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Chartered Accountants
& Business Advisors

PKF LIMITED



CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025



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CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

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Management is responsible for the following:

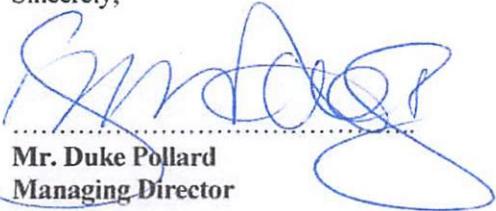
- preparing and fairly presenting the accompanying financial statements of Capital Markets Elite Group (Trinidad and Tobago) Limited, which comprise the statement of financial position as at 31 May 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- ensuring that the company keeps proper accounting records;
- selecting appropriate accounting policies and applying them in a consistent manner;
- implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

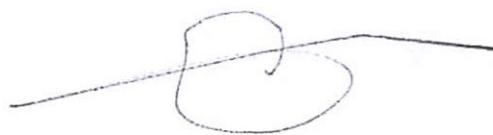
Management affirms that it has carried out its responsibilities as outlined above.

Sincerely,



Mr. Duke Pollard
Managing Director

26th August 2025



Gerald Vincent
Senior Manager – Finance and Brokerage

26th August 2025



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INDEPENDENT AUDITORS' REPORT

**To the Shareholders of
Capital Markets Elite Group (Trinidad and Tobago) Limited**

Opinion

We have audited the unconsolidated financial statements of Capital Markets Elite Group (Trinidad and Tobago) Limited, which comprise the unconsolidated statement of financial position as at 31 May 2025, the unconsolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Capital Markets Elite Group (Trinidad and Tobago) Limited as at 31 May 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 Unconsolidated Financial Statements* section of our report. We are independent of Capital Markets Elite Group (Trinidad and Tobago) Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Unconsolidated Financial Statements

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

In preparing the unconsolidated financial statements, management is responsible for assessing Capital Markets Elite Group (Trinidad and Tobago) Limited'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 Capital Markets Elite Group (Trinidad and Tobago) Limited or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing Capital Markets Elite Group (Trinidad and Tobago) Limited's financial reporting process.

PKF Limited is a member PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

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Directors: Renée-Lisa Philip Mark K. Superville Jenine Felician-Romain Darcel Corbin



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INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated 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 unconsolidated 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 Capital Markets Elite Group (Trinidad and Tobago) Limited'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 Capital Markets Elite Group (Trinidad and Tobago) Limited's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated 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 Capital Markets Elite Group (Trinidad and Tobago) Limited to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 Capital Markets Elite Group (Trinidad and Tobago) Limited, to express an opinion on the unconsolidated financial statements. We are responsible for the direction, supervision and performance of Capital Markets Elite Group (Trinidad and Tobago) Limited audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

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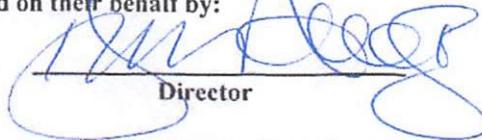
CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

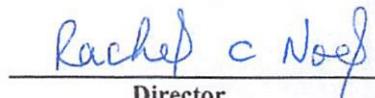
31 May

	ASSETS	Notes	2025	Restated 2024
			\$	\$
Non-Current Assets				
Property, plant and equipment	5		2,583,317	4,165,950
Intangible assets	7		238,813	363,220
Deferred tax asset	16		15,783,873	16,552,384
Amounts due from related parties	8		<u>26,929,131</u>	<u>23,814,757</u>
Total Non-Current Assets			<u>45,535,134</u>	<u>44,896,311</u>
Current Assets				
Amounts due from related parties	8		48,052,422	47,301,299
Trade and other receivables	9		234,294	334,196
Cash and short-term funds	10a		<u>11,184,131</u>	<u>3,695,603</u>
Total Current Assets			<u>59,470,847</u>	<u>51,331,098</u>
Total Assets			<u>105,005,981</u>	<u>96,227,409</u>
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' Equity				
Stated capital	11		6,240,025	6,240,025
Translation reserve			(2,093,136)	(2,240,055)
Retained earnings			<u>3,611,771</u>	<u>4,911,224</u>
Total Shareholders' Equity			<u>7,758,660</u>	<u>8,911,194</u>
Non-Current Liabilities				
Taxation			18,923,709	19,053,877
Borrowings	12		575,520	722,564
Lease liability	6		83,546	1,047,426
Deferred tax liability	16		20,540	21,530
Amounts due to related parties	8		<u>18,416,422</u>	<u>778,563</u>
Total Non-Current Liabilities			<u>38,019,737</u>	<u>21,623,960</u>
Current Liabilities				
Lease liability	6		963,909	1,066,770
Bank overdraft	10b		1,096,230	2,104,066
Trade and other payables	13		56,684,828	62,265,900
Borrowings	12		168,542	149,185
Taxation			42,723	106,334
Amounts due to related parties			<u>271,352</u>	<u>-</u>
Total Current Liabilities			<u>59,227,584</u>	<u>65,692,255</u>
Total Liabilities			<u>97,247,321</u>	<u>87,316,215</u>
Total Shareholders' Equity and Liabilities			<u>105,005,981</u>	<u>96,227,409</u>

These financial statements were approved by the Board of Directors and authorized for issue on 26 August 2025 and signed on their behalf by:



Director



Director

(The accompanying notes on pages 8 to 39 form an integral part of these financial statements)

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the year ended 31 May	
		2025 \$	2024 \$
Revenue			
Brokerage income	14	<u>26,107,461</u>	<u>25,400,753</u>
Total Revenue		26,107,461	25,400,753
Cost of Sales		<u>(9,186,418)</u>	<u>(14,022,335)</u>
Gross Profit		16,921,043	11,378,418
Other income		<u>220,286</u>	<u>158,329</u>
		17,141,329	11,536,747
Expenses			
Amortization of computer software		124,407	6,638,505
Bank charges		1,125,133	1,343,799
Depreciation		518,868	815,487
Depreciation - right of use asset		1,063,443	1,586,460
Finance costs	15	798,312	2,050,587
General and administrative expenses		611,364	1,449
Legal and professional fees		1,019,819	2,414,856
License fees and subscriptions		64,503	80,177
Management fees		5,016,188	8,320,324
Marketing expenses		179,764	409,544
Motor vehicle expenses		69,787	107,216
Loss allowance		-	(3,280,488)
Relocation expenses		-	14,750
Rent		541,839	340,478
Staff costs		2,309,827	2,638,602
Telephone and internet		395,262	451,466
Business development		410,775	795,450
Information technology expenses		<u>1,265,449</u>	<u>1,762,936</u>
		15,514,740	26,491,598
Profit/(loss) before tax		1,626,589	(14,954,851)
Taxation	16	<u>(2,926,042)</u>	<u>3,309,386</u>
Net loss after tax		(1,299,453)	(11,645,465)
Other comprehensive income:			
Foreign currency translation (loss)/gain		<u>146,919</u>	<u>(365,826)</u>
Total comprehensive loss for the year		<u>(1,152,534)</u>	<u>(12,011,291)</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

STATEMENT OF CHANGES IN EQUITY

	Stated Capital \$	Translation Reserve \$	Retained Earnings \$	Total \$
Balance, 1 June 2024	6,240,025	(2,240,055)	4,911,224	8,911,194
Total comprehensive loss for the year	-	<u>146,919</u>	<u>(1,299,453)</u>	<u>(1,152,534)</u>
Balance, 31 May 2025	<u>6,240,025</u>	<u>(2,093,136)</u>	<u>3,611,771</u>	<u>7,758,660</u>
Balance, 1 June 2023	6,240,025	(1,874,229)	16,556,689	20,922,485
Total comprehensive loss for the year	-	<u>(365,826)</u>	<u>(11,645,465)</u>	<u>(12,011,291)</u>
Balance, 31 May 2024	<u>6,240,025</u>	<u>(2,240,055)</u>	<u>4,911,224</u>	<u>8,911,194</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

UNCONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 May	
	2025	2024
	\$	\$
Operating Activities:		
Profit/(loss) before tax	1,626,589	(14,954,851)
Adjustment for:		
(Gain)/loss on disposal of property, plant and equipment	(27)	2,669
Depreciation	643,275	7,453,992
Depreciation – RoUA's	1,063,443	1,586,460
Foreign exchange adjustment	146,919	(365,826)
Interest portion of lease payment	49,532	187,428
Expected credit loss	-	(3,280,488)
Changes in working capital items:	3,529,731	(9,370,616)
Net change in trade and other receivables	99,902	7,467,165
Net change in amounts due from related parties	(3,865,497)	(4,581,762)
Net change in trade and other payables	(5,581,073)	8,864,374
Taxation paid (net of refund)	(2,352,300)	(227,080)
Cash (used in)/provided by Operating Activities	<u>(8,169,237)</u>	<u>2,152,081</u>
Investing Activities:		
Net change in intangible assets	-	17,092,580
Proceeds of disposal in property, plant and equipment	350	188,581
Additions to property, plant and equipment	-	(2,710,959)
Cash provided by Investing Activities	<u>350</u>	<u>14,570,202</u>
Financing Activities:		
Net change in amounts due to related parties	17,909,211	(17,358,051)
Interest portion of lease payments	(49,532)	(187,428)
Principal portion of lease payments	(1,066,741)	1,170,377
Net change in borrowings	(127,687)	(130,062)
Cash provided by/(used in) Financing Activities	<u>16,665,251</u>	<u>(16,505,164)</u>
Net change in cash resources	8,496,364	217,119
Cash and cash equivalent, beginning of year	<u>1,591,537</u>	<u>1,374,418</u>
Cash and cash equivalent, end of year	<u>10,087,901</u>	<u>1,591,537</u>
Represented by:		
Cash and short-term funds	11,184,131	3,695,603
Bank overdraft	(1,096,230)	(2,104,066)
	<u>10,087,901</u>	<u>1,591,537</u>

(The accompanying notes on pages 8 to 39 form an integral part of these financial statements)

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

1. Incorporation and Principal Activity:

Capital Market Elite Group (Trinidad and Tobago) Limited (“CMEG (T&T) Ltd”) was incorporated on 5 July 2013, in the Republic of Trinidad and Tobago under the Companies Act 1995, as a private limited liability company.

CMEG (T&T) Ltd, through the Trinidad and Tobago Securities and Exchange Commission is an authorised broker-dealer principal under Section 51 (I) of the Securities Act 2012.

The principal activities of CMEG (T&T) Ltd include investment trading and asset management services. These activities are grouped into the following service lines:

- Online Brokerage – facilitating the execution of equity trades requested by clients online
- Investment Advisory – providing customers with fund management services

On 7 April 2020 CMEG (T&T) Ltd was restructured and a holding company, Mondeum Investment Group Limited, was formed in the jurisdiction of St. Lucia. The shareholders of Capital Markets Elite Group (Trinidad & Tobago) Limited surrendered their shareholdings and the authorized share capital was subsequently issued to Mondeum Investment Group Limited, resulting in Mondeum Investment Group Limited becoming the parent of CMEG (T&T) Ltd. The shareholders of Capital Markets Elite Group (Trinidad and Tobago) Limited became shareholders of Mondeum Investment Group Limited in the same proportion of the shareholding held as at the date of surrender of their respective shareholding.

2. Summary of Material Accounting Policies:

(a) Basis of preparation -

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”).

CMEG (T&T) Ltd’s financial statements have been prepared on an accrual basis and under the historical cost convention. Monetary amounts are expressed in Trinidad and Tobago dollars (“TT\$”) and are rounded to the nearest dollar.

(b) New Accounting Standards and Interpretations -

(i) Capital Markets Elite Group (Trinidad and Tobago) Limited has not applied the following standards, revised standards and interpretations that have been issued and are effective as they:

- do not apply to the activities of Capital Markets Elite Group (Trinidad and Tobago) Limited; or
- have no material impact on its financial statements.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies – (Cont'd):

(b) New Accounting Standards and Interpretations (cont'd) -

Effective for annual periods beginning on or after 1 January 2024

IFRS 16 Leases - Amendments clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale

IAS 1 Presentation of Financial Statements - Amendments regarding non-current liabilities with covenants

IAS 7 Statement of Cash Flows – Amendments to address disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a Group's liabilities, cash flows and exposure to liquidity risk

(ii) The company has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they:

- do not apply to the activities of the company;
- have no material impact on its financial statements; or
- have not been early adopted by the entity.

Effective for annual periods beginning on or after 1 January 2025

IAS 19 Subsidiaries without Public Accountability : Amendments regarding disclosure. This reduces the disclosures for private subsidiaries by simplifying the reporting for subsidiaries within the group

IAS 21 The Effects of Changes in Foreign Exchange Rates: Amendments regarding lack of exchangeability. This requires an estimation and disclosure where foreign exchange markets are inactive or restricted

IFRS S1* General Requirements for Disclosure of Sustainability-related Financial Information
Original issue

IFRS S1* General Requirements for Disclosure of Sustainability-related Financial Information
Original issue

IFRS S2* Climate-related Disclosures
Original issue

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2.

Summary of Material Accounting Policies – (Cont'd):

(b) New Accounting Standards and Interpretations (cont'd) -

Effective for annual periods beginning on or after 1 January 2026

IFRS S1* General Requirements for Disclosure of Sustainability-related Financial Information Original issue

IFRS S2* Climate-related Disclosures
Original issue

IFRS 7 Financial Instruments: Disclosure Amendments regarding supplier finance arrangements

IFRS 16 Leases Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions

IAS 1 Presentation of Financial Statements Amendment to defer the effective date of the January 2020 amendments

IAS 1 Presentation of Financial Statements Amendments regarding the classification of debt with covenants

IAS 7 Statement of Cash Flows Amendments regarding supplier finance arrangements

* The application of these Sustainability Standards is not yet mandatory in our jurisdiction.

IFRS refers to IFRS Accounting Standard as issued by the International Accounting Standards Board.

IAS refers to IAS Standards.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(c) Foreign currency translation -

(i) Functional and presentation currency

CMEG (T&T) Ltd's functional currency is United States dollars ("US\$") as most revenue and cost of sales are generated and expensed in US\$. The company applies the translation procedures applicable to the functional currency in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*.

The financial statements are presented in Trinidad and Tobago dollars ("the presentation currency") for local reporting purposes.

(ii) Foreign currency transactions and balances

Applicable balances in the statement of financial position have been translated into the presentation currency using exchange rates in effect at the reporting date. The statement of comprehensive income amounts has been translated into the presentation currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate) and the average exchange rates for the year where applicable.

For the reporting period, foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in other comprehensive income.

(d) Property, plant and equipment -

Property, plant and equipment are initially recognised at acquisition cost including any costs directly operating in the manner intended by the company's management. All property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is recognised on a diminishing balance basis at rates designed to write down the cost less estimated residual value of property, plant and equipment over their estimated useful lives as follows:

Motor vehicles	25%
Office equipment and signage	25%
Furniture and fixtures	10%
Computers	33.3%

Leasehold property and leasehold improvements are depreciated on a straight-line basis over the relevant lease term.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(d) Property, plant and equipment (cont'd) -

In the case of right-of-use assets, expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter. Material residual value estimates and estimates of useful life are updated as required, but at least annually. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

(e) Intangible assets -

Expenditure on the research phase of projects to develop new customised software for information technology is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the following recognition requirements:

- the development costs can be measured reliably;
- the project is technically and commercially feasible;
- the company intends to and has sufficient resources to complete the project;
- the company has the ability to use or sell the software; and
- the software will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on software development along with an appropriate portion of relevant overheads and borrowing costs.

Subsequent measurement

All finite-lived intangible assets, including capitalised internally developed software, are accounted for using the cost model whereby capitalised costs are amortised on a reducing balance basis at 33.3%. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

Any capitalised developed software that is not yet complete is not amortised but is subject to impairment testing.

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets.

Subsequent expenditures on the maintenance of computer software are expensed as incurred. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(f) Leased assets -

IFRS 16 *Leases* replaced IAS 17 *Leases* along with three Interpretations (IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC 15 *Operating Leases-Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*) for accounting periods starting after 1 January 2019.

Accordingly, for any new contracts entered into on or after June 1, 2019, the company considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company
- the company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the company has the right to direct the use of the identified asset throughout the period of use. The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(f) Leased assets (cont'd) -

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and intangible assets and finance lease liabilities are disclosed separately under current and non-current liabilities.

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the company obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See Note 2 (d) for the depreciation methods and useful lives for assets held under finance leases. The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(g) Cash and short-term funds -

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade and other receivables -

Trade receivables consist of commissions and fees receivable from clients. Other receivables consist of prepayments, loans receivable, tax refundable and service and security deposits. The company's trade and other receivables in the comparative periods have been reviewed for indicators of impairment.

Note 4 (b) includes disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(i) Financial instruments -

Recognition and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs where applicable.

Financial assets are classified into the following categories:

- amortised cost.
- fair value through profit or loss (FVTPL).

The classification is determined by both:

- the company's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, other income, except for impairment of trade receivables which is presented within expenses. Subsequent measurement of financial assets

Financial assets at amortised cost.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(i) Financial instruments (cont'd) -

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost, trade receivables and loan commitments.

CMEG (T&T) Ltd recognises credit losses by considering a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second and third category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

CMEG (T&T) Ltd makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

CMEG (T&T) Ltd assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, they have been grouped based on the days past due.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(i) Financial instruments (cont'd) -

Classification and measurement of financial liabilities

CMEG (T&T) Ltd's financial liabilities include borrowings, trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company's designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(j) Equity, reserves and dividend payments -

Stated capital represents the nominal value of shares that have been issued.

Retained earnings includes all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

(k) Client deposits and funds -

Client funds are funds obtained, while carrying on investment business which the company receives and holds on behalf of clients. These funds include cash and equity instruments maintained with regulated clearing institutions.

Historically the company recognises client funds received as an asset and an associated liability. Client deposits and the associated liabilities are recognised when the definitions of an asset and liability contained in the Conceptual Framework for Financial Reporting (2018) are met.

Change in Accounting Policy:

Effective 1 June 2024, the company revised its accounting policy to derecognise client funds from the statement of financial position. This change was approved by the Board of Directors and reflects the conclusion that the company does not control these resources nor bear the associated risks and rewards. As such, these balances are no longer recognised as assets or liabilities in accordance with IFRS 15 Revenue from Contracts with Customers. See Note 10(c).

(l) Provisions, contingent assets and contingent liabilities -

Provisions for legal disputes, onerous contracts or other claims are recognised when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required from the company and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(l) Provisions, contingent assets and contingent liabilities (cont'd) -

Any reimbursement that the company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

(m) Revenue -

Revenue arises mainly from commission earned from online investment brokerage services provided to customers.

To determine whether to recognise revenue, CMEG (T&T) Ltd follows a 5-step process:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company often enters into transactions involving a range of products and services, for example for the execution of equity trades, and the provision of asset management services. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised service to its customers.

The company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the company satisfies a performance obligation before it receives the consideration, the company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Trading revenue includes revenue arising from leveraged derivatives. Revenue from leveraged derivatives business represents gains and losses for the company arising on trading activity. The company hedges the risk associated with the client trading activity and the company's, together with gains and losses incurred by the company arising on hedging activity.

Open client and hedging positions are fair valued on a daily basis and gains and losses arising on this valuation are recognised in revenue as well as gains and losses realised on positions that have closed. The policies and methodologies associated with the determination of fair value are disclosed in Note 2(i).

(n) Operating expenses -

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

2. Summary of Material Accounting Policies (Cont'd):

(o) Taxation -

(i) Current tax

The tax expense for the period comprises current and deferred tax. Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred income taxes are calculated using the balance sheet liability method.

Deferred tax liabilities are generally recognised in full, although IAS 12 *Income Taxes* specifies limited exemptions. As a result of these exemptions the company does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

(p) Comparative figures -

Where necessary, comparative amounts have been adjusted to conform with changes in presentation in the current year.

3. Critical Accounting Estimates and Judgements:

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are the judgements made by management in applying the accounting policies of the company that have the most significant effect on the financial statements.

(i) Capitalisation of internally developed software

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

(ii) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

4. Financial Risk Management:

Risk management objectives and policies

The company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category are summarised below. The main types of risks are market risk, credit risk and liquidity risk. The company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term strategic investments are managed to generate lasting returns.

The company does not write options.

(a) Market risk analysis -

The company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

Foreign currency sensitivity

Most of the company's transactions are carried out in US\$. Exposures to currency exchange rates arise from the company's sales and purchases, which are primarily denominated in US\$. The company also holds US\$ cash and cash equivalents. To mitigate the company's exposure to foreign currency risk, non-TT\$ cash flows are monitored, and foreign currency exchanges are entered in accordance with the company's risk management policies. Generally, the company's risk management procedures distinguish short-term foreign currency cash flows (due within six months) from longer-term cash flows (due after six months).

Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

Foreign currency denominated financial assets and liabilities which expose the company to currency risk are disclosed below. The amounts shown are those reported to key management translated into TT\$ at the closing rate:

	Short-term exposure US\$	Long-term exposure US\$
2025		
Financial assets	1,658,235	-
Financial liabilities	-	-
Total exposure	<u>1,658,235</u>	<u>-</u>
2024		
Financial assets	533,935	-
Financial liabilities	(3,360,257)	-
Total exposure	<u>(2,826,322)</u>	<u>-</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

4. **Financial Risk Management (Cont'd):**(a) **Market risk analysis (cont'd) -**

The table below illustrates the sensitivity of profit and equity with regards to CMEG (T&T) Ltd's financial assets and financial liabilities and the USD/TTD exchange rate 'all other things being equal'. It assumes a +/- 1% change of the TTD/USD exchange rate.

This percentage has been determined based on the average market volatility in exchange rates in the previous twelve months. The sensitivity analysis is based on the company's foreign currency financial instruments held at each reporting date.

	Profit for the year US\$	Equity US\$
Total exposure		
2025	+/- 16,582	-
2024	+/- (28,263)	-

Interest rate sensitivity

The company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At 31 May 2025, the company is exposed to changes in market interest rates through bank borrowings at fixed interest rates. The exposure to interest rates for the company's money market funds is considered immaterial.

(b) **Credit risk analysis -**

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables.

Credit risk management

The credit risk is managed on an entity-basis based on the company's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions.

The company faces the risk that either a client or a financial counterparty fails to meet their obligations to Capital Markets Elite Group (Trinidad and Tobago) Limited, resulting in a financial loss. As a result of offering leveraged trading products, CMEG (T&T) Ltd accepts that client credit losses can arise as a cost of its business model. Client credit risk principally arises when a client's total funds deposited with the company are insufficient to cover any trading losses incurred. In addition, a small number of clients are granted credit limits to cover running losses on open trades and margin requirements. Client credit risk is managed through the application of the company's Client Credit Risk Policy.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

4. Financial Risk Management (Cont'd):(b) Credit risk analysis (cont'd) -

The business further mitigates client credit risk through the real-time monitoring of client positions via the close-out monitor (COM), and by giving clients the ability to set a level at which an individual deal will be closed (the 'stop' level or 'guaranteed stop' level). The COM automatically identifies accounts that have breached their liquidation thresholds and triggers an automated liquidation process of positions on those accounts.

Where client losses are such that their total equity falls below the specified liquidation level, positions will be liquidated to bring the account back on-side, resulting in reduced credit risk exposure for the company. This market risk arises following the closure of a client position, as the company may hold a corresponding hedging position that will, assuming sufficient market liquidity, be unwound.

The company continuously monitors the credit quality of customers based on a credit rating scorecard. Where available, external credit ratings and/or reports on customers are obtained and used. The company's policy is to deal only with credit worthy counterparties. The credit terms range between 30 and 90 days. The credit terms for customers as negotiated with customers are subject to an internal approval process which considers the credit rating scorecard. The ongoing credit risk is managed through regular review of aging analysis, together with credit limits per customer.

Brokerage customers are required to pay brokerage commissions upon the execution of transactions, mitigating the credit risk involved in this business line.

Trade receivables

The company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for services over the past forty-eight (48) months before 31 May 2025 and 31 May 2024 respectively, as well as the corresponding historical credit losses during the periods. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The company has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 90 days from the transaction date and failure to engage with the company on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

4. Financial Risk Management (Cont'd):

(b) Credit risk analysis (cont'd) -

Liquidity risk is that the company might be unable to meet its obligations. The company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting period. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets. The company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The company's existing cash resources and trade receivables is marginally exceeded by the current cash outflow requirements.

(c) Liquidity risk analysis -

As at 31 May 2025, CMEG (T&T) Ltd's non-derivative financial liabilities have contractual maturities.

This compares to the maturity of CMEG (T&T) Ltd's non-derivative financial liabilities in the previous reporting periods as follows:

	2025		Current		Non-Current		Total
	Within 6 months	6-12 months	1 to 5 years	Later than 5 years			
	\$	\$	\$	\$	\$	\$	\$
Bank borrowings	84,271	84,271	575,520	-			744,062
Bank overdraft	1,096,230	-	-	-			1,096,230
Trade and other payables	<u>56,684,828</u>	-	-	-			<u>56,684,828</u>
Total	<u>57,865,329</u>	<u>84,271</u>	<u>575,520</u>	-			<u>58,525,120</u>
2024							
	Current		Non-Current				
	Within 6 months	6-12 months	1 to 5 years	Later than 5 years			Total
	\$	\$	\$	\$	\$	\$	\$
Bank borrowings	74,592	74,593	722,564	-			871,749
Bank overdraft	2,104,066	-	-	-			2,104,066
Trade and other payables	<u>62,265,900</u>	-	-	-			<u>62,265,900</u>
Total	<u>64,444,558</u>	<u>74,593</u>	<u>722,564</u>	-			<u>65,241,715</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS****31 MAY 2025****4. Financial Risk Management (Cont'd):****(d) Capital management policies and procedures -**

CMEG (T&T) Ltd's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services in a way that reflects the level of risk involved in providing those goods and services.

The company monitors capital based on the carrying amount of equity, less cash and cash equivalents as presented in the statement of financial position. Management assesses the company's capital requirements to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the company's various classes of debt. The company manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED
 NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

5. Property, Plant and Equipment:

	<u>Motor Vehicles</u> \$	<u>Office equipment and signage</u> \$	<u>Furniture & fixtures</u> \$	<u>Computers</u> \$	<u>Leasehold property and improvements</u> \$	<u>Total</u> \$
Cost						
Balance, 1 June 2024	<u>3,033,669</u>	<u>494,058</u>	<u>823,364</u>	<u>2,679,987</u>	<u>6,514,872</u>	<u>13,545,950</u>
Disposals	<u>—</u>	<u>—</u>	<u>(500)</u>	<u>—</u>	<u>—</u>	<u>(500)</u>
Balance, 31 May 2025	<u>3,033,669</u>	<u>494,058</u>	<u>822,864</u>	<u>2,679,987</u>	<u>6,514,872</u>	<u>13,545,450</u>
Accumulated depreciation						
Balance, 1 June 2024	<u>2,038,558</u>	<u>443,299</u>	<u>359,912</u>	<u>2,070,371</u>	<u>4,467,860</u>	<u>9,330,000</u>
Depreciation	<u>248,778</u>	<u>12,689</u>	<u>46,345</u>	<u>207,261</u>	<u>1,067,237</u>	<u>1,582,310</u>
Disposals	<u>—</u>	<u>—</u>	<u>(177)</u>	<u>—</u>	<u>—</u>	<u>(177)</u>
Balance, 31 May 2025	<u>2,287,336</u>	<u>455,988</u>	<u>406,080</u>	<u>2,277,632</u>	<u>5,535,097</u>	<u>10,962,133</u>
Net Book Value	<u>746,333</u>	<u>38,070</u>	<u>416,784</u>	<u>402,355</u>	<u>979,775</u>	<u>2,583,317</u>
Balance, 31 May 2024	<u>995,111</u>	<u>50,759</u>	<u>463,452</u>	<u>609,616</u>	<u>2,047,012</u>	<u>4,165,950</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED
 NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

5. Property, Plant and Equipment (Cont'd):

	<u>Motor Vehicles</u> \$	<u>Office equipment and signage</u> \$	<u>Furniture & fixtures</u> \$	<u>Computers</u> \$	<u>Leasehold property and improvements</u> \$	<u>Total</u> \$
Cost						
Balance, 1 June 2023	3,033,669	494,058	1,060,383	2,758,100	3,803,913	11,150,123
Additions	-	-	-	-	2,710,959	2,710,959
Disposals	-	-	(237,019)	(78,113)	-	(315,132)
Balance, 31 May 2024	3,033,669	494,058	823,364	2,679,987	6,514,872	13,545,950
Accumulated depreciation						
Balance, 1 June 2023	1,706,855	359,025	361,243	1,799,552	2,875,260	7,101,935
Depreciation	331,703	84,274	69,914	323,456	1,592,600	2,401,947
Disposals	-	-	(71,245)	(52,637)	-	(123,882)
Balance, 31 May 2024	2,038,558	443,299	359,912	2,070,371	4,467,860	9,380,000
Net book value						
Balance, 31 May 2024	905,111	50,759	463,452	609,616	2,047,012	4,165,950
Balance, 31, May 2023	1,326,814	135,033	699,140	958,548	928,653	4,048,188

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

5. Property, Plant and Equipment (Cont'd):

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	31 May	
	2025	2024
	\$	\$
Leasehold property	<u>978,957</u>	<u>2,042,400</u>
Total right-of-use assets	<u>978,957</u>	<u>2,042,400</u>

6. Leases:

Lease liabilities are presented in the statement of financial position as follows:

	31 May	
	2025	2024
	\$	\$
Current	963,909	1,066,770
Non-current	<u>83,546</u>	<u>1,047,426</u>
Total	<u>1,047,455</u>	<u>2,114,196</u>

The company has leases for two floors of an office building in Port of Spain and a lease for an apartment in the United States which is retained for the use of executives while away on official duties. A three-year lease for office equipment used in the company's operations ended during the current reporting period. Except for short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of company sales) are excluded from the initial measurement of the lease liability and asset. The company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 2 (d)).

Each lease generally imposes a restriction that, unless there is a contractual right for the company to sublet the asset to another party, the right-of-use asset can only be used by the company. Property leases are renewable for a further two years from lease expiration. The company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the company incurs maintenance fees on such items in accordance with the lease contracts.

Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of company sales) are excluded from the initial measurement of the lease liability and asset. The company classifies its right-of-use assets in a consistent manner to its intangible assets.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

6. Leases (Cont'd):

The table below describes the nature of the company's leasing activities by type of right-of-use asset recognised on the Statement of Financial Position:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with options to purchase	No of leases with variable payments linked to an index	No of leases with termination options
Leasehold property	2	1	1	2	-	-	2

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 May 2025 were as follows:

	Minimum lease payments due			Total
	Within 1 year	1-5 years	5-10 years	
31 May 2025				
Lease payments	1,002,201	83,546	-	1,085,747
Finance charges	<u>(38,292)</u>	-	-	<u>(38,292)</u>
Net present values	<u>963,909</u>	<u>83,546</u>	<u>-</u>	<u>1,047,455</u>
31 May 2024				
Lease payments	1,173,338	1,085,718	-	2,259,056
Finance charges	<u>(106,568)</u>	<u>(38,292)</u>	<u>-</u>	<u>(144,860)</u>
Net present values	<u>1,066,770</u>	<u>1,047,426</u>	<u>-</u>	<u>2,114,196</u>

Lease payments not recognised as a liability

The company has elected not to recognise a lease liability for short term leases (leases with an expected term of twelve (12) months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

Variable lease payments expensed on the basis that they are not recognised as a lease liability include common area maintenance charges on the property based on maintenance costs from the use of the underlying asset. Variable lease payments are expensed in the period they are incurred. Total cash outflow for variable leases for the year ended 31 May 2025 was \$445,764 (2024: \$262,961).

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

6. Leases (Cont'd):

Additional information on the right-of-use assets by class of assets is as follows:

31 May 2025	Carrying amount (Note 5) \$	Depreciation/ amortization expense \$	Impairment \$
Leasehold property	978,957	1,063,443	-
Total right-of-use assets	978,957	1,063,443	-
31 May 2024	Carrying amount (Note 5) \$	Depreciation/ amortization expense \$	Impairment \$
Leasehold property	2,042,400	1,519,105	-
Office equipment	-	67,355	-
Total right-of-use assets	2,042,400	1,586,460	-

7. Intangible Assets:

Details of the company's other intangible assets include capitalised website costs and their carrying amounts are as follows:

	31 May 2025 \$	2024 \$
Gross carrying amount		
Balance, 1 June	1,604,378	39,576,592
Foreign currency translation	-	(40,602)
Work-in-progress	-	1,680,812
Disposal of software asset	-	(39,612,424)
Disposal of software lease	-	-
Balance, 31 May	1,604,378	1,604,378
Amortisation and impairment		
Amortisation	1,365,565	1,241,158
Disposal	-	-
Balance, 31 May	1,365,565	1,241,158
Carrying amount, 31 May	238,813	363,220

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

7. Intangible Assets (Cont'd):

The capitalised website costs are amortised at a rate of 33.3% on a reducing balance basis. All amortisation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets. During the previous financial year, the Cap-it-All trading platform was transferred at net book value to Capital Markets Elite Group (Trinidad and Tobago) Limited's BVI based technology company – Mondeum Technologies. At the time of transfer, the platform was functional and economically viable and remains in use at various companies across the group.

Work in progress

During the previous financial year, the company invested in the technological enhancement of its operations. For the period under review, the company spent \$NIL (2024: \$1,680,812) further developing the Cap-it-All trading platform and its associated risk management and order management which was transferred from work in progress to software assets.

8. **Related Party Balances and Transactions:**

	31 May	
	2025	2024
	\$	\$
a) Amounts due from related parties -		
Capital Markets Elite Company (BVI) Limited	-	5,116,702
MISC Property Management Company Limited	130	130
Mondeum Financial Holdings LLC	13,339,480	6,581,070
Mondeum International Service Centre Limited	1,083,859	-
Mondeum Investment Group Limited	53,803,897	55,120,676
Due from directors	6,685,307	4,196,957
Capital Markets Elite Company (Australia) Limited	-	32,416
Capital Markets Elite Company (UK) Limited	775	-
Due from shareholder	<u>68,105</u>	<u>68,105</u>
	<u>74,981,553</u>	<u>71,116,056</u>
 31 May		
	2025	2024
	\$	\$
Non-current portion	26,929,131	23,814,757
Current portion	<u>48,052,422</u>	<u>47,301,299</u>
	<u>74,981,553</u>	<u>71,116,056</u>

These loans are unsecured and with no fixed terms of repayment. The balance includes a loan of \$11,667,561 (2024: \$15,301,597) receivable from Mondeum Investment Group on which interest of 1% per annum is charged. The settlement of related party transactions, specifically those due from MIG, represents the largest outstanding amount to the organization. During the reporting period, the facility was partially settled by dividends from subsidiary Mondeum Technologies Limited and the proceeds of Investor loan Notes issued by the parent company Mondeum Investment Group Limited.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

8. Related Party Balances and Transactions (Cont'd):

	31 May	
	2025	2024
	\$	\$
b) Amounts due to related parties -		
Capital Markets Elite Group BVI	8,184,100	-
Capital Markets Elite Group (Cayman) Limited	10,232,322	-
Due to directors	121,352	104,363
Loan from investors	<u>150,000</u>	<u>674,200</u>
	<u><u>18,687,774</u></u>	<u><u>778,563</u></u>

	31 May	
	2025	2024
	\$	\$
Non-current portion	18,416,422	778,563
Current portion	<u>271,352</u>	<u>-</u>
	<u><u>18,687,774</u></u>	<u><u>778,563</u></u>

The loans from investors are unsecured with no fixed terms of repayment. Interest is paid to investors at 5% per annum.

c) **Key management compensation -**

Key management of the company consist of the executive members of the Capital Markets Elite Group (Trinidad and Tobago) Limited board of directors and members of the senior management. Key management personnel remuneration includes the following expenses:

	31 May	
	2025	2024
	\$	\$
Short-term employee benefits	<u>999,725</u>	<u>1,066,747</u>

d) **Related party transactions -**

(i) Consultancy fees		
Ventuos Investments (Trinidad and Tobago) Limited	<u>934,063</u>	<u>1,018,570</u>
(ii) Director fees		
	<u>175,599</u>	<u>149,380</u>
(iii) Management fees		
Mondeum International Service Centre Limited	<u>5,016,188</u>	<u>8,320,324</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

9. Trade and Other Receivables:

	31 May	
	2025	2024
	\$	\$
Prepayments	191,940	292,322
Tax refundable	10,610	10,610
Service and security deposits	31,264	31,264
Other receivables	<u>480</u>	-
	<u><u>234,294</u></u>	<u><u>334,196</u></u>

10. Cash and Cash Equivalents:

	31 May	
	2025	2024
	\$	\$
a) Cash and short-term funds		
Checking accounts – TT\$	3,525	892
Checking accounts – US\$	69,400	67,139
Checking accounts – GBP	8,262	6,855
Short-term deposits – TT\$	11,086,821	3,605,695
Short-term deposits – US\$	<u>16,123</u>	<u>15,022</u>
	<u><u>11,184,131</u></u>	<u><u>3,695,603</u></u>

b) Bank overdraft -

	31 May	
	2025	2024
	\$	\$
Checking accounts – TT\$	<u><u>1,096,230</u></u>	<u><u>2,104,066</u></u>

The company has an overdraft facility with a limit of \$1,000,000 at a current effective rate of 6.5%. This overdraft facility is secured by a fixed deposit of \$1,000,000 and a personal guarantee from two Directors of \$500,000 each. Included in Short-term deposits - TT\$ are fixed deposits in the amount of \$1,400,000 (2024: \$1,400,000) pledged as security for borrowings.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS****31 MAY 2025****10. Cash and Cash Equivalents (Cont'd):****c) Client deposits and funds -**

As of 31 May 2024, Capital Markets Elite Group Trinidad & Tobago Limited held client funds totalling \$22,609,487 in segregated accounts, which were reported on the firm's Statement of Financial Position. On 1 June 2024, the firm sought approval from the Board of Directors to have these funds, held in a fiduciary capacity, reported off-balance sheet. This approval was granted on 15 July 2024, and the transition completed in August 2024.

In making this decision, the firm was guided by IFRS 15 'Revenue from Contracts with Customers,' which suggests that funds should be disclosed off-balance sheet if the following conditions are met:

1. **Control:** The brokerage firm acts solely as a custodian, holding the funds in segregated accounts.
2. **Inventory Risk:** The clients bear the risk associated with their own investments.
3. **Pricing Discretion:** The firm earns a fixed fee for providing custodial and trading services, without discretion over the investment returns.
4. **Performance Obligation:** The firm's responsibility is limited to executing trades as instructed by the clients.

With the removal of the Client Funds and Client Deposits from the Statement of Financial Position in the current reporting period, the prior period statements were restated accordingly to remove the corresponding comparative balances.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS****31 MAY 2025****11. Stated Capital:**

	31 May	
	2025	2024
	\$	\$
Authorised		
10,000,000 ordinary shares of no par value		
Issued and fully paid		
10,000,000 ordinary shares (2024: 10,000,000)		
Beginning of year	6,240,025	6,240,025
Issued during the year	-	-
Redeemed during the year	-	-
End of year	<u>6,240,025</u>	<u>6,240,025</u>

12. Borrowings:

Borrowings include the following financial liabilities:

	Current		Non-current	
	2025	2024	2025	2024
	\$	\$	\$	\$
At amortised cost:				
Bank borrowings	<u>168,542</u>	<u>149,185</u>	<u>575,520</u>	<u>722,564</u>
	<u>168,542</u>	<u>149,185</u>	<u>575,520</u>	<u>722,564</u>
Fair value:				
Bank borrowings	<u>168,542</u>	<u>149,185</u>	<u>575,520</u>	<u>722,564</u>
Borrowings at amortised cost	<u>168,542</u>	<u>149,185</u>	<u>575,520</u>	<u>722,564</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

12. Borrowings (Cont'd):

Bank borrowings are secured by a fixed deposit of \$1,400,000 and personal guarantees from two Directors of \$1,400,000 each (2024: \$1,400,000 each). The carrying amount of the bank borrowings and due to other third parties are considered to be a reasonable approximation of the fair value. All borrowings are denominated in Trinidad and Tobago dollars. The interest rate on the borrowings is fixed at 5%.

Other financial instruments

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- a) trade and other receivables.
- b) cash and cash equivalents.
- c) trade and other payables.
- d) bank overdraft

13. Trade and other payables:

	31 May	
	2025	2024
	\$	\$
Trade payables	15,176,122	23,134,152
Accruals	588,982	669,320
Amount due to clearing firms	40,674,959	38,410,550
Other payables	<u>244,765</u>	<u>51,878</u>
	<u><u>56,684,828</u></u>	<u><u>62,265,900</u></u>

Trade payables are non-interest bearing and are generally settled within thirty (30) days.

14. Brokerage Revenue:

In 2024, there was no material impact on the recognition of revenue from performance obligations settled from clients since these are settled instantaneously upon the execution of trading activity.

	31 May	
	2025	2024
	\$	\$
Brokerage	11,447,789	15,291,057
Simulation	1,897	-
Software and market data	4,083,688	7,785,455
Clearing and execution	10,574,087	1,926,924
Other	<u>-</u>	<u>397,317</u>
	<u><u>26,107,461</u></u>	<u><u>25,400,753</u></u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

15. Finance Costs and Finance Income:

	31 May	31 May
	2025	2024
	\$	\$
Finance costs for the reporting period consists of:		
Interest expense for borrowings at amortised cost:		
– Other borrowings at amortised cost	<u>798,312</u>	<u>2,050,587</u>
Total finance costs	<u>798,312</u>	<u>2,050,587</u>
Finance income for the reporting period consists of:		
Interest income from cash and cash equivalents		
	<u>218,370</u>	<u>148,604</u>
Total finance income	<u>218,370</u>	<u>148,604</u>

16. Taxation:

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the company at 30% and the reported tax expense in profit or loss are as follows:

	31 May	31 May
	2025	2024
	\$	\$
a) Components of tax charge -		
Deferred tax	767,521	(3,601,425)
Green fund levy	79,019	135,022
Business levy	158,037	157,017
Corporation tax	<u>1,921,465</u>	-
	<u>2,926,042</u>	<u>(3,309,386)</u>
b) Reconciliation of applicable tax charge to effective tax charge -		
Profit/(loss) before tax	<u>1,626,589</u>	<u>(14,954,851)</u>
Tax at 30%	487,977	(4,486,455)
Tax effect of expenses not allowed	279,544	884,962
Tax effect of exempt income	-	68
Green fund levy	79,019	135,022
Business levy	158,037	157,017
Corporation tax related to previous year	<u>1,921,465</u>	-
Tax charge	<u>2,926,042</u>	<u>(3,309,386)</u>

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

16. Taxation (Cont'd):

	Balance 1 June \$	Benefit/(charge) to statement of comprehensive income \$	Balance 31 May \$
c) Deferred tax asset/(liability) -			
31 May 2025			
Deferred tax asset			
Allowance for doubtful debts	-	-	-
Tax loss	16,175,618	(678,366)	15,497,252
Property, plant and equipment	<u>376,766</u>	<u>(90,145)</u>	<u>286,621</u>
	<u>16,552,384</u>	<u>(768,511)</u>	<u>15,783,873</u>
Deferred tax liability			
Leases	<u>(21,530)</u>	<u>990</u>	<u>(20,540)</u>
	<u>(21,530)</u>	<u>990</u>	<u>(20,540)</u>
31 May 2024			
Deferred tax asset			
Allowance for doubtful debts	984,146	(984,146)	-
Property, plant and equipment	-	376,766	376,766
Tax loss	<u>13,438,838</u>	<u>2,736,780</u>	<u>16,175,618</u>
	<u>14,422,984</u>	<u>2,129,400</u>	<u>16,552,384</u>
Deferred tax liability			
Property, plant and equipment	<u>(1,486,328)</u>	<u>1,486,328</u>	<u>-</u>
Leases	<u>(7,227)</u>	<u>(14,303)</u>	<u>(21,530)</u>
	<u>(1,493,555)</u>	<u>1,472,025</u>	<u>(21,530)</u>

17. Dividends:

During the financial year 2025, Capital Markets Elite Company (Trinidad and Tobago) Limited declared no dividends to its equity shareholders (2024: \$NIL).

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

31 MAY 2025

18. Financial Assets and Liabilities:

Categories of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	31 May	
	2025	2024
	\$	\$
Financial Assets		
Trade and other receivables	234,294	334,196
Cash and short-term funds	11,184,131	3,695,603
Amounts due from related parties	<u>74,981,553</u>	<u>71,116,055</u>
Total Assets	<u>86,399,978</u>	<u>75,145,854</u>
Financial Liabilities		
Non-current borrowings and lease liability	659,066	1,769,990
Current borrowings and lease liability	1,132,451	1,215,955
Bank overdraft	1,096,230	2,104,066
Taxation	18,966,432	19,160,211
Amounts due to related parties	18,687,774	778,563
Trade and other payables	<u>56,684,828</u>	<u>62,265,900</u>
Total Liabilities	<u>97,226,781</u>	<u>87,294,685</u>

A description of the company's financial instrument risks, including risk management objectives and policies is given in Note 4.

The methods used to measure financial assets and liabilities reported at fair value are described in Note 2(i).

19. Assets under administration (Segregated client funds):

As at 31 May 2025, the Company held segregated client funds totalling \$24,223,103 (2024: \$22,609,487) in accordance with the requirements of the Trinidad and Tobago Securities and Exchange Commission (TTSEC).

These funds represent monies held on behalf of clients in relation to their trading activities and are maintained in segregated bank and brokerage accounts, separate from the Company's proprietary funds. Accordingly, they are not recorded as assets on the Company's Statement of Financial Position.

CAPITAL MARKETS ELITE GROUP (TRINIDAD AND TOBAGO) LIMITED**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS****31 MAY 2025****20. Capital Commitments:**

There were no material contractual commitments to acquire property, plant and equipment at 31 May 2025 (2024: \$Nil).

21. Events after the Reporting Date:

There were no major events after the reporting date.

22. Restatement of Comparatives – Client Funds:

Effective 1 June 2024, the Company revised its accounting policy regarding the presentation of client funds. Previously, client funds were recognised as both an asset (“Client deposits”) and a corresponding liability (“Client funds”) on the statement of financial position. Following further assessment and in line with IFRS guidance, management concluded that the Company does not control these resources nor bear the associated risks and rewards. Accordingly, these balances no longer meet the definitions of assets or liabilities under the Conceptual Framework for Financial Reporting.

As a result, the Company derecognised client funds from the statement of financial position. This change in accounting policy has been applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The impact of this restatement on the prior year comparatives is as follows:

2024 Statement of Financial Position:

- Client deposits (asset) decreased by **\$22,609,487**.
- Client funds (liability) decreased by **\$22,609,487**.
- No impact on total shareholders’ equity.

2024 Statement of Comprehensive Income and Cash Flows:

- No impact.

The restatement does not affect the Company’s net results, cash flows, or equity, but only the presentation of client funds in the financial statements.