Massy Finance GFC Ltd

Financial Statements

30 September 2025

(Expressed in Trinidad and Tobago Dollars)

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Massy Finance GFC Ltd

Statement of Management's Responsibility

The Financial Institutions Act, 2008 (The Act), requires that management prepare and acknowledge responsibility for the following:

- Preparing and fairly presenting the accompanying financial statements of Massy Finance GFC Ltd (the Company) which comprise the statement of financial position as at 30 September 2025, the statements of profit or loss and other 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 complies 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.

Managing Director
4 December 2025

Chief Financial and Operating Officer
4 December 2025

Independent auditor's report

To the shareholder of Massy Finance GFC Ltd

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Massy Finance GFC Ltd (the Company) as at 30 September 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 30 September 2025;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 *Auditor's responsibilities for the audit of the 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.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s 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 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 auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

PricewaterhouseCoopers

Port of Spain,
Trinidad, West Indies
9 December 2025

Massy Finance GFC Ltd

Statement of Financial Position
(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 30 September 2025 ($'000)	2024 ($'000)
Assets			
Cash on hand and due from banks	4	22,963	40,103
Statutory deposit with Central Bank	5	74,404	81,404
Instalment credit and other loans	6	592,343	577,032
Investment securities	7	283,664	301,361
Property and equipment	8	2,873	2,434
Right of use assets	9.1	1,284	1,890
Intangible assets	10	1,827	2,740
Deferred tax assets	11	1,422	1,651
Taxation recoverable		4,964	4,351
Other assets	12	11,846	7,793
Total assets		997,590	1,020,759
Shareholders' equity			
Share capital	13	15,000	15,000
Statutory reserve	14	15,000	15,000
General banking reserve	15	2,390	2,390
Retained earnings		114,065	113,843
Total shareholders' equity		146,455	146,233
Liabilities			
Customers' deposits	16	823,819	862,660
Taxation payable		14	23
Lease liabilities	9.2	1,958	2,691
Other liabilities	17	25,344	9,152
Total liabilities		851,135	874,526
Total shareholders' equity and liabilities		997,590	1,020,759

The notes on pages 8 to 55 are an integral part of these financial statements.

On 4 December 2025, the Board of Directors of Massy Finance GFC Ltd authorised these financial statements for issue.

_______________ Director   _______________ Director

Massy Finance GFC Ltd

Statement of Profit or Loss and Other Comprehensive Income
(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 September 2025 ($'000)	2024 ($'000)
Interest income	18	56,872	57,518
Interest expense	19	(27,651)	(29,152)
Net interest income		29,221	28,366
Other income	20	18,374	14,742
Total net income		47,595	43,108
Impairment losses on financial assets, net of recoveries	24 a. (ii) (c)	(11,141)	(12,506)
Operating expenses	21	(34,748)	(28,728)
Total non-interest expenses		(45,889)	(41,234)
Profit before taxation		1,706	1,874
Taxation	22	(1,484)	(407)
Profit after taxation		222	1,467
Total comprehensive income for the year		222	1,467

The notes on pages 8 to 55 are an integral part of these financial statements.

Massy Finance GFC Ltd

Statement of Changes in Equity
(Expressed in Trinidad and Tobago Dollars)

	Share capital ($'000)	Statutory reserve ($'000)	General banking reserve ($'000)	Retained earnings ($'000)	Total shareholders' equity ($'000)
Year ended 30 September 2025					
Balance at beginning of year	15,000	15,000	2,390	113,843	146,233
Total comprehensive income for the year	--	--	--	222	222
Balance at end of year	15,000	15,000	2,390	114,065	146,455
Year ended 30 September 2024					
Balance at beginning of year	15,000	15,000	2,390	112,376	144,766
Total comprehensive income for the year	--	--	--	1,467	1,467
Balance at end of year	15,000	15,000	2,390	113,843	146,233

The notes on pages 8 to 55 are an integral part of these financial statements.

Massy Finance GFC Ltd

Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Year ended 30 September 2025 ($'000)	2024 ($'000)
Cash flows from operating activities		
Profit before taxation	1,706	1,874
Adjustments for:		
Investment income	(13,563)	(13,588)
Impairment losses on financial assets	11,141	12,506
Loans written off previously provided for	(13,077)	--
Depreciation and amortisation	1,844	1,704
Depreciation on right to use asset	618	633
Loss/(gain) on disposal of investments	60	(668)
Translation gain on investments	(403)	(351)
Cash flows before changes in operating assets and liabilities	(11,674)	2,110
(Increase)/decrease in operating assets:		
Statutory deposit with Central Bank	7,000	(4,100)
Instalment credit and other loans	(13,760)	(4,135)
Due from related parties	(19)	--
Other assets	(4,034)	(6,142)
Increase/(decrease) in operating liabilities:		
Customers' deposits	(38,841)	(3,793)
Due to related parties	14,847	(9,072)
Other liabilities	1,345	(3,926)
Cash used in operating activities	(45,136)	(29,058)
Taxation payments, net of refunds	(1,879)	(3,085)
Net cash used in operating activities	(47,015)	(32,143)
Investing activities		
Purchase of equipment and assets	(1,370)	(142)
Repayments from investments	269,726	486,996
Investment income received	12,493	13,939
Purchase of investment	(250,152)	(473,606)
Net cash generated from investing activities	30,697	27,187
Financing activities		
Principal repayments on lease liabilities	(822)	(746)
Net cash used in financing activities	(822)	(746)
Decrease in cash and cash equivalents	(17,140)	(5,702)
Cash and cash equivalents at beginning of year	40,103	45,805
Cash and cash equivalents at end of year	22,963	40,103
Represented by:		
Cash on hand and due from banks	22,963	40,103

The notes on pages 8 to 55 are an integral part of these financial statements.

1 **Incorporation and principal activities**

The Company is incorporated in the Republic of Trinidad and Tobago and is licensed under the Financial Institutions Act, 2008. It is a wholly owned subsidiary of Massy Holdings Ltd., a company also incorporated in the Republic of Trinidad and Tobago.

The registered office was relocated effective 19 April 2022, to 3rd Floor, Princes Court 15-17 Keate Street, Port of Spain.

The principal activities of the Company are the acceptance of deposits for fixed terms and the granting of instalment credit secured on specific equipment and goods, demand loans and mortgage loans. It also undertakes insurance premium financing and lease financing. The Company also conducts foreign currency trades which is mainly with the Massy Group. The Company operates through its Head Office in Port of Spain with 4 other offices throughout Trinidad and 1 office in Tobago.

On the 1 July 2014, the Registrar General of Trinidad and Tobago under Section 217 of the companies Act 1995 approved the Articles of Amendment for change of name from General Finance Corporation Limited to Massy Finance GFC Ltd.

The Company was registered as a Broker Dealer and Underwriter with the Trinidad and Tobago Securities and Exchange Commission on 3 March 2022.

2 **Material accounting policies**

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

a. *Basis of preparation*

The financial statements of the Company have been prepared in accordance with IFRS Accounting Standards (“IFRS”) and IFRIC interpretations. The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets at fair value and except for assets held for sale which are measured at fair value less costs to sell.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(i) *Standards, amendments and interpretations which are effective and have been adopted by the Company in the accounting period.*

- Amendment to IAS 1 - Non-current liabilities with covenants (Effective 1 January 2024). These amendments clarify how conditions which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

2 **Material accounting policies (continued)**

a. *Basis of preparation (continued)*

(i) *Standards, amendments and interpretations which are effective and have been adopted by the Company in the accounting period (continued)*

- Amendment to IFRS 16 - Leases on sale and leaseback (Effective 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

- Amendment to IAS 7 and IFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The revised standards which were effective and have been adopted on the financial statements by the Company did not result in any material impact.

(ii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company*

The following standards, amendments and interpretations to existing standards are not yet effective and have not been early adopted by the Company:

- Annual improvements to IFRS – Volume 11. Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

Effective for annual reporting periods commencing on or after 1 January 2026.

2 Material accounting policies (continued)

a. *Basis of preparation (continued)*

(ii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)*

- Amendment to IFRS 9 and IFRS 7 (Effective 1 January 2026) – Classification and Measurement of Financial Instruments. These amendments:

  - Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
  - Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

- Amendments to IAS 21 (Effective 1 January 2025) – Lack of Exchangeability

  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.

- IFRS 18 Presentation and Disclosure in Financial Statements (Effective 1 January 2027). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

  - The structure of the statement of profit or loss;
  - Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

  The Company is in the process of assessing the impact of the new and revised standards not yet effective on the financial statements and does not anticipate any material impact.

2 **Material accounting policies (continued)**

b. *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

c. *Cash and cash equivalents*

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash in hand, amounts due from other financial institutions, short term bank deposits, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are reported in the Statement of Financial Position as "Due to banks".

d. *Financial assets under IFRS 9*

(i) *Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured at Amortised Cost (AC), and
- those to be measured at Fair Value Through Other Comprehensive income (FVOCI), and
- those to be measured subsequently at Fair Value Through Profit or Loss (FVPL).

The classification of the Company's financial assets as "instalment credit and other loans" and "other financial assets" depends on the entity's Business Model for managing those assets. It also requires the entity to examine the contractual terms of the cash flows, i.e. whether these represent 'Solely Payments of Principal and Interest' (SPPI).

Business Model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is it to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to management and how risks are assessed and managed.

2 **Material accounting policies (continued)**

d. *Financial assets under IFRS 9 (continued)*

(i) *Classification (continued)*

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows pass the SPPI test. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risk and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Instalment credit and other loans are held to maturity to collect cash flows and accordingly meet the 'hold to collect' criteria, passing the Business Model and SPPI tests. Instalment credit and other loans are therefore classified at amortised cost.

All debt instruments passing the Business Model and SPPI tests are classified at amortised cost. Investment securities within 'other financial assets' are therefore classified at amortised cost. Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets are classified at FVOCI.

All other financial assets are carried at FVPL, gains and losses are recorded in profit or loss.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

(ii) *Initial recognition and measurement*

(a) *Investment Securities (IFRS 9)*

All purchases and sales of other financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'Interest income' using the effective interest rate method.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

2 **Material accounting policies (continued)**

d. *Financial assets under IFRS 9 (continued)*

(ii) *Initial recognition and measurement (continued)*

(a) *Investment Securities (IFRS 9) (continued)*

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (POCI) financial assets - assets that are credit-impaired at initial recognition - the Company calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in ‘Interest income’ together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the Statement of Profit or Loss and Other Comprehensive Income.

FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a financial asset that is subsequently measured at FVPL is recognised in profit or loss and presented net within ‘Net changes in fair value of FVTPL assets’ in the period in which it arises.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in “Interest income” using the effective interest rate method. Foreign exchange gains and losses are presented in operating profit before finance costs in the Statement of Profit or Loss and Other Comprehensive Income.

2 **Material accounting policies (continued)**

d. *Financial assets under IFRS 9 (continued)*

(ii) *Initial recognition and measurement (continued)*

(b) *Instalment credit and other loans (IFRS 9)*

At initial recognition, the Company measures instalment credit and other loans at its fair value plus transaction costs that are directly attributable to its acquisition. Subsequent measurement of Instalment credit and other loans depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Instalment credit and other loans are held for collection of contractual cash flows where those cash flows represent SPPI, these financial assets are measured at amortised cost. Interest income from these financial assets is included within 'Interest income' using the effective interest rate method.

The amortised cost is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses and includes transaction costs and origination fees that are integral to the effective interest rate.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Any gain or loss arising on derecognition is recognised directly as profit or loss and presented in 'Interest income'. Impairment losses are presented as a separate line item in the Statement of Profit or Loss and Other Comprehensive Income as 'Impairment losses on loans, net of recoveries.

2 **Material accounting policies (continued)**

d. *Financial assets under IFRS 9 (continued)*

(iii) *Impairment*

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted, refer to Note 24.a. (ii) (d).
- Stage 3 – This category includes instruments that are in default.

A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount).

Expected credit loss (ECL) is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The Company utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the ‘Probability of Default’ (PD) multiplied by the ‘Exposure at Default’ (EAD) multiplied by the ‘Loss Given Default’ (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD, EAD and LGD tables which were then applied to individual instruments based on several pre-determined criteria, including type, original tenor and time to maturity, whether they are in Stages 1, 2 or 3 and other indicators.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 3.

The loss allowance for debt investments is recognised in profit or loss. For debt instruments at FVOCI, the loss is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

2 **Material accounting policies (continued)**

d. *Financial assets under IFRS 9 (continued)*

(iv) *Modification of loans*

The Company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Company assesses whether or not the new terms are substantially different to the original terms. The Company does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.

If the terms are substantially different, the Company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purposes of determining whether a significant increase in credit risk (SICR) has occurred. The Company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition, refer to Note 24.a. (ii) (d).

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

(v) *Derecognition other than on a modification*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all risks and rewards of ownership, or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

(vi) *Financial liabilities - Classification and subsequent measurement*

In both the current and prior period, financial liabilities are classified and subsequently measured at amortised cost. Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

2 Material accounting policies (continued)

d. *Financial assets under IFRS (continued)*

(vii) *Financial liabilities - Derecognition*

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires).

(viii) *Loan commitments*

Loan commitments provided by the Company are measured as the amount of the loss allowance (calculated as described in Note 23 b). The Company has considered the risk of a default occurring under the loan to be advanced, and the loss allowance is recognised as a provision.

e. *IFRS 15 – Revenue from Contracts with Customers*

The Company has adopted IFRS 15 – Revenue from Contracts with Customers from 1 October 2018. The impact of adoption is immaterial as the point at which control of performance obligations is transferred to the customers under IFRS 15 matches the point at which risks and rewards were transferred under IAS 18. IFRS 15 explicitly excludes from its scope transactions governed by IFRS 9. The main streams of income to the Company are interest income and origination fees that are within the scope of IFRS 9. The Company earns service fees that are within the scope of IFRS 15, however, the income generated from this is immaterial both in the current and prior year and therefore does not have a material impact on the financial statements.

f. *Assets leased to customers under finance leases*

When assets are held subject to a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

Assets leased to customers under finance leases are included within “loans to customers” in the Statement of Financial Position. Finance lease income is included within “Interest income” in the Statement of Profit or Loss and Other Comprehensive Income.

g. *Property and equipment*

Property and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

2 **Material accounting policies (continued)**

g. *Property and equipment (continued)*

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	- 20%
Furniture, fittings and equipment	- 10% to 33 1/3%
Motor vehicles	- 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

h. *Lease*

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

- The contract involves the use of an identified asset. This may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

Lessee accounting

The Company leases two commercial spaces and certain property, plant and equipment used in its operations.

Rental contracts for the commercial spaces are typically made for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

2 **Material accounting policies (continued)**

h. *Lease (continued)*

Lessee accounting (continued)

Leases of property, plant and equipment where, the Company has substantially all the risks and rewards of ownership, are classified as finance leases.

A single recognition and measurement approach applies to all leases, except for short-term leases and leases of low-value assets. At lease commencement date, the Company recognises a right-of-use asset and a lease liability in the Statement of Financial Position.

Measurement of right-of-use assets

The Company recognised right-of-use assets and lease liabilities in relation to leases of commercial office space, which had previously been classified as operating leases. The right-of-use assets were initially measured at the amount equal to the lease liability, adjusted by the amount of any accumulated depreciation from the inception date of the lease to the implementation date of the standard, plus any prepaid or accrued lease payments relating to that lease. Subsequent to initial measurement, the right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The property and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Measurement of lease liabilities

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The lessee's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average incremental borrowing rate applied to the lease liabilities was 6.5%.

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

- Fixed lease payments (including in-substance fixed payments);
- Lease payments in an optional renewal period if reasonably certain to exercise an extension option; and
- Penalty payments for early termination of a lease unless reasonably certain not to terminate early.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The lease liability is remeasured when there is a change in future lease payments arising from a change in a rate, or if the assessment of whether an extension or termination option will be exercised. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit or Loss and Other Comprehensive Income if the carrying amount of the right-of-use asset has been reduced to zero.

2 **Material accounting policies (continued)**

h. *Lease (continued)*

Lessor accounting

Where the Company leased assets under finance lease arrangements it was not required to make any adjustments, on adoption of IFRS 16, for leases in which it acts as a lessor.

i. *Intangible assets*

Costs associated with the maintenance of existing computer software programmes are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed six years.

j. *Provisions*

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

2 **Material accounting policies (continued)**

k. *Taxation*

(i) *Current tax*

Income tax payable (receivable) is calculated on the basis of the tax laws enacted in Trinidad and Tobago and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity (for example, current tax on available-for-sale investment). Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred tax*

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes. Tax rates enacted or substantially enacted at the statement of financial position date are used to determine deferred tax.

The principal temporary difference arises from the difference between the accounting and tax treatment of depreciation on property and equipment and assets under finance and operating leases.

l. *Interest income and expense*

Financial assets under IFRS 9

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income and expense for all interest-bearing financial instruments are recognised within ‘Interest income’ and ‘Interest expense’ in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest method.

This method defers, as part of interest income or expense, all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Fees integral to the effective interest rate include origination fees received or paid by the entity relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents.

Interest income on all other financial assets at FVTPL are presented in net income along with the net changes in fair value of financial assets at FVTPL.

2 **Material accounting policies (continued)**

m. *Other income*

Other income is generally recognised on an accrual basis when the service has been provided or the transaction completed. Services include foreign exchange transactions for realized gain on settlements.

n. *Employee benefits*

(i) *Pension obligations*

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

The majority of the Trinidad and Tobago resident employees are members either of the Neal & Massy Company Pension Fund Plan or Retirement Income Security Plan.

The Neal & Massy Company Pension Fund Plan is a defined contribution plan whose assets are held separately from those of the Company in an independently administered fund. On 31 January 1990 contributions to the plan were frozen and in 2022 employer only contributions had resumed. The most recent actuarial valuation revealed that the plan is adequately funded. There are certain benefits payable by the Neal and Massy Company Pension Fund Plan which fall within the scope of IAS 19 (revised) – Employee Benefits.

The Retirement Income Security Plan incorporates an employee stock ownership plan which is funded by contributions made by the employer, and a deferred annuity savings plan which is funded by the employees. Contributions to the Plan are accounted for on the accrual basis and the assets are held separately from those of the Company in independently administered funds.

(ii) *Termination benefits*

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the statement of financial position date are discounted to present value.

2 **Material accounting policies (continued)**

n. *Employee benefits (continued)*

(iii) *Bonus plans*

A liability for employee benefits in the form of bonus plans is recognised in other provisions when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

- There is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or
- Past practice has created a valid expectation by employees that they will receive a bonus/profit sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

o. *Share capital*

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholder. Dividends for the year that are declared after the date of the statement of financial position are dealt with in the subsequent events note.

p. *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.

q. *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3 **Critical accounting estimates and judgements**

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

a. *Measurement of the expected credit loss allowance*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

3 **Critical accounting estimates and judgements (continued)**

a. *Measurement of the expected credit loss allowance (continued)*

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Estimating collateral information and recoveries for LGD calculations; and
- Establishing the weightings and probabilities of macroeconomic conditions for forward-looking calculations.

Detailed information about the judgements and estimates made by the Company in the above areas are set out in Note 24.a. (ii) (d).

A key component in the Vasicek model is the Z-score, which represents a weighting of projected macroeconomic variables. Z scores typically range from -2 to +2. An increase in the Z score relative to the previous year reflects more favourable economic conditions vice, versa. Had Z scores been 0.5 points higher or lower, the ECLs would have changed as follows:

	Z score 0.5 higher - decrease in ECL	Z score 0.5 lower - increase in ECL
As at 30 September 2025		
Loans to Customers ECL (S1 and S2)	(105)	1,141
Investments ECL (S1 and S2)	(141)	190
As at 30 September 2024		
Loans to Customers ECL (S1 and S2)	(855)	1,160
Investments ECL (S1 and S2)	(324)	499

During the current financial year, the Company enhanced its expected credit loss (“ECL”) model by introducing a dedicated Stage 2 probability of default (“PD”) table. Previously, lifetime PDs for Stage 2 exposures were estimated using the Stage 1 vintage curve, reflecting the lifetime position at the point of significant increase in credit risk (“SICR”). Under the revised methodology, Stage 2 PDs are now derived from a standalone Stage 2 vintage curve anchored to the date of transition into Stage 2, providing a more granular and accurate reflection of post-SICR credit risk behaviour in accordance with IFRS 9. This refinement results in a more precise and risk-sensitive estimation of lifetime PDs for exposures that have experienced deterioration in credit quality. Had the Company continued to apply the prior-year approach and used the Stage 1 lifetime curve to estimate PDs for Stage 2 exposures, the Stage 2 ECL provision as at year-end would have been approximately $296,000 lower. This impact reflects the higher probability of default observed for Stage 2 exposures under the updated methodology.

b. *Income taxes*

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Current and deferred income tax balances are disclosed in the Statement of Financial position. Details of the expense for the year are shown in Note 22.

4 Cash on hand and due from banks

	2025 ($'000)	2024 ($'000)
Cash at bank and in hand	22,948	40,089
Short-term bank deposits	15	14
	22,963	40,103

Short-term bank deposits were neither past due nor impaired as of the statement of financial position dates. These are held with local financial institutions which have not defaulted in the past and are creditworthy.

5 Statutory deposits with central bank

The Financial Institutions Act, 2008 requires that every non-banking financial institution licensed under the Act in the Republic of Trinidad and Tobago hold and maintain a non-interest-bearing deposit account with the Central Bank of Trinidad and Tobago equivalent to 9% of the total deposit liabilities of that institution.

6 Instalment credit and other loans

a. *Instalment credit and other accounts*

	2025 ($'000)	2024 ($'000)
Instalment credit loans	617,352	582,968
Finance leases	7,279	7,166
Insurance premium financing	199	215
Demand loans	5,975	26,696
	630,805	617,045
Allowance for impairment losses	(38,462)	(40,013)
	592,343	577,032
Current portion	82,465	63,128
Non-current portion	548,340	553,917
	630,805	617,045

b. *Finance leases*

Included in instalment credit and other accounts are amounts relating to finance leases as follows:

	2025	2024
Not later than 1 year	1,493	3,169
Later than 1 year and not later than 5 years	4,495	1,820
	5,988	4,989
Unearned finance charges on finance leases	(13)	(16)
Net investment in finance leases	5,975	4,973
Not later than 1 year	1,493	3,169
Later than 1 year and not later than 5 years	4,482	1,804
	5,975	4,973

7 Investment securities

a. Investment securities measured at:

	2025 ($'000)	2024 ($'000)
Amortised cost	260,339	158,614
Fair value through profit and loss	23,893	143,661
	284,232	302,275
Allowance for impairment losses	(568)	(914)
	283,664	301,361
Investment securities:		
Current portion	35,909	167,795
Non-current portion	248,323	134,480
	284,232	302,275

8 Property and equipment

	Leasehold improvements ($'000)	Furniture, Fittings and equipment ($'000)	Motor vehicles ($'000)	Capital work in progress ($'000)	Total ($'000)
Year ended 30 September 2025					
Opening net book value	1,187	965	73	209	2,434
Additions	5	238	1,092	35	1,370
Transfers	--	35	--	(35)	--
Depreciation charge	(325)	(447)	(159)	--	(931)
Closing net book value	867	791	1,006	209	2,873
At 30 September 2025					
Cost	2,173	3,474	1,482	209	7,338
Accumulated depreciation	(1,306)	(2,683)	(476)	--	(4,465)
Net book value	867	791	1,006	209	2,873

8 Property and equipment (continued)

	Leasehold improvements ($'000)	Furniture, Fittings and equipment ($'000)	Motor vehicles ($'000)	Capital work in progress ($'000)	Total ($'000)
Year ended 30 September 2024					
Opening net book value	1,496	1,304	73	209	3,082
Additions	15	127	--	--	142
Depreciation charge	(324)	(466)	--	--	(790)
Closing net book value	1,187	965	73	209	2,434
At 30 September 2024					
Cost	2,168	3,201	390	209	5,968
Accumulated depreciation	(981)	(2,236)	(317)	--	(3,534)
Net book value	1,187	965	73	209	2,434

9 Leases

The following tables provide information for leases where the Company is a lessee:

9.1 Right-of-use assets

	2025 ($'000)	2024 ($'000)
At beginning of year	1,890	2,523
Adjustments	12	--
Depreciation charge	(618)	(633)
At end of year	1,284	1,890
Cost	3,422	3,750
Accumulated depreciation	(2,138)	(1,860)
At end of year	1,284	1,890

9.2 Lease liabilities

	2025 ($'000)	2024 ($'000)
At beginning of year	2,691	3,437
Adjustments	89	--
Payments	(822)	(746)
Closing net book amount	1,958	2,691
Current	839	818
Non-current	1,119	1,873
	1,958	2,691

9.3 Amounts recognised in the statement of profit or loss

	2025 ($'000)	2024 ($'000)
Interest expense on lease liabilities (Note 19)	128	151
Depreciation charge on right-of-use assets	618	633
	746	784

10 Intangible assets

Computer software recognised at fair value at the acquisition date and measured at carrying value less accumulated amortisation and impairment. No impairment recorded during the years presented.

	2025 ($'000)	2024 ($'000)
Opening net book value	2,740	3,654
Amortisation charge for the year	(913)	(914)
Net book amount	1,827	2,740
Cost	4,566	4,566
Accumulated amortisation	(2,739)	(1,826)
Net book amount	1,827	2,740

11 **Deferred tax assets**

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 2025: 30% (2024: 30%). The movements in deferred tax assets are as follows:

Deferred tax assets	**Opening Balance ($'000)**	**Charge to income statement ($'000)**	**Other movements ($'000)**	**Closing Balance ($'000)**
Year ended 30 September 2025				
Accelerated depreciation	(250)	63	--	(187)
Stages 1 & 2 provision	1,081	528	--	1,609
Taxable losses	820	(820)	--	--
	1,651	(229)	--	1,422

Deferred tax assets	**Opening Balance ($'000)**	**Charge to income statement ($'000)**	**Other movements ($'000)**	**Closing Balance ($'000)**
Year ended 30 September 2024				
Accelerated depreciation	55	(305)	--	(250)
Stages 1 & 2 provision	1,352	(271)	--	1,081
Taxable losses	--	820	--	820
	1,407	244	--	1,651

12 **Other assets**

	2025 ($'000)	**2024 ($'000)**
Due from affiliated companies (Note 25 c.)	19	--
Other assets	11,827	7,793
	11,846	7,793

Other assets are expected to be released within one year.

13 **Share capital**

Authorised		
An unlimited number of shares at no par value		
Issued and fully paid		
15,000,000 ordinary shares of no par value	15,000	15,000

14 Statutory reserves

The Financial Institutions Act, 2008 requires a financial institution to transfer annually a minimum of 10% of its profit after taxation to a reserve fund until the balance on this reserve is equal to the paid-up capital of the institution.

15 General banking reserve

In keeping with the Financial Institutions (Prudential Criteria) Regulations, 1994, the Company has set aside a reserve out of retained earnings to protect against unforeseen losses on the loan portfolio.

16 Customers' deposits

	2025 ($'000)	2024 ($'000)
Deposit balances	813,863	852,020
Accrued interest	9,956	10,640
	823,819	862,660
Current portion	493,732	538,758
Non-current portion	320,131	313,262
	813,863	852,020
Sectoral analysis:		
Corporations	406,945	439,523
Individuals	406,918	412,497
	813,863	852,020

All deposits have fixed interest rates.

17 Other liabilities

	2025 ($'000)	2024 ($'000)
Due to affiliated companies (Note 25 c.)	17,399	2,552
Other payables and accruals	7,945	6,600
	25,344	9,152

Other liabilities are due within one year.

18 Interest income

	2025 ($'000)	2024 ($'000)
Loans to customers	41,701	41,940
Amortisation of loan origination fee	1,608	1,990
	43,309	43,930
Investment income	13,563	13,588
	56,872	57,518

19 Interest expense

	2025 ($'000)	2024 ($'000)
Customers' deposits	27,523	29,001
Interest expense on lease liabilities (Note 9.3)	128	151
	27,651	29,152

20 Other income

	2025 ($'000)	2024 ($'000)
Foreign exchange earnings	17,043	13,025
(Loss)/profit on disposal of investments	(60)	1,339
Fee and commission income	98	118
Share of Instaloan portfolio loan origination fees	466	--
Sundry income	827	260
	18,374	14,742

21 Operating expenses

	2025 ($'000)	2024 ($'000)
Staff costs (Note 21 a.)	14,651	15,273
Administrative and other expenses	8,579	5,588
Legal and professional fees	4,431	1,831
Audit fees	717	639
Depreciation (property and equipment)	1,844	1,704
Depreciation (right to use asset)	618	633
Legal and management charges – parent company (Note 25 a.)	1,807	1,620
Bank interest and charges	56	68
Deposit insurance premium (Note 21 b.)	2,045	1,372
	34,748	28,728

Audit fees for the year ended 30 September 2025 amounted to $717,000 (2024: $639,000). Other fees paid to the auditor for non-assurance services amounted to $1,362,239 (2024: $51,000).

a. *Staff costs include*

	2025 ($'000)	2024 ($'000)
Salaries	12,830	13,251
Pension costs – defined contribution plans	617	660
Other benefits	958	1,081
Directors' fees	246	281
	14,651	15,273
Average number of employees employed during the year	59	54

b. Regulations governing the operations of banks and other financial institutions in the Republic of Trinidad and Tobago stipulate that an annual premium be paid to the Deposit Insurance Corporation amounting to 0.2% of average deposit liabilities outstanding at the end of each quarter of the preceding year.

22 Taxation

	2025 ($'000)	2024 ($'000)
Current tax	1,107	434
Adjustment to prior year	(78)	--
Deferred tax (Note 11)	229	(244)
Green fund levy	226	217
	1,484	407

The Company's effective tax rate of 74% (2024 – 23%) differs from the statutory Trinidad and Tobago tax rate of 30% as follows:

	2025 ($'000)	2024 ($'000)
Profit before income tax	1,706	1,874
Tax calculated at a tax rate of 30%	512	562
Taxable loss	(187)	726
Expenses not deductible for tax purposes	59	(1,057)
Income not subject to tax	723	(231)
Green fund levy	226	217
Business levy	--	434
Other differences	229	(244)
Adjustments to prior year tax estimates	(78)	--
Tax charge	1,484	407

23 Contingent liabilities and commitments

a. *Contingent liabilities*

There were no contingent liabilities at the statement of financial position date. (2024: Nil).

b. *Loan commitments*

At the statement of financial position date, there were loan commitments amounting to $41,357,635 (2024: $5,438,805) related to approved facilities not yet disbursed. The provision for expected credit losses on loan commitment was $145,191 as at 30 September 2025 (2024: $12,184), see Note 24 a. (ii) (d).

c. *Capital commitments*

There was no capital expenditure contracted for at the statement of financial position date of but not recognised in the financial statements (2024: $Nil).

24 Financial risk management

a. *Financial risk factors*

Financial risk is inherent in the Company's activities and includes credit risk, liquidity risk and market risk with the latter being subdivided into interest rate risk, currency risk and other price risk. The Company has varying levels of exposures to these risks.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy*

The Company has an approved Enterprise Risk Management (ERM) Policy. ERM is a process designed to identify potential risks that may affect the Company and manage these risks to provide reasonable assurance regarding the achievement of the Company's objectives.

The ERM policy provides an overall framework for the appropriate, effective and prudent management of risks on a company-wide basis. Policies and practices are regularly reviewed to ensure that they remain appropriate in light of changing circumstances.

Ultimate responsibility for implementing and providing oversight on the effectiveness of the overall ERM framework and policy resides with the Board of Directors (BOD). Some of this responsibility is delegated to sub-committees of the BOD, senior management and the internal audit department of the parent company, Massy Holdings Ltd.

A description of the individual financial risks as well as the key policies for managing them are included in Notes 24 a. (ii), 24 a (iii), and 24 a (iv) of the financial statements.

(a) *Overview*

The Company takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss for the Company by failing to discharge an obligation. Credit risk is the most important risk for the Company and management therefore carefully manages this exposure. Credit exposures arise principally in lending activities, interest-bearing investments and cash held on deposit at various financial institutions.

(b) *Management of risk*

The Company's loans credit risk management process includes the following:

- Performance of detailed evaluations and risk analyses on potential customers before granting new credit facilities. Each customer is subject to a credit scoring process which ranges from a high score of excellent to a low score of unacceptable and involves the use of certain assumptions to measure the level of stability and credit-worthiness;
- Ongoing review and monitoring of existing customers based on performance;
- Adherence to strict requirements regarding collateral and guarantees in assets financed;
- Adherence to strict procedures over collections, repossessions and foreclosures;
- Diversification of customer base;
- Monitoring of large credit exposures;

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(b) *Management of risk (continued)*

- Ongoing review of the allowance for impairment losses. The accounting policy for impairment of financial assets is outlined in Note 2. (d) (iii) of the financial statements.
- Credit committee responsible for assessing the credit standing and ability to repay debt of prospective borrowers. Other duties include review of the Company's credit policy and spotting potential risks of various transactions assumed by the Company.

The Company's investments credit risk management process includes the following:

- Adherence to Investment policy statement (IPS) which guide and control the investment management function;
- Trades with recognised creditworthy third parties;
- Diversification of portfolio base in line with IPS. No purchase impaired instruments for pledging purposes;
- Treasury Unit assesses the credit quality of investments through the use of externally available credit rating and/or internally developed credit rating models;
- Assets & Liabilities Committee responsible for reviewing the investment activities in such depth and with such regularity as is necessary to ensure conformity to both the IPS and any other applicable internal or regulatory requirements.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(c) *Maximum exposure to credit risk before collateral held or other credit enhancements*

	2025 ($'000)	**2024 ($'000)**
Cash and cash equivalents	22,963	40,103
Statutory deposit with Central Bank	74,404	81,404
Due from related parties	19	--
	97,386	121,507
Instalment credit and other loans at amortised cost:		
- Instalment credit loans	617,352	582,968
- Finance leases	7,279	7,166
- Insurance premium financing	199	215
- Demand loans	5,975	26,696
	630,805	617,045
Less: allowance for impairment losses	(38,462)	(40,013)
	592,343	577,032
Investments securities at amortised cost:		
- Government bonds and state owned enterprises debt securities	205,231	113,395
- Corporate debt securities	55,108	45,219
Impairment allowance	(568)	(914)
	259,771	157,700
Other financial assets at FVTPL	23,893	143,661
	283,664	301,361
Total	973,393	999,900
Loan commitments	41,358	5,439

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement*

IFRS 9 outlines a ‘three-stage’ model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in ‘Stage 1’and has its credit risk continuously monitored by the Company.

- If a significant increase in credit risk (‘SICR’) since initial recognition is identified, the financial instrument is moved to ‘Stage 2’ but is not yet deemed to be credit-impaired.

- If the financial instrument is credit-impaired, the financial instrument is then moved to ‘Stage 3’.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

- The Company utilizes the Vasicek model to estimate the forward-looking probability of default (PD) across its loan portfolio. This model incorporates both systematic risks, influenced by macroeconomic factors, and portfolio-specific idiosyncratic risks. Default correlations within the portfolio are derived using the Basel-compliant Asymptotic Single Risk Factor (ASRF) framework, which links correlations to the respective portfolio’s PD tables. A critical element of the Vasicek model is the calculation of Z score factor, which quantifies the impact of prevailing and forecasted economic conditions on portfolio default rates. The Z-score is derived from macroeconomic relationships and serves as a threshold measure to determine default likelihood under normal, best case and worse case scenarios. The Company calculates Z scores to reflect GDP growth, Import Cover, Unemployment, Interest Rates and Inflation and apply weightings to these in order of relative importance to arrive at the overall Z score.

- Purchase or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:

a) *Loans and advances (including loan commitment and guarantees)*

In keeping with the backstop approach in IFRS 9, a financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

b) *Other debt instruments – use of credit ratings*

For other debt instruments, such as investment securities, external rating agency credit grades are used. The Company compares the assigned ratings at purchase date to those ratings as of the ECL measurement date. A significant decline in ratings beyond pre-set rating bands is considered in determining SICR.

Qualitative criteria:

It considers available reasonable and supportive forward-looking information, including the following:

- Significant changes in the expected performance and behaviour of the borrower
- Significant increase in credit spreads
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Previous arrears within the last twelve months
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow/liquidity problems such as delay in servicing of loans
- Direct debit/Automatic Clearing House (ACH) cancellation
- Extension to the loan terms granted
- Actual or expected restructuring

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Definition of default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- When the issuer of a bond has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations, or
- For all other financial assets, when the counterparty fails to make contractual payments within 90 days of when they fall due.

Loss Given Default

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGDs are determined by loan type at a portfolio level and reflect estimated cure rates (i.e. a loan going into the default and later recovering resulting in a zero loss to the Company).

For Stage 3 assets, LGDs are determined as follows:

- For secured loans, LGDs are primarily derived based on estimates of collateral information.
- For unsecured loans, portfolio LGDs are used for those loans where the number of days outstanding is less than 365 days. For those loans in arrears for more than 365 days, LGD rates are further adjusted upwards to remove the effect of cure rates and to reflect and additional risks associated with delayed recovery.

ECL calculation and aggregation

The ECL is determined on an individual loan level by applying PDs and LGDs to projected EADs over the remaining life of the loan. These three components are multiplied together, discounted and aggregated. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The sum total of losses within the next 12 months is the 12-month ECL and the aggregate over the remaining life of the loan is the lifetime ECL.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Measuring ECL - Explanation of inputs, assumptions and estimation techniques

Assets written off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Collateral and other credit enhancements

The Company's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Company since the prior period.

The principal collateral types for these instruments are security agreements over motor vehicles, heavy equipment and real estate, the values of which are reviewed periodically if there is a significant increase in credit risk. Investment securities are secured and unsecured by fixed or floating charges on the assets of the issuer. To the extent possible, the Company uses active market data for valuing financial instruments held as collateral. Other financial instruments which do not have readily determinable market values are valued using models.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Summary ECL calculations

A summary of the assumptions underpinning the Company's expected credit loss model under the general approach is as follows:

Category	**Definition**	**Basis for recognition of expected credit loss provision**
Performing (Stage 1)	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming (Stage 2)	Financial assets for which there is a significant increase in credit risk since origination	Lifetime expected losses
Non-performing (Stage 3)	The financial asset is in default.	Lifetime expected losses
Write-off	There is no reasonable expectation of recovery.	Asset is written off

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Over the term of the financial asset, the Company accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of financial assets and adjusts for forward looking macroeconomic data.

Investment securities

Category	**Average ECL rate (%)**	**Estimated EAD ($'000)**	**Expected credit loss ($'000)**
As at 30 September 2025			
Performing (Stage 1)	0.221%	256,700	568
TOTAL	0.221%	256,700	568

Category	**Average ECL rate (%)**	**Estimated EAD ($'000)**	**Expected credit loss ($'000)**
As at 30 September 2024			
Performing (Stage 1)	0.598%	152,970	914
TOTAL	0.598%	152,970	914

The movement in the provision for expected credit losses is as follows:

	Performing ($'000)	**Under-performing ($'000)**	**Non-performing ($'000)**	**Total ($'000)**
As at 30 September 2025				
Balance at beginning of the year as reported under IFRS 9	914	--	--	914
Net changes to provisions:				
- Net credit to profit or loss	(346)	--	--	(346)
Balance at end of the year	568	--	--	568
As at 30 September 2024				
Balance at beginning of the year as reported under IFRS 9	550	--	--	550
Net changes to provisions:				
- Net charge to profit or loss	364	--	--	364
Balance at end of the year	914	--	--	914

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Instalment credit, other loans and loan commitments

Category	**Average ECL rate (%)**	**Estimated EAD ($'000)**	**Expected credit loss ($'000)**
As at 30 September 2025			
Performing (Stage 1)	0.77%	542,900	4,185
Underperforming (Stage 2)	2.88%	16,112	464
Non-performing (Stage 3)	46.90%	71,794	33,668
Loan Commitments	0.35%	41,358	145
TOTAL	5.72%	672,164	38,462
As at 30 September 2024			
Performing (Stage 1)	0.49%	529,815	2,585
Underperforming (Stage 2)	0.81%	11,192	91
Non-performing (Stage 3)	48.94%	76,038	37,325
Loan Commitments	0.22%	5,439	12
TOTAL	6.43%	622,484	40,013

The movement in the provision for expected credit losses is as follows:

	Performing ($'000)	**Under-performing ($'000)**	**Non-performing ($'000)**	**Total ($'000)**
As at 30 September 2025				
Balance at beginning of the year as reported under IFRS 9	2,597	91	37,325	40,013
Net changes to provisions:				
- New loans	3,138	183	--	3,321
- Matured loans	(1,031)	(7)	(1,044)	(2,082)
- Transfers between categories and other movements	(373)	197	10,168	9,992
	4,331	464	46,449	51,244
Amounts previously provided for now written off	(1)	--	(12,781)	(12,782)
Balance at end of the year	4,330	464	33,668	38,462

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

The movement in the provision for expected credit losses is as follows:

	Performing ($'000)	Under-performing ($'000)	Non-performing ($'000)	Total ($'000)
As at 30 September 2024				
Balance at beginning of the year as reported under IFRS 9	3,808	148	23,856	27,812
Net changes to provisions:				
- New loans	1,621	28	133	1,782
- Matured loans	(392)	(3)	(778)	(1,173)
- Transfers between categories and other movements	(2,440)	(82)	14,114	11,592
	2,597	91	37,325	40,013
Amounts previously provided for now written off	--	--	--	--
Balance at end of the year	2,597	91	37,325	40,013

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	Performing ($'000)	Under-performing ($'000)	Non-performing ($'000)	Total ($'000)
As at 30 September 2025				
Net changes to provisions for the year:				
- Charge/(credit) to the income statement	1,733	373	(3,657)	(1,551)
- Amounts written off previously provided for	--	--	13,077	13,077
- Recoveries	--	--	(39)	(39)
Net expense for the year	1,733	373	9,381	11,487
As at 30 September 2024				
Net changes to provisions for the year:				
- Charge/(credit) to the income statement	(1,211)	(57)	13,469	12,201
- Recoveries	--	--	(58)	(58)
Net expense for the year	(1,211)	(57)	13,411	12,143

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(d) *Expected credit loss measurement (continued)*

Reconciliation of gross carrying balances is as follows:

	Stage 1	Stage 2	Stage 3	Total
	$'000	**$'000**	**$'000**	**$'000**
Gross carrying amount				
At 1 October 2024	529,815	11,192	76,038	617,045
Repayments	(190,340)	(4,508)	(11,776)	(206,624)
New loans	230,468	1,771	1,222	233,461
Loans written off	(296)	--	(12,781)	(13,077)
Transfers between categories	(26,747)	7,656	19,091	--
Gross carrying amount				
At 30 September 2025	542,900	16,111	71,794	630,805
Gross carrying amount				
At 1 October 2023	533,113	11,708	68,089	612,910
Repayments	(180,433)	(3,149)	(9,423)	(193,005)
New loans	195,087	1,584	469	197,140
Transfers between categories	(17,952)	1,049	16,903	--
Gross carrying amount				
At 30 September 2024	529,815	11,192	76,038	617,045

(e) *Analysis of loans to customers*

	Stage 1	Stage 2	Stage 3	Total
	$'000	**$'000**	**$'000**	**$'000**
At 30 September 2025				
Instalment credit loans	536,430	14,629	66,293	617,352
Finance leases	3,701	604	2,974	7,279
Insurance premium financing	--	--	199	199
Demand loans	2,769	878	2,328	5,975
	542,900	16,111	71,794	630,805
At 30 September 2024				
Instalment credit loans	502,595	10,334	70,039	582,968
Finance leases	2,808	858	3,500	7,166
Insurance premium financing	--	--	215	215
Demand loans	24,412	--	2,284	26,696
	529,815	11,192	76,038	617,045

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(f) *Repossessed collateral*

Repossessed properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness.

(g) *Concentration of risks of loans to customers*

	Instalment credit loans ($'000)	Finance leases ($'000)	Insurance premium financing ($'000)	Demand Loans ($'000)	Total ($'000)
At 30 September 2025					
Agriculture	1,234	--	--	--	1,234
Communications	242	178	--	--	420
Construction	11,765	--	--	43	11,808
Consumer	354,183	4,450	--	2,337	360,970
Distribution	2,762	--	--	--	2,762
Electricity and water	1,139	20	--	--	1,159
Hotel and restaurant	2,718	228	--	--	2,946
Manufacturing	3,625	300	--	575	4,500
Petroleum	366	--	--	--	366
Real estate	1,530	--	--	1,264	2,794
Transport	4,297	513	--	--	4,810
Other	233,491	1,590	199	1,756	237,036
	617,352	7,279	199	5,975	630,805

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(i) *Risk management policy (continued)*

(g) *Concentration of risks of loans to customers (continued)*

	Instalment credit loans ($'000)	Finance leases ($'000)	Insurance premium financing ($'000)	Demand Loans ($'000)	Total ($'000)
At 30 September 2024					
Agriculture	1,961	--	--	--	1,961
Communications	457	37	--	--	494
Construction	15,227	--	--	349	15,576
Consumer	474,663	2,485	--	1,743	478,891
Distribution	2,469	--	--	--	2,469
Electricity and water	1,248	--	--	--	1,248
Hotel and restaurant	4,180	--	--	--	4,180
Manufacturing	5,088	--	--	1,337	6,425
Petroleum	902	--	--	--	902
Real estate	2,027	--	--	1,324	3,351
Transport	8,746	1,156	--	--	9,902
Other	68,183	1,305	215	21,943	91,646
	585,151	4,983	215	26,696	617,045

(ii) *Liquidity risk*

(a) *Overview*

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and the inability to fulfil commitments to lend.

(b) *Management of risk*

The Company's liquidity risk management process includes the following:

- Monitoring and forecasting of deposit maturities for potential non-renewals to ensure adequate funding is available to meet commitments. The Company has been able to maintain a deposit retention rate over 85.34% over the financial year, which will reduce the liquidity gap within one year;
- Ensuring alternative sources of funding are in place to meet any unforeseen shortfall in funding. As at September 2025 these comprised an overdraft facility of $5,000,000;
- Liquidity gaps are mitigated by the marketable nature of a substantial segment of the investment securities as well as generating sufficient cash from new customer deposits;
- Planning of lending operations to ensure smooth disbursement of funds without significantly impairing potential for business growth.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(ii) *Liquidity risk (continued)*

(c) *Maturity analysis of financial instruments*

The table below presents the cash flows payable under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the date of the statement of financial position. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Undiscounted cash flows			
As at 30 September 2025	**Carrying Amount ($'000)**	**Within one year ($'000)**	**One to five years ($'000)**	**Over five years ($'000)**	**Total ($'000)**
Financial assets					
Cash on hand and due from banks	22,963	22,963	--	--	22,963
Statutory deposit with Central Bank	74,404	74,404	--	--	74,404
Loans to customers	592,343	187,142	449,079	70,526	706,747
Investment securities	283,664	47,528	218,790	85,087	351,405
Other assets	11,846	11,846	--	--	11,846
	985,220	343,883	667,869	155,613	1,167,365
Financial liabilities					
Customers' deposits	823,819	493,267	351,009	--	844,276
Lease liabilities	1,958	916	1,145	--	2,061
Other liabilities	25,344	25,344	--	--	25,344
	851,121	519,527	352,154	--	871,681
Net liquidity gap	134,099	(175,644)	315,715	155,613	295,684
Loan commitments	41,358	41,358	--	--	41,358

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(ii) *Liquidity risk (continued)*

(c) *Maturity analysis of financial instruments (continued)*

		Undiscounted cash flows			
	Carrying Amount ($'000)	**Within one year ($'000)**	**One to five years ($'000)**	**Over five years ($'000)**	**Total ($'000)**
As at 30 September 2024					
Financial assets					
Cash on hand and due from banks	40,103	40,103	--	--	40,103
Statutory deposit with Central Bank	81,404	81,404	--	--	81,404
Loans to customers	577,032	194,531	461,449	89,720	745,700
Investment securities	301,361	170,101	131,898	21,862	323,861
Other assets	7,793	7,793	--	--	7,793
	1,007,693	493,932	593,347	111,582	1,198,861
Financial liabilities					
Customers' deposits	862,660	561,901	310,526	--	872,427
Lease liabilities	2,691	929	2,037	--	2,966
Other liabilities	9,152	9,152	--	--	9,152
	874,503	571,982	312,563	--	884,545
Net liquidity gap	133,190	(78,050)	280,784	111,582	314,316
Loan commitments	5,439	5,439	--	--	--

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(iii) *Market risk*

The Company is inherently exposed to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk can be subdivided into three categories namely interest rate risk, currency risk and other price risk.

(a) *Interest rate risk*

- *Overview*

Interest rate risk can be further subdivided into two types: cash flow interest rate risk and fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Company instalment loans and other loans are fixed rate carried at amortised cost and as such is only exposed to cash flow interest rate risk. The Company does not hold any floating rate loans or bonds subject to cash flow risk. Financial liabilities, because of their short term nature, tend to reprice at a faster rate than the longer term financial assets thereby creating a short term interest rate mismatch.

- *Management of risk*

The Company's interest rate risk management process includes the following:

- Monitoring of current and anticipated movements in lending and deposit rates in the market utilising market intelligence, Central Bank data, emerging trends and other relevant data sources;
- Ensuring an appropriate balance between risk and return is achieved during the pricing process;
- Ensuring adherence to policies over approval of interest rates;
- Ensuring that stand by facilities at the lowest short term interest rates are available to meet short term demands for funds;
- Monitoring volatility in the market to achieve optimal balance between bank borrowings and fixed deposits.
- Asset Liability Committee responsible for ensuring that Management is appropriately identifying, measuring, controlling, and monitoring the Company's liquidity risk, interest rate risk, and capital adequacy positions.

- *Sensitivity analysis*

For the purposes of illustrating its exposure to interest rate risk, the Company has prepared a sensitivity analysis showing what the profit before tax would have been had interest rates been 50 basis points higher or lower. In preparing this calculation, the Company assumed that the change in interest rate would have affected its new lending, variable rate short term investments and renewals of deposits and borrowings in the respective financial year. Similar assumptions were used for both reporting periods.

24 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(iii) *Market risk (continued)*

(a) *Interest rate risk (continued)*

- *Sensitivity analysis (continued)*

  As at 30 September 2025, had interest rates been 50 basis points higher/lower, profit before taxation would have been lower/higher by $635,883 (2024: $1,322,732). This has no impact on other components of equity.

(b) *Currency risk*

The Company is a licensed foreign exchange trader and conducts foreign exchange transactions. All foreign currency balances arising are normally settled within 7 days. As at 30 September 2025, if the Trinidad and Tobago dollar had weakened/strengthened by 1% against the United States dollar and Canadian dollar with all other variables held constant, profit before taxation would have been $737,217 (2024: $823,749) higher/lower, mainly as a result of foreign exchange gains/losses on translation of United States dollar and Canadian dollar denominated cash on hand and due from banks.

(c) *Other price risk*

The Company has no material exposure to other price risk as it does not hold any significant investments in equities or commodities.

b. *Capital management*

The Company's capital management objectives are as follows:

(i) to comply with the capital requirements set by the Central Bank of Trinidad and Tobago (CBTT);
(ii) to safeguard the Company's ability to continue as a going concern;
(iii) to provide returns for its shareholder and benefits for other stakeholders; and
(iv) to maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored weekly by management based on the guidelines developed by the Basel Committee, as implemented by the CBTT, the country's authority for supervisory purposes. The required information is filed with the CBTT on a quarterly basis.

The CBTT requires each financial institution to:

- hold the minimum level of share capital of $15,000,000 and;
- maintain a ratio of qualifying capital to risk-weighted assets at or above 8%.

In addition to the above, there are specific requirements governing lending, customers' deposits and other activities in relation to the Company's capital.

24 Financial risk management (continued)

b. *Capital management (continued)*

The table below summarises the composition of regulatory capital and the capital adequacy ratios of the Company.

	2025 ($'000)	2024 ($'000)
Total risk adjusted assets	766,386	756,196
Core capital	143,827	141,103
Allowable supplementary capital	2,152	2,390
Qualifying capital	145,979	143,493
Capital ratios		
- Core capital to total risk adjusted assets	18.77%	18.66%
- Qualifying capital to total risk adjusted assets	19.05%	18.98%

As at the years ended 2025 and 2024, the Company complied with the externally imposed capital requirements to which they are subjected.

c. *Fair value estimation*

The Company has an investment valued at $34,000 classified as other financial asset carried at FVTPL. This is the initial capital contribution on inception of The Trinidad and Tobago Unit Trust Corporation (UTC) in accordance with Section 17 of the Unit Trust Corporation of Trinidad and Tobago Act, 1981.

The contribution certificates can only be transferred to a fellow financial institution under the Act. Management has elected to carry this investment at cost as it is considered immaterial to the financial statements.

25 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 or operational decisions. A number of transactions are entered into with related parties in the normal course of business.

25 Related party transactions (continued)

The following are details of related party transactions:

	2025 ($'000)	2024 ($'000)
a. *Income/(expenses)*		
Loans to customers:		
- Interest income (affiliated companies)	12	769
	12	769
Customers' deposits:		
- Interest expense (affiliated company)	(2,136)	(335)
- Legal and management charges (parent company – Note 21)	(1,807)	(1,620)
	(3,943)	(1,955)
b. *Key management compensation*		
Salaries and other short-term benefits	4,865	6,136
c. *Year-end balances – assets/(liabilities)*		
Due from related parties:		
- Loans to customers (affiliated companies)	577	--
- Other assets (affiliated companies – Note 12)	19	--
	596	--
Due to related parties:		
- Customers' deposits (affiliated company)	(81,105)	(31,928)
- Other liabilities (affiliated companies – Note 17)	(17,399)	(2,552)
	(98,504)	(34,480)

Apart from the compensation disclosed above (b), there were no related party transactions during the reporting period with Directors and key management.

26 Fair values of financial assets and liabilities

a. *Fair value hierarchy*

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to these valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect management's assumptions.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. Instruments included in level 1 relates to mutual funds where the funds are made publicly available on a daily basis.

The following table shows an analysis of financial instruments measured at fair value by level of the fair value hierarchy:

	Level 1 ($'000)	Level 2 ($'000)	Level 3 ($'000)	Total ($'000)
As at 30 September 2025				
Financial assets at FVPL				
- Investment funds	23,893	--	--	23,893
	23,893	--	--	23,893
As at 30 September 2024				
Financial assets at FVPL				
- Investment funds	143,662	--	--	143,662
	143,662	--	--	143,662

26 **Fair values of financial assets and liabilities (continued)**

b. *Valuation techniques used to determine fair values*

This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

c. *Assets and liabilities not carried at fair value but for which fair value is disclosed*

The following summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Fair value is calculated as the net present value of cash flows discounted at the yield.

Cash flows

Unimpaired loans

It is assumed that the cash flows for an unimpaired loan will be the regular remaining loan instalments payments.

Impaired loans – secured

The cash flows for impaired loans may not necessarily be the regular remaining loan instalments. In most cases, the fair value of the collateral will be substituted for the cash flows. The expected time to dispose of the collateral will direct which period the cash flows will come in for discounting purposes. This is similar to the existing impairment model, with the exception that the market discount rate is used instead of the original loan effective interest rate.

Yield

The yield is calculated as follows: Market Base Rate (CBTT rate) +/- Credit Spread at inception +/- credit spread adjustments.

Market base rate

The CBTT publishes the average loan rates granted for non-banking financial institutions on a monthly basis. We assume that the published rates is representative of the average base market rates for loans.

Credit spread

The actual rates granted to individual customers may be higher or lower than the CBTT published rates. This is expected as some customers may carry a higher or lower credit risk in comparison to the entire market. The credit spread at inception is a residual calculation representing the difference between the CBTT Base Rate and the Actual Loan Rate at the inception date of the loan.

Credit spread adjustments

It is expected that circumstances may change during the course of a loan which may result in changes to the credit spread.

The following table summarises the carrying amounts and fair values of those financial assets and liabilities presented on the statement of financial position at an amount other than their fair value.

26 Fair values of financial assets and liabilities (continued)

c. *Assets and liabilities not carried at fair value but for which fair value is disclosed (continued)*

The carrying amount and fair value of the financial assets and liabilities are as follows: -

	Carrying value		Fair value	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Cash on hand and due from banks	22,963	40,103	22,963	40,103
Statutory deposits with Central Bank	74,404	81,404	74,404	81,404
Financial assets:				
- Investment securities at amortised cost	259,771	157,700	268,715	158,950
- Loans to customers	592,343	577,032	620,051	652,449
Financial liabilities				
Customers' deposits	823,819	862,660	816,470	846,638

The fair values of the Company's financial instruments are determined in accordance with International Financial Reporting Standard (IFRS) 9 "Financial instruments: Recognition and Measurement".

Financial instruments where carrying value is equal to fair value

Due to their liquidity and short-term maturity, the carrying values of certain financial instruments approximate their fair values. Financial instruments where carrying value is approximately equal to fair value include cash on hand and due from banks and statutory deposits with Central Banks.

Loans to customers less allowance for loan losses

Loans to customers are net of specific and other provisions for impairment, which reflects the additional credit risk. The estimated fair value of these loans represents the discounted amount of future cash flows based on prevailing market rates.

Customer deposits

Due to their liquidity and short-term maturity, the carrying values of some customer deposits approximate their fair value. The fair value of the other customer deposits is computed using discounted cash flow analyses at current market interest rates.

27 Subsequent events

There were no events after the reporting period which were material to the financial statements and should have resulted in adjustments to the financial statements or disclosures when the financial statements were authorised for issue.