



ANNUAL REPORT

2025

EDUFOCAL LIMITED

2025

Annual Report

For the Year Ended December 31, 2025

REGISTERED OFFICE

The Summit, Suite 2014
16 Chelsea Avenue
Kingston 5, Jamaica

WEBSITE

edufocalgroup.com

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ABOUT US

Who We Are

A leading educational technology company headquartered in Kingston, Jamaica — empowering individuals, schools, organizations, and governments to unlock their full potential through innovative learning solutions.

The EduFocal Group is a leading educational technology (EdTech) company headquartered in Kingston, Jamaica. We aim to empower individuals, schools, organizations, and governments to unlock the full potential of their human capital through innovative training and educational solutions.

Since our establishment in 2012, we have been at the forefront of educational advancement, providing cutting-edge learning platforms and content to schools and companies. With our comprehensive learning platform and e-courses, we have successfully supported over 250,000 parents in preparing their students for the Grade Six Achievement Test (GSAT), its replacement, and the Primary Exit Profile (PEP). In addition, we have collaborated with esteemed institutions like the Transport Authority and HEART Trust NTA to design and implement customized learning environments.

That dedication to innovation drives us to continually explore new avenues in educational technology. Our drive, initiative, and investments in technology have led us to become one of the Top 100 EdTech startup companies in the Latin America and Caribbean Region in 2021 and 2022 as ranked by Holon IQ.

2012

FOUNDED

250K+

PARENTS SUPPORTED

Top 100

EDTECH IN LATAM & CARIBBEAN

We aim to empower individuals, schools, organizations, and governments to unlock the full potential of their human capital through innovative training and educational solutions.

MISSION

Leveraging technology and expertise to educate people at scale — whether at school, home, or the workplace.

VISION

To power a world of learning without boundaries — providing the tools and solutions people need to become the best version of themselves.

Our Values



Collaboration

We enjoy not just the work itself, but also the people around us. We trust each other and as a result, our collective efforts have a real impact in the world.



Impact

Our work is meaningful to the people and communities we serve. We aim to uplift and deliver value at every touch point. This is the source of our strength.



Passion

We are committed to our craft and push ourselves to be bold, innovative, and creative while maintaining the highest standards.



Transformation

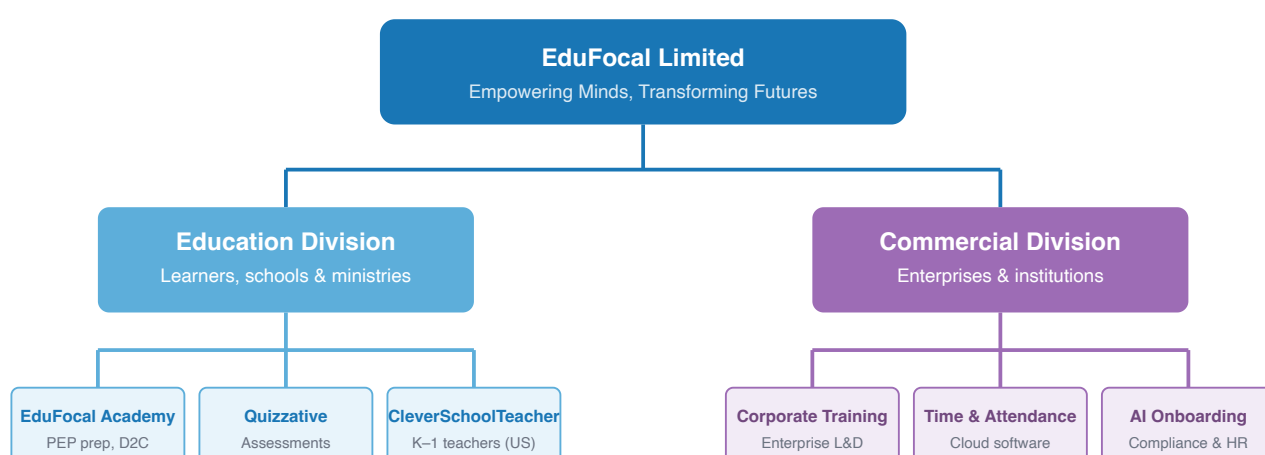
EduFocal is a vehicle for social empowerment. We are the change we want to see in the world.

OUR BUSINESS

What We Do

Empowering Minds, Transforming Futures — through two core divisions that bring innovative learning and technology solutions to learners, enterprises, and governments.

EduFocal Limited operates through two core divisions: the **Education Division**, which encompasses all of our B2C and B2B education-focused offerings, and the **Commercial Division**, which delivers enterprise and institutional services and supports our expansion beyond traditional EdTech.



EduFocal Group structure: two core divisions, multiple delivery channels.

Empowering Minds, Transforming Futures

At EduFocal Group, we have chosen to embark on a journey that goes beyond just being an educational technology company. We are driven by a deep-rooted passion for transforming lives through education, and our commitment to this purpose is what fuels our every endeavor. We strive to empower individuals, schools, organizations, and government agencies to unlock the full potential of their human capital through innovative learning solutions.

What sets us apart is our unwavering dedication to innovation. We understand that in a world that is rapidly advancing technologically, education must evolve to keep pace. This realization drives us to continually explore new avenues in educational technology, seeking out innovative approaches that revolutionize the way knowledge is acquired and shared. We believe that by embracing emerging technologies, we can empower learners to overcome barriers and unlock their full potential.

Our mission is to leverage technology and expertise to educate people at scale, whether at school, home, or the workplace. We envision a world where education knows no boundaries, where everyone has access to the tools and solutions they need to become the best version of themselves. We are motivated by the belief that education is the key to unlocking human potential and driving social and economic progress.

The EduFocal Group has chosen this path because we believe in the power of education to transform lives. By providing innovative training and educational solutions, we are paving the way for a brighter future — one where learning has no limits, and everyone can thrive.

Education Division DIVISION

The Education Division encompasses all of EduFocal's B2C and B2B education-focused offerings. With a deep understanding of the evolving educational landscape, the division deploys cutting-edge technology to create engaging and interactive platforms that empower learners to learn effectively. By integrating gamification elements and social features into our offerings, we enhance the online learning experience, promoting active engagement and collaboration among students. The division also anchors our partnerships with Ministries of Education across the region, through which we support national examination preparation and extracurricular learning programs.

EduFocal Academy

EduFocal Academy (formerly Learning Lab) is our direct-to-consumer platform for Primary Exit Profile (PEP) preparation and academic readiness. With a particular focus on the PEP subjects, Language Arts, Mathematics (with worked solutions for hundreds of math questions), Science, Social Studies & Mental Ability, and Performance Tasks, the Academy provides extensive coverage of the core PEP curriculum through practice questions, interactive exercises, and structured study tools that parents and students can access on a subscription basis.

Quizzative

Quizzative is our automated assessment platform. It enables teachers to create, assign, and grade assessments using just a smartphone camera, replacing hours of manual marking with instant results. Quizzative also powers our Content Hub, providing curriculum-aligned question banks that support both consumer and institutional use cases across the region.

CleverSchoolTeacher.com

Clever School Teacher (CST) is a monthly subscription service specifically tailored for K-1 teachers, primarily located in the United States. With CST, educators can enjoy a wide range of benefits, including access to carefully curated K-1 resources and professional development materials delivered on a monthly basis. Subscribers gain early access to these resources, and CST Monthly provides ongoing access to the resources for the current month, as well as future months, for as long as the individual maintains an active subscription.

Ministry of Education Partnerships

In collaboration with Ministries of Education across the Caribbean, the Education Division delivers extracurricular programs that support students preparing for national examinations. These partnerships provide institutional credibility that strengthens both our consumer and enterprise offerings.

Commercial Division DIVISION

The Commercial Division focuses on enterprise and institutional services, including corporate training, cloud-based time and attendance management software, AI-enabled onboarding, and compliance and employee engagement solutions. The division exists to pursue opportunities beyond traditional EdTech, particularly with clients we already serve. Many of our existing B2B relationships have needs that extend beyond education, and the Commercial Division allows us to capture that revenue without acquiring new customers, expanding EduFocal's addressable market and positioning the Group as a broader technology partner to both public and private sector clients.



Corporate Training & LMS

Customized learning management systems and training programs shaped around each client's needs, branding, and reporting, anchored by EduFocal Engage, our corporate LMS.



Time & Attendance

Cloud-based time and attendance management software that gives organizations real-time visibility into their workforce.



AI-Enabled Onboarding

Intelligent onboarding solutions that get new hires productive faster while ensuring compliance requirements are met from day one.



Compliance & Engagement

Compliance and employee engagement solutions that help enterprises develop, measure, and retain their workforce.

2025 Highlights

- **Return to operating profitability.** Operating profit of J\$23.9 million, compared with an operating loss of J\$235.3 million in 2024.
- **Net loss narrowed by 49%** to J\$29.4 million, from J\$58.0 million in 2024.
- **Cost base reset.** Administrative and operating expenses reduced by 86% to J\$46.4 million, from J\$332.4 million in 2024.
- **Governance renewal.** Harry Campbell appointed Chairman of the Board, new independent directors Mark Pike and Olivia Cream appointed, and Garcia Campbell and Associates appointed as external auditors.
- **Trading resumed.** Trading in the Company's shares resumed on the JSE Junior Market in December 2025 after the Company brought its financial reporting current.
- **Pivot to recurring revenue.** Continued shift away from one-off project contracts toward recurring B2B contracts and retainers, subscriptions on EduFocal Academy, and B2G partnerships.
- **Balance sheet workout under way.** Accounts payable reduced by J\$26.2 million and the Director's Account reduced by J\$19.6 million during the year.

NOTICE OF AGM



Notice of Annual General Meeting

DATE Sept 10, 2026 Thursday	TIME 10:00 a.m. Jamaica time	FORMAT Online Joining link to be circulated
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The Annual General Meeting (AGM) of EduFocal Limited (hereinafter referred to as "the Company") will be held on Thursday, September 10, 2026 at 10:00 a.m. in an online format, to consider and, if thought fit, pass the following resolutions:

1. To receive the report of the Board of Directors and the Audited Financial Statements for the year ended December 31, 2025, circulated herewith

Resolution No. 1

"THAT the Audited Financial Statements for the year ended December 31, 2025, and the reports of the Directors and Auditors circulated with the Notice convening the meeting be and are hereby adopted."

2. Retirement and re-election of Directors

Resolution No. 2.1

"THAT in accordance with the Companies Act section 178 the Directors be and hereby re-elected en bloc"

Resolution No. 2.2

Article 114 of the Company's Articles of Incorporation provides that at each Annual General Meeting, one-third of the Directors, or where the number of Directors is not three or a multiple of three, the number nearest to one-third, shall retire from office.

Having reviewed the composition of the Board and the operation of Article 114, the Company notes that the number of Directors retiring by rotation at this Annual General Meeting does not amount to one-third of the Board. However, Mr. Gordon Swaby is the Director due to retire by rotation in accordance with Article 114 and, being eligible, has offered himself for re-election.

"THAT Mr. Gordon Swaby, who retires by rotation pursuant to Article 114 of the Company's Articles of Incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as a Director of the Company."

Resolution No. 2.3

Article 120 of the Company's Articles of Incorporation provides that the Directors shall have power, from time to time and at any time, to appoint any person to be a Director of the Company, either to fill a casual vacancy or as an addition to the Board. The following persons were appointed by the Board to fill casual vacancies during the year:

Director	Appointed
Mark Pike	June 26, 2025
Olivia Cream	June 26, 2025
Harry Campbell	September 2, 2025

In accordance with Article 120, the said Directors retire at this Annual General Meeting and, being eligible, have offered themselves for election.

"THAT Mark Pike and Olivia Cream, Harry Campbell who were appointed by the Board to fill casual vacancies pursuant to Article 120 of the Company's Articles of Incorporation and who now retire and, being eligible, offer themselves for election, be and are hereby elected as Directors of the Company."

3. To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors

Resolution No. 3

"THAT Garcia Campbell & Associates, having signified their willingness to serve, continue in the office as Auditors of the Company pursuant to Articles 136 of the Company's Articles of Incorporation to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

4. To fix the fees of the Directors

Resolution No. 4

"THAT the amount shown in the Financial Statements of the Company for the year ended December 31, 2025, for fees of the Directors be and is hereby approved."

Special Resolutions

5. Change of Company Name and Purpose

Resolution No. 5

"THAT, with the consent of the Registrar of Companies, the Company's name be changed from EduFocal Limited to Walstron Limited, and its purpose amended from an education technology business to a diversified holding company operating across education technology, technology, commerce, and properties and real estate, reflecting its expanded business focus and long-term growth strategy."

6. Share Issue

Resolution No. 6

“THAT the Directors may issue unissued shares in the capital of the Company and allot them for purposes of providing ownership interests in the Company, to key partners, executives, legal advisors and/or other employees of the Company and/or its subsidiaries, as compensation for services and/or for valuable consideration provided to the Company and/or its subsidiaries by such key partners, executives, legal advisors, and/or other employees, in each case as the Directors may determine within their discretion.”

By Order of the Board



For AspireSec Limited
Company Secretary
Edufocal Limited

Message from the CEO

2025 was the year we rebuilt the foundations of this company. We restructured the business around a leaner cost base and recurring revenue, we renewed our Board and our governance, and we brought our financial reporting current. The top line is smaller than it was, but the business underneath it is healthier, more disciplined, and better positioned for sustainable growth than it has been in years.

REVENUE J\$70.27M Down 28% as we exited one-off project work	OPERATING PROFIT J\$23.9M Versus a J\$235.3M operating loss in 2024	NET LOSS J\$29.4M Narrowed 49% from J\$58.0M in 2024
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Progress on Strategic Initiatives

Governance and Accountability

We made hard changes in 2025, and we made them deliberately. The Board was renewed with the appointment of Harry Campbell as Chairman in September, alongside new independent directors Mark Pike and Olivia Cream. We appointed Garcia Campbell and Associates as external auditors and committed the Company to enhanced disclosure. The suspension of trading in our shares earlier in the year was a low point that we did not take lightly. We did the work, brought our filings current, and trading resumed on the JSE Junior Market in December 2025. My commitment to shareholders is simple: transparency and accountability now guide how this company operates.

A Leaner, Recurring-Revenue Business

We moved away from volatile, one-off project contracts and toward predictable, recurring income. That decision cost us revenue in the short term and was the right one. Administrative and operating expenses fell by 86% to J\$46.4 million, and the Company recorded an operating profit of J\$23.9 million, its clearest signal yet that the restructuring has taken hold. Recurring B2B contracts and retainers anchor the business today. EduFocal Academy, our direct-to-consumer platform for PEP preparation and academic readiness, and Quizzative, our automated assessment platform, represent our highest-margin growth opportunities as we enter the 2026 examination cycle.

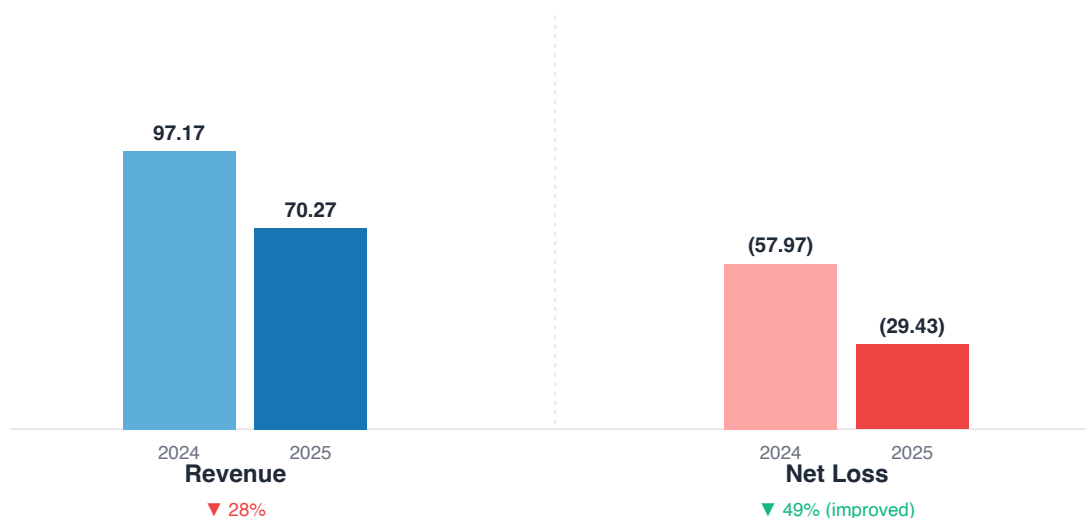
Balance Sheet Repair

Our balance sheet remains our most significant challenge, and we are clear-eyed about that. Finance costs of J\$29.6 million remain the primary drag on the bottom line, and the auditors have drawn attention to a material uncertainty related to going concern. We are not hiding from either fact. During the year we reduced accounts payable by J\$26.2 million and reduced the Director's Account by J\$19.6 million, and we continue to engage our creditors and lenders constructively. The planned rights issue remains an important element of our capital strategy, and we will provide further details on timing and structure in due course.

Financial Performance

2025 vs 2024 Financial Performance

In millions of Jamaican dollars (J\$M)



Source: 2025 Audited Financial Statements, EduFocal Limited.

Revenue for 2025 was J\$70.27 million, compared with J\$97.17 million in 2024. The decline reflects our continued transition from large one-off project contracts to smaller recurring streams, and the rate of decline moderated through the year. Against that smaller top line, the Company generated an operating profit of J\$23.9 million, a swing of more than J\$259 million from the prior year's operating loss. Net loss narrowed by 49% to J\$29.4 million, with net finance costs of J\$29.6 million now the primary gap between operating performance and the bottom line. The underlying operating business is profitable. The task ahead is converting that operating progress into balance sheet repair.

Outlook

The restructuring is substantially complete. The work ahead is about growth, and we believe we are ready for it. Our priorities for the year ahead are scaling Quizzative and EduFocal Academy adoption across Jamaica and the Caribbean, growing recurring B2B revenue through deeper client relationships, advancing creditor discussions toward a sustainable resolution, and maintaining full compliance with JSE continuing listing requirements. Since the year end we have also officially launched EduFocal Engage, our corporate learning management system, and EduFocal100, our commitment to build free websites for 100 Jamaican schools, both of which extend the relationships that feed our commercial pipeline.

The path ahead carries real risk. Our debt burden is significant, our cash position is tight, and we operate in a competitive environment. EduFocal is also a fundamentally different company today than it was 18 months ago. We have the team, the products, and the operating discipline to build from here.

Conclusion

Thank you to our shareholders for your continued patience and belief in this company. Thank you to our team, whose dedication through a difficult period has been extraordinary. Thank you to our creditors and lenders for their willingness to work with us constructively. And thank you to the schools, teachers, students, and partners who trust EduFocal to help them succeed. Your success is our success.

Gordon Swaby

Chief Executive Officer, EduFocal Limited

Corporate Governance

Corporate Governance Framework and Policy

The Corporate Governance Framework and Policy of EduFocal Limited establish the role, responsibilities, and processes of the Board of Directors, guided by sound principles and accepted best practices at both local and international levels. This framework aligns with the requirements of the Jamaica Stock Exchange (JSE) and the Private Sector of Jamaica (PSOJ) guidelines, aiming to ensure transparency, accountability, responsiveness, stability, equity, and inclusiveness.

Role of the Board of Directors

The Board of Directors is elected by shareholders to provide oversight of, and strategic guidance to, senior management of the Company. The core responsibility of a Board member is to fulfill his or her duties of care and loyalty and otherwise to exercise his or her business judgment in the best interests of the Company and its shareholders. The Board of Directors is responsible for electing and overseeing the Company's officers, Non-Executive Directors and for ensuring that management and Executive Directors advance the interests of the shareholders through the operation of the Company's business.

The Board recognizes that it is management's responsibility to carry out the policies and strategies approved by the Board and to manage and carry out the operation of the Company's business. The Board is committed to legal and ethical conduct in fulfilling its responsibilities. The Board expects all directors, as well as officers and employees of the Company, to adhere to the Company's Code of Business Conduct & Ethics.

II. Board Composition, Selection and Leadership

A. Size and Classes of Board

The number of directors shall be established by the Board from time to time in accordance with the By-Laws of the Company, as amended from time to time. The Board is divided into Executive and Non-Executive Directors.

B. Independent Directors

It is the policy of the Company that the Board be composed of not less than a majority of independent directors based on applicable laws, regulations, and the Jamaica Stock Exchange listing standards.

To be considered "independent" for purposes of the director qualification standards, the following should be observed: the Board must affirmatively determine that the director otherwise has no material relationship with the Company, directly or as an officer, shareowner or partner of any organization that has a relationship with the Company. In each case, the Board shall broadly consider all relevant facts and circumstances in making an independence determination.

C. Board Membership Criteria and Selection

The Board shall be responsible for nominating individuals for election to the Board by the Company's shareholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of shareholders.

D. Term Limits; Retirement Policy

The Board of Directors does not believe it should limit the number of terms for which an individual may serve as a director. Moreover, the Board of Directors does not believe that there should be a mandatory retirement age for directors. The Board will at least annually review incumbent directors and the strengths and weaknesses of the Board of Directors as a whole. This review includes consideration of a director's interest in continuing as a member of the Board, what skills, experiences, and areas of expertise the director brings to the Board of Directors, and the needs of the Company for a proper mix of personnel and talents on the Board given EduFocal Group's needs at the time.

E. Membership on Other Boards

Directors should not serve on the board of directors of more than four (4) public companies, including EduFocal Group, at any one time. However, the Board may determine that service in excess of these guidelines is appropriate based on the facts and circumstances. If a director wishes to join the board of directors of another public or for-profit private company, he or she must first provide notice in writing to the Chairman of the Board and the Secretary of the Company.

F. Director Resignation

If a director wishes to resign, he or she may do so at any time by giving resignation notice. In order for such resignation to be effective, the resignation notice must be given in writing to the Chairman of the Board and the Secretary of the Company. The director's resignation shall take effect at the time specified in the resignation notice, and, except as provided in the immediately following paragraph, the acceptance of such resignation shall not be necessary to make it effective. If a director is required to tender his or her resignation because such director has failed to receive the required number of votes in accordance with the Company's Director Resignation Policy, as in effect from time to time (the "Director Resignation Policy"), such director shall tender his or her written resignation as required by the Director Resignation Policy. Unless otherwise provided in the Director's Contract, such resignation shall only be effective upon the Board's acceptance thereof in accordance with the terms of the Director's Contract.

G. Board Leadership

The Board of Directors shall, at least annually, evaluate and determine an appropriate leadership structure for the Board so as to provide effective oversight of management.

III. Board Meetings

A. Frequency of Board Meetings

The Board currently plans at least four Board meetings each year. Additional meetings are held as needed and are called in accordance with the Company's By-Laws, as amended from time to time. The Chairman, in consultation with the senior management and Board members, will determine the agenda and length of the meetings.

B. Attendance

Directors are expected to attend all or substantially all Board meetings and meetings of the Board committees on which they serve. The Board expects all directors to attend the annual meeting of shareholders.

C. Management Involvement in Board Meetings; Director Access to Officers, Employees and Information

The Board encourages the CEO to schedule members of senior management or other employees to attend Board meetings and make presentations where such employees can provide insight into the items being discussed. Directors have full access to officers, employees, and the books and records of the Company. Any meetings or contact that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary. The directors should use their judgment to ensure that any such contact is not disruptive to the business operations of the Company.

D. Executive Sessions of Non-Employee Directors

The Board Meeting agenda shall include an Executive Session, which non-executive directors will have the opportunity to discuss matters in the absence of any executive directors. The directors shall not take formal action at these sessions but may make recommendations for consideration by the full Board.

IV. Board Committees

A. Number and Type of Committees; Independence of Members

The Board of Directors shall create, maintain and disband its committees depending on internal needs and in compliance with applicable laws, regulations and Jamaica Stock Exchange listing requirements. The current standing committees of the Board are:

1. the Audit Committee
2. the Corporate Governance Committee, and
3. the Remuneration Committee.

Each standing Board committee shall have a written charter. The Audit Committee and the Remuneration Committee shall be composed of no less than 3 independent directors, except to the extent allowed under applicable laws, regulations and Jamaica Stock Exchange listing standards.

B. Committee Member Selection

The CEO shall make recommendations to the Board of Directors with respect to the Board committee members and committee chairpersons. In making such recommendations, the CEO may consult with the Chairman of the Board and shall take into account the desires of the individual Board members. The Board shall consider rotation of committee members and committee chairpersons at such intervals as the Board determines, based on the recommendation of the CEO. Consideration of rotation shall seek to balance the benefits derived from continuity and experience against the benefits derived from gaining fresh perspectives and enhancing directors' understanding of different aspects of the Company's business and functions. The Board shall annually appoint such committee members and committee chairpersons.

C. Committee Meetings

The chairperson of each Board committee, in consultation with the committee members, will determine the frequency and length of the committee meetings, consistent with any requirements set forth in the committee's charter. The chairperson, in consultation with management and committee members, shall develop the committee meeting agendas.

D. Committee Reports

Oral reports of committee meetings shall be provided to the full Board of Directors, subsequent to each committee meeting.

V. Other Matters

A. Director Evaluations

Board members shall annually evaluate the performance and effectiveness of the Board of Directors as a whole, as well as its committees. The Executive Directors shall assume primary responsibility for overseeing the assessment process and report to the Board the results of the assessment and any recommendations arising from such results. All directors are free to make suggestions for improving the Board's practices at any time and are encouraged to do so.

B. Director Remuneration

The Board believes that the level of director Remuneration should generally be competitive. The Remuneration Committee periodically reviews and makes recommendations to the full Board of Directors which determines non-employee director Remuneration.

C. Executive Officer Evaluations and Remuneration Succession Planning

The Remuneration Committee shall annually evaluate the performance of senior executives of the Company for purposes of determining executive Remuneration. The CEO's Remuneration shall be presented to the full Board of Directors for review and approval. The Board shall review periodically with the CEO the Company's plan for succession and other senior executive positions.

D. Independent Advisors

The Board of Directors and its committees shall have the right at any time to retain independent outside financial, legal or other advisors as the Board or its committee deems appropriate. EduFocal Group will pay the fees and expenses of any such advisors.

E. Director Orientation

All new directors shall participate in a Company orientation program within a reasonable time after joining the Board. The orientation shall include presentations by management on appropriate topics and such other matters as the Board or the Secretary shall determine.

F. Communication with Shareholders

The Board believes that management should speak for the Company and that, generally, the Chairman should speak for the Board. In appropriate circumstances, however, chairpersons of committees may engage with the Company's shareholders with the permission of the CEO. Such communications shall be coordinated through the Secretary.

G. Corporate Responsibility

The Board recognizes that a long-term view is required to realize the Company's core mission of using technology to transform education. The Board's policy is to take into consideration the long-term interests of the Company and its shareholders and, as deemed appropriate by the Board, the Company's other stakeholders, including employees, the teaching community, regulators, partners, suppliers, and local communities. Unless the Board determines otherwise, the Executive Directors shall:

(i) be responsible for overseeing the Company's key corporate responsibility initiatives, including those expected to have a significant impact on the Company's ability to deliver sustained growth, and

(ii) conduct a periodic review of environmental, social, and governance matters pertaining to the Company.

The Board has established a Board Charter and Committee Terms of References for three (3) Standing Committees. These documents provide a clear scope of responsibilities and transparency for the Board and Committees to operate effectively. The Standing Committees function under delegated authority from the Board and undertake tasks that cannot be addressed during regular board meetings. Committee members provide timely updates to the Board on their activities, decisions, and recommendations.

Audit Committee

Responsibilities of the Audit Committee

The Audit Committee provides support to the Board in presenting a balanced and comprehensible assessment of the Company's consolidated accounting systems, internal controls, risk management practices, financial position, and business prospects. The Committee's duties include:

- Establishing a suitable framework for identifying and managing risks.
- Ensuring the independence and effectiveness of both internal and external audit functions.
- Establishing and maintaining a robust and effective system of internal controls while monitoring its effectiveness.

Reviewing and confirming the integrity of the consolidated financial statements and addressing matters of significant importance to the investing public, recommending them for Board approval. The Board retains responsibility and accountability for the final release.

Remuneration Committee

Purpose

The Remuneration Committee (“Committee”) shall assist the Board of Directors (“the Board”) of EduFocal Limited (“the Company”) in fulfilling its fiduciary responsibilities relating to

- the fair and competitive Remuneration of the non-executive directors, executives and other key employees of the Company
- the administration of the general employees’ welfare plans of the Company

Membership

The Committee shall be appointed by the Board. All Committee members shall be independent and/ or non-executive directors of the Company. The Committee shall consist of not less than three (3) but no more than five (5) members.

The Committee members and chairperson shall be appointed by the Board from among the independent and/or non-executive directors and/or other external non-affiliated representatives approved by the Board and shareholders.

In addition to the Committee members, the Chief Executive Officer and the Company’s executive with oversight of the Company’s human resource’s function will function as management representatives, and will attend all meetings, except those during voting and deliberations dealing with their own Remuneration, and when the Committee determines their attendance is not appropriate.

The Board may fill vacancies on the Committee and may remove a committee member from the membership of the Committee at any time with or without cause.

Meetings and Quorum

The Committee shall meet at least once per year. A majority of Committee members shall constitute a quorum for any meeting. All Committee members are expected to attend each meeting, in person or via tele- or videoconference.

Any action of a majority of the members of the Committee present at any meeting at which a quorum is present; or any action of the Committee if all of the Committee members have signed a Round Robin Resolution circulated by the Corporate Secretary, shall be an action of the Committee. All resolutions approved by Round Robin should be noted at the next regular Board meeting. The Company Secretary shall be the secretary of the Committee.

Responsibilities

The Committee’s responsibilities shall be:

Chief Executive Officer and Executive Management Remuneration – Conduct evaluations and determine the remuneration for the Chief Executive Officer and other executive management.

- Review and approve goals and objectives for the Chief Executive Officer and conduct performance evaluations of the Chief Executive Officer against such goals and objectives.
- Consider the evaluations of the other executive management conducted by the Chief Executive Officer.
- Review and approve the annual remuneration framework for the Chief Executive Officer and the other executive officers.
- Agree on the remuneration framework, including salary, target performance incentives, short and long-term incentive awards, perquisite/fringe benefits, and other forms of remuneration.

In setting such remuneration programmes, the Committee shall:

1. Review the remuneration practices of comparable companies.
2. Coordinate the framework with the goal of achieving ongoing effectiveness.
3. Set the appropriate financial performance measures, targets, and goals for the Chief Executive Officer and executive management. Report to the Board on the foregoing annual remuneration framework and details of the remuneration for the Chief Executive Officer and executive management.

- **Board Remuneration** – Based on a comparison of market trends, review and recommend to the Board any changes to the components and amount of Remuneration for its members.
- **Employee Plans** – Review, approve and report to the Board when materially modifying any Remuneration programmes that yield payments and benefits that are not reasonably related to the employees' performance and that have a material cost impact to the Company or, to the extent required by law, have a significant impact to employees, including fringe benefit programmes.
- **Executive Agreements** – Review, approve and report to the Board with input from the Chief Executive Officer, all executive candidates' offer packages and new and existing executives' employment contracts.

Reporting Procedures

The secretary shall prepare meeting agendas which are to be circulated, along with any appropriate briefing materials to members in advance of meetings at least five (5) working days in advance of meetings.

The secretary shall be responsible for preparing minutes of the Committee meetings containing information regarding actions, discussions and decisions taken at the meeting and submit to the Board at its next meeting.

The Committee members shall participate in an annual performance review of their work as part of the Board evaluation process.

Corporate Governance Committee

Governance is about structures and processes that are designed to ensure transparency, accountability, responsiveness, stability, equity, inclusiveness and the promotion of the rule of law. Good governance enhances the company's goodwill as well as bolsters its integrity and ethical standing in the community with regulators, vendors, customers and its most important asset – its employees. The Company's governance regime will, at a minimum, be centered around having the following in place:

1. Board and Committee Charters Developed and Approved

The Board and its sub-committees – The Corporate Governance, Audit, and Compensation Committees – must have charters approved by the Board and uploaded onto the website for Shareholder accessibility. The Charters will provide the remit and scope of responsibilities thereby allowing the Board and Committees to operate with certainty and transparency.

2. Policies Approved by the Board and Fully Implemented

Policies are critical to the company as they create uniformity, consistency, build trust among the stakeholders and drive accountability, thereby reducing the risk of unwanted events. To this end, the existence of policies provides a decision-making framework to ensure that integrity and fairness are adhered to when issues arise as well as minimize risks of exposure for the company. The company's policies will therefore guide its operations by integrating its mission, vision, values and culture into clearly written and easily accessible documents for the benefit of all stakeholders. They cover what employees can expect from the organization (e.g. employee benefits, vacation leave), what the company expects from employees (e.g. code of conduct, confidentiality agreements), and what customers and the community can expect from the organization (e.g. customer service).

3. Divisions and Departments Develop Procedural Manuals that Fully Operationalize Policies

Procedural manuals operationalize policies, streamline processes and provide a road map for day-to-day operations. They help to ensure optimum business operations and consistent delivery of services and completing certain tasks of the company. The risks associated with unplanned events, off boarding and onboarding team members are mitigated by procedural manuals, in that the systematic approach to the business practices is clearly outlined.

4. Committee Meetings Reports to the Board

Committees operate on the delegated authority by the Board and so, the Committees take on work that the Board cannot do during its regular Board meetings. Therefore, it is important for Committees and their members to communicate their work to the other Board members. Committees meet in accordance with their charters, and on a timely basis, the Board is updated on their activities, decisions and recommendations by way of a report.

5. Annual Evaluation of the Board and its Committees

An evaluation examines the roles of the Board and its Committees and the entailing responsibilities and also assesses how effectively these are fulfilled by the Board and the Committees. It is the responsibility of the Corporate Governance Committee to ensure that an assessment instrument and a process exist for the annual evaluation exercise.

Relationship with Stakeholders

The Board is committed to maintaining contact with stakeholders to understand their issues and concerns. General meetings are held to encourage physical and virtual attendance and the opportunity to communicate effectively with the members of the Board. The shareholders are invited to meet and interact with the Board to help it stay abreast of their issues, opinions, and recommendations for the growth and development of EduFocal Limited.

The minutes of general meetings are available for scrutiny by the shareholders, as well as the quarterly and annual financial reports. The JSE and EduFocal Limited's website are the primary channels for communication with stakeholders. Material information for shareholders and other stakeholders is timely disclosed through uploads to the JSE, the Company's website (edufocalgroup.com), and local newspapers. The information disclosed is factual and presented in a clear and balanced way.

The Corporate Governance Structure of the Company

EduFocal prioritizes the highest standards of corporate governance, establishing a streamlined framework to effectively manage and oversee our business operations. Our unwavering dedication to good governance guarantees that everyone within our organization follows fair and transparent decision-making procedures, ensuring the protection of the interests of our shareholders, managers, employees, customers and other stakeholders.

We strictly adhere to the guidelines set forth in the Jamaica Corporate Governance Code, the Jamaica Stock Exchange Junior Market Rules, and globally recognized best practices in corporate governance.

Organizational Structure

EduFocal Group operates under a well-defined organizational structure comprising two core divisions: the **Education Division** and the **Commercial Division**.

The Education Division encompasses all of the Group's B2C and B2B education-focused offerings, including EduFocal Academy (formerly Learning Lab), Quizzative, CleverSchoolTeacher.com, and partnerships with Ministries of Education across the region. The division focuses on the development of innovative digital learning experiences for learners at every stage, from primary examination preparation to professional development.

The Commercial Division focuses on enterprise and institutional services, including corporate training, cloud-based time and attendance management software, AI-enabled onboarding, and compliance and employee engagement solutions. The division collaborates with government entities and the business community to deliver tailored learning management systems and workforce technology, while also supporting EduFocal's expansion into sectors beyond traditional EdTech, ensuring a competitive edge in today's dynamic business landscape.

Corporate Data

Directors

1. Chairman, Non-Executive Director — Harry Campbell
2. Chief Executive Officer, Co-founder — Gordon Swaby
3. Independent, Non-Executive Director — Kevin Donaldson
4. Independent, Non-Executive Director — Durval Williams
5. Independent, Non-Executive Director — Mark Pike
6. Independent, Non-Executive Director — Olivia Cream

Company Secretary

AspireSec Limited

Registered Office

The Summit, Suite 2014 16 Chelsea Avenue Kingston 5, Jamaica

Attorneys

Ramsay & Partners, Attorneys-at-Law 8 Lady Musgrave Road Kingston 5, St. Andrew, Jamaica

Bankers

1. National Commercial Bank — Main Street, Christiana, Manchester
2. Jamaica Money Market Brokers — 2 Graham Street, Ocho Rios
3. First Global Bank Jamaica Limited — Shop 27, 121d Hope Road, Kingston

Auditors

Garcia Campbell and Associates, Chartered Accountants 11a East Avenue, Kingston 8

Mentor

Vacant Mr. Herbert Hall, Investment Banking Consultant, served as Mentor until his resignation effective September 10, 2025. The Company is actively engaged in identifying a successor Mentor in accordance with the JSE Junior Market Rules and will advise the market once an appointment is made.

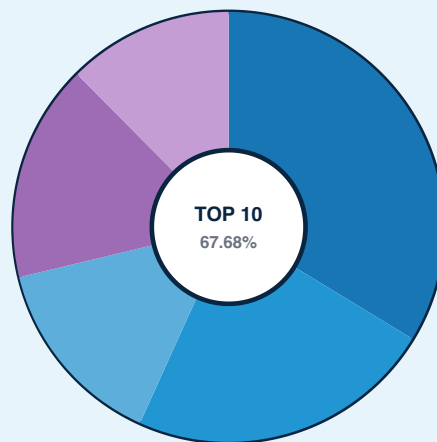
Registrar / Transfer Agent

Jamaica Central Securities Depository 40 Harbour Street, Kingston, Jamaica

Management

1. Chief Executive Officer — Gordon Swaby

SHAREHOLDERS PROFILE

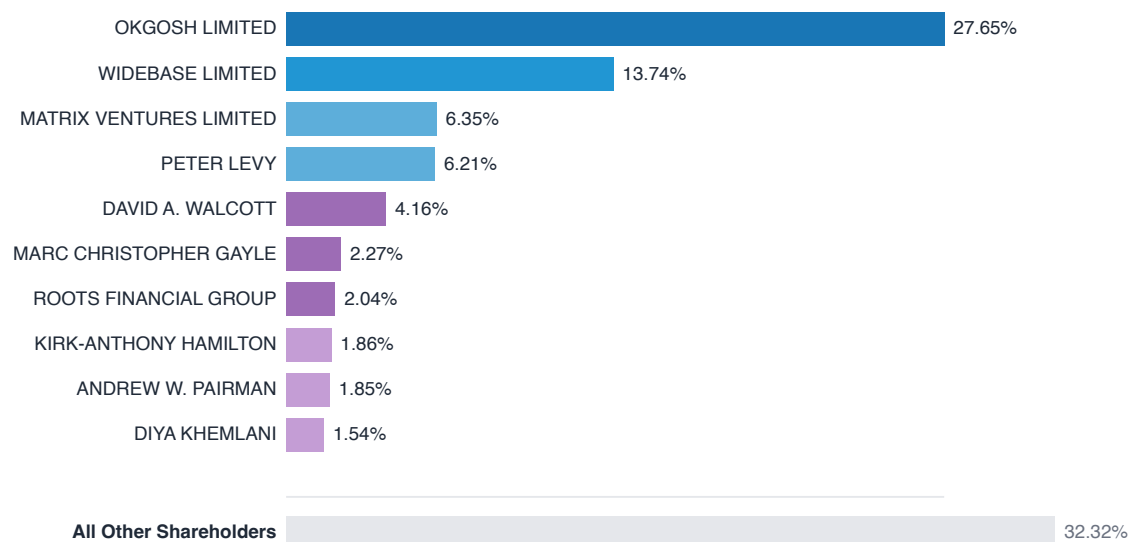


Top 10 Shareholders

As at December 31, 2025.

Top 10 Shareholders by Ownership

Combined holdings: 67.68% of issued shares



Source: EduFocal Limited Disclosure of Shareholdings for the quarter ended December 31, 2025. Percentages are based on 648,446,094 issued ordinary shares.

	Primary Account Holder	Joint Holder(s)	Volume	Percentage
1	OKGOSH LIMITED		179,308,871	27.6521%
2	WIDEBASE LIMITED		89,120,785	13.7437%
3	MATRIX VENTURES LIMITED		41,187,887	6.3518%
4	PETER LEVY	Carol Levy	40,251,100	6.2073%
5	DAVID A. WALCOTT	Grace A. Walcott	26,962,763	4.1581%
6	MARC CHRISTOPHER GAYLE	Cheyenne-Kari Zoe Alexis Gayle	14,704,045	2.2676%
7	ROOTS FINANCIAL GROUP LIMITED		13,242,200	2.0421%
8	KIRK-ANTHONY HAMILTON		12,065,616	1.8607%
9	ANDREW W. PAIRMAN	Paula Pairman	12,000,000	1.8506%
10	DIYA KHEMLANI	Shashi Vashi Khemlani	10,000,000	1.5421%
	Total		438,843,267	67.68%

Shareholdings of Directors, Senior Managers & Connected Persons

As at December 31, 2025.

Name	Direct	Connected Persons	Total
Directors			
Harry Campbell	—	—	—
Gordon Swaby	754,800	180,935,214	181,690,014
Grace Lindo*	7,707,741	—	7,707,741
Kevin Donaldson	—	13,242,200	13,242,200
Shauna-Gaye Fuller Clarke*	—	—	—
Durval Williams	—	—	—
Mark Pike	—	—	—
Olivia Cream	—	—	—
Senior Management			
Gordon Swaby	754,800	180,935,214	181,690,014
Dr. Anna Bethune	—	—	—

*Demitted office after December 31, 2025.

Board of Directors

Harry Campbell

Chairman, Non-Executive Director

Harry Campbell was appointed a Director and Chairman of the Board of EduFocal Limited effective September 2, 2025. He is an accomplished technology executive with more than 20 years of experience driving digital transformation across the financial, energy, and public sectors.

He most recently served as Chief Technology Officer at Cornerstone Trust & Merchant Bank, where he led strategic technology initiatives for the bank, Barita Investments Limited, and their parent company. He is a co-founder of the technology company Yassuh Jamaica and has served as an Independent Director of Future Energy Source Company Limited (FESCO) since 2020.

Harry's blend of enterprise technology leadership and public-company governance experience positions him to guide EduFocal through its next phase as a leaner, technology-led education company.

Gordon Swaby

Chief Executive Officer, Co-founder

Mr. Gordon Swaby, the co-founder and current Chief Executive Officer of EduFocal since its establishment in 2010, has garnered widespread international recognition for his exceptional work in the education sector in Jamaica. In 2016, the British Broadcasting Corporation (BBC) acclaimed both EduFocal and Gordon as "Digital Disruptors," producing a compelling documentary that aired on BBC's networks. Gordon's outstanding contributions to the education sector have also been acknowledged locally, including his receipt of the prestigious Governor General's Award. Moreover, Gordon serves as a director for several public sector organizations, such as the Jamaica Library Service and E-Learning Jamaica Limited, further showcasing his commitment to fostering educational advancement.

Kevin Donaldson

Independent, Non-Executive Director

With over 17 years of extensive experience in the financial industry, Kevin has demonstrated his expertise in various sectors including insurance, investment banking, treasury, and research, both locally and internationally. Holding an MBA with distinction in Banking and Finance from the Mona School of Business, as well as a BSc in Economics from the University of the West Indies, Kevin possesses a strong academic background. He serves as a director for Elite Diagnostics Limited, Indies Pharma Jamaica Limited, WiPay Caribbean Ltd, and other notable organizations. Additionally, Kevin is a co-founder and director of Roots Financial Group Limited, which acts as a lender to EduFocal through a loan agreement. This agreement grants Roots Financial the option to convert a portion of its debt into ordinary shares at the Invitation Price of J\$1.00.

Durval Williams

Independent, Non-Executive Director

Durval Williams is a seasoned audit and risk management professional with extensive experience in internal audit leadership across Jamaica's financial services sector. He has held senior internal audit leadership positions at Supreme Ventures Limited, Sagicor Group Jamaica, and JMMB Group, developing deep expertise in governance, controls, and enterprise risk management.

Durval holds a Bachelor of Science in Accounting from the University of the West Indies, Mona, and an MBA from Georgia Southwestern State University. His professional credentials include Certified Internal Auditor (CIA), Fellow of the Association of Chartered Certified Accountants (FCCA), Fellow of the Institute of Chartered Accountants of Jamaica (FCA), Chartered Professional Accountant (CPA), and Certified General Accountant (CGA), and he is a member of the Institute of Internal Auditors (IIA). Beyond his professional work, Durval is an active member of the Rotary Club of New Kingston.

Mark Pike

Independent, Non-Executive Director

Mark Pike, PMP, C.Dir., joined the Board of EduFocal Limited effective June 26, 2025. He is a human resources and organizational development professional who serves as HR Development Director at Enterprise by IR Limited, with oversight of governance and shared services for major corporate clients. A certified Project Management Professional and Chartered Director, Mark brings to the Board deep experience in people strategy, governance, and organizational effectiveness. He serves as a member of the Company's Remuneration Committee.

Olivia Cream

Independent, Non-Executive Director

Olivia Cream joined the Board of EduFocal Limited effective June 26, 2025 and serves as Chairperson of the Company's Remuneration Committee. She is a seasoned human resources executive with more than 15 years of strategic HR leadership in global and high-growth organizations. She is the Founder of Olivia Cream LLC, through which she provides fractional HR leadership to emerging companies, advising on organizational design, talent strategy, and culture.

Board Changes

The composition of the Board was renewed significantly during the period under review. Peter Levy, who had served as Chairman of the Board since 2012, resigned effective June 13, 2025, and Lloyd Swaby resigned effective June 19, 2025. Mark Pike and Olivia Cream were appointed to the Board effective June 26, 2025, and Harry Campbell was appointed Director and Chairman of the Board effective September 2, 2025. Grace Lindo and Shauna-Gaye Fuller Clarke have also since demitted office. The Board thanks all outgoing directors for their service and their contributions to the Company.

Our Management Team

Gordon Swaby

Chief Executive Officer, Co-founder

Mr. Gordon Swaby, the co-founder and current Chief Executive Officer of EduFocal since its establishment in 2010, has garnered widespread international recognition for his exceptional work in the education sector in Jamaica. In 2016, the British Broadcasting Corporation (BBC) acclaimed both EduFocal and Gordon as “Digital Disruptors,” producing a compelling documentary that aired on BBC’s networks. Gordon’s outstanding contributions to the education sector have also been acknowledged locally, including his receipt of the prestigious Governor General’s Award. Moreover, Gordon serves as a director for several public sector organizations, such as the Jamaica Library Service and E-Learning Jamaica Limited, further showcasing his commitment to fostering educational advancement.

Gordon leads a lean operating team supported by the Board of Directors and specialist external partners across finance, legal, and technology, an operating model deliberately adopted as part of the Company’s restructuring.

Corporate Social Responsibility

EduFocal was founded on the belief that every Jamaican learner deserves access to high-quality education. That belief shapes how we give back. During 2025 the Company's focus was necessarily on restructuring and restoring its financial footing, but that work created the platform for two significant community initiatives that are now in motion.

School-in-a-Box

Following the disruption caused by Hurricane Melissa, EduFocal partnered with the Save Our Boys and Girls Foundation on School-in-a-Box, an initiative funded by the Canada Fund for Local Initiatives (CFLI) through the High Commission of Canada in Jamaica. EduFocal serves as the executing partner on the ground. Phase 1 targets 3,800 students whose schooling was disrupted, providing learning materials, digital content access, and trained community mentors. A second phase, focused on expanding the program's reach, is being developed together with the Foundation.

EduFocal100

To mark the Company's 14th anniversary in March 2026, EduFocal launched EduFocal100, a commitment to build 100 free, professionally designed websites for 100 Jamaican schools over the following year. Each school receives a custom-designed, mobile-friendly website with an administration panel its staff can actually use, hosted and secured by EduFocal at no cost. Schools are the communities we serve every day, and EduFocal100 is our way of investing directly in their digital presence.

We look forward to reporting on the impact of both initiatives in next year's report.

Management Discussion and Analysis

For the year ended December 31, 2025. All figures are drawn from the Company's 2025 Audited Financial Statements (consolidated) unless otherwise indicated.

Overview

2025 was a transition year in which EduFocal completed the most significant restructuring in its history. The Company deliberately moved away from volatile, one-off project contracts toward predictable recurring revenue, reset its cost base, renewed its Board and governance arrangements, and brought its financial reporting current, enabling trading in its shares to resume on the JSE Junior Market in December 2025. The result is a smaller but structurally healthier business: revenue declined, while the Group returned to operating profitability for the first time in recent years.

J\$ '000	FY 2025	FY 2024
Revenue	70,266	97,172
Administrative and operating expenses	(46,365)	(332,442)
Operating profit/(loss)	23,902	(235,270)
Net finance costs	(29,580)	(30,948)
Loss after taxation	(29,428)	(57,968)
Loss per ordinary stock unit (J\$)	(0.04)	(0.08)

Revenue

Revenue of J\$70.3 million compared with J\$97.2 million in 2024, a decline of 28%. The decline reflects the continued transition away from large one-off project contracts toward smaller recurring streams, and the rate of decline moderated as the year progressed. The majority of the Group's revenue now comes from its B2B channel: recurring contracts, retainers, and project work for schools, enterprises, and institutional clients. The B2C channel, anchored by EduFocal Academy, is earlier in its growth curve but represents the Group's highest-margin opportunity, while B2G partnerships with Ministries of Education across the Caribbean round out the revenue architecture.

Expenses

Administrative and operating expenses of J\$46.4 million were 86% lower than the J\$332.4 million recorded in 2024. The reduction reflects the full-year effect of the restructuring: a leaner organizational structure, renegotiated vendor arrangements, tighter discretionary spending, and disciplined cost management across the Group. Impairment losses on financial assets of J\$23.8 million were recognized during the year, principally reflecting expected credit loss provisions against trade receivables.

Profitability

The Group recorded an operating profit of J\$23.9 million, compared with an operating loss of J\$235.3 million in 2024. This is the clearest indicator that the restructuring has taken hold. Net finance costs of J\$29.6 million remain the primary drag on the bottom line. The loss after taxation narrowed by 49% to J\$29.4 million, from J\$58.0 million in 2024, and the

loss per stock unit improved to J\$(0.04) from J\$(0.08). The underlying operating business is now profitable; closing the gap to net profitability is principally a financing challenge.

Balance Sheet and Going Concern

J\$ '000	Dec 31, 2025	Dec 31, 2024
Total assets	203,140	233,320
Cash and cash equivalents	104	2,493
Long term loans (non-current)	152,442	154,334
Current portion of long term loans	109,294	76,378
Payables	103,709	129,911
Total equity (deficit)	(163,024)	(129,172)

The balance sheet remains the Group's most significant challenge. The total equity deficit widened to J\$(163.0) million, driven by the net loss for the year, and the accumulated deficit stood at J\$(341.2) million at year end. Cash at year end was J\$104,315.

There were constructive movements during the year. Accounts payable declined by J\$26.2 million to J\$103.7 million, and the Director's Account was reduced by J\$19.6 million, from J\$38.4 million to J\$18.7 million. These movements reflect ongoing efforts to normalize the balance sheet even as the equity deficit remains elevated.

The Independent Auditors' Report draws attention to a material uncertainty related to going concern, noting the accumulated deficit and that current liabilities exceed current assets. Management is clear-eyed about this. Continuation as a going concern is dependent on the successful execution of strategies to reduce costs and increase revenue. The operating improvements demonstrated in 2025 give the Group and its creditors a credible foundation to work from. Creditor engagement remains active and constructive, and the planned rights issue continues to be an important element of the Group's capital strategy.

Outlook

The restructuring is substantially complete, and the work ahead is about growth. The Group's priorities for the year ahead are:

- Scaling Quizzative and EduFocal Academy adoption across Jamaica and the wider Caribbean, particularly through the 2026 PEP examination cycle;
- Growing recurring B2B revenue through deeper client relationships, supported by the official launch of EduFocal Engage, the Group's corporate learning management system;
- Pursuing disciplined M&A opportunities that are strategically and financially accretive;
- Advancing creditor discussions toward a sustainable resolution and progressing the planned rights issue;
- Maintaining full compliance with JSE continuing listing requirements; and
- Winding down the African subsidiary operations, as previously disclosed, to concentrate resources on core Caribbean markets.

The path ahead carries real risk: the debt burden is significant, the cash position is tight, and the competitive environment is active. EduFocal is nevertheless a fundamentally different company than it was 18 months ago, with the team, products, and operating discipline to build from here.

AUDITED FINANCIAL STATEMENTS



EduFocal Limited

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December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Members of
EduFocal Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Edufocal Limited (the Company) and its subsidiary ('the Group') and the stand-alone financial position of the Company as at 31 December 2025, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the requirements of the Jamaican Companies Act.

What we have audited

EduFocal Limited's consolidated and stand-alone financial statements comprise:

- The consolidated statement of financial position as at 31 December 2025;
- The consolidated statement of comprehensive income for the year then ended;
- The consolidated statement of changes in equity for the year then ended;
- The consolidated statement of cash flows for the year then ended;
- The company statement of financial position as at 31 December 2025;
- The company statement of comprehensive income for the year then ended;
- The company statement of changes in equity for the year then ended
- The company statement of cash flows for the year then ended; and
- The notes to the financial statements which include a summary of significant accounting policies.

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 consolidated and stand-alone financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
Page 2

Report on the audit of the consolidated and stand-alone financial statements (continued)

Emphasis of matter

Material uncertainty related to Going Concern

We draw attention to note 2(b) to the financial statements. The note indicates that the Company has an accumulated deficit of \$328,062,994 (2024: \$302,358,991 as at the reporting date, which is due to significant losses in the past. The Company's current liabilities exceeded its current assets by \$147,012,434. The Company's cash flow position shows a net decrease of \$ 2,320,068, 2024: 2,281,379 net increase. Continuation as a going concern, therefore, may be in doubt and is dependent on those charged with governance's ability to implement strategies to reduce costs and increase revenue. Our opinion has not been modified in respect of this matter.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates. Our 2025 audit was planned and executed having regard to the fact that the operations of the Group remain largely unchanged from the prior year.

The Group's businesses all operate in the education technology industry. These entities maintain their own accounting records and report to the Group through the completion of consolidation packages.

In establishing the overall group audit strategy and plan, we determined the type of work that was needed to be performed at the components by the group engagement team and component auditors



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
Page 3

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters

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

Key audit matters	How our audit addressed the key audit matters
Intangible Assets impairment assets refer to notes 2(f) and 6 of the consolidated and stand-alone financial statements for related disclosures of accounting policies, judgments and estimates. As at 31 December 2025, the Group had recorded intangible assets of \$153 million (2024: \$157.3 million), representing approximately 75% (2024: 68%) of the Group's total assets. We focused on this area as the annual impairment assessment requires management's judgement and estimation, particularly in relation to the estimation of future cash flows from the businesses, taking into consideration the key assumption being the revenue growth and discount rate in the Group's impairment model. We included the impairment of intangible assets as a key audit matter because the carrying value of these key intangible assets will be affected if the Group is unable to generate revenue growth and produce sustainable operating cash flows.	Our audit procedures performed to address this key audit matter included the following procedures, amongst others, over management's intangible assets impairment assessment: • Evaluated management's future cash flow forecasts, and the process by which they were prepared, including testing the underlying calculations and comparing them to the latest financial forecast. • Assessed the impairment model and determined whether any significant changes to the model were required. • Performed sensitivity analysis around the revenue growth assumptions. Challenged management's key assumptions for revenue growth and discount rate. To do this, we: • Compared the key assumptions to externally derived data where possible, including market expectations of investment returns and projected economic growth. • Evaluated the revenue growth and discount rate used in management's cash flow projection.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
Page 4

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<i>Revenue recognition</i> The Group's revenue recognition policy (Note 2 (o)) does not generally require a high level of judgment; however, due to the contractual terms of certain contracts, there is a significant risk associated with certain components that has directed the focus of our audit effort. These contracts are often customised solutions and meet the definition for revenue recognition over time in accordance with IFRS 15. Revenue recognition is considered a key audit matter in view of the risk that management may override controls to intentionally misstate revenue transactions in order to achieve financial targets, either through adjusting estimates at the period end or recording fictitious transactions in the business.	Our audit procedures to address the key audit matter relating to the revenue from contracts with customers included the following: • Selected several contracts on a sample basis, reviewed the terms of these contracts, and assessed the reasonableness of the basis adopted by management in relation to the revenue recognition method. • Examined the supporting documents for the sample of contracts to assess if revenue was recognised at a point in time upon the fulfilment of the relevant performance obligation. • Obtained third-party confirmations for a sample of receivable balances outstanding as at the year-end to assist in the assessment of the validity of related revenue. • Performed cut-off tests by examining the supporting documents that management used to recognise the revenue before and after the reporting date, to assess whether the revenue had been recognised in the correct accounting period. Based on our work, we found that the revenue recognition of contracts made by management is adequately supported by available evidence in accordance with IFRS 15 Revenue from Contracts with Customers.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of

EduFocal Limited

Page 5

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<i>Expected Credit Loss assessment.</i> The Group recognises expected credit losses (ECL) on financial assets measured at amortised cost. The determination of ECL is highly subjective and requires management to make significant judgments and estimates, and the application of forward-looking information. The combination of significant management estimates and judgment increases the risk that management estimates could be materially misstated. See notes 2(h),3(a),4(i),10and 12 of the financial statements	Our audit procedures in response to this matter included: • Obtaining an understanding of the model used by management for the calculation of expected credit losses on financial assets. • Testing the completeness and accuracy of the data used in the models to the underlying accounting records. • Review the ECL model to assess the appropriateness of the Group's impairment methodology, management's assumptions and compliance with the new requirements of IFRS 9, Financial Instruments. • Assessing the appropriateness of the Group's impairment methodology, management assumptions and compliance with the requirements of IFRS 9, Financial Instruments. • Testing the accuracy of the Group's ageing of accounts receivable. • Testing the accuracy of the ECL calculation.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
Page 6

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<i>Borrowings</i> Refer to notes 2 (q), 16 and 19 to the financial statements for management's disclosures of related accounting policies, judgments and estimates relating to borrowings. As at 31 December 2025, long and short-term borrowings, excluding long-term lease liabilities and non-interest-bearing related party liabilities, represented \$262 million (2024 - \$217 million) or 161% (2024 - 149%) of the total equity and debts of the Group. The Company remains highly leveraged as management continues to strategically use debt financing as the principal pillar to implement structured growth projects within the Group. As a Company initiative to reduce its reliance on high-interest short-term financing, in March 2022, the Company issued shares to the market through an Initial Public Offering (IPO), whereby it raised \$102.8 million. Proceeds from the IPO were used in 2022 to retire \$75 million of short-term debt. The Company continues to examine its financing options within the context of its debt management strategy and reviews its choices based on the present market conditions as well as its risk profile.	Our audit procedures to address this matter included the following procedures: • Reviewed the loan agreements and repayment schedules. We noted that the loans were not being serviced on a timely basis as per the contractual agreements, principally by predetermined monthly deductions from the Group's various bank accounts. • Confirmed the balances, reviewed the maturity schedule for repayment, tested the interest calculations and determined that the total borrowings represented obligations by the Company and the Group. • Tested the effectiveness of controls over the timely repayment of loans and other credit facilities and noted that they are compliant with the various agreements. We had robust discussions with senior management regarding the growth and expansion strategy, using debt as the principal means of growth and expansion and the ultimate strategy to reduce debt capital over the long term. A downside to this strategy is the inherent liquidity risk that the cash-generating units acquired may not perform as expected, resulting in the Company and Group being unable to meet its obligations as they fall due. Management is mindful of this inherent liquidity risk. However, management is confident that their strategic growth and expansion plan will continue to perform based on historical performance and anticipated future positive trends. Management is of the opinion that adequate safeguards are in place as they have implemented the necessary policies and procedures, including scenario analysis, alternative payment strategies in the event of cash flow challenges and direct monitoring of the individual borrowings. We evaluated the performance of the borrowing portfolio after the end of the reporting period to determine whether there was a need for any adjustment or whether there were any defaults or breaches of any terms of financial covenants. There were no adverse findings. We also reviewed legal and bank confirmations and correspondences, and we did not identify any negative matters or need for adjustment at the time of approval and signing of the audit report by the Board of Directors.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited

Page 7

Report on the audit of the consolidated and stand-alone financial statements (continued)

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), which 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

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

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

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

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



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
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Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and stand-alone financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and standalone 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 or Company to cease to continue as a going concern.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
EduFocal Limited
Page 9

Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone 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 and stand-alone financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit 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 consolidated and stand-alone 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 matters 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 (CONTINUED)

To the Members of
EduFocal Limited
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Report on other legal and regulatory requirements

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 accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditors' report is Garcia Campbell.

Chartered Accountants

Kingston, Jamaica

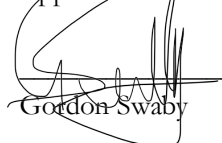
April 30, 2026

GARCIA CAMPBELL
ACCA
Chartered Accountant

EDUFOCAL LIMITED
Consolidated Statement of Financial Position
As at December 31, 2025

	Note	2025 \$	2024 \$
ASSETS			
Non-current assets			
Property, plant and equipment	5	642,926	1,195,484
Intangible assets	6	153,086,093	157,715,181
Deferred tax assets	8	1,863,338	1,863,338
		155,592,357	160,774,003
Current assets			
Receivables	9	25,570,041	28,540,380
Director's account	10	18,743,653	38,382,670
Due from related parties	11	3,130,086	3,130,086
Cash and cash equivalents	12	104,315	2,492,817
		47,548,095	72,545,953
TOTAL ASSETS		203,140,452	233,319,956
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	185,631,690	185,631,690
Foreign exchange reserves		(6,151,545)	(1,493,563)
Accumulated deficit		(341,226,832)	(311,966,359)
		(161,746,687)	(127,828,232)
Non-controlling interest	14	(1,277,675)	(1,343,661)
		(163,024,362)	(129,171,893)
Non-current liabilities			
Long term loans	15	152,442,288	154,333,771
		152,442,288	154,333,771
Current liabilities			
Payables	16	103,708,641	129,911,038
Current portion of long term loans	15	109,293,903	76,377,537
Bank Over Draft		-	68,433
Due to related parties	11	719,982	1,801,070
		213,722,526	208,158,078
TOTAL EQUITY AND LIABILITIES		203,140,452	233,319,956

Approved for issue by the Board of Directors on April 30, 2026 and signed on its behalf by:

) Director
Gordon Swaby

) Director
Harry Campbell

EDUFOCAL LIMITED
Consolidated Statement of Comprehensive Income
Year ended December 31, 2025

	Note	2025	2024
		\$	\$
Revenue	18	70,266,251	97,171,745
Administrative and operating expenses	19	(46,364,595)	(332,441,695)
Operating profit/(loss)	20	23,901,656	(235,269,950)
Other operating income	21	-	(2,758,541)
Impairment losses on financial assets	22	(23,750,000)	216,450,860
Profit/(Loss) before finance costs		151,656	(21,577,631)
Finance costs, net	24	(29,579,501)	(30,948,129)
Loss before taxation		(29,427,846)	(52,525,759)
Taxation	25	-	(5,441,886)
Loss after taxation being total comprehensive loss		(29,427,846)	(57,967,645)
 Net loss attributable to:			
Stockholders of the company		(29,252,213)	(57,621,679)
Non-controlling interest		(175,633)	(345,966)
		(29,427,846)	(57,967,645)
 Loss per ordinary stock unit attributable to shareholders of the company	26	(0.04)	(0.08)

EDUFOCAL LIMITED**Consolidated Statement of Changes in Equity
Year ended December 31, 2025**

	# of Shares	Share Capital	Foreign Exchange Reserves	Accumulated deficit	Non controlling Interest	Total Equity
		\$	\$	\$	\$	\$
Balance at 1 January 2024	648,446,094	185,631,690	(352,553)	(255,366,524)	(1,460,367)	(71,547,754)
Foreign exchange reserves			(1,141,010)		1,484,516	343,506
Total comprehensive loss				(56,599,835)	(1,367,810)	(57,967,645)
Balance at 31 December 2024	648,446,094	185,631,690	(1,493,563)	(311,966,359)	(1,343,661)	(129,171,893)
Subsidiary issue of ordinary						-
Foreign exchange reserves			(4,657,982)	167,373	241,619	(4,248,990)
Total comprehensive loss				(29,427,846)	(175,633)	(29,603,479)
Balance at 31 December 2025	648,446,094	185,631,690	(6,151,545)	(341,226,832)	(1,277,675)	(163,024,362)

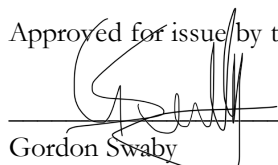
EDUFOCAL LIMITED
Consolidated Statement of Cash Flow
Year ended December 31, 2025

	2025 \$	2024 \$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Loss before taxation	(29,427,846)	(52,525,759)
Adjustments for:		
Amortization of intangible assets	9,682,253	9,682,253
Bad debt written off	-	214,517,871
Depreciation	552,556	829,229
Impairment losses on financial assets	(23,750,000)	(216,450,860)
Foreign exchange losses	(497,841)	92,433
Interest income	(17)	(310,462)
Interest expense	30,142,577	31,257,982
Changes in operating assets and liabilities:	(13,298,318)	(12,907,313)
decrease in receivables	2,970,339	5,447,341
(Increase)/decrease in director's account	19,639,018	(11,332,363)
Increase/(decrease)in payables	(26,202,397)	54,247,333
Cash provided by/(used in) operating activities	(16,891,358)	35,454,998
Interest received	17	310,306
Interest paid	(30,142,577)	(29,773,311)
Net cash provided by/(used in)operating activities	(47,033,918)	5,991,993
Investing Activities		
Purchase of intangible assets	(5,053,167)	(17,079,392)
Net cash used in investing activities	(5,053,167)	(17,079,392)
Financing Activities		
Long term loans,net	50,895,090	(21,017,114)
Short term loans, net	-	(4,065,000)
Due to related parties	-	40,020,234
Due from Related Parties Subsidiary	1,081,088	(351,598)
Net cash provided by financing activities	51,976,178	14,586,522
Net(decrease)/increase in cash and cash equivalents	(110,907)	3,499,123
Effect of foreign exchange losses on cash at the bank	(2,209,162)	(1,233,503)
Cash and cash equivalents at beginning of year	2,424,384	158,764
CASH AND CASH EQUIVALENTS AT END OF YEAR	104,315	2,424,384
 Represented by:		
Cash at bank	104,315	2,492,817
Bank Over Draft	-	(68,433)
Cash at bank	104,315	2,424,384

EDUFOCAL LIMITED
Company Statement of Financial Position
As at December 31, 2025

	Note	2025 \$	2024 \$
ASSETS			
Non-current assets			
Property, plant and equipment	5	642,926	1,195,484
Intangible assets	6	131,074,482	131,262,848
Investment in subsidiaries	7	23,442,673	23,442,673
Deferred tax assets	8	1,863,338	1,863,338
		157,023,418	157,764,343
Current assets			
Receivables	9	25,570,041	28,500,056
Director's account	10	18,743,653	33,207,254
Due from related parties	11	19,159,729	19,159,729
Cash and cash equivalents	12	104,315	2,424,384
		63,577,738	83,291,423
TOTAL ASSETS		220,601,156	241,055,766
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	185,631,690	185,631,690
Accumulated deficit		(328,062,994)	(302,358,990)
		(142,431,304)	(116,727,300)
Non-current liabilities			
Long term loans	15	152,442,288	154,333,771
		152,442,288	154,333,771
Current liabilities			
Payables	16	100,576,287	125,773,212
Current portion of long term loans	15	109,293,903	76,377,537
Due to related parties	11	719,982	1,298,548
		210,590,172	203,449,297
TOTAL EQUITY AND LIABILITIES		220,601,156	241,055,768

Approved for issue by the Board of Directors on April 30, 2026 and signed on its behalf by:

) Director
Gordon Swaby

) Director
Harry Campbell

EDUFOCAL LIMITED
Company Statement of Comprehensive Income
Year ended December 31, 2025

	Note	2025	2024
		\$	\$
Revenue	18	69,549,371	93,229,264
Administrative and operating expenses	19	(41,923,873)	(324,967,993)
Operating(loss)/profit	20	27,625,498	(231,738,729)
Other operating income	21	-	(2,758,541)
Impairment losses on financial assets	22	(23,750,000)	216,450,860
Loss before finance costs		3,875,498	(18,046,410)
Finance costs, net	24	(29,579,501)	(31,152,777)
Loss before taxation		(25,704,004)	(49,199,187)
Taxation	25	-	(5,441,886)
Loss after taxation being total comprehensive loss		(25,704,004)	(54,641,073)
Loss per ordinary stock unit attributable to shareholders of the company	26	(0.03)	(0.09)

EDUFOCAL LIMITED
Company Statement of Changes in Equity
Year ended December 31, 2025

	# of Shares	Share Capital	Accumulated deficit	Total Equity
		\$	\$	\$
Balance at 1 January 2024	648,446,094	185,631,690	(247,717,918)	(62,086,228)
Total comprehensive loss			(54,641,072)	(54,641,072)
Balance at 31 December 2024	648,446,094	185,631,690	(302,358,990)	(116,727,300)
Total comprehensive loss			(25,704,004)	(25,704,004)
Balance at 31 December 2025	648,446,094	185,631,690	(328,062,994)	(142,431,304)

EDUFOCAL LIMITED
Company Statement of Cash Flow
Year ended December 31, 2025

	2025	2024
	\$	\$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Loss before taxation	(25,704,004)	(49,199,187)
Adjustments for:		
Amortization of intangible assets	5,241,533	5,241,533
Bad debt written off	-	214,517,871
Depreciation	552,556	829,229
Impairment losses on financial assets	(23,750,000)	(216,450,860)
Foreign exchange losses	-	8,232
Interest income	(17)	(91,943)
Interest expense	30,142,577	31,257,982
Changes in operating assets and liabilities:	(13,517,355)	(13,887,143)
decrease in receivables	2,930,015	(3,554,616)
(Increase)/decrease in director's account	14,463,601	(6,156,947)
Increase/(decrease)in payables	(25,196,925)	52,363,363
Cash provided by/(used in) operating activities	(21,320,664)	28,764,657
Interest received	17	-
Interest paid	(30,142,577)	(28,996,005)
Net cash provided by/(used in)operating activities	(51,463,224)	(231,348)
Investing Activities		
Purchase of intangible assets	(5,053,167)	(16,134,914)
Investment in subsidiary	-	-
Net cash used in investing activities	(5,053,167)	(16,134,914)
Financing Activities		
Long term loans,net	50,895,090	(17,307,594)
Short term loans, net	-	(4,065,000)
Due to related parties	3,301,233	40,020,234
Net cash provided by financing activities	54,196,323	18,647,640
Net(decrease)/increase in cash and cash equivalents	(2,320,068)	2,281,378
Cash and cash equivalents at beginning of year	2,424,383	143,005
CASH AND CASH EQUIVALENTS AT END OF YEAR	104,315	2,424,383
Representedby:		
Cash at bank	104,315	2,424,384
	104,315	2,424,384

EDUFOCAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2025

1. Identification and Principal Activities

EduFocal Limited is an education technology company incorporated in Jamaica under the Companies Act of Jamaica on 19 November 2010. The registered office of the company is located at 29 Munroe Road, Kingston 6, Saint Andrew.

On March 15, 2022, the Company was successful in issuing an Initial Public Offering (IPO) on the Junior Market of the Jamaica Stock Exchange of 129,689,219 ordinary shares.

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

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

Subsidiary	Country of incorporation and place of Business	Principal Activity	% ownership of the Company at 31 December 2025		% ownership of the Company at 31 December 2024	
			Company	subsidiary	Company	subsidiary
		Online Learning Platform				
EduFocal LLC	USA	Platform	100%		100%	
		Online Learning Platform				
EduFocal Africa Inc.	USA	Platform	70%		70%	
And Its Subsidiary EduFocal Nigeria Limited	USA	Learning Platform		100%		100%

On March 16, 2023, EduFocal Limited acquired 70% of the share capital of EduFocal Africa Inc., a company incorporated in the United States of America. EduFocal Africa Inc. is also the parent company of EduFocal Nigeria Limited, another company incorporated in 2023.

These financial statements are presented in Jamaican dollars, which is the Company’s functional currency

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied for all the years presented. Where necessary, prior year comparatives have been restated and reclassified to conform to the current year presentation.

a) Basis of Operation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board and have been prepared under the historical cost convention, as modified by the valuation of certain items. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes.

The preparation of financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis, and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgement in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in note 4.

2. Summary of Significant Accounting Policies cont'd

(a) Basis of preparation cont'd

Standards and amendments to published standards effective in the current year that are relevant to the Group's operations

The following amendments to standards have been adopted by the Group for the first time, which have been issued and are effective for mandatory adoption for the financial year beginning on or after 1 January 2023:

Narrow scope amendments to IAS 1, Practice Statement 2 and IAS 8 (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Deferred Tax related to assets and liabilities (Amendments to IAS 12 Income Taxes) (effective for annual periods beginning on or after 1 January 2023). These amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendments did not result in any material effect on the Group's financial statements.

2. Summary of Significant Accounting Policies cont'd

(a) Basis of preparation cont'd

Standards and amendments to published standards that are not yet effective and have not been early adopted by the Group

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been issued which are not yet effective, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

The amendments in Classification of Liabilities as Current or Non-current – Amendments of IAS1(effective for annual periods beginning on or after 1 January 2024) affect only the presentation of liabilities in the statement of financial position - not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Lack of Exchangeability Amendments to IAS 21(effective for annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the Group.

2. Summary of Significant Accounting Policies cont'd

(b)Going Concern Assumption

The preparation of the financial statements in accordance with IFRS assumes that the company will continue operations for the foreseeable future. This means, in part, that the statement of comprehensive income and the statement of financial position assume no intention or necessity to liquidate or curtail the scale of the company's operations. This is commonly referred to as the going concern basis.

The company at 31 December 2025 has an accumulated deficit of \$328,062,994 (2024: \$302,358,991) and a net current liability position of \$147,012,434 (2024-net current liability position of \$120,857,173). The company's cash flow position shows a net decrease of \$2,320,068 (2024: \$2,281,379, net increase). These conditions indicate the existence of a material uncertainty that may cast doubt on the ability of the company to continue as a going concern.

The ability of the company to sustain profitability and to generate the incremental cash flows to meet its obligations and other costs is therefore dependent on its ability to successfully minimise costs and increase sales of the business

The Board of Directors of the company has made the financial stability of the company a priority and will continue to strategically align these objectives with operations to make the company profitable, including generating sufficient cash flow to meet its liabilities.

The Board of Directors of the Company will continue the growth strategic plan to achieve the company's mandate. The Company's management plans to implement certain strategies to ensure sufficient liquidity and financial viability: -

- (a) The company's cost containment strategy is continuous and realignment of the organisation structure to ensure that specific costs are associated with revenue, including leveraging contractors as needed per project
- (b) Management intends to introduce a rights issue to raise \$250M, secure large contracts for \$200M and seek restructuring of loans from creditors to help with cash flow.

Management is of the view that the strategies being pursued will resolve the issues and believes that the going concern basis of presentation of the financial statements is appropriate.

2. Summary of Significant Accounting Policies cont'd

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiary as at 31 December 2024. A subsidiary is an entity controlled by the company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policy in line with the Group's accounting policy. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

Disposal of Subsidiary

When the Group ceases to have control of any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rate prevailing on the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into Jamaican dollars at the exchange rate prevailing at the date of the statement of financial position, that is, in the case of each currency, the Bank of Jamaica's weighted average buying and selling rates at that date. Gains and losses arising from fluctuations in exchange rates are reflected in the statement of comprehensive income

2. Summary of Significant Accounting Policies cont'd

(e) Property, Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis at rates to write off the carrying value of the assets over their expected useful lives. The rates used to write off the cost of assets are as follows:

Furniture and Equipment	10%
Computers and Accessories	25%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Repair and maintenance expenditures are charged to the statement of comprehensive income during the financial period in which they are incurred.

(f) Intangible Assets

This represents the costs of software and educational content development, which includes costs incurred to bring to use the specific software, as well as certain acquired computer software licences. These intangible assets are identified separately and reported at cost less accumulated amortisation and accumulated impairment losses. The costs of these intangible assets are amortised over their estimated useful life of five years. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised

(g) Fair value of financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial assets carried on the statement of financial position include cash and cash equivalents, receivables and directors' accounts. Financial liabilities consist of trade and other payables, long-term loans and short-term borrowings.

Generally, financial instruments are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

The fair values of the financial instruments are discussed in Note 3 (e).

2. Summary of Significant Accounting Policies cont'd

(h) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. For trade receivables impairment provisions, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

Under the simplified approach within IFRS 9, the impairment provision is assessed using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Prepayments are partial or full settlements of debt or expenses before the contractually obligated due date; this includes advances and deposits.

(i) Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at the bank and bank overdraft.

2. Summary of Significant accounting policies cont'd

(j) Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Where applicable, current and deferred taxes are recognised as income tax expense.

- Current tax is the expected tax payable on the income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.
- Deferred tax liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognised for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled, based on enacted rates.

Current and deferred tax assets and liabilities are offset when the legal right of offset exists.

(k) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(l) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be determined.

(m) Share Capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

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

2. Summary of Significant accounting policies cont'd

(n) Dividends

Dividends on ordinary shares are recognised in shareholders' equity in the period in which they become legally payable. Interim dividends are due when declared and approved by the directors, while shareholders approve final dividends at the Annual General Meeting. Dividends for the year that are declared after the reporting date are disclosed in the subsequent events note.

(o) Revenue Recognition

The Group provides online learning to different business segments of society, to include corporate contracts, partnerships with government agencies, schools and individual clients.

Revenue comprises the fair value of the consideration received or receivable, and represents amounts receivable for services supplied, stated net of discounts and General Consumption Tax.

The company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the company; and when specific criteria have been met for each of the entity's activities, as described below:

For sales of services, revenue is recognised on the accrual basis, in the accounting period in which the related services are provided

- (a) Online sales – This relates to paid access to the learning content platform. These are cash
- (b) Partnership and business sales–These are contractual arrangements

(i) Interest income and interest expense

Interest income and expense are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest rate method on the actual purchase price.

(ii) Other operating income

Includes miscellaneous inflows. Income is recognised on the accrual basis

2. Summary of Significant Accounting Policies cont'd

(p) Net finance Costs

Net finance costs comprise interest payable on borrowings calculated using the effective interest rate method, interest income on funds invested during the course of routine treasury transactions, lease interest expense and foreign exchange gains and losses recognised in the income statement.

(q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the income statement as interest expense.

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2. Summary of significant accounting policies(continued)

(r) Impairment of non-financial assets

At each statement of financial position date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset(or cash-generating unit)is estimated to be less than its carrying amount, the carrying amount of the asset(or cash-generating unit)is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately

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

(s) Related party transactions

A party is related to the company if:

- (i) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company (this includes parents, subsidiaries and fellow subsidiaries); has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate of the company;
- (iii) the party is a joint venture in which the company is a venture partner
- (iv) the party is a member of the key management personnel of the company or its parent
- (v) the party is a close member of the family of any individual referred to in (i) or (iv)
- (vi) the party is the company that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any company that is a related party of the company

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The company has a related party relationship with its directors and key management personnel, representing certain senior officers of the company.

2. Summary of significant accounting policies (continued)

(t) Right-of-use assets and lease liabilities

All leases are accounted for by recognising a right-of-use asset and a lease liability, except for

- (i) Leases of low-value assets; and
- (ii) Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes

- (i) Amounts expected to be payable under any residual value guarantee;
- (ii) the exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option;
- (iii) any penalties payable or terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

To determine the incremental borrowing rate, the company

- (i) since it does not have recent third-party financing, it uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, and
- (ii) makes adjustments specific to the lease, e.g. term, currency and security

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- (i) lease payments made at or before commencement of the lease;
- (ii) initial direct costs incurred; and
- (iii) the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

2. Summary of significant accounting policies (continued)

(t) Right-of-use assets and lease liabilities (continued)

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets valued at US\$5,000 or less when new. The Group has no short-term leases or leases for low-valued assets at this time.)

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- a. If the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- b. In all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

2. Summary of significant accounting policies (continued)

(t) Right-of-use assets and lease liabilities (continued)

- c. If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease, with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

For contracts that both convey a right to the group to use an identified asset and require services to be provided to the Group by the lessor, the group has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

3. Financial risk management

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

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

Audit Committee

The Board of Directors has also established an Audit Committee to assist in managing the Group's risk profile. This Committee oversees how management monitors compliance with the Group's risk management policies and reviews the adequacy of the risk management framework. This committee is also assisted by Internal Audit, which reports to the Audit Committee after it undertakes regular and ad hoc reviews of risk management controls and procedures, especially over inventories and receivables.

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, due from related parties, as well as outstanding receivables from credit sales.

Risk management

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. management assesses the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by management.

(a) Credit risk(continued)

Risk management (continued)

Management determines concentrations of credit risk by monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers who are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval.

Security

The Group and the Company do not hold any collateral as security.

Impairment of financial assets

The Group and the Company have two types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Due from related parties

While the director's account and cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets

To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2025 and 31 December 2024, and the corresponding credit losses experienced within these periods. EduFocal Limited does not have a significant history of losses relating to revenues. The management has estimated the loss rate by taking into consideration mostly forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The company has identified the GDP, inflation and the unemployment rate of the countries in which it sells its services to be the most relevant factors, and will accordingly adjust the expected loss rates based on changes in these factors.

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3. Financial risk management(continued)

(a) Credit risk (continued)

On that basis, the loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for trade receivables:

The Group and Company:

31-Dec-25	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	82.88%	82.88%
Gross carrying amount– trade receivables				264,132,666	264,132,666
Loss allowance				238,764,212	238,764,212

31-Dec-24	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0%	0%	0%	82.88%	82.88%
Gross carrying amount– trade receivables	-	-	-	244,749,030	244,749,030
Loss allowance	-	-	-	202,847,996	202,847,996

The closing loss allowances for trade receivables as at 31 December 2025 and 31 December 2024 reconciled to the opening loss allowances are as follows:

	2025 \$	2024 \$
Opening Expected Credit Loss balance	214,518,501	224,415,939
Decrease in loss allowance recognised in profit or loss during the year	24,245,711	(7,965,078)
Closing Expected Credit Loss balance (Note9)	238,764,212	216,450,861

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there's no reasonable expectation of recovery include, amongst others, the failure of a debt or to engage in a repayment plan with the company, and a failure to make contractual payments for a period of greater than 90 days past due.

3. Financial risk management(continued)

(a) Credit risk (continued)

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item

As at 31 December 2025 and 31 December 2024, trade receivables with lifetime expected credit losses of the full value of the receivables were as follows

The Group and Company	2025	2024
Trade receivables with lifetime expected credit losses	142,637,581	142,637,581

Other financial assets at amortised cost

Other financial assets at amortised cost include receivables due from a related party.

	Related Party Receivables 2025	Related Party Receivables 2024
Balance of expected credit loss at the beginning of the year (Decrease)/increase in loss allowance:	(187,252,675)	67,602,291
Recognised in profit or loss during the year	-	(254,854,966)
Balance of expected credit loss at the end of the year (Note11)	(187,252,675)	(187,252,675)

Net impairment losses on financial and contract assets recognised in profit or loss.

During the period, the following losses were recognised in profit or loss in relation to impaired financial assets.

The Group and Company:

	2025	2024
Impairment losses		
• movement in loss allowance for amounts due From the related party	(216,450,860)	38,404,106
• movement in loss allowance for trade receivables	(22,313,351)	(254,854,966)
Net impairment losses on financial and contract Assets Note 22	(238,764,212)	(216,450,860)

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3. Financial risk management (continued)

(b) Liquidity risk

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

Liquidity risk management process

The company's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis
- (ii) Maintaining marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Maintaining a committed line of credit

Undiscounted cash flows of financial liabilities

The maturity profile of the group's financial liabilities at year-end on contractual undiscounted payments was as follows

The Group

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total	Carrying amount
	\$	\$	\$	\$	\$	\$
2025						
Payables	103,708,641				103,708,641	103,708,641
Due to related parties			719,982		719,982	719,982
Short-term loan					-	
Long-term loans			109,293,903	152,442,288	261,736,191	261,736,191
	103,708,641	-	110,013,885	152,442,288	366,164,814	366,164,814
2024						
Payables	129,911,038				129,911,038	129,911,038
Due to related parties			1,801,070		1,801,070	1,801,070
Short-term loan					-	
Long-term loans			76,377,537	154,333,772	230,711,309	230,711,309
	129,911,038	-	78,178,607	154,333,772	362,423,417	362,423,417

Assets available to meet all of the liabilities and to cover financial liabilities include cash at the bank and in hand, short-term deposits and a guarantee from the ultimate parent company.

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3. Financial risk management (continued)

(b) Liquidity risk (continued) Undiscounted cash flows of financial liabilities

The maturity profile of the company's financial liabilities at year-end on contractual undiscounted payments was as follows:

The Company

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total	Carrying amount
	\$	\$	\$	\$	\$	\$
2025						
Payables	100,576,287				100,576,287	100,576,287
Due to related parties			719,982		719,982	719,982
Short-term loan					-	
Long-term loans			109,293,903	152,442,288	261,736,191	261,736,191
	100,576,287	-	110,013,885	152,442,288	363,032,460	363,032,460
2024						
Payables	125,773,212				125,773,212	125,773,212
Due to related parties			1,298,548		1,298,548	1,298,548
Short-term loan					-	
Long-term loans			76,377,537	154,333,771	230,711,308	230,711,308
	125,773,212	-	77,676,085	154,333,771	357,783,068	357,783,068

Assets available to meet all of the liabilities and to cover financial liabilities include cash and cash equivalents.

3. Financial risk management(continued)

(c) Market Risk

The company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in interest rates (see Note 3 (c)(i)) and foreign currency exchange rates (see Note 3 (c)(ii)). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk exposures are measured using sensitivity analysis. There has been no significant change in exposure to market risks or the manner in which it manages and measures the risk.

(i) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group incurs interest on its borrowings disclosed in Notes 16 and 19. These borrowings are at fixed rates and expose the Group to fair value interest rate risk. Interest rate fluctuations are not expected to have a material effect on the net results or stockholders' equity. 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.

At the reporting date, the Group's financial liabilities subject to interest rates were aggregated \$220,758,021 (2024: \$230,711,308). The company contracts financial liability at a fixed interest rate; hence, changes in the market interest rate will not affect the cash flow nor the carrying amount of the instruments.

The following table summarises the Group's exposure to interest rate risk. It includes the Group's financial instruments at carrying amounts, categorised by the contractual re-pricing or maturity dates.

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4. Financial risk management (continued)
(c) Market Risk (continued)

i. Interest rate risk (continued)

The Group

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Non Interest bearing	Total
	\$	\$	\$	\$	\$	\$
2025						
Assets						
Receivables					25,570,041	25,570,041
Director's account				18,743,653		18,743,653
Due from related party			3,130,086			3,130,086
cash and cash	104,315					104,315
Total financial assets	104,315	-	3,130,086	18,743,653	25,570,041	47,548,095
Liabilities						
Due to related parties						-
Long term loans			109,293,903	152,442,288		261,736,191
Payable					103,708,641	103,708,641
Overdraft	-					-
Total financial liabilities	-	-	109,293,903	152,442,288	103,708,641	365,444,832
Total interest re-pricing gap	104,315	-	(106,163,817)	(133,698,635)	(78,138,600)	(317,896,737)

EDU FOCAL LIMITED
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4. Financial risk management (continued)

(c) Market risk (continued)

i. Interest rate risk (continued)

The Group

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Non Interest bearing	Total
	\$	\$	\$	\$	\$	\$
2024						
Assets						
Receivables					28,540,380	28,540,380
Director's account				38,382,670		38,382,670
Due from related party			3,130,086			3,130,086
cash and cash equivalents	2,492,817					2,492,817
Total financial assets	2,492,817	-	3,130,086	38,382,670	28,540,380	72,545,953
Liabilities						
Due to related parties					1,801,070	1,801,070
Long term loans			76,377,537	154,333,772		230,711,309
Payable					129,911,038	129,911,038
Overdraft	68,433					68,433
Total financial liabilities	68,433	-	76,377,537	154,333,772	131,712,108	362,491,850
Total interest re-pricing gap	2,424,384	-	(73,247,451)	(115,951,102)	(103,171,728)	(289,945,897)

The Group has no significant sensitivity to interest rate risk as all borrowings are at fixed rates.

4. Financial risk management(continued)

(c) Market risk(continued)

(i) Interest rate risk (continued)

At the reporting date, the Company's financial liabilities are subject to interest rates aggregated \$220,758,021 (2024: \$230,711,308). The Company contracts financial liability at a fixed interest rate, hence changes in the market interest rate will not affect the cash flow nor the carrying amount of the instruments.

The following table summarises the Company's exposure to interest rate risk. It includes the Company's financial instruments at carrying amounts, categorised by the contractual repricing or maturity dates.

The Company

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Non Interest bearing	Total
	\$	\$	\$	\$	\$	\$
2025						
Assets						
Receivables	-	-	-	-	25,570,041	25,570,041
Director's account	-	-	-	18,743,653	-	18,743,653
Due from related party	-	-	-	-	-	-
cash and cash	104,315	-	-	-	-	104,315
Total financial asses	104,315	-	-	18,743,653	25,570,041	44,418,009
Liabilities						
Due to related parties	-	-	-	-	-	-
Long term loans	-	-	109,293,903	152,442,288	-	261,736,191
Payable	-	-	-	-	100,576,287	100,576,287
Overdraft	-	-	-	-	-	-
Total financial liabilities	-	-	109,293,903	152,442,288	100,576,287	362,312,478
Total interest re-pricing gap	104,315	-	(109,293,903)	(133,698,635)	(75,006,246)	(317,894,469)

The Group has no significant sensitivity to interest rate risk as all borrowings are at fixed rates.

4. Financial risk management (continued)

(c) Market risk (continued)

i. Interest rate risk (continued)

The Company

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Non Interest bearing	Total
	\$	\$	\$	\$	\$	\$
2024						
Assets						
Receivables	-	-	-	-	28,500,056	28,500,056
Director's account	-	-	-	33,207,254		33,207,254
Due from related party	-	-	-	-	-	-
cash and cash equivalents	2,424,384	-	-	-	-	2,424,384
Total financial assets	2,424,384	-	-	33,207,254	28,500,056	64,131,694
Liabilities						
Due to related parties	-	-	-	-	1,298,548	1,298,548
Long term loans	-	-	76,377,537	154,333,771	-	230,711,308
Payable	-	-	-	-	125,773,212	125,773,212
Overdraft	-	-	-	-	-	-
Total financial liabilities	-	-	76,377,537	154,333,771	127,071,760	357,783,068
Total interest re- pricing gap	2,424,384	-	(76,377,537)	(121,126,517)	(98,571,704)	(293,651,374)

4. Financial risk management (continued) (c)

Market risk (continued)

a. Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from exposure primarily to the US dollar. The group is primarily exposed to such risks arising from foreign currency translation in relation to cash at bank, related party, loans and payables.

The Statement of Financial Position for the Group as at 31 December 2025 includes net foreign liabilities of \$10,729,307 (2024: \$10,729,307) in respect of such transactions arising in the ordinary course of business.

The Statement of Financial Position for the Company as at 31 December 2025 includes net foreign assets of \$1,900,543 (2024: \$1,900,543) in respect of such transactions arising in the ordinary course of business.

The following tables demonstrate the sensitivity to fluctuations in the exchange rates of the currencies held by the group and company before tax, with all other variables held constant.

The Group

	2025	2025	2024	2024
	\$	\$	\$	\$
	Effect on Profit and loss and equity			
	Revaluation	Devaluation	Revaluation	Devaluation
	1%	4%	1%	4%
Currency				
USD	107,293	(429,172)	107,293	(429,172)

The Company

	2025	2025	2024	2024
	\$	\$	\$	\$
	Effect on Profit and loss and equity			
	Revaluation	Devaluation	Revaluation	Devaluation
	1%	4%	1%	4%
Currency				
USD	(19,005)	76,022	(19,005)	76,022

4. Financial risk management (continued)

(d) Capital management

The Group defines capital as equity and total borrowings. The Group manages its capital of \$101 million (2024: \$101 million), to support and be responsive to opportunities for its current growth strategy and expansion plans and to maintain its normal operations and remain compliant with various covenants and restrictive rules and regulations of the industry and the financial environment in which it operates

Capital Management Strategies

The Group's objectives when managing capital are to enhance the Group's financial performance to provide specific hurdle returns for its shareholders while maintaining an optimal capital structure, to contain the cost of capital, as well as meet externally imposed capital requirements

The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The Group monitors capital based on the gearing ratio. This ratio is calculated as total borrowings divided by capital as defined above. Total borrowings are calculated as current and non-current borrowings, as shown in the consolidated statement of financial position. Capital is calculated as total shareholders' equity, as shown in the statement of financial position, plus total borrowings.

The management of the Group remains deliberate in the way it funds its growth projects, and given the present economic environment and the general uptick in the cost of capital in the market, management continues to adjust major debts to optimise operating performance, and specifically to scale the business effectively.

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Total borrowings (excluding lease liability and non-interest-bearing related party liabilities)	261,736,191	230,711,308	261,736,191	230,711,308
Equity and total borrowing	98,711,829	100,800,271	119,304,887	116,727,301
Gearing ratio	265%	229%	219%	198%

(4) Financial risk management (continued)

(e) Fair value estimates

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as a recognised stock exchange) exists, as it is the best evidence of the fair value of a financial instrument.

The amount included in the financial statements for cash and bank balances, receivables, directors' current account, due from related companies, short-term loans and payables reflects their approximate fair values because of the short-term maturity of these instruments

The fair values of long-term loans approximate amortised costs

The fair values of directors' accounts and due to related companies could not be reasonably assessed, as there are no set repayment terms

4. Critical accounting estimates and judgements in applying accounting policies

The Group and Company make estimates, assumptions and judgements that affect the reported amounts of, and disclosures relating to, assets, liabilities, income and expenses reported in these financial statements. Amounts and disclosures based on these estimates may be reported in the financial statements of the next financial year. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

(i) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about the risk of default and expected loss rates. The Group and Company use judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the credit risk note.

(ii) Income Taxes

Estimates and judgments are required in determining the provision for income taxes. The tax liability or asset arising from certain transactions or events may be uncertain in the ordinary course of business. In cases of such uncertainty, the Group and Company recognise liabilities for possible additional taxes based on its judgment. Where, on the basis of a subsequent determination, the final tax outcome in relation to such matters is different from the amount that was initially recognised, the difference will impact the current and deferred income tax provisions in the period in which such determination is made.

(iii) 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 Group and Company apply 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.

(iv) Recognition and measurement of Intangible Assets

The recognition and measurement of intangible assets, other than goodwill, in a business combination involves the utilisation of valuation techniques. These intangibles may be market-related, consumer-related, contract-based based or technology-based,

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5. Property, plant and equipment

The Group and The Company:

	Furniture and Equipment	Computer and Accessories	Total
Cost			
31 December 2023	1,998,931	3,083,537	5,082,468
Additionas			
31 December 2024	1,998,931	3,083,537	5,082,468
Additionas			
31 December 2025	1,998,931	3,083,537	5,082,468
Depreciation			
31 December 2023	898,987	2,158,769	3,057,756
Charge for the year	199,893	629,336	829,229
31 December 2024	1,098,879	2,788,105	3,886,984
Charge for the year	257,124	295,432	552,556
31 December 2025	1,356,003	3,083,537	4,439,540
Net Book Value			
31 December 2025	642,926	-	642,926
31 December 2024	900,052	295,432	1,195,484

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Intangible assets comprise computer software and intellectual property purchased and developed by the Group. Intellectual property is amortised over eight years. Amortisation of the computer software is calculated based on an estimated useful life of five years.

The Group				
	Property	Software	Progress	Total
Cost				
01 January 2024	84,328,515	93,933,476	34,049,321	212,311,312
Additionas			17,079,392	17,079,392
31 December 2024	84,328,515	93,933,476	51,128,713	229,390,704
Additionas			5,053,167	5,053,167
31 December 2025	84,328,515	93,933,476	56,181,880	234,443,871
Depreciation				
01 January 2024	18,559,033	43,434,237	-	61,993,270
Charge for the year	3,207,925	6,474,328	-	9,682,253
31 December 2024	21,766,958	49,908,565	-	71,675,523
Charge for the year	3,207,925	6,474,328	-	9,682,253
31 December 2025	24,974,883	56,382,893	-	81,357,776
Net Book Value				
31 December 2025	59,353,632	37,550,583	56,181,879	153,086,093
31 December 2024	62,561,557	44,024,911	51,128,713	157,715,181

During 2022, the Group purchased all of the Clever School Teacher online learning platform and content for a sum of \$42 million. These intangible assets are managed by the subsidiary, EduFocal LLC

6. Intangibles continued

The Group determines whether the intangible assets are impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the intangible asset is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows. The cash flow projections are based on financial budgets approved by management covering a five-year period.

The Company

	Intellectual Property	Software	Work in Progress	Total
Cost				
01 Januay 2024	80,576,864	52,666,773	33,556,697	166,800,334
Additionas			16,134,914	16,134,914
31 December 2024	80,576,864	52,666,773	49,691,611	182,935,248
Additionas			5,053,167	5,053,167
31 December 2025	80,576,864	52,666,773	54,744,778	187,988,415
Depreciation				
01 Januay 2024	18,057,588	28,373,279	-	46,430,867
Charge for the year	2,432,132	2,809,401	-	5,241,533
31 December 2024	20,489,720	31,182,680	-	51,672,400
Charge for the year	2,432,132	2,809,401	-	5,241,533
31 December 2025	22,921,852	33,992,081	-	56,913,933
Net Book Value				
31 December 2025	57,655,012	18,674,692	54,744,778	131,074,482
31 December 2024	60,087,144	21,484,093	49,691,611	131,262,848

7. Investment in Subsidiary

	<u>The Company</u>	
	<u>2025</u>	<u>2024</u>
	\$	\$
EduFocal Africa Inc	3,264,883	3,264,883
EduFocal LLC	20,177,790	20,177,790
	<u>23,442,673</u>	<u>23,442,673</u>

Edufocal Africa Inc. summarised financial information as at December 31 2025

Since March 2023, the Group has had a 70% interest in EduFocal Africa Inc. EduFocal Africa Inc. was created by EduFocal Limited in 2023 to provide similar education courses to individuals and organisations in Africa. The financial information of EduFocal Africa Inc. is summarised below:

	<u>2025</u>	<u>2024</u>
Current assets	-	-
Cash and cash equivalents, included in current assets	-	-
Current liabilities	-	1,853,609
Current financial liabilities, excluding trade and other		
Payables and provisions, included in current liabilities		
Loss from operations	-	(606,116)
Post-tax loss from operations	-	(606,116)
Total comprehensive loss	-	(606,116)

8. Deferred Tax Asset

Deferred income taxes are calculated in full on all temporary differences under the liability method using the applicable tax rate. Assets and liabilities recognised on the statement of financial position are as follows

	The Group and the Company	
	<u>2025</u>	<u>2024</u>
	\$	\$
Deferred income tax assets	1,863,338	7,305,224

The movement on the net deferred income tax balance is as follows

	The Group and the Company	
	<u>2025</u>	<u>2024</u>
	\$	\$
Net assets at the beginning of year	1,863,336	7,305,224
Deferred tax credited to profit and loss (Note 25)		(5,441,886)
Net assets at the end of year	1,863,338	1,863,338

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

	The Group and the Company	
	<u>2025</u>	<u>2024</u>
	\$	\$
Deferred tax assets		
Property, plant and equipment	-	-
Intangible assets	1,719,164	1,719,164
Right-of-use asset, net of lease obligation	-	-
Accrued vacation	-	-
Interest payable	142,115	142,115
Unrealised foreign exchange losses	2,058	2,058
Net deferred tax assets at end of year	1,863,338	1,863,337

8. Deferred Tax Assets (Continued)

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

	<u>The Group and the Company</u>	
	<u>2025</u>	<u>2024</u>
	\$	\$
Deferred tax assets to be recovered:		
-less than 12 months	571,580	571,580
-after more than 12 months	1,291,758	1,291,758
	<u>1,863,338</u>	<u>1,863,338</u>

9. Receivables

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Trade receivables	264,132,366	244,789,354	264,132,366	244,749,030
Less: Expected credit loss provision (Note 3(a))	(238,764,212)	(216,450,861)	(238,764,212)	(216,450,861)
	<u>25,368,154</u>	<u>28,338,493</u>	<u>25,368,154</u>	<u>28,298,169</u>
Prepaid expenses	83,447	83,447	83,447	83,447
Other receivables	118,440	118,440	118,440	118,440
	<u>25,570,041</u>	<u>28,540,380</u>	<u>25,570,041</u>	<u>28,500,056</u>

Movement of expected credit loss provision is as follows

	<u>The Group and Company</u>	
	<u>2025</u>	<u>2024</u>
	\$	\$
Balance at the beginning of year	216,450,861	149,344,581
Additional provision during the year	22,313,351	67,106,280
Balance at the end of year	<u>238,764,212</u>	<u>216,450,861</u>

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10. Directors' Account

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Director Account	18,743,653	38,382,670	18,743,653	33,207,254
	<u>18,743,653</u>	<u>38,382,670</u>	<u>18,743,653</u>	<u>33,207,254</u>

The director's account represents amounts due from a director. This loan attracts interest of 3% per annum with principal and interest repayable quarterly. The loan should have been repaid by December 31, 2024.

11. Due from/(to) related parties

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Due from elaed parties				
Due from Edufocal Business Limited	-	-	-	-
Less Expected credit loss provision	-	-	-	-
	-	-	-	-
	-	-	-	-
Due from Edufocal Academy	-	-	-	-
Due from Edufocal LLC	-	-	-	16,507,819
	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,507,819</u>
Due to related parties				
Andrew Swaby	272,537	(15,546)	272,537	(15,546)
Mark Green	-	(90,000)	-	(90,000)
	<u>272,537</u>	<u>(105,546)</u>	<u>272,537</u>	<u>(105,546)</u>
	<u>272,537</u>	<u>(105,546)</u>	<u>272,537</u>	<u>16,402,273</u>

These parties are related by common shareholders and directors. The balances are unsecured, interest-free free and has no fixed repayment terms and conditions.

12. Cash and Cash Equivalents

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Cash At bank	104,315	158,764	104,315	2,424,384
	<u>104,315</u>	<u>158,764</u>	<u>104,315</u>	<u>2,424,384</u>

Cash at bank substantially comprises savings and operating accounts at licensed commercial banks in Jamaica and the United States of America. The rate of interest earned on the Group's foreign currency savings accounts ranges from 0.03% to 0.25% (2024: 0.03% to 0.25%).

13. Share Capital

	<u>2025</u>	<u>2024</u>
Authorised		
Opening authorised ordinary shares of no par value	Unlimited	Unlimited
Closing authorised ordinary shares of no par value	Unlimited	Unlimited
Issued and fully paid		
Opening issued and fully paid ordinary shares	648,446,094	648,446,094
Initial Public Offering issued during the year		
Short-term loan converted to ordinary shares		
Closing issued and fully paid ordinary shares	<u>648,446,094</u>	<u>648,446,094</u>
Ordinary Shares of No par Value	<u>2025</u>	<u>2024</u>
	\$	\$
Balance at beginning of the year	185,631,690	185,631,690
Initial Public Offering issued during the year		
Short-term loan converted to ordinary shares		
Balance at end of the year	<u>185,631,690</u>	<u>185,631,690</u>

On February 9, 2022, the Company held an Extraordinary General Meeting, which resulted in the Board of Directors passing a resolution for the issue of shares through an initial public offering, thereby approving the issue of up to 129,689,219 ordinary shares. The additional shares were listed on the Junior Market of the Jamaica Stock Exchange on March 15 2022.

116,446,989 ordinary shares were issued to the general public and key strategic partners, while 13,242,230 were issued through a short-term loan lender exercising a conversion option.

14. Non-Controlling Interest

Subsidiary with non-controlling interest (NCI) is as follows;

	The Group	
	<u>2025</u>	<u>2024</u>
	\$	\$
Balance at beginning of the year	(1,343,661)	(1,460,367)
Share of loss for the year	(175,633)	(1,367,810)
Issue of Shares	-	-
Other movements during the year	241,619	1,484,516
Balance at end of the year	<u>(1,277,675)</u>	<u>(1,343,661)</u>

Summarised financial information for the subsidiary, before intercompany eliminations, is as follows

	Edufocal Africa Inc. %	Intra-group and other elimination	Total
NCI percentage ownership	30%		
	\$	\$	\$
Total Assets	14,192	-	14,192
Total Liabilities	(1,623,054)	-	(1,623,054)
Net Assets	<u>(1,608,862)</u>	-	<u>(1,608,862)</u>
Carrying amount of NCI	<u>(482,659)</u>	<u>(861,002)</u>	<u>(1,343,661)</u>
Revenue			
Loss for the period	-	-	-
Allocated to NCI	<u>-</u>	<u>-</u>	<u>-</u>

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15. Long-Term Loans

		<u>The Group</u>		<u>The Company</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
		\$	\$	\$	\$
Promissory Note		(22,515)	(22,515)	(22,515)	-
Tops Auto		2,571,143	2,571,143	2,571,143	2,571,143
Carbyne Capital	a	16,487,481	6,447,690	16,487,481	6,447,690
Paul Allen		1,290,072	1,225,647	1,290,072	1,225,647
Andre Swaby		(272,537)	15,546	(272,537)	15,546
JMMB	b	17,177,631	19,506,366	17,177,631	19,506,366
Mayberry Investments	c	164,395,830	164,405,472	164,395,830	164,405,472
Jardim Maxwell	d	15,495,040	15,495,040	15,495,040	15,495,040
		217,122,144	209,644,387	217,122,144	209,666,902
Interest Payable		44,614,046	21,066,921	44,614,046	21,066,921
		261,736,191	230,711,308	261,736,191	230,733,823
Less Current Portion		(109,293,903)	(76,377,537)	(109,293,903)	(76,377,537)
		152,442,288	154,333,771	152,442,288	154,356,286

- (a) This loan, amounting to US\$9,600, which was received in April 2022 as a factoring agreement, was guaranteed by Stripe Incorporation. The loan attracted interest at the rate of 19.90% per month and was repaid during the year.
- (b) This loan, amounting to \$27,500,000, which was received in August 2020, attracts interest at the rate of 9% per annum and is repayable in one hundred and twenty (120) monthly instalments of \$348,358.38. The loan represents a non-revolving demand loan and is secured by personal guarantees and assets of Gordon, Lloyd and Olivene Swaby, including a Second Legal Guarantor's Mortgage over commercial property located in Christiana, Manchester, registered at Volume 1450 Folio 447 in the names of Lloyd and Olivene Swaby.
- (c) This loan, amounting to \$200,000,000, which was received in September 2022, attracts interest at the rate of 9.5% per annum for two (2) years and will be Variable annually after. The loan is repayable in twenty-seven (27) quarterly instalments of \$7,142,858. The loan is secured by a promissory note.
- (d) This loan, amounting to US\$100,000, which was received in August 2022, is unsecured, attracts interest of 9% per annum and is payable over thirty-six (36) monthly instalments.

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16. Payables

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Trade Payable	16,499,307	10,332,546	16,499,307	10,332,546
Accruals	35,404,725	44,655,687	32,272,371	40,517,861
Statutory Liability	51,804,609	74,922,805	74,922,805	74,922,805
Other Payables	-	-	-	-
	<u>103,708,641</u>	<u>129,911,038</u>	<u>100,576,287</u>	<u>125,773,212</u>

17. Directors Loan

Director's loan represents amounts advanced by a director. The loan, which was forgiven during the year, was unsecured, interest-free free and had no fixed repayment terms

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18. Revenue

Revenue comprises income from online educational services to companies, schools and individuals and is stated net of discounts, allowances, and General Consumption Tax.

19. Expenses by nature

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Advertising and promotion	5,405	40,086	5,405	35,261
Amortisation of intangible assets	9,682,253	9,682,253	5,241,533	5,241,533
Audit fee	3,000,000	4,065,397	3,000,000	2,223,500
Bad Debt	-	214,517,871	-	214,517,871
Consulting fees	18,515,216	22,441,900	18,515,216	21,973,507
Content contract labour	2,449,415	4,009,427	2,449,415	3,934,641
Depreciation Director	552,556	829,229	552,556	829,229
Fees Donation	-	3,037,500	-	3,037,500
Dues and Subscriptions	2,444,191	5,747,410	2,444,191	5,408,003
GCT Expense	-	68,574	-	68,574
Insurance Expense	-	1,530,562	-	1,530,562
Legal and Professional fees	6,298,787	4,132,862	6,298,787	4,132,862
Other Expenses	-	1,376,297	-	1,189,721
Repairs and Maintenance	-	25,500	-	25,500
Research and Development	-	117,098	-	-
Staff Costs	3,416,770	60,636,278	3,416,770	60,636,278
Travel and Entertainment	-	43,450	-	43,450
Utilities	-	140,000	-	140,000
	<u>46,364,594</u>	<u>332,441,694</u>	<u>41,923,874</u>	<u>324,967,992</u>
Impairment losses on financial assets	-	(216,450,860)	-	(216,450,860)
Finance costs net note 24	<u>29,579,501</u>	<u>30,948,129</u>	<u>29,579,501</u>	<u>31,152,777</u>
	<u>75,944,095</u>	<u>146,938,963</u>	<u>71,503,375</u>	<u>139,669,909</u>

20. Operating Loss

In arriving at the operating loss for the year, the following have been charged:-

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Auditors' remuneration current	3,000,000	2,000,000	3,000,000	2,000,000
Auditors remuneration prior year				
Amortization of intangible assets	9,682,253	9,682,253	5,241,533	5,241,533
Amortisation of right-of-use asset	-	-	-	-
Expected Credit Loss	-	(1,932,989)	(1,932,989)	(1,932,989)
Depreciation	552,556	829,229	552,556	829,229
Directors Emoluments:				
Fees	-	-	-	-
Management remuneration included in staff Costs	-	600,000	-	600,000
Staff Costs Note (23)	3,416,770	60,636,278	3,416,770	60,636,278

21. Other Operating Income

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Loss on Disposal of Asset	-	(2,758,541)	-	(2,758,541)
Bad debt written back (a)	-	-	-	-
	-	(2,758,541)	-	(2,758,541)

a) This represents debt to a subsidiary forgiven by a director

22. Impairment losses on Financial Assets

This amount represents the movement on expected credit loss provision (Note 3(a)) on trade receivables (Note 9) and due from related party (Note 11).

23. Staff Costs

	<u>The Group</u>	<u>The Company</u>
	<u>2025</u>	<u>2024</u>
	\$	\$
Wages and Salaries	3,067,333	52,100,865
Statutory Contribution	349,437	7,966,951
Other Staff Related Costs	-	568,462
	<u>3,416,770</u>	<u>60,636,278</u>

24. Finance costs, net

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Loans interest expense	30,142,577	28,004,420	30,142,577	28,004,420
Lease interest expense	-	-	-	-
Financing fees	182,376	768,510	182,376	768,510
Statutory expense Interest	-	2,463,559	-	2,463,559
Foreign Exchange loss	(745,435)	22,139	(745,435)	8,232
Interest Income	(17)	(310,498)	(17)	(91,943)
	<u>29,579,501</u>	<u>30,948,130</u>	<u>29,579,501</u>	<u>31,152,778</u>

25. Taxation

- (a) Taxation is computed on the operating loss for the period adjusted for taxation purposes and comprises income tax at the applicable rate.

	The Group and The Company	
	<u>2025</u>	<u>2024</u>
	\$	\$
Income tax current year	-	-
Income tax prior year	-	-
Remission of Income Tax	-	-
Deferred income tax (Note 9)	-	(5,441,886)
	<u>-</u>	<u>(5,441,886)</u>

- (b) Income tax is calculated at the rate of 25% (2024: 25%). The taxation charged in the statement of comprehensive income differs from the theoretical amount that would arise using the applicable tax rate, as follows:

	The Group		The Company	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Loss before taxation	(29,427,846)	(52,525,759)	(25,704,004)	(49,199,186)
Tax calculated at the appropriate rate	(7,356,961)	(13,131,440)	(6,426,001)	(12,299,796)
Adjusted for income	-	-	-	-
Tax at a different rate	-	-	-	-
Expenses not allowed for tax purposes	-	36,582,912	-	36,582,912
adjustment for prior year	-	-	-	-
Remission of income tax	-	-	-	-
Other Charge and allowances	-	-	-	-
	<u>(7,356,961)</u>	<u>23,451,472</u>	<u>(6,426,001)</u>	<u>24,283,116</u>

25. Taxation (continued)

(c) Remission of Income Tax

By notice dated 13 August 2009, the Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) (Remission) Notice, 2009. The Notice effectively granted a remission of income tax to eligible companies that were admitted to the Junior Market of the Jamaica Stock Exchange (JSE) if certain conditions were achieved after the date of initial admission.

Effective 15 March 2022, the Company's shares were listed on the Junior Market of the JSE. The Company is entitled to a remission of income taxes for ten years in the following proportion:

Years 1–5 (15 March 2022–14 March 2027) – 100%

Years 6–10 (15 March 2027–14 March 2032) – 50%

The Company's 100% remission of income taxes expires 14 March 2027, and as a consequence, the Company's taxable profit will be subject to 50% tax remission until 14 March 2032.

The Company will continue to benefit from the tax remission provided the following conditions are met:

1. The Company remains listed for at least 15 years and is not suspended from the JSE for any breaches of its rules.
2. The Subscribed Participating Voting Share Capital of the Company does not exceed J\$500 million.
3. The Company has at least 50 Participating Voting Shareholders.

The financial statements have been prepared on the basis that the company will have the full benefit of the tax remissions.

26.Loss per Stock unit

Basic loss per stock unit (“EPS”) is computed by dividing the loss attributable to stockholders of the Group and the Company by the weighted average number of ordinary stock units in issue during the year.

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Net loss attributable to stockholders of the company	(29,252,213)	(57,621,679)	(25,704,004)	(54,641,072)
Weighted average number of ordinary stock units	648,446,094	648,446,094	648,446,094	648,446,094
Loss per stock unit	(0.04)	(0.09)	(0.03)	(0.08)

27. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions

Related party transactions and balances are recognised and disclosed below for the following:

- (a) Enterprises over which a substantial interest in the voting power is owned by key management personnel, including directors and officers and close members of families or;
- (b) Enterprises over which such a person, in(a) above, is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the group

As at the statement of financial position date, the following balances were outstanding:-

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Directors account	18,743,653	38,382,670	18,743,653	33,207,254
Due from related parties		-	-	-
Due to related parties	(719,982)	(1,801,070)	(719,982)	(1,801,070)
Directors' Loan				
	<u>18,023,671</u>	<u>36,581,600</u>	<u>18,023,671</u>	<u>31,406,184</u>

The following was (credited)/charged to the statement of comprehensive income:

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$	\$
Interest Income	(17)	(310,498)	(17)	(1,068,639)
Interest Expense	30,142,577	24,457,380	30,142,577	28,004,420
Directors' fees	-	3,037,500	-	3,037,500
Directors management	-	600,000	-	600,000

FORM OF PROXY



Form of Proxy

DATE

Sept 10, 2026

Thursday

TIME

10:00 a.m.

Jamaica time

FORMAT

Online

Via Zoom

FOR USE BY SHAREHOLDERS · PLEASE COMPLETE IN BLOCK CAPITALS

I/We, the undersigned shareholder(s) of EduFocal Limited, hereby appoint the proxy named below to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, September 10, 2026 at 10:00 a.m., online via Zoom, and at any adjournment or postponement thereof.

1. Shareholder Details

Full name(s) of shareholder(s)

Address

Contact telephone / email

2. Appointment of Proxy

Name of proxy

Proxy address / email

Or failing him/her, name of alternate proxy

Alternate proxy address / email

Authority: The proxy is authorised to vote on any resolution set out in the Notice convening the Annual General Meeting, and on any procedural or ancillary matter properly brought before the meeting, unless specific voting instructions are provided by the shareholder.

3. Execution

Signed this _____ day of _____, 2026.

Signature of shareholder / authorised signatory

Signature of joint shareholder (if applicable)

Name and capacity of authorised signatory (for corporate shareholders)

Corporate seal / company stamp (if applicable)

Notes for completion and validity

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.

If executed by a corporation, this proxy must be sealed or otherwise executed in accordance with the corporation's governing documents. A corporate shareholder may appoint a representative in accordance with the Company's Articles of Incorporation instead of appointing a proxy.

This Form of Proxy must be received by the Company Secretary, AspireSec Limited, at 8 Lady Musgrave Road, Kingston 5, Jamaica, not less than forty-eight (48) hours before the time appointed for the meeting.

This Form of Proxy should bear stamp duty of J\$100.00. Adhesive stamps are to be cancelled by the person signing the proxy.

STAMP DUTY

J\$100.00

Stamp to be affixed and cancelled