT

Risk appetite expresses the aggregate level of risk that we are willing to assume to achieve our business objectives. Risk capacity is defined as the maximum level of risk we can assume before breaching regulatory constraints and our obligations to our stakeholders.

The Board of Directors reviews and approves our risk appetite and capacity on an annual basis, or more frequently in the event of unexpected changes to the risk environment, with the aim of ensuring that they are consistent with our strategy, business and regulatory environment and stakeholders' requirements.

LFSL's attitude to its Key Risks is described in the table at right.

Each principal risk category has been identified and each has been assigned a qualitative risk appetite statement supplemented by a risk appetite score.

Risk		**Appetite**
i.	Industry Risk	Moderate
ii.	Legal & Regulatory Risk	Low
iii.	Settlement Risk	Low
iv.	Credit Risk	Moderate
v.	IT & Data Security	Low
vi.	Technology Risk	Moderate
vii.	Change Risk	Moderate
viii.	Third Party Risk	Moderate
ix.	Governance Risk	Low
x.	Strategic Risk	Moderate
xi.	Operational Risk	Low
xii.	Reputational Risk	Zero
xiii.	Market Risk	Moderate
xiv.	Capacity Risk	Low

The Risk Appetite Statement characterizes the company's tolerance for each risk as Zero, Low, Moderate, High, and Significant according to the following definitions:

Risk Appetite Definitions	**Risk Appetite Description**
Zero	Avoidance of risk and uncertainty is a key organization objective.
Low	Limited undesirable outcomes by selecting extremely safe and protected options or avoiding risk and uncertainty if necessary.
Moderate	Prefer safe options with low risk albeit with potential for limited reward.
High	Willing to consider all potential options and choose the most likely to succeed for an acceptable level of reward and value for money.
Significant	Eager to be innovative and choose options offering potentially higher rewards despite greater inherent risk and higher cost.

LFSL 's principal business activities are subject to the below risk types:

Strategic	Operational	Information Technology	Financial	Compliance	External
Strategy Development and Implementation	People	Transactional process	Market	Anti Money Laundering	Terrorism
Profitable Growth	External Events	Cybersecurity	Foreign Exchange	Code of Conduct	Health Epidemic
Market Share	Social Media	System Availability	Credit	Know your customers	Political
Strategic Planning	Human Resources	Data and Security Breach	Counterparty	Regulatory	External Funding
Governance	External Events	Data Privacy	Concentration		Technologies Changes
	Sales and Marketing		Liquidity		Governances Changes
			Funding		Environmental, social and Corporate Governance (ESG)
			Capital		Natural Disaster

LFSL's Risk Policy may be viewed on our website ***https://www.lascojamaica.com/financial/corporate-policies/***

HUMAN RESOURCES

At LASCO Financial Services, powering everyday financial solutions begins with empowering our people. The Human Resources Department plays a central role in creating an environment where team members are supported, informed, and equipped to deliver excellent service to customers and to one another.

We remain committed to ensuring that all team members, whether full-time or contracted, understand the value of employee morale, engagement, and support. When our people feel empowered to perform at their best, the quality of service we provide across Jamaica is strengthened.

HR

HR

HR Vision and Mission

For more than 20 years in Jamaica's banking and financial services sector, LASCO Financial Services has continued to refine how we support current and prospective customers. Just as our front-facing teams shape the customer experience, our back-office teams help sustain the culture, service standards, and operational discipline that define our organization. This makes the work of Human Resources especially important as we support a diverse workforce and help align employees with the company's vision, mission, and values.

1. **Vision** - Valuing, encouraging and supporting a diverse workforce, through continuous improvements of organizational effectiveness.
2. **Mission** - Through strategic partnerships and collaboration, the Human Resources Department recruits, develops and retains a high performing and diverse workforce. We aim to foster a healthy, safe and productive work environment for employees, their families and departments, to maximize individual and organizational potential and position LFSL as an employer of choice.

Guided by these principles, our team continues to identify innovative ways to keep employees connected across locations and aligned with the organization's broader goals.

Digital Transformation and HR Systems

One important implementation is OrangeHRM, our new HR information system, which was launched in September 2025. The platform has helped strengthen confidence in HR's efforts to modernize employee data management while maintaining confidentiality and accuracy. It has also encouraged greater employee engagement, as team members now interact more regularly with their information by verifying personal details, reviewing leave balances and becoming more familiar with key HR records. As a result, the system has reduced paper-based processes, improved data awareness, and supported a more efficient and connected workplace.

Leadership, Continuity and Governance

In addition to strengthening systems, we have remained focused on supporting our people through periods of change. With our Succession Gap Analysis, we have engaged managers in discussions about leadership continuity, role readiness, and future workforce planning. This process has helped us prepare for transitions linked to promotions, organizational change and departmental growth. It has also supported the introduction of new leadership, including the appointment of Mrs. Sharlene Williams as General Manager in July 2025, then later appointed Managing Director following the cessation of the distinguished and longstanding service of Mrs. Jacinth Hall-Tracey. As the organization continues to evolve, strong leadership remains essential to sustaining progress and driving our mission forward.

Strong leadership must be supported by clear standards and consistent communication. At LASCO Financial Services, the Human Resources Department remains committed to operational excellence, accountability, and employee awareness by ensuring that our policies are regularly reviewed, updated, and communicated effectively.

As part of our strategic HR initiatives, we have undertaken and collaborated with our teams to engage in a comprehensive review, update and sensitization of the staff on key internal policies, including but not limited to the Human Resource Policy Manual, Whistleblowing Policy, Sexual Harassment Policy, Data Privacy Policy, Ways of Work Guidelines, and our newly revised Social Media Behavioural and Consent Policy. These documents serve as vital pillars that support not only regulatory compliance but also the cultivation of a professional, inclusive, and safe work environment for all team members.

LASCO Financial takes pride in its commitment to regulatory compliance and ethical practice, working in seamless partnership with our Compliance Department. Together, we maintain a united front ensuring there are no contradictions between policy and practice, and reinforcing that non-compliance is addressed with clear and fair consequences.

We remain steadfast in our goal to build a workplace where policies are more than documents, they are lived experiences that protect, guide, and empower every member of the LASCO Financial Services family.

Recruitment and Staff Development

Our commitment to growth is also reflected in recruitment. During the period, we welcomed four new team members and filled two temporary positions to support business needs. Our new Human Resources Information System (HRIS) has also supported our recruitment efforts by helping us manage vacancies across the related job advert platforms.

We are equally committed to equipping staff with the tools, knowledge, and support needed to grow alongside these innovations. While progress can at times be affected by changing timelines and implementation delays, we remain focused on creating a smarter and more efficient workflow. Through training, wellness support, and a culture that encourages adaptability and learning, HR continues to help align people with progress.

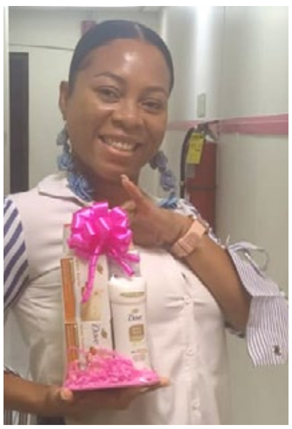
Looking ahead, we intend to continue building a secure, technology-enabled HR environment through modern applications and information systems that streamline procedures and improve reporting. Our digitization efforts are designed to deliver faster responses, stronger data management, and more efficient HR operations across the organization.

In an extra effort to continue building and developing our team, the HR team registered their attendance the annual HRMAJ 2-day conference. HRMAJ (Human Resources Management Association of Jamaica) hosts this conference yearly to help HR professionals learn and sit in creative groups for a broader understanding of the job, their role and the impact/benefits served in any organization. The conference was well received by team HR and we are excited to attend the next hosting.

Employee Engagement and Culture

Team HR recognizes that powering financial solutions requires us to invest in our people. Employee engagement therefore remains a vital part of how we strengthen morale, reinforce culture and support a connected workplace. Throughout the year, we hosted and supported a range of activities designed to celebrate employees, recognize culture, and maintain team spirit.

Mother's Day (May 2025):



Mother's Day provided an opportunity to express gratitude to the mothers across the organization for the care, effort, and commitment they bring to both their families and the workplace. The recognition served as a meaningful reminder that appreciation is an important part of employee support.

Father's Day (June 2025):

We recognized fathers across the organization with care packages that expressed appreciation for their contribution at work and at home. The initiative reinforced our commitment to making employees feel seen, valued, and supported.

'Emancipendence' (August 2025):

We celebrated Jamaica's Emancipation and Independence season with activities that encouraged fellowship, cultural pride, and shared enjoyment across the team. The event created space for connection among staff, while honoring an important part of our national identity.

Jersey Day (August 2025):

To join in the celebrations of the football season, we held our Jersey Day so that staff could come out in support of their favourite football club during the games. It was a day filled with laughter and sport as staff rallied around their teams.

Breast Cancer Awareness (October 2025):

Breast Cancer Awareness month came around and the team showed our support to the warriors across Jamaica by wearing Pink. Our halls were filled with Pink Thrill as we honored the standing warriors, the ones who left too early fighting the horrible disease that is Cancer and the ones who are struggling with their recent diagnosis. We stand with you!

Heritage Day (October 2025):

For Heritage Day, we gave departments the opportunity to celebrate the many cultural influences that have shaped Jamaica's identity. The activity encouraged participation among teams, learning, and appreciation for the diversity reflected in our shared history. Staff came out in their best costume for the culture they represented.

Post-Hurricane Melissa Support (October-November 2025):

Following Hurricane Melissa, team members came together to support affected colleagues through donations and practical assistance. This response reflected our culture of care and our commitment to prioritizing employee well-being during difficult periods.

Christmas Festivities (December 2025):

The Christmas season gave us another opportunity to show appreciation to staff and share in the warmth of the holidays. All team members were gifted with ham to add to their family table during the festivities. This gesture was well received and helped strengthen morale as we closed the year on a positive and festive note.

Black History Month (February 2026):

During Black History Month, we used virtual activities and staff communications to highlight the achievements and contributions of Black leaders and innovators. The observance encouraged reflection, recognition, and appreciation for a legacy that continues to shape our world.

Reggae Day (February 2026):

Reggae Day inspired the team to celebrate a defining part of Jamaican culture through music and shared appreciation. It was a simple but meaningful way to recognize the creative legacy that continues to influence generations.

Valentine's Day (Feb. 2026):

Our Valentine's Day activities created a light and engaging space for staff through music, friendly competition, and shared participation. We had email trivias where staff guessed romcoms based on emojis and hosted a Valentine's day competition where staff submitted poems which were then voted on during our Valentine music session. The event supported team bonding and added a welcome moment of enjoyment to the work environment.

Sagicor SIGMA Run (February 2026):

After not participating for some time, the team was exceptionally surprised and excited to learn that we would be participating in the Sagicor SIGMA Run for 2026. The team had a great time running, walking and participating in the different segments. All in the name of good vibes, enjoyment and fun. We awarded our fastest male and female runners from the team and though they had not expected it, the initiative was highly appreciated.

CONCLUSION

Overall, the Human Resources Department remains focused on maintaining a meaningful balance between employee engagement and effective people management. As we continue to grow and evolve our strategy, our goal is to keep listening, communicating, and building systems that support professional development, operational excellence, and a strong workplace culture. In doing so, we help ensure that LASCO Financial Services is well positioned to continue the powering of everyday financial solutions.

A LEGACY OF LEADERSHIP

Jacinth Hall-Tracey

Through her more than twenty-one years of dedicated service, Mrs. Jacinth Hall-Tracey has been instrumental in shaping the identity, growth and evolution of LASCO Financial Services Limited. From its inception, she provided the leadership and strategic direction required to build a resilient organization, one that today delivers accessible, reliable and innovative financial solutions to Jamaicans across the island.

Her tenure is marked by purposeful expansion and service integration. When LASCO Financial listed on the Junior Market of the Jamaica Stock Exchange in October 2010, it was not merely a capital-raising exercise, it was a statement of institutional ambition, a signal that this was a Company built to last. What distinguished her most from the competing industry players was her thorough understanding of who LASCO Financial actually served. The company's mission, "providing access to financial services for the ordinary Jamaican", was never merely marketing language under her leadership, it was the lens through which every strategic decision was filtered.

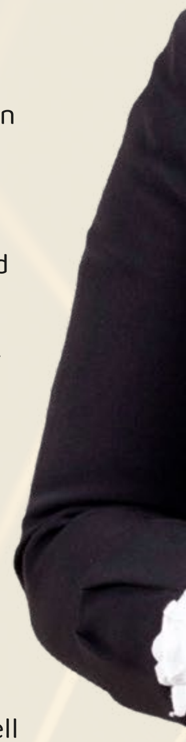
Leading position in the market

Through a consistent focus on financial inclusion, accessibility and customer trust, LASCO Financial Services achieved a leading position in the market, establishing itself as the number one MoneyGram agent in the Caribbean, the number one Ria agent in Jamaica, a leading provider of Cambio services to retail and corporate customers, and trusted lending partner to the micro and small-sized entities and unbanked customers.

In 2020, as the financial landscape evolved, Mrs. Hall-Tracey led the organization into the digital space, laying the groundwork for more integrated and convenient financial solutions, and establishing LASCO Financial Services as a competitive force in electronic payments for the masses. This is most evident in the introduction and growth of the LASCO GOLD Visa Prepaid Card, which has become a central pillar in the company's ecosystem, enabling customers to receive funds, make payments, shop online and manage their finances more securely.

Her forward-thinking leadership also supported the integration of innovative features such as MoneyGram Direct to Card and Sen2Me, expanding the ease and speed of cross-border transactions. The recent introduction of the Family Card further extended the card's value and capabilities, providing families with a secure and practical way to manage allowances, support loved ones and encourage financial responsibility for school aged children from as young as nine years old, as well as other dependents.

Through each of these advancements, her vision remained consistent: to simplify access to financial services while creating meaningful, everyday value. By connecting remittances, loans, foreign exchange and payments into a cohesive ecosystem, she helped position the organisation to meet the evolving needs of modern consumers.



Leadership, Collaboration, Advocacy

Beyond the organization, her influence extended across the wider financial services industry, contributing to its development through leadership, collaboration and advocacy. She

served as President of the Jamaica Money Remitters Association and the Cambio Association of Jamaica, using those platforms to shape the regulatory and professional environment in which LASCO Financial operated. She was also a Director of the Jamaica Micro Financing Association. This outward engagement was not peripheral to her role - it was integral to it. The rules of the remittance, Cambio and micro-financing industries in Jamaica were being written in real time during her tenure, and she made sure that a voice committed to financial inclusion was consistently at the table.

Internally, she fostered a culture of resilience and service excellence, ensuring that growth was not only achieved, but sustained.

A Remarkable Tenure

With her resignation in December 2025, she concludes a remarkable tenure, leaving behind a strong foundation that will continue to guide the Company's growth and strategic direction. LASCO Financial Services continues to evolve, driven by innovation, digital transformation and a commitment to powering everyday financial solutions. However, the deeper legacy is structural. Hall-Tracey built systems, partnerships and a culture of compliance that made LASCO Financial a Company that international partners were willing to stake their own reputations on. She also cultivated successive layers of management capable of absorbing the knowledge she had accumulated. The many awards, recognition, early innovations and achievements of LASCO Financial are the accumulated result of two decades of choices made by a woman who understood that financial inclusion is not a slogan — it is a discipline!

> “Thank you, Mrs. Hall-Tracey, for all your years of hard work and dedication. You will be truly missed by us all.”

MANAGEMENT TEAM

Nordel Leach-Murphy
Human Resource Manager

Sharlene Williams
Managing Director

Norris Clarke
Chief Financial Officer, LFSL Group

Denise West
Group Chief Compliance Officer

MANAGEMENT TEAM

Ramon Davis
Payments Manager

Danielle Drysdale
Marketing Manager

Maria Campbell
Group Facilities Manager

Randolph Burgess
Information Technology Manager

Maria Myrie
Administrative Manager

MANAGEMENT TEAM

Juliette Campbell

Operations Manager

Rohan Ford

Business Applications Manager

MANAGEMENT TEAM

Melissa Fagan
Finance Manager

Ricardo Thomas
Asst. General Manager, Credit Risk & Administration

Khadrian Smallwood
Collections Manager

SHARED SERVICES

Peter Hylton
Information Technology Manager

Ruel Thompson
Safety/Security Manager

Joel Gonzales
Property Manager

MARKETING REPORT

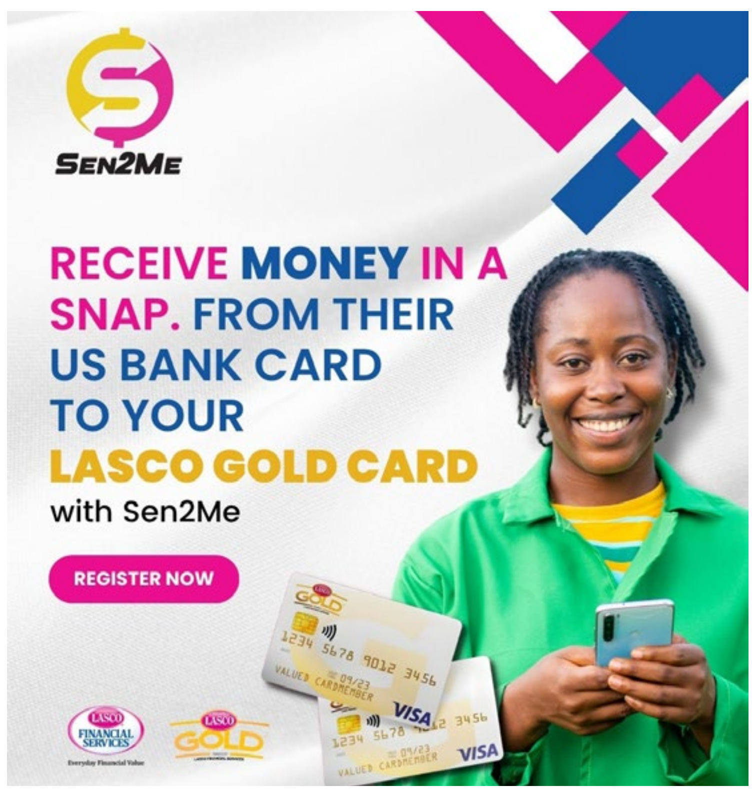
During the financial year, the Marketing Department continued to strengthen the visibility and positioning of LASCO Financial Services Limited's products and services through a strategic mix of integrated marketing communication, experiential activations, media partnerships, digital engagement, public relations and customer acquisition initiatives. Central to these efforts was the launch and expansion of the "DO IT ALL with LASCO GOLD" Campaign, which reinforced the versatility of the LASCO GOLD Visa Prepaid Card as a complete financial solution for remittances, online shopping, bill payments, everyday spending, loans and cross-border transactions.

DO IT ALL with LASCO GOLD Campaign

The "DO IT ALL with LASCO GOLD" Campaign became the flagship marketing initiative for the financial year, positioning the LASCO GOLD Visa Prepaid Card as an all-in-one financial tool capable of supporting customers' daily financial needs conveniently and securely. The campaign focused heavily on driving awareness and usage of key services such as MoneyGram Direct to Card and Sen2Me, highlighting the convenience of receiving remittances faster, with less effort.

The campaign was executed through a comprehensive integrated marketing strategy utilizing radio, print, digital platforms, SMS communication, outdoor advertising, live activations and experiential marketing. Creative messaging focused on speed, accessibility and convenience, encouraging customers to "Do It Fast", "Do It Safe", "Do Business", "Do Loans", "Do Family", and ultimately "Do It All" with LASCO GOLD.

A major component of the campaign was the promotion of digital remittances through the LASCO GOLD App for customers to receive faster with MoneyGram Direct to card or LASCO GOLD Sen2Me. This was supported by targeted media advertisements, outdoor branding and customer education initiatives aimed at reducing in-store traffic while increasing digital transaction adoption. The campaign also strengthened the brand's positioning among younger audiences, diaspora families, small business operators and everyday Jamaicans seeking flexible financial solutions.



MEDIA AND ADVERTISING

Radio

Radio remained one of the company's key communication channels throughout the year, enabling LFSL to maintain brand presence and customer engagement across multiple demographics and parishes.

During LFSL's participation in EXPO Jamaica, an Outside Broadcast (OB) was executed through Mello FM, providing opening and closing mentions during all EXPO Jamaica communications leading up to and during the event. The package also included commercials aired throughout April, featuring the "DO IT YOURSELF" ad, focused on receiving MoneyGram Direct to Card via the LASCO GOLD App. Additionally, live interviews were conducted at both the Mello FM and Irie FM booths during the event.

Customer Relationship Officers (CROs) were actively positioned throughout the event, generating leads, facilitating consultations, and increasing awareness of the Company's loan offerings among patrons and business operators.

Outside Broadcast

The Company also partnered with EDGE FM for an Outside Broadcast in Ocho Rios, St. Ann, following the closure of our Agent, The Ocho Rios Card Centre. This initiative was designed to educate customers on alternative methods of receiving remittances and payments using MoneyGram Direct to Card and Sen2Me. The campaign included radio commercials, a live interview with Ron Muschette and on-site customer engagement and card sign-up activities.

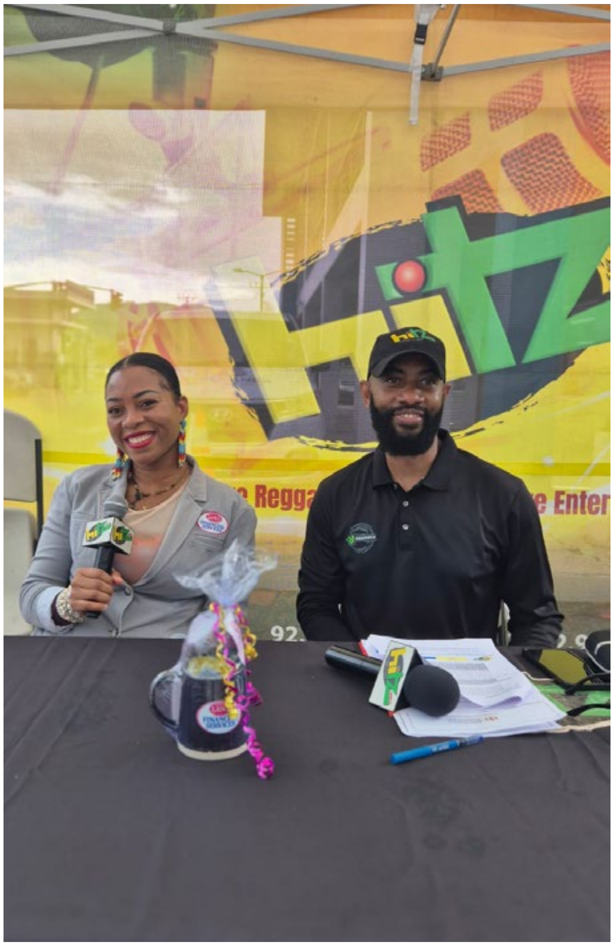
Further strengthening brand awareness, LFSL and LASCO Microfinance continued their sponsorship of Time Signals on RJR, where LFSL added the sponsorship of the BBC News coverage at 8:00am daily. This segment highlighted the "DO IT ALL with LASCO GOLD" campaign messaging, which included opening and closing credits alongside weekly 30-second ads.

Strengthened Engagement

LASCO Microfinance strengthened their engagement via the LASCO Microfinance Business Minute, hosted

by Richie B. The programme featured live discussions surrounding loan solutions, financial opportunities, and business support offerings. Following these engagements, customized email marketing materials were developed and distributed to several key organizations, with continued follow-up discussions facilitated thereafter such as the Jamaica Civil Service Association, the Medical Association of Jamaica, the National Parent-Teacher Association of Jamaica, the Jamaica Chamber of Commerce, and the Northern Caribbean University Morris Entrepreneurship Centre.

Additionally, LFSL secured a year-long sponsored segment on Fyah 105FM which is sponsored by the LASCO GOLD card and highlights the "DO IT ALL" campaign. The partnership included opening and closing credits, hourly mentions and multiple commercial placements, providing sustained exposure for the LASCO GOLD brand and campaign messaging.



Print Advertising

To complement radio efforts, the "DO IT ALL" campaign was also featured prominently in print media through recurring placements in The Weekend Star, one of Jamaica's highest-read newspapers. The advertisements highlighted the convenience of receiving remittances faster through MoneyGram Direct to Card and Sen2Me.

LFSL also secured placement within the SBAJ publication in The Sunday Gleaner, where the campaign's "DO IT FAST" messaging further reinforced the speed and convenience associated with the company's remittance solutions.

Digital Marketing and Customer Communication

Mother's Day Digital Giveaway Campaign

In celebration of Mother's Day, LFSL executed two online giveaway competitions aimed at rewarding customers while simultaneously promoting the usage of the LASCO GOLD Card and the company's digital remittance services.

Participants were required to utilize the LASCO GOLD Card to receive funds either through pulling down MoneyGram transactions using the LASCO GOLD App or receiving funds through the newly launched Sen2Me service. Four winners were randomly selected, and they each received gift vouchers.

The campaign successfully combined customer appreciation with digital engagement and product usage education, while celebrating mothers across the company's customer base.

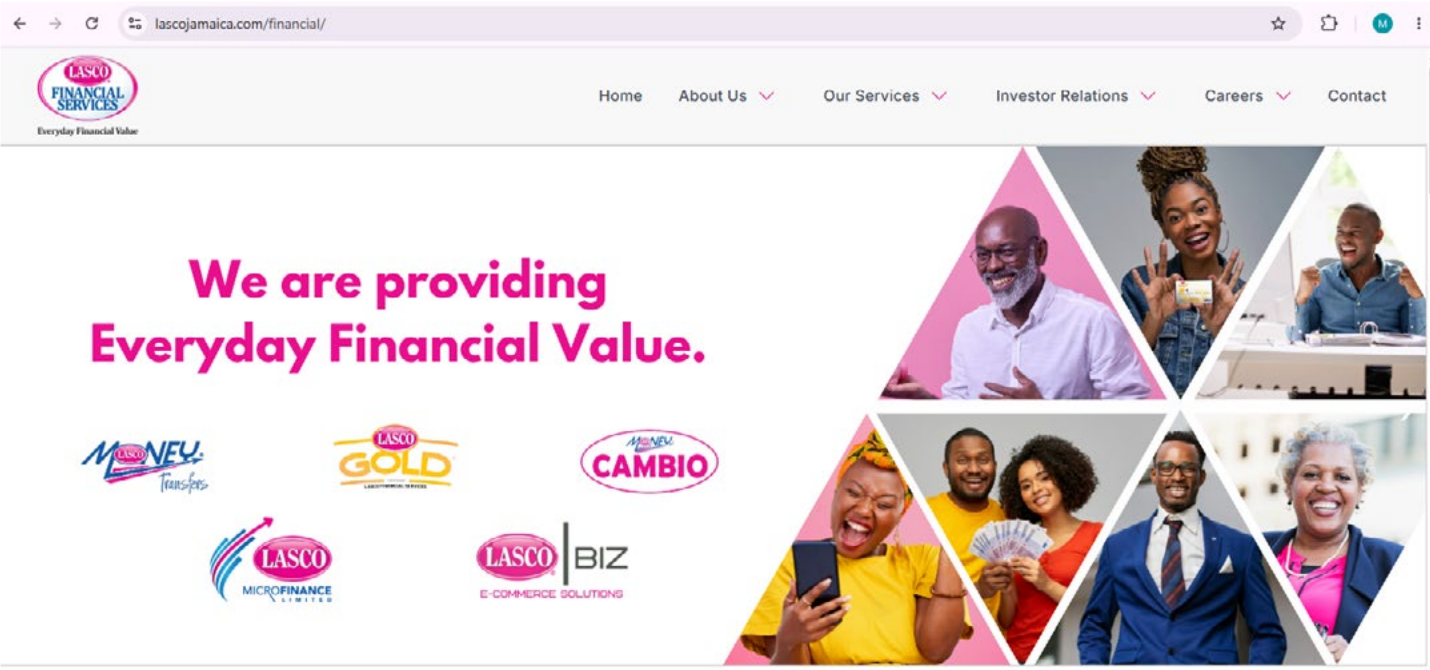
Sen2Me Campaign

Following the launch of Sen2Me, where an interview was done on Smile Jamaica to create awareness and demonstrate the speed of the service on live tv, the Company implemented a strategic digital marketing campaign aimed at further driving awareness, customer acquisition and transaction growth both locally and within the diaspora market. Promotional activities included social media communication, email marketing and customer education initiatives conducted in partnership with our partner, PALLA.

The campaign was divided into themed phases for the period October to December and targeted both LASCO GOLD cardholders in Jamaica and registered senders overseas. Incentives such as free transfers were promoted during the Black Friday and Christmas periods to encourage first-time usage and repeat transactions.

The campaign generated measurable success, resulting in the increase of approximately 400 registered Sen2Me senders.

During the Christmas season, LASCO Microfinance launched their Christmas Cash-a-thon Promotion, which rewarded customers who received loans either by applying online or in-branch with weekly cash prizes and giveaways throughout the promotional period. The campaign was supported through an integrated marketing approach, inclusive of branch-level marketing activities, outdoor advertising, digital placements, and mobile advertising solutions, all aimed at maximizing reach and customer participation.



Website Development and Digital Enhancements

Several enhancements were made to the company's website during the year to improve user experience and customer engagement. Updates included the addition of the "DO IT ALL" campaign banner to the LASCO GOLD webpage, ensuring immediate visibility of the campaign to site visitors. We also created a dedicated Careers Page to support recruitment initiatives, developed a Diaspora Landing Page to assist overseas customers with remittance information and guidance and continued to add regular updates to campaign messaging and product information.

SMS Campaigns

SMS communication continued to serve as a critical customer engagement tool throughout the year. Messaging campaigns were utilized to notify customers of the Ocho Rios Card Centre closure, direct customers to alternative agent locations and announce new agent locations within St. Ann's Bay. These communications ensured continuity of service awareness and minimized customer disruption.

Experiential Marketing and Customer Activations

TotalEnergies Cashback Campaign

The Marketing Team continued to support the TotalEnergies cashback campaign through a series of strategic sign-up drives and activations conducted across Kingston, St. Andrew, St. Ann, Clarendon and St. Catherine. These activations were designed to increase LASCO GOLD card acquisitions while reinforcing the cashback partnership with TotalEnergies and TODSS.

Nine major activations were executed during the period, with the Duhaney Park and Red Hills Road locations recording the highest customer engagement and sign-up activity. Motorists demonstrated strong interest in the cashback incentive, validating the effectiveness of partnership-driven promotions.

Outside Broadcasts and Community Engagement

The Company continued to leverage outside broadcasts as an effective experiential marketing strategy to engage customers directly within communities.

The Company participated in several high-impact events including:

- Suncity Pickney Fest in Portmore Mall
- Bubble Di Pot Celebrity Charity Cookoff
- Downtown Kingston Outside Broadcast with EDGE FM
- Christmas OB with Mello FM
- Ministry of Justice Customer Appreciation Day

The LASCO Microfinance Summer Loans Promotion was executed to target individuals seeking personal financing solutions, as well as entrepreneurs and small business operators looking to expand or improve their operations. The promotional reduction on processing fees proved highly attractive to customers and contributed to increased interest in the Company's loan products. This momentum was reflected in a steady month-over-month increase in online loan applications during the campaign period.

The Christmas Outside Broadcast with Mello FM was particularly impactful, focusing heavily on encouraging customers to perform MoneyGram pull-downs within the app. The initiative resulted in record-breaking MoneyGram pull-down transactions within a single day, successfully demonstrating increased customer adoption of digital remittance services.

These initiatives provided opportunities for direct customer interaction, product demonstrations, card sign-ups, live interviews and cross-promotion of the company's products and services.

Financial Inclusion and Educational Partnerships

The Company sponsored a UCC Webinar focused on innovative financing solutions and improving access to financial services. During the session, the LASCO GOLD card was presented as a practical financial inclusion tool for small business owners and entrepreneurs. Discussions highlighted the card's functionality for payroll support, business transactions and day-to-day operational expenses.

The Company also participated in the Ministry of Justice Customer Appreciation Day, where both the LASCO GOLD and Loans teams engaged attendees and promoted the company's suite of financial services. The opportunity was also used to introduce the newly launched LASCO GOLD Family Card feature to listeners and attendees.

Promotions and Campaign Performance

Black Friday Cashback Promotion

During the Black Friday period, LFSL executed a targeted promotional campaign encouraging customers to shop online using their LASCO GOLD cards on platforms such as Amazon, Temu and Shein to be qualified for cashback rewards. The campaign was promoted through online advertising and email marketing.

Branding and Visibility

Outdoor branding remained an important component of the company's visibility strategy during the year for both LFSL and LASMF. Key activities included:

- Renewal of outdoor billboards
- Reinstatement of indoor digital screens
- Agent network branding
- Production of remittance flyers and promotional materials
- Distribution of branded premiums
- Branding support for activations and outside broadcasts

Following Hurricane Melissa, a few of our billboards sustained damages. However, these were subsequently identified during a branding audit and refurbished shortly thereafter to maintain brand visibility.

MANAGEMENT DISCUSSION & ANALYSIS

Financial year 2025-26 was expected to be a rebound year for LFSL, and to some measure, this was achieved in the 1st half of the year. Hurricane Melissa's impact, however, on our country and our business, reversed some of the gains and delayed some growth plans. LASCO Financial Services Limited (LFSL), remains steadfast in its plans and strategies to shore up its performance through financial optimization and strategic positioning.

MD&A

BUSINESS REVIEW

The lingering effects of the FY 2025 business outage remain; however we are moving beyond it to secure new partnerships and opportunities, which results we anticipate in the coming financial year. We are especially focused on retaining our market presence for remittances and also increasing our footprint using our LASCO Gold Visa Prepaid Card to further improve digital payment options for our customers.

LASCO Financial Services operates across interlinked key business pillars:

- **Cash and Digital remittance services:**
  - o Cash remittances are the traditional method of receiving local and international remittances
  - o Digital remittances are enabled through our LASCO Gold Visa Prepaid card. This is a reloadable card, which enables our customers to not only receive remittances conveniently, but to reload cards with cash across our agent network. LASCO Gold Visa Prepaid Card is at the root of our quest for financial inclusion across all sectors of society.
- **Cambio services**, retail through our Money Stores as well as corporate services, selling high value transactions to companies.
- **Microfinance,** providing loans to micro, small and medium sized businesses and salaried employees for personal loans.
- **Cash disbursements and collections** through our agent network, to facilitate convenience for our retail stakeholders.

We continue to expand our card services, as we consider the needs of our banked, unbanked and semi banked customers. Our Family Card alternative is a key, as we seek to provide a secure option for our customers, and teach financial literacy and budgeting to their children.

This approach will improve the options available to our customers as cashless options. We continue to expand our card services through growing customer acquisition and boosting card usage through our sales strategies, based on the card's features. Additional goals involved increasing remittance transactions with new agent locations and partners, as well as expanding loan disbursements and loan loss recovery.

We make our strategic plans with concerns about possible macro-economic challenges, and competitive headwinds. However, we had not anticipated the extent of the decline in transaction volumes or the significant disruption experienced by our agents in the aftermath of the hurricane. In addition, the reduction in our Cambio profits resulting from announced Central Bank interventions in the foreign exchange market have shaped market conditions in a way that has limited potential profitability for Cambio operators.

We continue to see closures of key locations as agents make routine business decisions. Replacements can take up to six months, depending on the readiness of new agents, particularly their ability to meet regulatory requirements. While new agents are added during the year, many simply replace locations that were closed in the previous financial year.

LASCO Financial Services continues to face declining margins in its remittance and Cambio businesses, along with rising expenses. Despite these pressures, we are managing costs to remain viable while working to improve profitability in our microcredit business. We are beginning to see progress and expect continued movement toward profitability, having cut losses by half this year.

Our LASCO GOLD Visa Prepaid Card remains a key tool for strengthening our competitiveness in the years ahead. Although it carries significant fixed costs, we believe that wider adoption and increased usage will not only offset these costs but also generate additional profit. As lower-cost point-of-sale options become more available, the communities we serve are better positioned to adopt digital payments. Even so, some communities still have a strong preference for cash over card payments, which remains a challenge.

The Company was profitable this year, although results were constrained by the impact of the hurricane. Pretax profit for the year was $124.3 million, compared with $86 million in the previous year. These results were impacted by a $49 million loss before tax from our subsidiary. Further improvement in profitability depends on turning around this loss-making business. We are beginning to see the benefits of the controls implemented within the subsidiary, with losses reduced by more than 61% compared with the prior year. Recovery efforts have also accelerated, and early results are encouraging. Management believes these changes position the business to realize meaningful benefits in the periods ahead.

We are beginning to see progress and expect continued movement toward profitability, having cut losses by half this year. Our LASCO GOLD Visa Prepaid Card remains a key tool for strengthening our competitiveness in the years ahead.

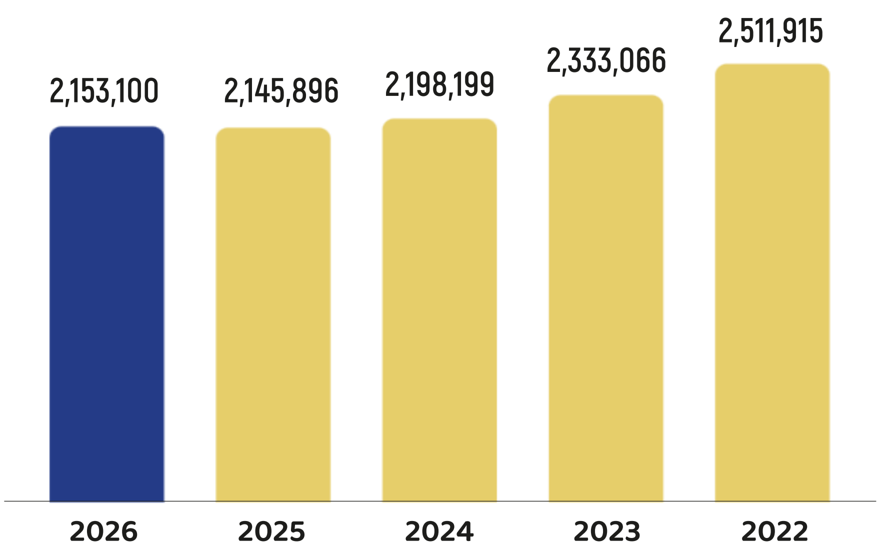
Total Revenues

Total Revenues for the Lasco Financial Services Group for the year ended March 31, 2026, was **$2,153.1M**. This showed an increase of **0.34%** when compared to the previous year's revenue of $2,145.9M. All revenue streams performed satisfactorily when compared to previous year except for our remittance segment which saw a marginal reduction.

Our remittance segment was negatively impacted by hurricane Melissa. This resulted in several of our agent locations being closed for a short period. We were quick to respond to the needs our agents and most of the impacted locations were able to resume operation with only a marginal loss of volumes.

TOTAL REVENUES OVER 5 YEARS

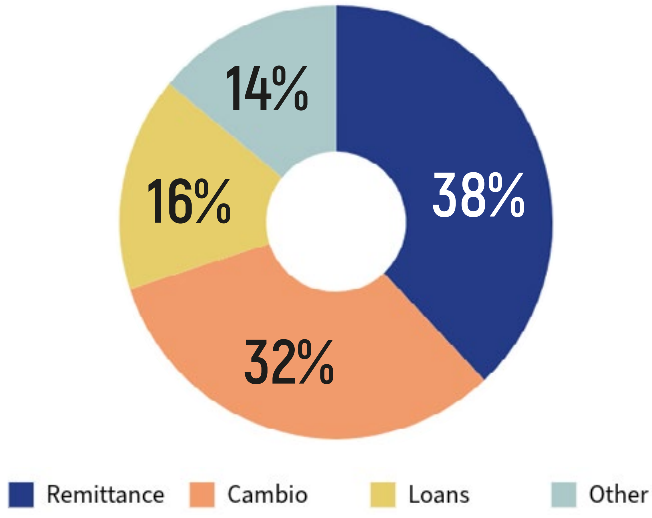
In millions of dollars



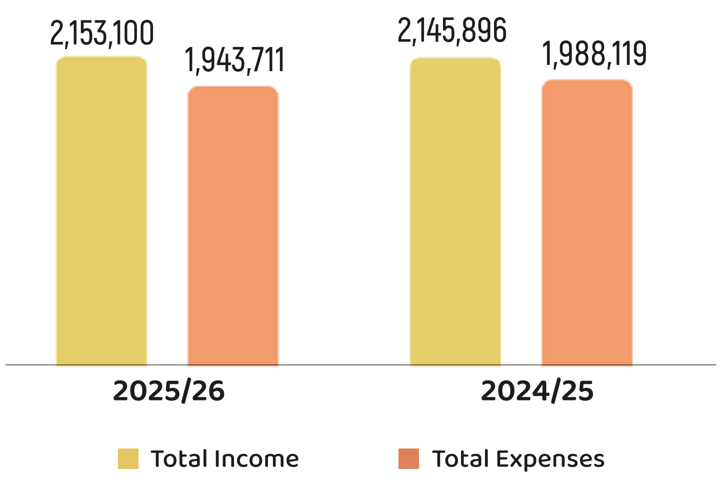
Remittance revenues are expected to improve as new locations are added. New locations that were added in the current year just ended are expected to reach maturity in the coming year. In addition, we are currently in discussions with a new remittance partner which we expect to be onboard in the coming year as well. This will add new volumes and an overall improvement in our remittance segment.

Our **Microfinance subsidiary** performed satisfactorily during the year. The engagement of a consultant to support enhancements to our loan disbursement processes has contributed to improved performance and operational effectiveness in this area. Our expectations are that our Microfinance subsidiary will continue to grow as we design and implement new products.

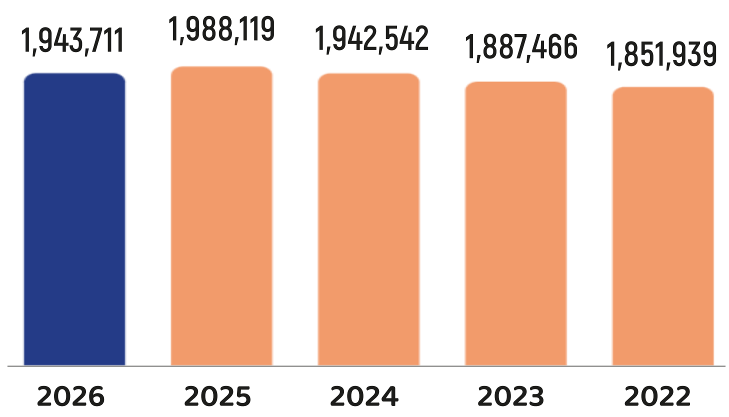
REVENUES



TOTAL INCOME & EXPENSES *In millions of dollars*



FIVE YEARS OPERATING EXPENSES *In millions of dollars*



Income Profile

Our Cambio operations continue to generate significant revenues for the Company, and our expectations are that this will continue in the coming year. With the improved performance expected from our remittance segment we expect our Cambio operations will grow as well. In addition, we are well-advanced in establishing new Cambio locations and we expect these to be fully operational by the second quarter.

Our VISA Prepaid Card performed well during the year, and we expect that this will continue to improve in the new year as we continue to promote more awareness and use of the Card. Our card user base continues to grow each year and we expect revenue to move in the same direction.

Operating and Administrative Expenses

Operating and Administrative expenses for the year were $1,943.7M, which represents an overall reduction of 2.2% from $1,988.1 from the previous year.

Management made a concerted effort during the year to keep administrative expenses under control, hence the reduction. Selling and promotional expenses reduced as well as some marketing activities planned for the year was disrupted due to the impact of Hurricane Melissa. We expect our promotional activities to return to normal in the new financial year.

Profits from Operations saw an increase from $157.8M to **$209.4M**, representing a **32.71% increase**.

Net Profit for the year was $82M.

Operating Profit excluding Impairment of Loans

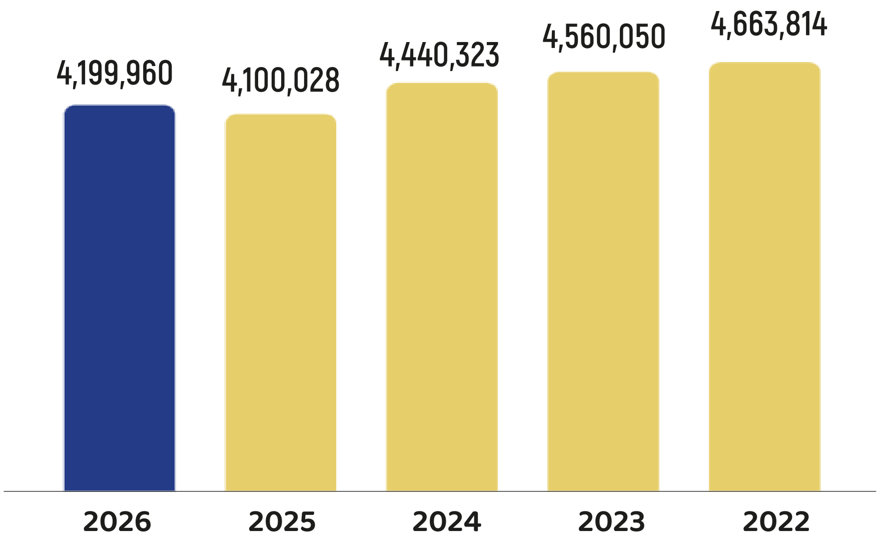
	2025/2026	2024/2025
in millions of dollars	**$**	**$**
TOTAL INCOME	2,153	2,146
TOTAL EXPENSES (Excluding Impairment)	1,944	1,988
OPERATING PROFIT (Excluding Impairment)	230	163
FINANCIAL EXPENSES	85	72
IMPAIRMENT	21	6
PROFIT/(LOSS)	82	59

Total Assets

The Group's total assets have increased by **$99.9M**, an increase of **2.4%** year over year to a total of $4,200M as of March 31, 2026. The main contribution factor was an increase in Loan receivables as our Micro Finance subsidiary continues to grow its loan portfolio.

TOTAL ASSETS OVER 5 YEARS

In millions of dollars



$1.8B

Loan and other receivables totaled **$1.8B** representing an increase of $96M or 5.65% above that reported for 2025.

During the year our Administrative Expenses reduced due as management made a concerted effort to keep expenses under control. In addition some marketing activities were disrupted by the hurricane and will be pursued in the new financial year.

QUARTERLY FINANCIAL STATEMENTS

$'000	April -June 2025	July - Sept 2025	Oct - Dec 2025	Jan-Mar 2026	Totals $'000
INCOME:					
Trading income	508,938	534,503	531,459	217,618	1,792,518
Other operating income	46,551	32,748	17,906	263,377	360,582
	555,489	**567,251**	**549,365**	**480,995**	**2,153,100**
EXPENSES:					
Administrative and other expenses	-281,504	-279,739	-293,882	-345,182	-1,200,307
Selling and promotion expenses	-188,644	-196,377	-218,856	-139,527	-743,404
	-470,148	**-476,116**	**-512,738**	**-484,709**	**-1,943,711**
PROFIT FROM OPERATIONS	85,341	91,135	36,627	-3,714	209,389
Finance cost	-23,244	-20,387	-20,889	-20,556	-85,076
PROFIT BEFORE TAXATION	62,097	70,748	15,738	-24,270	124,313
Taxation	-21,575	-23,092	-13,953	16,399	-42,221
NET PROFIT FOR THE PERIOD	**40,522**	**47,656**	**1,785**	**-7,871**	**82,092**

$40.5M

First Quarter showed a Profit of $40.5M.

$47.7M

The Second Quarter Profits improved to **$47.7M**. This represents an increase of 17.6% above the first Quarter. We saw improvements in our Money Services business during the second quarter. The quarter also resulted in higher marketing and promotional expenses as we ramped up the Remittance direct to Lasco Gold Card promotional activities.

$1.8M

Third Quarter resulted in a profit of **$1.8M** as the impact of hurricane Melissa impacted all our business segments.

($7.9M)

Low returns from our Cambio operations had a significant impact on our operations in the **fourth quarter** and resulted in a loss position of **$7.9M**

LASCO FINANCIAL SERVICES

AUDITED FINANCIAL STATEMENTS

FINANCIALS

BDO

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www.bdo.com.jm

Chartered Accountants
26 Beechwood Avenue
P.O. Box 351
Kingston 5, Jamaica

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Lasco Financial Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lasco Financial Services Limited set out on pages 8 to 58, which comprise the group and the company's statements of financial position at 31 March 2026, and the group and the company's statements of profit or loss and other comprehensive income, changes in equity and 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 31 March 2026, and of the group and the company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of 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.

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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the Key audit matter
Expected credit losses in relation to financial assets *See notes 3 (l) and 16 to the consolidated financial statements for management's related accounting policies and disclosures.* The group estimates expected credit losses (ECL) on loan receivables using a provision matrix based on historical credit loss experience. Customers were placed in aging buckets and a default risk percentage calculated using the incurred loss analyses over delinquent accounts, the credit history, risk profile of each customer and the aging of receivables. As at 31 March 2026, loans receivable, net of provision for credit losses represented $1,143 million or 27% of total assets of the group. An impairment provision of $284 million has been recognized by the group. We focused on this area because there are a number of significant management determined judgements including: • Determining the criteria for a significant increase in credit risk, which impacts the staging of the asset and the related calculation, ie one year or lifetime expected loss calculations. • Determining the relevant inputs and techniques included in the expected credit loss model utilised in probability of default (PD), loss given default (LGD) and exposures at default (EAD) parameters.	The group's accounting policy as it relates to the impairment provision for loan receivables was obtained and the reasonableness of the accounting policy assessed in relation to the requirements of the relevant standard. • We established an understanding of management's ECL model including source data, the effectiveness of the implementation and the mathematical accuracy of the model. We tested the reliability of the source data used in the design of the model by confirming a sample to the historical data. • We evaluated the appropriateness of management's assumptions and judgement in arriving at the forward looking multiple, by assessing the basis of the multiple economic scenarios used and the weighting assigned by management. The main macro factors used were compared to external public information and calculations tested through recomputation. • We tested the completeness of loan receivables to determine whether all financial instruments were included in the ECL calculation. • We reperformed the calculation of days past due, a key data input in the PD parameter, on a sample basis • We evaluated the appropriateness of the group's stage and where applicable, determined whether the significant increase in credit risk and default definitions were appropriately applied.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the Key audit matter
	• We determined whether the default risk percentage was accurately calculated and correctly applied to the relevant buckets of loan receivables. Based on the audit procedures performed, no adjustments to the financial statements were deemed necessary.
Impairment Assessment of Goodwill *See notes 3(f), 3(h), 4 and 19 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.* As at 31 March 2026, the carrying value of goodwill was $824 million, which represents 20% of total assets. On an annual basis, management tests whether goodwill is subject to impairment. The recoverable amounts of cash-generating units have been determined based on value in use calculations. We focused on this area because the assessment of the carrying value of goodwill involves significant judgement and estimation and is sensitive to changes in key assumptions.	Management's impairment assessment was tested by performing the following procedures, amongst others: • We obtained management's discounted cash flow model (DCF) including qualitative and quantitative analyses and updated our understanding of the process used by management to determine the value in use of each cash generating unit (CGU). • We compared previous forecasts to actual results to assess the performance of the business and the accuracy of management's forecasting as well as compared the current year and previous year financial information to assess the reasonableness of management's projections.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the Key audit matter
Impairment Assessment of Goodwill (cont'd) The key assumptions were assessed by management as being: • Loans revenue growth rate; • The rate of any significant increase in credit risk (SICR); • Inflation rate; and • Discount rate.	• We challenged management's assessment regarding revenue growth and compared the revenue growth rates to historical revenue growth and externally derived data as well as our own assessments in relation to key inputs such as projected economic growth, inflation and discount rates; • We developed a range of parameters using available market inputs and historical information and performed sensitivity analyses using these parameters, which was compared to management's discount rate • We tested management's impairment testing model calculations for mathematical accuracy. Based on the audit procedures performed, no adjustments were made to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report but does not include the consolidated and stand-alone 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 consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

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 with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone 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 opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Shareholders of
Lasco Financial Services Limited

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 kept, 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 Balvin Vanriel.

BDO

Chartered Accountants

17 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 March 2026

	Note	2026 $'000	2025 $'000
REVENUE:			
Income	6	1,813,066	1,813,525
Expected credit losses, net of recoveries	5(c)(ii)	(20,548)	(6,464)
Other operating income	7	360,582	338,835
		2,153,100	2,145,896
EXPENSES:			
Administrative and other expenses		(1,200,307)	(1,205,815)
Selling and promotion expenses		(743,404)	(782,304)
	8	(1,943,711)	(1,988,119)
PROFIT FROM OPERATIONS		209,389	157,777
Finance costs	10	(85,076)	(71,604)
PROFIT BEFORE TAXATION		124,313	86,173
Taxation	11(a)	(42,221)	(27,546)
NET PROFIT FOR THE YEAR, BEING TOTAL COMPREHENSIVE INCOME	12	82,092	58,627
EARNINGS PER STOCK UNIT	13		
Basic		6.41¢	4.58¢

LASCO FINANCIAL SERVICES LIMITED

Consolidated Statement of Financial Position

31 March 2026

	Note	2026 $'000	2025 $'000
ASSETS			
Cash and bank balances	14	817,532	852,234
Short term deposits	15	285,639	277,445
Receivables	16	1,791,510	1,695,563
Taxation recoverable		44,422	41,915
Deferred tax asset	18	245,015	216,549
Intangible assets	19	842,493	833,406
Property, plant and equipment	20	92,872	114,392
Right-of-use assets	21(a)	80,477	68,524
TOTAL ASSETS		4,199,960	4,100,028
LIABILITIES AND EQUITY			
LIABILITIES:			
Bank overdraft	14	245,530	313,677
Payables	23	688,768	675,233
Related companies	17(c)	148,539	34,604
Taxation		73,098	50,419
Loans	24	544,688	625,266
Lease liabilities	21(b)	86,613	70,197
		1,787,236	1,769,396
EQUITY:			
Share capital	25	114,536	114,536
Retained earnings	26	2,298,188	2,216,096
		2,412,724	2,330,632
TOTAL LIABILITIES AND EQUITY		4,199,960	4,100,028

Approved for issue by the Board of Directors on 15 June 2026 and signed on its behalf by:

Sharlene Williams
Managing Director

Compton Rodney, OD
Director

Consolidated Statement of Changes in Equity

Year ended 31 March 2026

	Share Capital $'000	Retained Earnings $'000	Total $'000
BALANCE AT 31 MARCH 2024	114,536	2,157,469	2,272,005
TOTAL COMPREHENSIVE INCOME			
Net profit	-	58,627	58,627
BALANCE AT 31 MARCH 2025	114,536	2,216,096	2,330,632
TOTAL COMPREHENSIVE INCOME			
Net profit	-	82,092	82,092
BALANCE AT 31 MARCH 2026	114,536	2,298,188	2,412,724

LASCO FINANCIAL SERVICES LIMITED

Consolidated Statement of Cash Flows

Year ended 31 March 2026

	Note	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit		82,092	58,627
Items not affecting cash resources:			
Exchange gain on foreign balances		38,676	(1,693)
Depreciation - right-of-use assets	21(a)	21,176	6,219
Amortisation of intangibles	19	3,738	8,374
Depreciation	20	22,578	22,186
Interest income from loans		(341,052)	(311,219)
Interest income from securities	7	(11,422)	(30,625)
Interest income - other		(1,441)	(978)
Taxation expense	11(a)	70,687	50,795
Deferred taxation	18	(28,466)	(23,249)
Interest expense	10	78,976	68,973
Interest expense - right-of-use assets	10	6,100	2,631
Provision for impaired loss on loan		44,643	45,106
Gain on derecognition of right of use asset and lease Liability	7	-	(64,870)
(Gain)/loss on disposal of property, plant and equipment	7	(100)	1
		(13,815)	(169,722)
Changes in operating assets and liabilities:			
Receivables		(144,643)	49,546
Related companies		13,935	18,702
Payables		18,849	(149,410)
		(125,674)	(250,884)
Interest received - loans		338,400	311,454
Interest paid		(5,568)	(2,309)
Taxation paid		(50,515)	(91,604)
Cash provided by/(used in) operating activities		156,643	(33,343)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received - securities		11,708	30,416
Additions to intangible assets	19	(12,825)	(1,331)
Additions to property, plant and equipment	20	(1,058)	(27,268)
Proceeds from disposal of property, plant and equipment		100	21
Short term deposits		(8,194)	(12,335)
Cash used in investing activities		(10,269)	(10,497)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interest paid		(72,341)	(66,893)
Loan proceeds - related party	14	100,000	-
Loan proceeds	14	-	10,000
Loan repayments	14	(81,645)	(89,248)
Lease payments	21(b)	(22,813)	(7,646)
Cash used in financing activities		(76,799)	(153,787)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		69,575	(197,627)
Exchange effect on foreign cash balances		(36,130)	9,031
Cash and cash equivalents at beginning of year		538,557	727,153
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	572,002	538,557

Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 March 2026

	Note	2026 $'000	2025 $'000
REVENUE:			
Income	6	1,472,014	1,502,306
Other operating income	7	270,569	278,756
		1,742,583	1,781,062
EXPENSES:			
Administrative and other expenses		(792,684)	(772,825)
Selling and promotion expenses		(699,425)	(719,606)
	8	(1,492,109)	(1,492,431)
PROFIT FROM OPERATIONS		250,474	288,631
Finance costs	10	(77,191)	(68,642)
PROFIT BEFORE TAXATION		173,283	219,989
Taxation	11(a)	(55,366)	(72,417)
NET PROFIT FOR THE YEAR, BEING TOTAL COMPREHENSIVE INCOME		117,917	147,572

LASCO FINANCIAL SERVICES LIMITED

Statement of Financial Position

31 March 2026

	Note	2026 $'000	2025 $'000
ASSETS			
Cash and bank balances	14	739,086	686,362
Short term deposits	15	285,639	277,445
Receivables	16	614,799	662,936
Related companies	17(c)	1,158,801	1,139,882
Taxation recoverable		40,497	37,990
Property, plant and equipment	20	73,435	85,998
Right-of-use assets	21(a)	44,345	55,205
Investment in subsidiaries	22	1,410,045	1,410,045
Deferred tax asset	18	20,981	5,660
TOTAL ASSETS		4,387,628	4,361,523
LIABILITIES AND EQUITY			
LIABILITIES:			
Bank overdraft	14	245,530	313,677
Payables	23	650,483	641,918
Related companies	17(c)	48,539	34,604
Taxation		73,098	50,419
Lease liabilities	21(b)	45,979	55,205
Loans	24	463,540	523,158
		1,527,169	1,618,981
EQUITY:			
Share capital	25	114,536	114,536
Retained earnings		2,745,923	2,628,006
		2,860,459	2,742,542
TOTAL LIABILITIES AND EQUITY		4,387,628	4,361,523

Approved for issue by the Board of Directors on 15 June 2026 and signed on its behalf by:

Sharlene Williams
Managing Director

Compton Rodney, OD

LASCO FINANCIAL SERVICES LIMITED

Statement of Changes in Equity

Year ended 31 March 2026

	Share Capital $'000	Retained Earnings $'000	Total $'000
BALANCE AT 31 MARCH 2024	114,536	2,480,434	2,594,970
TOTAL COMPREHENSIVE INCOME			
Net profit	-	147,572	147,572
BALANCE AT 31 MARCH 2025	114,536	2,628,006	2,742,542
TOTAL COMPREHENSIVE INCOME			
Net profit	-	117,917	117,917
BALANCE AT 31 MARCH 2026	114,536	2,745,923	2,860,459

LASCO FINANCIAL SERVICES LIMITED

Statement of Cash Flows

Year ended 31 March 2026

	Note	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit		117,917	147,572
Items not affecting cash resources:			
Unrealized exchange gain on foreign balances		38,676	(1,693)
Amortisation of intangibles	19	-	3,382
Depreciation	20	12,563	12,604
Depreciation – right-of-use assets	21(a)	10,860	2,953
Interest income from securities	7	(8,888)	(9,894)
Interest income – other		(1,441)	(978)
Gain on derecognition of right of use and lease liability	7	-	(64,870)
Taxation expense	11(a)	70,687	50,795
Deferred taxation	18	(15,321)	21,622
Interest expense	10	73,408	66,664
Interest expense - right-of-use assets	10	3,783	1,978
		302,244	230,135
Changes in operating assets and liabilities:			
Receivables		39,991	221,213
Related companies		(4,984)	44,612
Payables		13,879	(148,553)
		351,130	347,407
Interest received		1,441	978
Taxation paid		(50,515)	(91,604)
Cash provided by operating activities		302,056	256,781
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received		9,174	9,685
Additions to property, plant and equipment	20	-	(15,629)
Short term deposits		(8,194)	(12,335)
Cash provided by/(used in) investing activities		980	(18,279)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Interest paid		(72,341)	(66,893)
Loan repayments	14	(60,685)	(58,311)
Lease payments	21(b)	(13,009)	(3,800)
Cash used in financing activities		(146,035)	(129,004)
NET INCREASE IN CASH AND CASH EQUIVALENTS		157,001	109,498
Exchange effect on foreign cash balances		(36,130)	9,031
Cash and cash equivalents at beginning of year		372,685	254,156
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	493,556	372,685

Notes to the Financial Statements

31 March 2026

1. **IDENTIFICATION AND PRINCIPAL ACTIVITIES:**

(a) Lasco Financial Services Limited ("the company") is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is located at 27 Red Hills Road, Kingston 10. The company is listed on the Junior Market of the Jamaica Stock Exchange.

(b) The principal activities of the company are:

i. The sale and purchase of foreign currencies through its Cambio. The company is a licenced Cambio dealer regulated by the Bank of Jamaica.

ii. The provision of remittance services facilitating person to person transfers for a fee, in accordance with licences issued by the Bank of Jamaica.

iii. The company is approved to operate the Lasco Gold Visa Prepaid Card in the Bank of Jamaica regulatory sandbox.

(c) Lasco Financial Services (Barbados) Limited is incorporated in Barbados under the Companies Act Cap. 308 of the Laws of Barbados and is a 100% owned subsidiary of the company. The principal activity is the provision of remittance services facilitating the receiving of funds. The subsidiary however did not trade during the year.

Lasco Microfinance Limited is a limited liability company incorporated and domiciled in Jamaica and is a 100% owned subsidiary of the company. The principal activities of the company are retail lending to the micro enterprise sector for personal and business purposes. Funding is provided by the parent company by way of equity and a loan. The company was granted the licence to operate under the Microcredit Act 2021, effective 4 October 2023.

The company and its subsidiaries are referred to as "the Group".

2. **REPORTING CURRENCY:**

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the group's functional and presentation currency.

3. **MATERIAL ACCOUNTING POLICIES:**

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

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(a) **Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), and have been prepared under the historical cost convention. They are also prepared in accordance with requirements of the Jamaican Companies Act.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

New, revised and amended standards and interpretations that became effective during the year

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

Amendments to IAS 21, 'Effects of Changes in Foreign Exchange Rates' – Lack of Exchangeability, (effective for accounting periods beginning on or after 1 January 2025). The amendments specify when a currency is exchangeable into another currency and when it is not as well as how an entity determines the exchange rate to apply when a currency is not exchangeable. A currency is exchangeable when there is an ability to obtain the other currency and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The amendments also require the disclosure of additional information that would enable users of the financial statements of an entity to evaluate how a currency's lack of exchangeability affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The adoption of the amendments to the above standards and interpretations did not have a material impact on the group's financial statements.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(a) **Basis of preparation (cont'd)**

New standards, amendments and interpretations not yet effective and not early adopted

At the date of authorization of these financial statements, there were certain new standards, amendments and interpretations to existing standards which were in issue but not yet effective and which the group has not early adopted.

The standards which management considered may be relevant to the group are as follows:

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7, (effective for accounting periods beginning on or after 1 January 2026). These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The adoption of these amendments is not expected to have a material impact on the group.

IFRS 18, 'Presentation and Disclosures in Financial Statements', (effective for accounting periods beginning on or after 1 January 2027). The International Accounting Standards Board (IASB) has published its new standard, IFRS 18 that will replace IAS 1 'Presentation of Financial Statements'. The new standard is the result of the primary financial statements project and aims at improving how entities communicate in their financial statements. The new standard introduces defined categories (Operating, Investing, Financing, Income Tax and Discontinued Operations) and mandatory subtotals in the statement of profit or loss to enhance comparability and structure, along with stricter rules on aggregation, disaggregation, and the presentation of operating expenses. It also requires detailed disclosures on Management-defined Performance Measures (MPMs), including their calculation, purpose, and reconciliation to IFRS totals, to improve transparency and consistency. The group is still assessing the impact the adoption of this new standard will have on its financial statements.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(a) **Basis of preparation (cont'd)**

New standards, amendments and interpretations not yet effective and not early adopted (cont'd)

Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates', (effective for accounting reporting periods beginning on or after 1 January 2027). The amendments in Translation to a Hyperinflationary Presentation Currency are; When an entity translates amounts from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy, the entity translates those amounts, including comparative amounts, using the closing rate at the date of the most recent statement of financial position; when the entity's presentation currency ceases to be the currency of a hyperinflationary economy and its functional currency continues to be the currency of a non-hyperinflationary economy, the entity applies prospectively (without restatement of the comparative amounts) the method currently applicable in IAS 21 to such situations; and the entity would have to disclose that it has applied the method, including summarised financial information about its foreign operations translated applying the proposed translation method; it would also have to disclose if the economy concerned ceased to be hyperinflationary.

Amendments to IAS 7, 'Statement of Cash Flows', (effective for accounting periods beginning on or after 1 January 2027). The amendments require all companies to use the operating profit subtotal as defined in IFRS 18 as the starting point for the indirect method of reporting cash flows from operating activities. Additionally, the presentation alternatives for cash flows related to interest and dividends paid and received will be removed.

The group does not expect any other standards or interpretations issued by the IASB but not yet effective, to have a material effect on its financial statements.

(b) **Basis of consolidation**

Where the company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the company and its subsidiaries ("the group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(b) **Basis of consolidation (cont'd)**

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets acquired, and liabilities and contingent liabilities assumed are initially recognized at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of profit or loss and other comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

The group uses the financial statements of its subsidiaries, Lasco Financial Services Limited and Lasco Microfinance Limited at 31 March 2026 for the purpose of consolidation.

(c) **Segment reporting**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Operating segments are reported in a manner consistent with internal reporting to the group's Chief Operating Decision Maker (CODM).

(d) **Foreign currency translation**

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in foreign currency are translated using the exchange rate as at the date of initial recognition.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(d) **Foreign currency translation (cont'd)**

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in profit or loss.

(e) **Property, plant and equipment**

Items of property, plant and equipment are recorded at historical cost, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation is calculated on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. The expected useful lives of property, plant and equipment are as follows:

Leasehold improvements	2-10 years
Furniture, fixtures and equipment	5-10 years
Computer hardware	4-5 years
Motor vehicles	5 years

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining profit or loss.

(f) **Intangible assets**

Goodwill

Goodwill is recorded at cost and represents the excess of the value of consideration paid over the group's interest in net fair value of the identifiable assets and liabilities of the acquiree. Goodwill is tested at the end of each reporting period for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(f) **Intangible assets (cont'd)**

Computer software

Computer software is deemed to have a finite useful life of five years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

(g) **Provisions**

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

(h) **Impairment of non-current assets**

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment of goodwill and other intangibles is dependent upon management's internal assessment of future cash flows from the intangibles and cash generating units that gave rise to the goodwill. That internal assessment determines the amount recoverable from future use of cash generating units in respect of goodwill. The estimate of the amount recoverable from future use of those units is sensitive to the discount rates used.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(i) **Current and deferred income taxes**

Taxation expense in profit or loss comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because taxable profits exclude items that are taxable or deductible in other years, and items that are never taxable or deductible. The group's liability for current tax is calculated at tax rates that have been enacted at the reporting date.

Deferred tax is the tax that is expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income or equity, in which case deferred tax is also dealt with in other comprehensive income or equity.

(j) **Employee benefits**

Defined contribution plan

The group participates in a defined contribution pension plan which is funded by employees' contributions and employer's contributions made on the basis provided by the rules. Once the contributions have been paid, the group has no further obligations. Contributions are charged to the statement of profit or loss, in the year to which they relate.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(j) **Employee benefits (cont'd)**

Other

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

The group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration profit attributable to the group's stockholders after certain adjustments.

(k) **Revenue recognition**

Revenue is measured taking into account contractually defined terms of payment. Revenue comprises the fair value of the consideration specified in a contract which is received or receivable for services provided in the ordinary course of the group's business and is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is made.

The specific recognition criteria are described below -

Interest income

Interest income is recognized in profit or loss using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instruments to its gross carrying amount.

When calculating the effective interest rate for financial instruments, the group estimates future cash flows considering all contractual terms of the financial instrument. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets, that is, after deduction of ECL.

Fees and commission

Fees and commission are recognized on the accruals basis when the related services are performed. Original fees for loans which are probable of being drawn are recognized in profit or loss immediately as they are not considered material for deferral.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(l) **Financial instruments**

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

Financial assets

(i) **Recognition and derecognition**

Financial assets are initially recognised on the settlement date, which is the date that an asset is delivered to the group. This includes regular purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains all or substantially all the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognised financial assets that is created or retained by the group is recognised as a separate asset or liability.

(ii) **Classification**

The group classifies all of its financial instruments at initial recognition based on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets recorded at fair value through profit or loss (FVPL), transaction costs are added to, or subtracted from, this amount.

The group classifies its financial assets as those measured at amortised cost.

(iii) **Measurement**

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI). They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(l) **Financial instruments (cont'd)**

Financial assets (cont'd)

(iii) **Measurement (cont'd)**

Amortised cost (cont'd)

The group's financial assets measured at amortised cost comprise loans receivable, other receivables, short term deposits and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents are carried in the statement of financial position at fair value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand, net of bank overdraft.

(iv) **Impairment**

Financial assets carried at amortised cost are assessed on a forward looking basis for the expected credit losses associated with these instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

General Model

A pervasive concept in measuring expected credit loss (ECL) in accordance with IFRS 9 is that it should consider forward-looking information. The group utilized a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

ECL is calculated by multiplying the probability of default (PD), loss given default (LGD) and exposure at default (EAD).

Impairment provisions for financial assets are recognised based on a 'three-stage' model for changes in credit quality since initial recognition as summarized below:

- Stage 1 - This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk. Financial instruments in this category 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.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(l) **Financial instruments (cont'd)**

(iv) **Impairment (cont'd)**

Impairment provisions for financial assets are recognised based on a 'three-stage' model for changes in credit quality since initial recognition as summarized below (cont'd):

- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted. The computation of ECL is based on lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial instrument. The consideration of longer timeframes and increased credit risk results in higher provisions in this stage. The actual ECL is determined after deducting the market value of security provided for loans.

- Stage 3 – This category includes instruments that are in default.

Simplified Approach

The probability of the non-payment of receivables which do not have a finance component is assessed by taking into consideration historical rates of default for each segment of the receivables as well as the estimated impact of forward looking information. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL.

Financial liabilities

The group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: payables, long term loans, related company balances, bank overdraft and lease liabilities.

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

(m) **Borrowings**

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred and are subsequently measured at amortised cost. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in profit or loss over the period of the borrowings.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(n) **Right-of-use assets**

Right-of-use assets are initially measured at an amount equal to the initial value of the lease obligation which is subsequently, adjusted for the following items:

i) Any lease payments made at or before the commencement date, less any lease incentives received;

ii) Any initial direct costs incurred by the group;

iii) An estimate of costs to dismantle and remove the underlying asset or to restore the site on which the asset is located.

For short-term leases that have a lease term of 12 months or less and low-value assets, the group has elected to not recognize a lease obligation and right-of-use asset and instead will recognize a lease expense as permitted under IFRS 16.

Right-of-use assets are depreciated using the straight-line method from the date of commencement of the lease to the earlier of the end of the useful life of the asset or end of the lease term.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36, Impairment of Assets, which replaces the previous requirement to recognize a provision for onerous lease contracts under IAS 37, Provisions, Contingent Liabilities and Contingent Assets.

(o) **Leases**

Leases are accounted for by recognizing a right-of-use asset and a lease liability except for leases of low value assets and leases with a term of 12 months or less.

The lease obligation is measured at the present value of the contractual obligation, discounted using the interest rate implicit in the lease term, unless that rate is not readily determinable, in which case the group will use its incremental borrowing rate.

The lease term determined by the group comprises:

i) The non-cancellable period of lease contracts, including a rent-free period if applicable;

ii) Periods covered by an option to extend the lease if the group is reasonably certain to exercise that option;

iii) Periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(o) **Leases (cont'd)**

The commencement date of the lease begins on the date on which the lessor makes the underlying asset available for use to the group. Lease payments included in the measurement of the lease obligation are comprised of the following:

i) Fixed lease payments, including in-substance fixed payments;

ii) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii) Amounts expected to be payable under a residual value guarantee;

iv) The exercise price of purchase options that the group is reasonably certain to exercise;

v) Lease payments in an option renewal period if the group is reasonably certain to exercise the extension option;

vi) Penalties for early termination of the lease unless the group is reasonably certain not to terminate early; and

vii) Less any incentive receivable.

Variable payments for leases that do not depend on an index or rate are not included in the measurement of the lease obligations. The variable payments are recognized as an expense in the period in which they are incurred. Having elected to do so, the company accounts for any lease and associated non-lease components as a single arrangement, which is permitted under IFRS 16.

Interest on the lease obligations is calculated using the effective interest method and increases the lease obligation while rent payments reduce the obligation. The lease obligation is re-measured whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, or there is a change in the assessment of the exercise of an extension option. The lease obligation is re-measured by discounting the revised lease payments using a revised discount rate resulting in a corresponding adjustment to the right-of-use asset or is recorded in gain or loss if the carrying amount of the right-of-use asset has been reduced to zero or the modification results in a reduction in the scope of the lease. The revised carrying amount is amortised over the remaining lease term.

(p) **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributed to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3. **MATERIAL ACCOUNTING POLICIES (CONT'D):**

(q) **Investment in subsidiaries**

Investment by the company in its subsidiaries is stated at cost.

(r) **Dividend distribution**

Dividends are recorded as a deduction from equity and recognized as a liability in the company's financial statements in the period in which the dividends are declared or approved. In the case of interim dividends to shareholders, this is when declared by the directors and final dividends when approved by the company's shareholders.

Dividend for the year that are declared after the reporting date are dealt with in the subsequent events note.

(s) **Related party balances and transactions**

Parties are considered to be related if directly, or indirectly through one or more intermediaries, the party controls, is controlled by or is under common control with the entity (this includes parents, subsidiaries and fellow subsidiaries), has significant influence over the entity or has joint control over the entity. Related party balances and transactions are disclosed for the following:

(i) Enterprises and individuals owning, directly or indirectly, a significant interest in voting power of the company and /or having significant influence over the company's affairs and close members of the family of these individuals.

(ii) Key management personnel, that is, those persons having authority and responsibility for planning directing and controlling the activities of the company, including directors, officers and close members of the families of these individuals.

4. **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES:**

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) **Critical judgements in applying the group's accounting policies**

In the process of applying the group's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amounts recognized in the financial statements.

(b) **Key sources of estimation uncertainty**

The group makes certain estimates and assumptions regarding the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

4. **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):**

(b) **Key sources of estimation uncertainty (cont'd)**

(i) **Depreciable assets**

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The company applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

(ii) **Income taxes**

Estimates are required in determining the provision for income tax. There are some transactions and calculations for which the ultimate tax determination is uncertain. The company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iii) **Allowance for impairment losses**

In determining amounts recorded for impairment losses on loans receivable in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be measurable decrease in estimated future cash flows from loans receivable, for example, through unfavourable economic conditions and default.

Allowances for doubtful accounts are determined upon origination of the loans receivable based on a model that calculates the expected credit loss (ECL) of the loans receivable.

The measurement of the expected credit loss (ECL) allowance for loans receivable is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of borrowers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL; and
- Determining the market value of security provided for loans.

4. **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):**

(b) **Key sources of estimation uncertainty (cont'd)**

(iv) **Assessment of goodwill**

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 3(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and discount rate. Any changes in these variables would impact the value in use calculations.

5. **FINANCIAL RISK MANAGEMENT:**

The group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price, and
- Liquidity risk

In common with all other businesses, the group is exposed to risks that arise from its use of financial instruments. This note describes the group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(a) **Principal financial instruments**

The principal financial instruments used by the group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and bank balances
- Short term deposits
- Payables
- Due from/to related company
- Long term loans
- Lease liabilities
- Bank overdraft

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(b) **Financial instruments by category**

Financial assets

	The Group Amortised cost		The Company Amortised cost	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Receivables	1,517,060	1,379,484	396,586	386,601
Related companies	-	-	1,158,801	1,139,882
Short term deposits	285,639	277,445	285,639	277,445
Cash and bank balances	817,532	852,234	739,086	686,362
Total financial assets	2,620,231	2,509,163	2,580,112	2,490,290

Financial liabilities

	The Group Amortised cost		The Company Amortised cost	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Loans	544,688	625,266	463,540	523,158
Bank overdraft	245,530	313,677	245,530	313,677
Related companies	148,539	34,604	48,539	34,604
Payables	606,295	607,548	589,950	598,476
Lease liabilities	86,613	70,197	44,345	55,205
Total financial liabilities	1,631,665	1,651,292	1,391,904	1,525,120

(c) **Financial risk factors**

The Board has overall responsibility for the determination of the group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the group's finance function. The Board receives quarterly reports from the Audit and Risk Management Committee through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The company's internal auditors also review the risk management policies and processes and report their findings to the Audit and Risk Management Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the group's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) **Market risk**

Market risk arises from the group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(i) **Market risk (cont'd)**

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from trade receivables, payables, short term deposits and foreign currency cash and bank balances. The group manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The group further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

Concentration of currency risk

The table below summarises the group's exposure to foreign currency rate risk at 31 March.

	The Group			
	US J$'000	GBP J$'000	EURO J$'000	CAN J$'000
At 31 March 2026				
Financial assets:				
Cash and cash equivalents	410,972	6,429	739	6,891
Short term deposits	285,639	-	-	-
Trade receivables	421,245	-	-	-
Total financial asset	1,117,856	6,429	739	6,891
Financial liability:				
Payables	165,333	-	-	-
Total financial liability	165,333	-	-	-
Net financial position	952,523	6,429	739	6,891
At 31 March 2025				
Total financial assets	1,127,017	5,777	163	7,666
Total financial liability	159,903	-	-	-
Net financial position	967,114	5,777	163	7,666

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(i) **Market risk (cont'd)**

Currency risk (cont'd)

Concentration of currency risk (cont'd)

The table below summarises the company's exposure to foreign currency rate risk at 31 March (cont'd)

The Company

	US J$'000	GBP J$'000	EURO J$'000	CAN J$'000
At 31 March 2026				
Financial assets:				
Cash and cash equivalents	410,972	6,429	739	6,891
Short term deposits	285,639	-	-	-
Trade receivables	421,245	-	-	-
Total financial asset	1,117,856	6,429	739	6,891
Financial liability:				
Payables	165,333	-	-	-
Total financial liability	165,333	-	-	-
Net financial position	952,523	6,429	739	6,891
At 31 March 2025				
Total financial assets	1,127,017	5,777	163	7,666
Total financial liability	159,903	-	-	-
Net financial position	967,114	5,777	163	7,666

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(d) **Financial risk factors (cont'd)**

(i) **Market risk (cont'd)**

Currency risk (cont'd)

Foreign currency sensitivity

The following table indicates the sensitivity of profit before taxation to changes in foreign exchange rates. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated cash and cash equivalents, short term deposits, payables and receivable balances, and adjusts their translation at the year-end for 1.5% (2025 – 4%) depreciation and a 1% (2025 – 1%) appreciation of the Jamaican dollar against the various currencies. The changes below would have no impact on other components of equity.

The Group

Currency	% Change in Currency Rate 2026	Effect on Profit before taxation 2026 $'000	% Change in Currency Rate 2025	Effect on Profit before taxation 2025 $'000
USD	+1	(9,525)	+1	(9,671)
GBP	+1	(64)	+1	(58)
EURO	+1	(7)	+1	(2)
CAN	+1	(69)	+1	(77)
USD	-1.5	14,288	-4	38,685
GBP	-1.5	96	-4	231
EURO	-1.5	11	-4	7
CAN	-1.5	103	-4	307

The Company

Currency	% Change in Currency Rate 2026	Effect on Profit before taxation 2026 $'000	% Change in Currency Rate 2025	Effect on Profit before taxation 2025 $'000
USD	+1	(9,525)	+1	(9,671)
GBP	+1	(64)	+1	(58)
EURO	+1	(7)	+1	(2)
CAN	+1	(69)	+1	(77)
USD	-1.5	14,288	-4	38,685
GBP	-1.5	96	-4	231
EURO	-1.5	11	-4	7
CAN	-1.5	103	-4	307

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(i) **Market risk (cont'd)**

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The group does not have a significant exposure and as such, market price fluctuations are not expected to have a material effect on the net results or stockholders' equity.

Cash flow and fair value 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.

Floating rate instruments expose the group to cash flow interest rate risk, whereas fixed rate instruments expose the group to fair value interest rate risk.

The group is exposed to both fair value and cash flow interest rate risk on its fixed and variable rate borrowings, respectively. The group analyses its interest rate exposure arising from borrowings on an ongoing basis, taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

The loan portfolio, short term deposits and certain bank accounts are the only interest bearing assets within the group. The group's short term deposits are due to mature within 12 months of the reporting date.

Interest rate sensitivity

A 0.25% increase and decrease (2025 - 0.25% increase/0.50% decrease) in interest rates on Jamaican dollar borrowings would result in a $1,612,000 increase and decrease (2025 - $1,562,000 increase and $3,127,000 decrease) in profit before tax for the group.

(ii) **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from trade receivables, short term deposits, bank balances and related company balances.

Maximum exposure to credit risk

The maximum exposure to credit risk is equal to the carrying amount of trade and other receivables, short term deposits, cash and cash equivalents and related company balances in the statement of financial position.

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(ii) **Credit risk (cont'd)**

Maximum exposure to credit risk (cont'd)

Cash and cash equivalents

Cash transactions are limited to high credit quality financial institutions. The group has policies that limit the amount of credit exposure to any one financial institution.

Trade receivables

Revenue transactions in respect of the group's primary operations are settled in cash. For its operations done on a credit basis, the group has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

Credit quality review process

The group has established a credit quality review process involving regular analysis of the ability of borrowers and other counterparties to meet interest and capital repayment obligations. The group assesses the probability of default of individual counterparties based on payment history and changes in the circumstances of individuals or groups since the issue of loans. Counterparty limits are established according to the numbers of persons in a group and the nature of the activity undertaken. The credit quality process review allows the group to assess the potential loss as a result of the risk to which it is exposed and take corrective action.

Loans receivable impairment provision

The impairment requirements of IFRS 9 are based on an Expected Credit Loss (ECL) model. The guiding principle of the ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments.

The company estimates expected credit losses (ECL) on loans receivable from independent customers using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments.

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(ii) **Credit risk (cont'd)**

Trade receivables (cont'd)

Loans receivable impairment provision (cont'd)

	Gross Carrying Amount $'000	Default Rate %	Lifetime ECL Allowance $'000
31 March 2026			
Aging			
Due within 1 month	195,318	87	170,236
1 to 3 months	60,004	29	17,550
4 to 12 months	204,933	18	36,959
Over 12 months	965,207	6	58,798
	1,425,462		283,543
31 March 2025			
Aging			
Due within 1 month	75,300	84	63,407
1 to 3 months	18,074	87	15,814
4 to 12 months	52,925	85	45,133
Over 12 months	1,096,060	10	114,546
Total	1,242,359		238,900

Expected credit losses of trade and other receivables (note 16)

Movements on the provision for impairment of trade and other receivables are as follows:

	The Group	
	2026 $'000	2025 $'000
At 1 April	238,900	193,794
Provision for receivables impairment	44,643	45,106
At 31 March	283,543	238,900
Provided during the year	44,643	45,106
Recoveries	(24,095)	(38,642)
Expected credit losses reported in profit or loss	20,548	6,464

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(ii) **Credit risk (cont'd)**

Expected credit losses of trade receivables

The creation and release of provision for impaired receivables in the group have been included in expenses in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. Impairment estimates have been adjusted based on actual collection patterns.

The company's trade receivables from money transfer activities are received from the money transfer companies within two business days. Based on that business model, a provision for expected credit losses is not required.

Concentration of risk - trade receivables

The following table summarises the group's credit exposure for trade receivables at their carrying amounts, as categorized by the customer sector:

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
International:				
Money transfer	327,149	334,207	327,149	334,207
Local:				
Loans	1,425,462	1,242,359	-	-
	1,752,611	1,576,566	327,149	334,207
Less: Provision for credit losses	(283,543)	(238,900)	-	-
Unamortised fees	(36,298)	(28,598)	-	-
	1,432,770	1,309,068	327,149	334,207

(iii) **Liquidity risk**

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

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(iii) **Liquidity risk (cont'd)**

Liquidity risk management process

The group's liquidity risk management process, as carried out within the group and monitored by the Finance Department, includes:

(i) Monitoring future cash flows and liquidity on a daily basis.
(ii) Maintaining a portfolio of short term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
(iii) Maintaining committed lines of credit.
(iv) Optimising cash returns on investments.

Cash flows of financial liabilities

The maturity profile of the group's financial liabilities, based on contractual undiscounted payments, is as follows:

	The Group			
	Within 1 Year $'000	**2 to 5 Years $'000**	**Over 5 Years $'000**	**Total $'000**
31 March 2026				
Bank overdraft	245,530	-	-	245,530
Payables	688,768	-	-	688,768
Related companies	48,539	100,000	-	148,539
Loan	128,639	536,581	-	665,220
Lease liabilities	28,940	71,262	497	100,699
Total financial liabilities (contractual maturity dates)	1,140,416	707,843	497	1,848,756
31 March 2025				
Bank overdraft	313,677	-	-	313,677
Payables	675,233	-	-	675,233
Related companies	34,604	-	-	34,604
Loan	129,030	505,867	159,325	794,222
Lease liabilities	16,027	62,194	1,558	79,779
Total financial liabilities (contractual maturity dates)	1,168,571	568,061	160,883	1,897,515

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

(iii) **Liquidity risk (cont'd)**

Cash flows of financial liabilities (cont'd)

The Company

	Within 1 Year $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
31 March 2026				
Bank overdraft	245,530	-	-	245,530
Payables	650,483	-	-	650,483
Related companies	48,539	-	-	48,539
Loan	106,216	477,975	-	584,191
Lease liabilities	12,092	42,456	-	54,548
Total financial liabilities (contractual maturity dates)	1,062,860	520,431	-	1,583,291
31 March 2025				
Payables	641,918	-	-	641,918
Bank overdraft	313,677	-	-	313,677
Related companies	34,604	-	-	34,604
Lease liabilities	12,093	48,372	-	60,465
Loans	106,217	424,867	159,325	690,409
Total financial liabilities (contractual maturity dates)	1,108,509	473,239	159,325	1,741,073

(d) **Capital management**

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the group defines as net operating income, excluding non-recurring items, divided by total stockholders' equity. The Board of Directors also monitors the level of dividends to stockholders.

There are no particular strategies to determine the optimal capital structure.

6. **INCOME:**

Income represents the margin between the buying and selling rates of foreign currencies, commission received as a percentage of fees from remittance transactions, interchange from VISA prepaid card transactions and interest earned on the granting of loans.

7. **OTHER OPERATING INCOME:**

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Interest income on securities	11,422	30,625	8,888	9,894
Rental income	-	-	1,677	1,708
Processing fees and commission	345,264	237,164	256,208	196,108
Gain/(loss) on disposal of property, plant and equipment	100	(1)	-	-
Gain on derecognition of right of use and lease liability	-	64,870	-	64,870
Other (see below)	3,796	6,177	3,796	6,176
	360,582	338,835	270,569	278,756

Included in other are income categories amounting to less than $2 million.

8. **EXPENSES BY NATURE:**

Total administrative, selling and other expenses:

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Staff costs (note 9)	637,846	634,007	375,994	358,781
Building rental	7,848	18,675	2,723	12,192
Security services	27,717	28,940	17,470	18,040
Depreciation and amortisation	26,316	30,561	12,563	15,986
Depreciation – right-of-use assets	21,176	6,219	10,860	2,953
Commission and fees	675,799	683,409	664,629	658,078
Advertising and promotion	41,633	71,139	34,796	61,527
Auditors' remuneration	13,011	11,363	5,616	5,687
Legal and professional fees	74,359	76,336	52,375	50,978
Directors' fees	23,532	29,793	21,216	27,477
Cash and bank charges	21,663	25,122	20,998	24,448
Printing, courier and stationery	28,598	34,747	27,834	33,062
Computer repairs and development	65,931	54,134	65,931	54,134
Office supplies and building maintenance	10,926	10,861	7,553	7,614
Electricity	11,530	11,532	6,467	6,417
Insurance	19,671	20,149	19,671	20,149
Information, communication and technology	55,806	19,637	15,822	14,820
Irrecoverable GCT	36,419	48,142	18,574	31,587
Merchant fees & expense	75,400	46,297	75,400	46,297
Other operating expenses (see below)	15,221	64,016	9,348	8,492
Travelling and motor vehicle expenses	30,431	32,535	4,459	4,780
Donations	8,371	7,786	8,371	7,786
Subscriptions	14,507	22,719	13,439	21,146
	1,943,711	1,988,119	1,492,109	1,492,431

Included in other operating expenses are expense categories amounting to less than $4 million.

9. STAFF COSTS:

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Salaries and wages	469,494	448,548	269,478	242,049
Directors' remuneration	22,990	27,848	22,990	27,848
Statutory contributions	57,213	56,622	31,064	29,613
Pension costs	17,733	18,846	10,552	11,175
Other	70,416	82,143	41,910	48,096
	637,846	634,007	375,994	358,781

Included in other are amounts for health and life insurance, staff lunch, training, accommodation and other welfare benefits.

The number of persons employed by the group at year end was 145 (2025: one hundred and fifty three (153)).

10. FINANCE COSTS:

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Interest expense -				
Overdraft interest	26,809	21,253	26,809	21,253
Loan interest	52,167	47,720	46,599	45,411
	78,976	68,973	73,408	66,664
Right-of-use assets	6,100	2,631	3,783	1,978
	85,076	71,604	77,191	68,642

11. TAXATION EXPENSE:

(a) Taxation is based on the operating results for the year, adjusted for taxation purposes, and comprises:

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Current taxation	73,474	50,795	73,474	50,795
Over provision in prior year	(2,787)	-	(2,787)	-
	70,687	50,795	70,687	50,795
Deferred taxation (note 18)	(28,466)	(23,249)	(15,321)	21,622
	42,221	27,546	55,366	72,417

11. **TAXATION EXPENSE (CONT'D):**

(b) The tax on the profit before taxation differs from the theoretical amount that would arise using the applicable tax rates as follows:

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Profit before taxation	124,313	86,173	173,283	219,989
Tax calculated @ 33 1/3%	41,438	28,724	57,761	73,330
Adjusted for the effects of:				
Adjustment	-	2,392	-	-
Expenses not deducted for tax purposes	54,733	38,069	34,961	18,322
Over provision in prior year	(2,787)	-	(2,787)	-
Deferred taxation	(28,466)	(23,249)	(15,321)	21,622
Net effect of other charges and allowances	(22,697)	(18,390)	(19,248)	(40,857)
	42,221	27,546	55,366	72,417

As a result of the licence granted to the company to operate under the Microcredit Act (see note 1(b)), the company's tax rate has been increased to 33 1/3%.

12. **NET PROFIT:**

	2026 $'000	2025 $'000
Reflected in the financial statements of:		
Company	117,917	147,572
Subsidiaries	(35,825)	(88,945)
	82,092	58,627

13. **EARNINGS PER STOCK UNIT:**

Basic earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the number of ordinary stock units in issue at year end.

	2026	2025
Net profit attributable to stockholders ($'000)	82,092	58,627
Number of ordinary stock units ('000)	1,280,227	1,280,227
Earnings per stock unit (¢ per share)	6.41	4.58

14. **CASH AND CASH EQUIVALENTS:**

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Cash and bank balances-				
Foreign currency accounts	411,337	369,370	410,928	369,370
Jamaican currency current accounts	170,106	239,445	92,121	218,326
Fixed deposits	-	144,705	-	-
Cash in hand	236,089	98,714	236,037	98,666
	817,532	852,234	739,086	686,362
Bank overdraft				
Local currency current account	245,530	313,677	245,530	313,677
	572,002	538,557	493,556	372,685

Reconciliation of movements of liabilities to cash flows arising from financing activities:

Amounts represent bank and other loans.

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
At 1 April	625,266	704,743	523,158	581,698
Cash -				
Loans received	100,000	10,000	-	-
Loans repaid	(81,645)	(89,248)	(60,685)	(58,311)
Non-cash -				
Interest accrued	1,067	(229)	1,067	(229)
At 31 March	644,688	625,266	463,540	523,158

The company's overdraft facility of $300,000,000 is secured by a lien over the fixed deposit of US$694,792, held at National Commercial Bank Jamaica Limited.

15. **SHORT TERM DEPOSITS:**

This represents deposits with original maturities of greater than three months but less than 1 year.

16. **RECEIVABLES:**

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Trade receivables –				
Money transfer	327,149	334,207	327,149	334,207
Loans	1,105,621	974,861	-	-
Prepayments	21,453	30,683	17,264	24,188
Other receivables	301,041	335,129	234,140	283,858
GCT recoverable	36,246	20,683	36,246	20,683
	1,791,510	1,695,563	614,799	662,936

Loans:

(i) Loans are comprised of and mature as follows:

	The Group	
	2026	2025
	$'000	$'000
Due within 1 month	195,318	75,300
1 to 3 months	60,004	18,074
4 to 12 months	204,933	52,925
Over 12 months	965,207	1,096,060
Gross loans	1,425,462	1,242,359
Less: unamortised fees	(36,298)	(28,598)
Less: allowance for loan losses	(283,543)	(238,900)
	1,105,621	974,861

16. **RECEIVABLES (CONT'D):**

(ii) Impairment losses on loans:

The ageing of loans and related allowances at the reporting date were as follows:

	The Group			
	2026 $'000		2025 $'000	
	Gross	Impairment	Gross	Impairment
Current	971,706	27,976	872,320	24,010
1 to 3 months past due	144,909	5,254	115,646	3,107
4 to 12 months past due	77,905	45,142	64,914	55,676
Over 12 months past due	230,942	205,171	189,479	156,107
	1,425,462	283,543	1,242,359	238,900

The fair values of trade and other receivables approximate the carrying values.

17. **RELATED PARTY TRANSACTIONS AND BALANCES:**

(a) **Transactions between the group and its related companies**

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Sale of foreign currency to:				
Lasco Distributors Limited	4,974,374	5,831,648	4,974,374	5,831,648
Lasco Manufacturing Limited	6,596,086	6,455,508	6,596,086	6,455,508
	11,570,460	12,287,156	11,570,460	12,287,156
Lease payment:				
Lasco Distributors Limited	13,009	9,196	13,009	9,196

(b) **Key management compensation (included in staff costs - note 9):**

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Key management includes directors and senior managers -				
Salaries and other short-term employee benefits	111,008	121,904	74,971	68,312
Directors' emoluments -				
Fees	23,532	29,793	21,216	27,477
Management remuneration (included above)	28,034	27,848	28,034	27,848

17. **RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D):**

(c) **Year end balances arising from transactions with related parties**

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Due from -				
Lasco Microfinance Limited	-	-	1,158,801	1,139,882

	The Group and the Company	
	2026	2025
	$'000	$'000
Due to-		
Lasco Distributors Limited	45,256	34,164
Lasco Manufacturing Limited	103,283	440
	148,539	34,604

Included in the balance due to Lasco Manufacturing Limited is a promissory note with a principal amount of $100,000,000, bearing a fixed interest rate of 7.5% per annum over a period of two years.

18. **DEFERRED TAX:**

Deferred tax is calculated in full on temporary differences under the liability method using the applicable tax rate.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities. The amounts determined after appropriate offsetting are as follows:

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Asset at beginning of year	216,549	188,575	5,660	27,282
Adjustment	-	4,725	-	-
Credit to profit or loss (note 11)	28,466	23,249	15,321	(21,622)
Asset at end of year	245,015	216,549	20,981	5,660

18. DEFERRED TAX (CONT'D):

Deferred tax is due to the following temporary differences:

	The Group		The Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Decelerated/(accelerated) tax depreciation	2,646	4,300	(615)	(901)
Interest receivables and loan allowances	86,381	72,865	-	-
Unrealised foreign exchange gain	12,327	(564)	12,327	(564)
Vacation leave accrued	10,890	8,943	5,502	4,259
Interest payable	3,222	2,866	3,222	2,866
Right-of-use assets	(26,823)	(22,839)	(14,780)	(18,400)
Lease liabilities	28,868	23,397	15,325	18,400
Tax losses carried forward	127,504	127,581	-	-
	245,015	216,549	20,981	5,660

19. INTANGIBLE ASSETS:

	The Group		
	Goodwill $'000	Computer Software $'000	Total $'000
At cost -			
31 March 2024	824,016	107,438	931,454
Additions	-	1,331	1,331
31 March 2025	824,016	108,769	932,785
Additions	-	12,825	12,825
31 March 2026	824,016	121,594	945,610
Amortisation -			
31 March 2024	-	91,005	91,005
Charge for the year	-	8,374	8,374
31 March 2025	-	99,379	99,379
Charge for the year	-	3,738	3,738
31 March 2026	-	103,117	103,117
Net Book Value -			
31 March 2026	824,016	18,477	842,493
31 March 2025	824,016	9,390	833,406

Goodwill -

Goodwill arose on the acquisition of Scotia Microfinance Company Limited and is largely attributable to synergies and economies of scale. This arose from years of creation and maintenance of solid customer base, good customer relations and general business operations.

Impairment tests for goodwill –

The group determines whether goodwill is impaired at the end of each reporting period or when events or changes in circumstances indicate that the carrying value may be impaired.

In testing goodwill for impairment, recoverable amounts of cash-generating units are estimated based on value-in-use. Where the recoverable amounts exceed the carrying amounts, no impairment allowance is made. The recoverable amounts of cash-generating units are arrived at by estimating their future cash flows and discounting those cash flows using long-term discount rates applicable to the group. Future sustainable cash flows are estimated based on the most recent forecasts, after taking account of past experience. The long-term growth rate is applied following the immediately following year, within a terminal value calculated based on the discount rate and growth rate applied. Each cash generating unit is regarded as saleable to a third party at any future date at a price sufficient to recover its carrying amount of goodwill.

20. PROPERTY, PLANT AND EQUIPMENT:

The Group

	Leasehold Improvements $'000	Furniture, Fixtures & Equipment $'000	Computer Hardware $'000	Motor Vehicles $'000	Total $'000
Cost -					
31 March 2024	109,761	110,356	60,673	14,802	295,592
Additions	-	14,777	12,491	-	27,268
Disposal	-	-	(119)	-	(119)
31 March 2025	109,761	125,133	73,045	14,802	322,741
Additions	-	1,058	-	-	1,058
Adjustments	-	95	(169)	-	(74)
Disposal	-	-	(574)	(6,695)	(7,269)
31 March 2026	109,761	126,286	72,302	8,107	316,456
Depreciation -					
31 March 2024	52,141	75,488	49,338	9,293	186,260
Charge for the year	6,111	8,233	6,221	1,621	22,186
Disposal	-	-	(97)	-	(97)
31 March 2025	58,252	83,721	55,462	10,914	208,349
Charge for the year	6,136	8,233	6,895	1,314	22,578
Adjustments	-	1,064	(1,138)	-	(74)
Disposal	-	-	(574)	(6,695)	(7,269)
31 March 2026	64,388	93,018	60,645	5,533	223,584
Net Book Value -					
31 March 2026	45,373	33,268	11,657	2,574	92,872
31 March 2025	51,509	41,412	17,583	3,888	114,392

20. **PROPERTY, PLANT AND EQUIPMENT (CONT'D):**

The Company

	Leasehold Improvements $'000	Furniture, Fixtures & Equipment $'000	Computer Hardware $'000	Motor Vehicles $'000	Total $'000
Cost -					
1 April 2024	84,350	84,038	35,824	12,502	216,714
Additions	-	13,956	1,673	-	15,629
31 March 2025	84,350	97,994	37,497	12,502	232,343
Disposal	-	-	-	(6,695)	(6,695)
31 March 2026	84,350	97,994	37,497	5,807	225,648
Depreciation -					
1 April 2024	38,871	59,482	28,306	7,082	133,741
Charge for the year	3,138	6,267	2,038	1,161	12,604
31 March 2025	42,009	65,749	30,344	8,243	146,345
Disposal	-	-	-	(6,695)	(6,695)
Charge for the year	3,185	6,174	2,043	1,161	12,563
31 March 2026	45,194	71,923	32,387	2,709	152,213
Net Book Value -					
31 March 2026	39,156	26,071	5,110	3,098	73,435
31 March 2025	42,341	32,245	7,153	4,259	85,998

21. **LEASES:**

(a) **Right-of-use assets**

	Land and building			
	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
1 April	68,524	126,762	55,205	125,330
Additions	33,129	70,358	-	55,205
Derecognition	-	(122,377)	-	(122,377)
Depreciation	(21,176)	(6,219)	(10,860)	(2,953)
31 March	80,477	68,524	44,345	55,205

(b) **Lease liabilities**

	The Group 2026 $'000	The Group 2025 $'000	The Company 2026 $'000	The Company 2025 $'000
1 April	70,197	192,101	55,205	189,069
Additions	33,129	70,358	-	55,205
Derecognition	-	(187,247)	-	(187,247)
Interest expense	6,100	2,631	3,783	1,978
Lease payments	(22,813)	(7,646)	(13,009)	(3,800)
31 March	86,613	70,197	45,979	55,205

Amounts recognized in statement of profit or loss

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Depreciation - right-of-use assets	21,176	6,219	10,860	2,953
Interest on lease liability (note 10)	6,100	2,631	3,783	1,978
Expense relating to short-term leases and low value assets	9,525	20,383	2,723	12,192
	36,801	29,233	17,366	17,123

(c) **Contractual undiscounted cash flows maturity analysis**

The contractual undiscounted cash flows maturity analysis is disclosed under liquidity risk in the financial risk management note 5(c)(iii).

22. INVESTMENT IN SUBSIDIARIES:

	2026 $'000	2025 $'000
Investment of the company in the shares of its subsidiaries:		
Lasco Financial Services (Barbados) Limited	45	45
Lasco Microfinance Limited	1,410,000	1,410,000
	1,410,045	1,410,045

On 25 March 2025, the company increased its investment in Lasco Microfinance Limited through the purchase of additional shares valued at $60,000,000.

23. PAYABLES:

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Trade payables -				
Sub-agents payables	189,371	213,248	189,371	213,248
Money transfer advance	159,146	158,333	159,146	158,333
Other	8,234	4,019	-	-
	356,751	375,600	348,517	371,581
Other payables and accruals	332,017	299,633	301,966	270,337
	688,768	675,233	650,483	641,918

Included in other payables and accruals are amounts outstanding for Visa Debit Card of $101 million and Student Loan Bureau of $70 million.

24. LOANS:

	The Group		The Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
JMMB Bank (Jamaica) Limited	463,540	523,158	463,540	523,158
Development Bank of Jamaica	81,148	102,108	-	-
	544,688	625,266	463,540	523,158

24. **LOANS (CONT'D):**

JMMB Bank (Jamaica) Limited -

The company was granted a loan under the general Banking facility in the amount of JMD$700,000,000. The loan was disbursed on 9 July 2021 at a current interest rate of 8.25% per annum and is repayable over ten years.

Security:

The following securities, evidenced by documents in a form satisfactory to JMMB Bank, registered and recorded as required by JMMB Bank, are held in support of the credit facilities:

(i) Corporate Guarantee of Lasco Microfinance Limited in favour of the company registered and stamped to cover $306,000,000 supported by Assignment of Loan Receivables outstanding on the books of Lasco Microfinance Limited providing a security coverage ratio of 2.35 times the Borrower's loan obligations to the Bank.

(ii) First demand debenture stamped to cover $1,200,000,000 over the present and future assets of the company including but not limited to all trade and other receivables.

(iii) Corporate guarantee of Lasco Microfinance Limited in favour of the company stamped to cover $1,200,000,000.

(iv) First priority security interest/assignment of all loans and other receivables outstanding on the books of Lasco Microfinance Limited to cover the company's loan obligation of $1,200,000,000.

Development Bank of Jamaica –

This loan represents a partnership with the Development Bank of Jamaica to issue loans to sub-borrowers involved in the MSME sector. The loan amounts of $100,000,000 and $90,000,000 were disbursed on 1 November 2021 and 28 April 2023, respectively. The loan is repayable over 8 years at a current interest rate of 2% per annum.

Security:

The loan is secured by a duly executed promissory note.

25. **SHARE CAPITAL:**

	2026 $'000	2025 $'000
Authorised -		
1,961,200,000 ordinary shares of no par value		
Stated capital –		
Issued and fully paid –		
1,280,227,725 ordinary shares of no par value	114,536	114,536

26. **RETAINED EARNINGS:**

	2026 $'000	2025 $'000
Reflected in the financial statements of:		
The company	2,745,923	2,628,006
Subsidiaries	(447,735)	(411,910)
	2,298,188	2,216,096

27. **PENSION PLANS:**

The company and one of the subsidiaries participate in defined contribution pension plans which are administered by Sagicor Life Jamaica Limited and VMBS Limited, respectively. The pension plans are open to all permanent employees.

The plans are funded by the group's and employees' contributions. The group's contributions to the plans are expensed and amounted to $17,733,000 for the year (2025 - $18,846,000).

28. **SEGMENT INFORMATION:**

The group generates its revenue from Cambio operations, Money Transfer, VISA prepaid card and Loans.

Based on the information presented to and reviewed by the Chief Operating Decision Maker, the entire operation of the group is considered as one operating segment.

Financial information related to the group as a whole can be found in the consolidated statement of profit or loss and other comprehensive income, in the consolidated statement of financial position and related notes. There are no differences in the measurement of the reportable segment results and the group's results.

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FORM OF PROXY

I/We____

of ____

being a Member/Members of the above-named Company, hereby appoint

______________________________ of____

or failing him/her, ____

of ____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, October 9, 2026, and at any adjournment thereof.

Signed this ______________day of ______________________2026

Signature: _______________________________

NOTES:

1. *When completed, this form must be received by the Registrar of the Company at the address given below, not less than forty-eight (48) hours before the time appointed for holding the meeting; or to the Registrar and Transfer Agent, Jamaica Central Securities Depository, 40 Harbour Street, Kingston.*
2. *The Proxy Form should bear stamp duty of $100.00 which may be adhesive and duly cancelled by the person signing the proxy form.*
3. *If the appointer is a Corporation, this Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorized in writing.*

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NOTES

NOTES

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