

2025

QUARTERLY
REPORT



EduFocal
GROUP

Q1

EduFocal Limited

March 31, 2025

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Management Discussion and Analysis

The Board of Directors of EduFocal Group (“LEARN”) is pleased to present its unaudited condensed consolidated financial statements for the first quarter ended March 31, 2025.

For the three months ended March 31, 2025, the Group generated revenue of \$29.97 million, which remained relatively flat compared to the \$30.01 million earned in Q1 2024. This consistency aligns with the Group’s strategic shift toward more predictable recurring revenue streams. Notably, the team has continued to invest heavily in Amigo, a new initiative designed to drive scalable recurring income through a modernized business model.

Operating profit for the first quarter of 2025 amounted to \$5.61 million, compared to an operating loss of \$12.59 million in Q1 2024. This performance is largely attributed to effective cost-containment strategies and the streamlining of operations.

Administrative expenses totalled \$12.88 million, a 62% reduction from the \$34.16 million recorded in the prior year’s corresponding period. This drop is aligned with the Group’s internal restructuring and cost-efficiency initiatives.

The Group reported a net loss of \$1.34 million, significantly narrowed compared to \$20.87 million in Q1 2024. The reduction in losses was achieved despite finance costs of \$6.95 million, which continue to weigh on performance.

Amigo, in particular, is extremely important to our future, and we have invested heavily in its development. Early feedback from potential customers about Amigo has been extremely positive, and we anticipate immediate opportunities to leverage this software beyond Jamaica. This investment underscores our commitment to driving top and bottom-line growth through innovative educational solutions.

Performance of Divisions

The Learn division continues to concentrate on the expansion of its market presence globally, aligning with the Group’s strategic objectives for growth and market penetration. With the closure of Academy and the acquisition of Clever School Teacher (CST), EduFocal Nigeria and EduFocal Africa, the division remains committed to widening the group’s footprint in these territories.

The Group is confident in its strategic plan to revitalize its financial outcomes. The Management team is actively addressing these challenges, to mitigate any further associated risks, which will in turn steer the division to sustained growth and profitability.

While the Group continues to operate at a net loss, the significant improvements in EBITDA, cost control, and operating margins are promising indicators of recovery. The management team remains confident in its strategic plan to return to profitability, emphasizing disciplined execution, increased software adoption, and regional expansion.

Financial Position

As at March 31, 2025, total assets stood at \$235.41 million, an increase from \$228.68 million as at March 31, 2024. The increase reflects stronger receivables and the continued capitalization of software development costs.

The Group's non-current assets totalled \$163.74 million, primarily comprising intangible assets of \$162.77 million and property, plant and equipment of \$968,765. Current assets amounted to \$71.68 million, with receivables and prepayments of \$34 million, a director's account of \$36.76 million, and cash of \$914,348.

However, the Group continues to operate with a capital deficiency, with shareholders' equity showing a deficit of \$134.85 million, driven by accumulated losses of \$314.16 million. Long-term borrowings stood at \$153.49 million, while current liabilities totalled \$216.78 million, largely due to accounts payable of \$127.69 million and the current portion of long-term loans amounting to \$90.36 million.

We remain firmly committed to reversing this downturn and improving our operational efficiencies. We are focused on strategic initiatives aimed at driving growth and increasing shareholder value. We are taking decisive actions to address the areas of concern and are confident in our ability to navigate through these difficulties, leveraging our strengths and opportunities. As always, we are grateful for the continued support of our stakeholders and are dedicated to delivering on our promises.



Durval Williams
Director



Gordon Swaby
Chief Executive Officer

EduFocal Limited


Condensed Consolidated Statement of Financial Position

31 March 2025

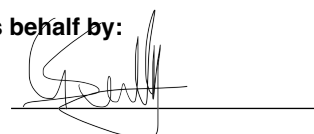
(expressed in Jamaican dollars unless otherwise indicated)

	Unaudited 31 March 2025 \$	Unaudited 31 March 2024 \$	Unaudited 31 December 2024 \$
Assets			
Non-current assets			
Property, plant and equipment	968,765	1,816,002	1,195,484
Intangible assets	162,768,347	154,685,147	157,715,181
Right-of-use Asset	-	-	-
Deferred tax asset	-	7,305,224	1,863,338
	<u>163,737,112</u>	<u>163,806,372</u>	<u>160,774,002</u>
Current assets			
Receivables and prepayments	34,000,057	25,884,598	28,540,380
Director's account	36,763,382	38,769,372	38,382,670
Due from related party	-	-	3,130,086
Cash and cash equivalents	914,348	216,735	2,492,817
	<u>71,677,787</u>	<u>64,870,706</u>	<u>72,545,953</u>
Total assets	<u>235,414,899</u>	<u>228,677,078</u>	<u>233,319,956</u>
Total equities and liabilities			
Capital and reserves			
Share capital	185,631,690	185,631,690	185,631,690
Foreign Exchange Reserve	(5,129,683)	(6,056,192)	(1,493,563)
Accumulated Income/(Deficit)	(314,160,609)	(272,936,293)	(311,966,359)
	<u>(133,658,602)</u>	<u>(93,360,794)</u>	<u>(127,828,232)</u>
Non-controlling interest	<u>(1,192,613)</u>	<u>(211,034)</u>	<u>(1,343,661)</u>
	<u>(134,851,215)</u>	<u>(93,571,828)</u>	<u>(129,171,894)</u>
Liabilities			
Non-current liabilities			
Lease liability	-	-	-
Long term borrowings	153,488,037	161,523,433	154,333,772
	<u>153,488,037</u>	<u>161,523,433</u>	<u>154,333,772</u>
Current liabilities			
Accounts payable	127,685,840	94,252,048	129,911,038
Taxation payable	-	-	-
Deferred tax liability	(1,863,338)	-	-
Current portion of Lease Liability	-	-	-
Bank Overdraft	41,293	-	68,433
Current portion of Long Term loans	90,358,776	17,503,062	76,377,537
Due to related party	555,505	1,801,380	1,801,070
Short- Term Loans	-	47,168,984	-
	<u>216,778,077</u>	<u>160,725,473</u>	<u>208,158,078</u>
Total liabilities and shareholders' equity	<u>235,414,899</u>	<u>228,677,078</u>	<u>233,319,956</u>

Approved for issue by the Board of Directors on June 20, 2025 and signed on its behalf by:



Director



Director

The notes from pages 11 to 13 are integral to condensed consolidated financial statements

EduFocal Limited

Condensed Consolidated Statement of Comprehensive Income

For the quarter ended 31 March 2025

(expressed in Jamaican dollars unless otherwise indicated)

	3 months to 31 March 2025 \$	3 months to 31 March 2024 \$	Unaudited 31 December 2024 \$
Revenue	29,968,022	30,006,336	97,171,745
Other income	-	-	-
Administrative expenses	(12,883,590)	(34,158,236)	(324,689,399)
Depreciation and amortisation	(226,719)	(7,314,937)	(10,511,482)
Impairment loss on trade and other receivables, including contract assets	(11,250,000)	(1,125,000)	216,450,860
Operating profit	5,607,713	(12,591,838)	(21,578,276)
Finance income	-	203,062	310,498
Finance costs	(6,947,474)	(8,479,461)	(31,257,982)
Net finance costs	(6,947,474)	(8,276,399)	(30,947,484)
Profit before taxation	(1,339,762)	(20,868,237)	(52,525,760)
Income tax	-	-	(5,441,886)
Net profit for the period	(1,339,762)	(20,868,237)	(57,967,645)
Total Comprehensive Income/(Loss)	(1,339,762)	(20,868,237)	(57,967,645)
Net Profit Attributable to:			
Owners of Edufocal Ltd.	(1,253,437)	(20,868,237)	(57,621,679)
Non-controlling interests	(86,325)	(211,034)	(345,966)
	(1,339,762)	(21,079,271)	(57,967,645)
Earnings per stock unit (EPS)	(\$0.00)	(\$0.03)	(\$0.09)
Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)	5,834,432	(5,276,901)	(11,066,794)

EduFocal Limited

Condensed Consolidated Statement of Changes in Equity

For the quarter ended 31 March 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Attributable to owners of the Company				Total	Non-controlling interests	Total
	Number of shares	Share capital	Foreign exchange reserve	Accumulated profit/(deficit)			
		\$	\$	\$	\$	\$	\$
Balance at 1 January 2024	648,446,094	185,631,690	(352,553)	(255,366,524)	(70,087,387)	-	(70,087,387)
Foreign exchange reserves	-	-	(5,703,639)	3,298,468	(2,405,170)	-	(2,405,170)
Total comprehensive income for the period	-	-	-	(20,868,237)	(20,868,237)	(211,034)	(21,079,271)
Balance at 31 March 2024	648,446,094	185,631,690	(6,056,192)	(272,936,293)	(93,360,794)	(211,034)	(93,571,828)
						-	
Balance at 1 January 2025	648,446,094	185,631,690	(471,701)	(312,988,220)	(127,828,231)	(1,343,661)	(129,171,893)
Foreign exchange reserves	-	-	(4,657,982)	167,373	(4,490,609)	237,374	(4,253,235)
Total comprehensive income for the period	-	-	-	(1,339,762)	(1,339,762)	(86,325)	(1,426,086)
Balance at 31 March 2025	648,446,094	185,631,690	(5,129,683)	(314,160,609)	(133,658,602)	(1,192,612)	(134,851,214)

EduFocal Limited

Condensed Consolidated Statement of Cash Flows

For the quarter ended 31 March 2025

	Unaudited 31 March 2025 \$	Unaudited 31 March 2024 \$	Unaudited 31 December 2024 \$
Cash flows from operating activities:			
Net profit/(loss) before taxation	(1,339,762)	(20,868,237)	(52,525,760)
Adjustments for:			
Amortization of intangible assets	-	14,191	9,682,253
Amortization of right-of-use asset	-	-	-
Bad debt written off	11,250,000	-	214,517,871
Gain on disposal of right-of-use asset	-	-	-
Depreciation	226,719	208,712	829,229
Impairment losses on financial assets	(11,746,011)	1,125,000	(216,450,860)
Foreign exchange losses	5,383,700	-	92,433
Interest income	-	(203,062)	(310,462)
Interest expense	6,947,474	8,479,461	31,257,982
Lease interest expense	-	-	-
	<u>10,722,120</u>	<u>(11,243,935)</u>	<u>(12,907,313)</u>
Change in operating assets and liabilities:			
Increase in receivables	(5,459,677)	6,170,074	5,447,341
Decrease/increase in director's account	1,619,289	(11,719,065)	(11,332,363)
(Decrease)/increase in payables	(4,088,535)	10,108,882	54,247,333
	<u>2,793,197</u>	<u>(6,684,044)</u>	<u>35,454,998</u>
Cash provided by/(used) in operations	<u>2,793,197</u>	<u>(6,684,044)</u>	<u>35,454,998</u>
Interest received	-	63	310,306
Loan interest repaid	(14,314,410)	(6,000,332)	(29,773,311)
Taxes paid	-	-	-
	<u>(11,521,213)</u>	<u>(12,684,314)</u>	<u>5,991,993</u>
Net cash provided by/(used in) operating activities	<u>(11,521,213)</u>	<u>(12,684,314)</u>	<u>5,991,993</u>
Cash flows (used in)/provided by investing activities:			
Purchase of property, plant and equipment	-	-	-
Purchase of intangible assets	(5,053,167)	(4,381,296)	(17,079,392)
	<u>(5,053,167)</u>	<u>(4,381,296)</u>	<u>(17,079,392)</u>
Net cash (used in) investing activities	<u>(5,053,167)</u>	<u>(4,381,296)</u>	<u>(17,079,392)</u>

EduFocal Limited

Condensed Consolidated Statement of Cash Flows (Continued)

For the quarter ended 31 March 2025

	Unaudited 31 March 2025 \$	Unaudited 31 March 2024 \$	Unaudited 31 December 2024 \$
Cash flows from financing activities:			
Lease principal payments	-	-	-
Long term loans, net	13,135,504	(34,377,219)	(21,017,114)
Short term loans, net	-	43,103,984	(4,065,000)
Due to related parties	(1,245,566)	1,695,834	40,020,234
Due from related parties	3,130,086	2,778,488	(351,598)
Director's loan	-	-	-
Proceeds from issue of subsidiary shares	-	-	-
Net cash provided by/(used in) financing activities	15,020,025	13,201,087	14,586,521
Net increase in cash and cash equivalents	(1,554,355)	(3,864,523)	3,499,123
Effects of exchange rate changes on cash and cash equivalents	3,026	3,922,495	(1,233,443)
Cash and cash equivalents at beginning of year	2,424,384	158,764	158,705
Cash and cash equivalents at end of year	873,055	216,735	2,424,384
Represented by:			
Cash at Bank	914,348	216,735	2,492,817
Bank Overdraft	(41,293)	-	(68,433)
	873,055	216,735	2,424,384

EduFocal Limited
Notes to the Consolidated Condensed Financial Statements
For the quarter ended March 31, 2025
Presented in Jamaican Dollars unless otherwise stated

1. Reporting Entity

EduFocal Limited (the “Company” or “EduFocal”) is a limited liability company incorporated and domiciled in Jamaica under the Jamaican Companies Act (the “Act”). The registered office is 22B Old Hope Road, Kingston 10, Jamaica.

The principal activities of the Group are to provide proprietary learning platforms and e-courses for individuals and organizations.

On March 15, 2022, the Company was listed on the Junior Market of the Jamaica Stock Exchange (JSE)

These financial statements present the results of operations and financial positions of the Company and its Subsidiary, which are referred to as “the Group”; the subsidiary is as follows:

Subsidiary	Principal Activity	Country of Incorporation	% Ownership by Company
EduFocal LLC	Online learning platform	USA	100%
EduFocal Africa Inc.	Online learning platform	USA	70%
EduFocal Nigeria Ltd	Online learning platform	Nigeria	100%

2. Basis of preparation

These financial statements for the three months ended 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (“last annual financial statements”). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company’s board of directors on June 16, 2025

3. Receivables

	31 March 2025	31 December 2024
	\$	\$
Trade receivables	45,544,181	28,794,180
Less: Expected credit loss provision	(11,746,011)	(496,011)
	<u>33,798,169</u>	<u>28,298,169</u>
Prepaid expenses	83,447	83,447
Other receivables	118,440	158,764
	<u>34,000,057</u>	<u>28,540,380</u>

EduFocal Limited
Notes to the Consolidated Condensed Financial Statements
For the quarter ended March 31, 2025
Presented in Jamaican Dollars unless otherwise stated

3. Receivables (Continued)

Movement of expected credit loss provision is as follows:

	31 March 2025	31 December 2024
	\$	\$
Balance at beginning of year	(496,011)	(38,404,106)
Provision during the year	(11,250,000)	216,450,860
Adjustments		(178,046,754)
Balance at end of year	<u>(11,746,011)</u>	<u>(496,011)</u>

4. Share Capital

	31 March 2025	31 December 2024
Authorized	No. of shares	No. of shares
Opening authorized ordinary shares of no par value	<u>Unlimited</u>	<u>Unlimited</u>
Closing authorized ordinary shares of no par value	<u>Unlimited</u>	<u>Unlimited</u>

Issued and Fully Paid

Opening issued and fully paid ordinary shares	648,446,094	648,446,094
Initial Public Offer issued during the year	-	-
Closing issued and fully paid ordinary shares	<u>648,446,094</u>	<u>648,446,094</u>

	31 March 2025	31 December 2024
Ordinary shares of no par value	\$	\$
Balance at beginning of year	185,631,690	185,631,690
Initial Public Offer issued during the year	-	-
Balance at end of year	<u>185,631,690</u>	<u>185,631,690</u>

EduFocal Limited

Notes to the Consolidated Condensed Financial Statements

For the quarter ended March 31, 2025

Presented in Jamaican Dollars unless otherwise stated

5. Contingent Liabilities

During the reporting period, a legal matter resulted in a default judgment against the Company in the amount of J\$3.36 million, plus interest. The Company has filed an application to set aside the judgment, which remains pending as at the reporting date.

Given the uncertainty surrounding the outcome, no provision has been recognized in these financial statements.

Management, based on advice from legal counsel, believes there are reasonable grounds for the judgment to be set aside and will continue to monitor the matter and make adjustments as necessary in future periods.

EduFocal Limited
Disclosure of Shareholdings
For the quarter ended March 31, 2025

TOP TEN SHAREHOLDERS

Name of Shareholder	Units	% Ownership
Okgosh Limited	179,308,871	28%
Widebase Limited	86,002,750	13%
Matrix Ventures Limited	42,587,887	7%
Peter Levy	40,251,100	6%
David Alexander Walcott	26,962,763	4%
Marc Gayle	14,704,045	2%
Roots Financial Group Limited	13,242,200	2%
Kirk-Anthony Hamilton	12,065,616	2%
Andrew W. Pairman	12,000,000	2%
Diya Khemlani	10,000,000	2%
Total	437,125,232	67%
Others	211,320,862	33%
Total Issues Shares	648,446,094	100%

SHAREHOLDINGS OF DIRECTORS, SENIOR MANAGERS & CONNECTED PERSONS

Directors	Connected Party	Direct	Total Volume
Peter Levy	-	40,251,100	40,251,100
Grace Lindo Shauna-Gay	-	7,707,741	-
Fuller Clarke	-	-	-
Kevin Donaldson	13,242,200	-	-
Lloyd Swaby	-	-	-
Durval Williams	-	-	-
Gordon Swaby	180,398,293	759,529	-
Senior Management			
Paul Allen	-	-	42,587,887
Anna Bethune	-	-	-
Mark Green	-	30,842	30,842
Gordon Swaby	-	759,529	180,398,293