



TOGETHER WE SUCCEED

ANNUAL REPORT

2026

One Vision. A Future of Possibilities.



MISSION STATEMENT

**TDC is fully Committed to total Customer Satisfaction;
Employee Excellence through Participation and Training
to provide Maximum Benefits
for Shareholders while Contributing meaningfully to the
Economic, Social and
Cultural Advancement of our Nation.**

VISION STATEMENT

**To be the leading Public Company
in the OECS as measured by:**

- ◆ Customer Satisfaction
- ◆ Return on Investment
- ◆ Human Resources Development
- ◆ Good Corporate Citizenship



TABLE OF CONTENTS

CORPORATE INFORMATION	3
NOTICE OF MEETING	4
REPORT OF THE DIRECTORS	5
FINANCIAL REVIEW	11
AUDIT COMMITTEE REPORT TO SHAREHOLDERS	15
INDEPENDENT AUDITOR'S REPORT	18
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	23
CONSOLIDATED STATEMENT OF INCOME	25
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	27
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	28
CONSOLIDATED STATEMENT OF CASH FLOWS	29
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	31
OUR PARTNERS	150

CORPORATE INFORMATION



TDC 52nd Annual General Meeting - Board of Directors

Left to Right –

Nicolas N. Menon, B.Sc., M.B.A., **Melvin R. Edwards**, B.A. (Hons), M.Sc.,
Patricia S. Walters, B. A., FCCA, **D. Michael Morton**, C.B.E., J.P.,
Maritza S. Bowry, B.Sc., M.B.A., C.P.A., **Earle A. Kelly**, B.A., M.B.A. (Chairman),
Warren Z. Moving, B.Sc. (Company Secretary), **Glenville R. Jeffers**, B.B.A.,
Kurlyn D. V. Merchant, LLB, LLM, **Kachi M. Armony**, BCS.,
Wendell E. Lawrence, OBE, B.Sc., M.Sc., C.P.A., C.G.M.A.

Virtual Attendance:

Charles L. A. Wilkin, C.M.G., K.C., M.A., (Cantab)
O. Nicholas Brisbane, B.Sc., M.Sc.

Registered Office: Fort Street, Basseterre, St. Kitts

Bankers: CIBC Caribbean Bank (Barbados) Limited
St. Kitts-Nevis-Anguilla National Bank Limited
Republic Bank (EC) Limited
The Bank of Nevis Limited

NOTICE OF MEETING

Notice is hereby given that the fifty-third (53rd) Annual General Meeting of the St. Kitts Nevis Anguilla Trading and Development Company Limited (TDC) will be held at The Beach House, St. Kitts Marriott Resort, Frigate Bay, St. Kitts on Thursday, October 29, 2026 at 5:00 p.m.

Agenda

1. To receive the Report of the Directors.
2. To receive and consider the Report of the Auditors.
3. To receive and consider the Financial Statements for the year ended March 31, 2026.
4. To declare a Dividend.
5. To elect Directors to replace those retiring by rotation. In accordance with Article 99 of the Articles of Association, Mr. Earle A. Kelly, Ms. Patricia S. Walters and Ms. Kurlyn D. V. Merchant retire and, being eligible, offer themselves for re-election.
6. To elect a Director to replace the late Mr. Charles L. A. Wilkin, CMG, KC, MA (Cantab).
7. To appoint Auditors and to authorize the Directors to fix their remuneration for the ensuing year. In accordance with Article 149 of the Articles of Association, the Auditors, Grant Thornton, Chartered Accountants, retire and, being eligible, offer themselves for re-election.

BY ORDER OF THE BOARD



Charlene P. Stapleton
Company Secretary

September 30, 2026

If you wish to join the meeting virtually, you may do so by registering through the following link: <https://tinyurl.com/TDC53AGM> or by scanning the QR code below.



Registration must be completed before 12:00 p.m. on the day of the meeting.

Copies of the Annual Report will be available on the Company's website: <https://tdcgrouplimited.com>

A member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, to vote on the member's behalf. A proxy need not be a member of the Company. A form of proxy is enclosed. Completed proxy forms must reach the Company Secretary no later than 5:00 p.m. on Wednesday, October 28, 2026, being not less than 24 hours before the Annual General Meeting.

Shareholders requiring transportation to and from the venue are encouraged to register with the Administration Department by calling 465-2511, extensions 1116, 1162 or 1171. Buses will depart from the parking lot on Bank Street, Basseterre, at 4:30 p.m. on the day of the Annual General Meeting.

REPORT OF THE DIRECTORS

For the Financial Year Ended March 31, 2026

INTRODUCTION

The financial year ended March 31, 2026 was one of meaningful growth, stronger liquidity and important leadership transitions for St. Kitts Nevis Anguilla Trading and Development Company Limited (the “Company”) and its subsidiaries (the “Group”).

Group revenue increased by 11.08% to \$141.45 million, while total assets, shareholders’ equity and cash resources also improved. These outcomes demonstrate the underlying resilience of the Group’s diversified portfolio and its ability to generate growth across trading, financial services, insurance, real estate, transportation and service operations.

At the same time, higher employee, professional and operating costs, together with increased impairment provisions on loans and receivables, reduced operating profit and earnings attributable to shareholders. The Board recognises that revenue growth must translate more consistently into improved profitability, stronger returns on capital and sustainable shareholder value.

Accordingly, the Board and management have sharpened their focus on cost discipline, margin improvement, working-capital efficiency, portfolio quality, customer experience and clearer accountability for business performance. Supported by the Group’s stronger financial position, these priorities provide a sound platform for the next phase of TDC’s development.

The Directors are pleased to present the Annual Report and audited consolidated financial statements of the Group for the financial year ended March 31, 2026.

OPERATING ENVIRONMENT

The Group operated in an environment characterised by moderate economic growth, persistent inflationary pressures, increasing labour, insurance and compliance costs, energy-supply and price volatility, changing tariff policies and heightened geopolitical uncertainty.

Within the Federation of St. Kitts and Nevis, tourism remained an important contributor to economic activity, while construction, real estate development and financial services continued to support local growth. Customer expectations and purchasing patterns also continued to evolve, influenced by technological change, stronger competition and increased access to international markets.

Against this backdrop, the Board remained focused on managing external risks while positioning the Group to benefit from opportunities across its diversified portfolio. Particular attention was given to liquidity, capital strength, operating efficiency, credit quality, customer service and the disciplined allocation of resources.

GROUP FINANCIAL PERFORMANCE

The Group achieved revenue of \$141.45 million, representing an increase of 11.08% over the previous financial year. Gross profit increased by 8.20%, demonstrating the breadth and resilience of the Group’s business portfolio. However, gross profit grew more slowly than revenue, reflecting cost pressures and changes in business mix.

\$0.08
Dividend per share

\$552.38m
Total assets

\$141.45m
Group revenue

11.08%
Revenue growth

Operating profit amounted to \$14.90 million, a decline of 21.71% compared with the previous year. Profit before income tax from continuing operations was \$12.50 million, profit attributable to shareholders was \$11.92 million and earnings per share amounted to \$0.175. These results reflect the impact of higher operating costs and increased impairment provisions.

The Board is clear that future growth must deliver a stronger and more consistent contribution to earnings. Management's priorities therefore include tighter expense management, improved gross-margin performance, stronger credit and receivables controls, better inventory productivity and clearer accountability for divisional and subsidiary returns.

Notwithstanding the reduction in profitability, the Group's financial position strengthened. Total assets increased by 6.35% to \$552.38 million, shareholders' equity increased by 2.34% to \$232.57 million and cash resources increased by 42.44%. Cash generation from operating activities also improved, supported by stronger working-capital management, increased customer deposits and disciplined liquidity management.

This stronger balance sheet enhances the Group's capacity to meet its obligations, support strategic priorities and pursue appropriate opportunities. The Board will continue to emphasise prudent capital management, with new commitments assessed against strategic relevance, anticipated returns, associated risks and their contribution to long-term shareholder value.

OPERATIONAL PERFORMANCE

Retail and Commercial Operations

The Group's retail operations remained its largest business segment and generated external revenue of \$127.12 million, compared with \$117.99 million in the prior year. The Home and Building Depot operations in St. Kitts and Nevis continued to serve customers across the Federation despite increasing competition, higher logistics costs and changing purchasing patterns.

Management remained focused on inventory availability and productivity, pricing discipline, customer service and the expansion of digital capabilities. The strategic priority is to improve the quality and profitability of revenue growth through disciplined purchasing, more effective use of customer and sales data, better alignment of product offerings with demand and consistent delivery of service excellence.

The Automotive Division continued to operate in a highly competitive market affected by the growing importation of used vehicles. Initiatives focused on strengthening new-vehicle sales, servicing operations, parts availability and after-sales support, while evaluating opportunities associated with electric and other emerging vehicle technologies. The full customer relationship, from financing and vehicle sales to servicing, parts and after-sales care, will remain central to strengthening loyalty and improving long-term performance.

Financial Services

TDC Financial Services Company Limited continued to make an important contribution to Group earnings and growth. Loans to customers increased by 5.1% from \$175.40 million to \$184.42 million, while customer deposits increased by 15.4% from \$179.48 million to \$207.10 million.

Non-performing loans declined from \$7.45 million to \$6.58 million, representing approximately 4% of the loan portfolio. Net interest income remained strong at \$12.28 million, while total interest income increased to \$18.55 million from \$17.99 million. Regulatory capital remained comfortably above minimum requirements.

The Board remains committed to responsible and sustainable growth in financial services. Prudent lending standards, risk-based pricing, effective collections, improved customer experience and strong capital, liquidity and credit-risk management will remain central to protecting portfolio quality and supporting customers throughout the Federation.

Insurance and Reinsurance

The Group's insurance and reinsurance operations remained financially strong and well capitalised. Insurance revenue increased to \$39.86 million from \$36.49 million, while insurance service results amounted to \$4.59 million compared with \$5.22 million in 2025, reflecting the continuing effects of the hardened reinsurance market.

Both subsidiaries continued to exceed applicable statutory solvency requirements by substantial margins while maintaining prudent underwriting and risk-management practices. The Board's priorities include underwriting discipline, effective management of reinsurance costs, preservation of capital strength, improved efficiency and the disciplined pursuit of sustainable growth opportunities.

Real Estate, Transportation, Logistics and Other Services

The Group's rentals, hire purchase, airline services, shipping and real estate operations generated external revenue of \$14.34 million, compared with \$9.36 million in the prior year, representing growth of 53.2%.

The Dewars Housing Project continued to progress. Six homes were completed during the year, generating revenue of \$4,259,308. The project supports the Group's strategy of diversifying earnings while expanding residential development opportunities within the Federation. Continued attention will be given to construction costs, sales progress, customer experience, cash conversion and the effective use of capital.

TDC Rentals Limited focused on fleet optimisation, improved utilisation and customer service in response to increasing competition. TDC Airline Services Limited remained an important contributor to airport operations and regional aviation as a leading aircraft-handling agent at the R.L. Bradshaw International Airport. The company is positioned to benefit from increased aviation activity, including the Government's proposed home-porting initiative. Its worldwide courier partnership with DHL also continued to support performance and customer service.

The Shipping Department continued to facilitate the movement of goods into and out of the Federation while adapting to changes in shipping partnerships, logistics costs and heightened supply-route risks. Across these operations, management will remain focused on asset utilisation, service quality, operating efficiency, risk management and disciplined evaluation of growth opportunities.

STRATEGY AND TRANSFORMATION

During the year, the Board continued to oversee development of the Group's FY2026-FY2030 Corporate Strategy. The strategy provides a framework for improving profitability, strengthening collaboration across the Group, allocating capital more effectively, deepening customer relationships and creating sustainable long-term shareholder value.

Enhancing the customer experience remains central to the Group's transformation agenda. Initiatives included preparations to relaunch the Mega Rewards programme, expansion of digital channels, improved use of customer data and development of a more integrated Group-wide view of the customer.

The Group also continued to focus on operational productivity through better use of data, stronger working-capital management, process improvement and disciplined cost management. The objective is not simply to reduce expenditure, but to direct resources towards activities that improve customer outcomes, increase productivity and generate appropriate returns.

The Group's diversified portfolio remains a principal strength. The Board and management will continue to assess the contribution, strategic relevance, risks and return potential of each business and investment. Clear objectives, stronger performance monitoring and timely corrective action will support better capital allocation and more consistent results.

Employees remain essential to the Group's success. Leadership development, succession planning, performance management and the alignment of individual responsibilities with strategic objectives will remain priorities as TDC builds a more customer-focused, commercially aware, adaptable and accountable organisation.

RISK MANAGEMENT, GOVERNANCE AND LEADERSHIP

The Board recognises that effective risk management is fundamental to protecting shareholders, customers, employees and other stakeholders. During the year, the Board and its committees continued to oversee financial reporting, internal controls, credit risk, liquidity, regulatory compliance, technology, cybersecurity, succession planning and other material matters affecting the Group.

Following the retirement of former Chairman and Chief Executive Officer Mr. Earle A. Kelly during the final quarter of the financial year, the previously combined roles were formally separated. Mr. Wendell E. Lawrence was elected Chairman of the Board, with responsibility for Board leadership, strategic oversight, policy direction and governance. Mr. Nicolas N. Menon was appointed Chief Executive Officer, with responsibility for strategy development, resource allocation and operational leadership.

The separation of the roles represents an important evolution in the Company's governance framework. It establishes a clearer distinction between the Board's responsibility for oversight and policy direction and management's responsibility for strategy execution and operating performance, reinforcing accountability and supporting the Group's next phase of development.

The Board continued to discharge its responsibilities through the Audit Committee, Human Resources and Compensation Committee, Marketing Committee and Information Technology Steering Committee. These committees provided oversight of financial reporting, risk management, internal controls, succession planning, human resources, technology, cybersecurity, marketing and compliance matters.

DIVIDEND

The Board recommends a dividend of eight cents per share, amounting to \$4,160,000 for the financial year ended March 31, 2026. This compares with nine cents per share, amounting to \$4,680,000, paid in respect of the previous year.

In determining the recommended dividend, the Board considered the year's earnings, the Group's liquidity and capital requirements, applicable regulatory obligations, planned strategic investments and the importance of maintaining a prudent and sustainable distribution to shareholders. The recommendation balances an immediate return with the retention of sufficient financial capacity to strengthen the Group, support future growth and enhance long-term shareholder value.

OUTLOOK AND PRIORITIES

The operating outlook remains subject to inflationary pressures, global trade uncertainty, changing customer behaviour, rising costs, regulatory demands and increasing competition. Nevertheless, TDC enters the new financial year from a position of strength, supported by a resilient balance sheet, trusted brands, a diversified portfolio, experienced leadership and dedicated employees.

The Group's priorities are to improve operating margins and profitability; maintain disciplined management of costs, liquidity and capital; strengthen credit, receivables, inventory and working-capital performance; enhance customer experience and retention; accelerate appropriate digital and data-enabled transformation; improve collaboration across the Group; strengthen leadership capability and performance accountability; and pursue growth opportunities that meet clearly defined return and risk criteria.

The Board will continue to monitor performance closely and hold management accountable for translating the Group's scale, market position, financial strength and diversified portfolio into stronger and more consistent returns for shareholders.

DIRECTORS RETIRING BY ROTATION

In accordance with Article 99 of the Articles of Association, Mr. Earle A. Kelly, Ms. Patricia S. Walters and Ms. Kurlyn D. V. Merchant retire by rotation and, being eligible, offer themselves for re-election. The Board recommends their re-election and expresses its appreciation for their continued service, leadership and contribution to the governance and strategic direction of the Company.

APPOINTMENT OF AUDITORS

In accordance with Article 149 of the Articles of Association, Grant Thornton Chartered Accountants retire as Auditors and, being eligible, offer themselves for reappointment. The Board recommends their reappointment and seeks authority to fix their remuneration for the ensuing year.

CLOSING

The year under review demonstrated both the resilience of TDC and the work required to convert growth more consistently into sustainable earnings. While profitability declined, the Group achieved strong revenue growth, improved operating cash flow, strengthened its balance sheet, increased customer deposits, reduced non-performing loans and advanced important strategic initiatives.

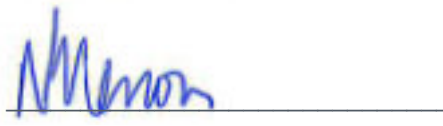
The Board and management are united around a clear objective: to serve customers better, operate more efficiently, invest more deliberately and deliver stronger, more consistent long-term value for shareholders. This combination of financial strength, strategic focus and disciplined execution provides confidence in TDC's capacity to navigate current pressures and pursue the opportunities ahead.

On behalf of the Board, we express our sincere appreciation to our shareholders for their continued confidence and support, our customers for their loyalty, and our management and employees for their dedication and commitment throughout the year.

Together, we will build a more innovative, accountable, resilient and high-performing TDC.



Wendell E. Lawrence
Chairman



Nicolas N. Menon
Chief Executive Officer

Sugar City Steel Orchestra Sponsorship



Celebrating the vibrant rhythms of our culture and investing in the talent that keeps our musical heritage alive.

FINANCIAL REVIEW

REVENUE

General Trading recorded a satisfactory performance during the year, anchored by enhanced procurement practices and strategically aligned marketing initiatives. These efforts enabled the company to improve inventory management across key product categories, minimize stockouts, and maintain a consistent supply of merchandise to meet customer demand. Marketing efforts were further expanded through digital campaigns, strategic partnerships, and targeted promotional activities, which increased customer engagement, drove traffic, and supported overall sales performance.

The revenue related to General Trading for the financial year April 1, 2025 to March 31, 2026 increased to \$127,115,570 compared to \$117,989,944 in the prior year.

Revenue from **Other Segments** (Vehicle Rentals, Hire Purchase, Airline Services, and Real Estate Development) continued to grow, increasing to \$14,338,850 compared to \$9,358,384, in the prior year. This was primarily driven by the completion of homes at the Dewars Housing Project. Additionally, TDC Airline Services Ltd revenue increased to \$8,197,195 for the year compared to \$7,403,625 in prior year.

GROSS MARGIN

Gross Margin decreased slightly to 30.26% compared to 31.06% for the prior financial year.

The Group continues to benefit from favourable sales mix, with a greater contribution from product lines or business units carrying stronger margins, together with closer monitoring of freight and supplier-related costs. These actions helped offset revenue pressures and supported the Group's ability to preserve stakeholder value.

PROFIT BEFORE TAX

Profit before income tax from continuing operations attributable to the Parent Company decreased from \$17,769,677 for the financial year April 1, 2024 to

March 31, 2025 to \$11,918,925 for the financial year April 1, 2025 to March 31, 2026 representing a decline of \$5,850,752 or 32.93%.

NET INTEREST INCOME

Net Interest income declined by 1.47%, decreasing from \$12,459,092, (April 1, 2024 to March 31, 2025) to \$12,275,717, (April 1, 2025 to March 31, 2026). Loans to customers increased across both current and non-current assets, while investment securities also rose, which expands the base of interest-earning assets and will contribute to higher recurring income. This growth helped offset the impact of higher funding costs associated with increased customer deposits.

DELINQUENCY RATES

The average delinquency rate for TDC Financial Services Company Ltd was 2.98% for the financial year under review, down from 4.17% in the prior year.

Loan delinquency rates remained below the industry average during the year, reflecting the strength of the Company's credit quality and disciplined approach to underwriting and risk management. The favorable delinquency performance supports the overall quality of the loan portfolio, helps mitigate credit-loss risk, and contributes to more stable earnings. Management remains committed on maintaining prudent credit standards and effective portfolio monitoring and remain regulatory compliant.

The performance of TDC Financial Services Company Ltd delinquency is below The ECCB's prudential benchmark of 5%, reinforcing its reputation for disciplined lending and portfolio quality.

In comparison:

- The ECCU area recorded a delinquency rate of 7.46% in 2025, down from 9.63% in 2024.
- St. Kitts and Nevis reported 15.82% in 2024, down from 17.99% in the prior year.

NET INSURANCE SERVICE RESULT

The Net Insurance Service Result for the year was \$4,592,230, as compared to \$5,223,215 in prior year, a decline of \$630,985 or 12.08%.

OPERATING EXPENSES

Operating Expenses totaled \$57,846,143 for the year compared to \$50,954,796 for the prior year. This reflects an increase of \$6,891,347 or 13.52%, driven primarily by increases in Employee Costs and General and Administrative Expenses.

EMPLOYEE COSTS

Employee Costs remain the largest contributor to Operating Expenses, as is customary with large organizations, accounting for 51.85% in the year and 52.56% in the prior year.

The increase was attributable to salary adjustments, additional staffing, and targeted investments in key areas of the business, including risk management, technology and customer service.

These investments have enabled the Company to strengthen its workforce, enhance service delivery, support growth initiatives, and maintain the capabilities required to meet evolving customer and regulatory requirements.

GENERAL AND ADMINISTRATIVE EXPENSES

General and Administrative Expenses account for 40.32% of Operating Expenses in the year, compared to 36.72% in the prior year. Key contributors to the increase include:

- Repairs and Maintenance of \$3,220,960 is the largest category of General and Administrative Expenses and increased by \$344,020 or 11.97%. The higher costs also reflected the completion of planned maintenance, repairs to aging infrastructure, and the replacement of components and equipment necessary to maintain operational efficiency.

- Legal and Professional Fees of \$3,151,907 were incurred during the year. This represents an increase of \$1,087,756 or 52.70% over prior year. There was a judgement in relation to a claim that resulted in an additional provision of \$1,023,769.
- Net impairment loss on loans to customers increased to \$1,638,908, compared to \$256,865 in the prior year. This provision is in line with the accounting standards relating to potential credit loss on the loan portfolio for TDC Financial Services Company Ltd and is not an actual loss in the portfolio. Higher impairment charges were driven by increased financial pressure on certain borrowers, including reduced cash flows and repayment capacity, as well as, a higher risk profile within selected exposures. These factors resulted in increased probabilities of default and higher expected loss estimates on affected loans.

Management responded proactively by strengthening credit monitoring, collection efforts, and risk management measures, while ensuring that provisions remained appropriate to the level of identified risk.

INCOME FROM ASSOCIATED COMPANIES

The share of income from associated companies decreased by \$1,439,895, particularly due to the reduction in profits reported by St Kitts Masonry Products Ltd of \$253,985 compared to \$1,508,844 in the prior year. There was significant road construction in 2024 and similar income streams were not realized in 2025. Management continues to focus on improving plant efficiency, controlling operating costs and identifying opportunities to diversify the customer base.

INCOME TAX EXPENSE

Income Tax expense was \$3,005,591 for the financial year compared to \$3,388,814 in the prior year. A Net Deferred tax credit of \$222,443 was recorded compared to an expense of \$81,939 in the prior year.

The deferred tax liability was \$5,737,565 at March 31, 2026 compared to \$5,893,079 at March 31, 2025, a

decrease of \$155,514 or 2.64%. These liabilities arise from temporary differences between financial and tax accounting, such as varying depreciation methods and rates.

Deferred tax assets were \$264,559 at March 31, 2026 compared to \$197,630 at the end of the prior year, an increase of \$66,929 or 33.87%. These assets represent amounts available to reduce taxes payable in the future.

The effective tax rate increased to 24.05% compared to 18.15% in the prior year.

DISCONTINUED OPERATIONS

The profit from discontinued operations was \$201,253 compared to a loss of \$605,260 in the prior financial year. Liabilities that became statute barred for Ocean Terrace Inn Ltd were credited to income.

Entities included under discontinued operations are the Ocean Terrace Inn Ltd, City Drug Store (Nevis) Ltd, City Drug Store (2005) Ltd and St Kitts Bottling Company Ltd.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Total Assets increased by 6.35%. The largest increase was reflected in Investment Securities that grew to \$124,761,544 as at March 31, 2026, from \$114,274,420 as at March 31, 2025, an increase of \$10,487,124 or 9.18%. The increase in investments during the year was primarily driven by the deployment of surplus funds into investment opportunities.

Current Assets increased by \$29,148,868 or 13.01%. Short-term Investments and Cash Equivalents increased by \$15,241,602 and \$11,860,445, respectively.

Current Liabilities increased by \$14,004,940, mainly due to the positive movement in Customers' Deposits. Customers' Deposits increased to \$204,342,675 as at March 31, 2026, from \$176,836,231 as at March 31, 2025, an increase of \$27,506,444 or 15.55%.

The working capital deficit was \$40,349,342 as at March 31, 2026 compared to a deficit of \$55,493,270 as

at March 31, 2025, a net positive movement of \$15,143,928.

Loans to customers classified as current assets is \$31,512,597 and \$29,942,558 as at March 31, 2026 and March 31, 2025, respectively.

Current ratio is at 0.86: 1 compared to 0.80:1 at the end of the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows provided by operating activities supplemented with long-term and short-term borrowings have been sufficient to fund our operations while allowing us to invest in activities that support the long-term growth of our operations. Operating cash flow results mainly from cash received from customers, offset by cash payments for products and services, compensation, and operations.

Cash used in operating activities is affected by changes in working capital that are subject to many variables, including seasonality, inventory management, timing of cash receipts and payments.

The increase in net cash from operating activities is primarily due to the changes in The Group's equity position which strengthened during the year.

TDC Group used \$11,166,366 in investing activities during the year, particularly in US Government Treasury Bills and Corporate Bonds. Additional funds were allocated into securities to optimize returns and strengthen and diversify its investment portfolio.

Cash used in financing activities amounted to \$11,034,352. During the year funds secured from a loan in the prior year were applied to a long-term loan that was repaid in full.

Dividend payment of \$4,680,000 was made during the year under review compared to \$4,160,000 in the prior year.

The Group has utilized debt financing to lower the cost of capital and increase the return on Shareholders' Equity. As at March 31, 2026, Borrowings totaled \$38,385,393 while Net Debt moved from \$14,588,321 in prior year to Net Cash of \$1,422,532 as at the end of the current year.

Security Forces Annual Football Camp Sponsorship



Empowering young athletes to develop their talent, build discipline, and score a winning future on and off the field.

AUDIT COMMITTEE REPORT TO SHAREHOLDERS

Financial Year Ended March 31, 2026

The Group Audit Committee hereby reports on the significant deliberations and activities undertaken during the year under review.

The Committee is satisfied that it has discharged its responsibilities under the Audit Committee Charter and continued to support the Board of Directors by providing independent oversight of financial reporting, risk management, internal controls, compliance and internal audit activities throughout the Group.

Audit Committee Membership

The Audit Committee comprised four individuals independent of Executive Management:

- Melvin Edwards, Chairman of the Audit Committee; Director, TDC Ltd.
- Frank Evelyn, Member; Director, TDC Nevis Ltd. and TDC Financial Services Company Ltd.
- Wendell Lawrence, Member; Director, TDC Ltd., TDC Financial Services Company Ltd. and TDC Insurance Company Ltd.
- Marilyn Johnson, Member; Independent Professional.

Nicky Defoe, Group Chief Internal Auditor, served as Recording Secretary throughout the year.

Meetings

Four Audit Committee meetings were held during the year under review:

- 64th Meeting - June 18, 2025
- 65th Meeting - September 25, 2025
- 66th Meeting - December 4, 2025
- 67th Meeting - March 30, 2026

Major Activities

In carrying out its mandate, the Committee focused particularly on:

- Reviewing the annual financial audit.
- Addressing accounting and reporting challenges affecting completion of the annual audit.
- Monitoring the implementation of the External Auditor's recommendations.
- Assessing risk management and internal control weaknesses identified through audit activities.
- Conducting governance reviews at MAICO.
- Overseeing significant compliance and regulatory matters.

Financial Reporting and Annual Audit

The Committee monitored the progress of the FY2026 external audit and reviewed the draft audited financial statements. Key observations included:

- Continued growth in revenue and assets.
- Improved liquidity and cash balances.
- Higher employee costs, operating costs and provisions for Expected Credit Loss.
- Lower profit before and after tax.

The Committee drew the Board's attention to:

- Working capital pressures and continued reliance on overdraft facilities.
- Outstanding supplier balances and the need to strengthen cash flow management.
- The need for effective credit risk monitoring, including the timely calculation and reporting of Expected Credit Loss provisions.
- Receivables management and customer credit exposure.

The Committee recommended that the Board approve the audited financial statements for the year under review. It also commended Management, the Finance Department and the External Auditors for the improved management and timely completion of the annual audit process.

External Auditor Recommendations, Risk Management and Internal Control

The Committee reviewed recurring deficiencies identified by the External Auditors and monitored Management's response. Particular attention was given to accounting and reporting processes, inventory and cash management controls, user access controls, policy compliance and implementation of the Group Purchasing Manual. The Committee also supported the Board's efforts to strengthen accountability and ensure the timely resolution of identified weaknesses.

Compliance and Governance

The Committee noted improvements in compliance, together with the timely submission of periodic regulatory disclosure reports by TDC Financial Services Company Ltd. and TDC Insurance Company Ltd., while continuing to monitor areas requiring corrective action.

Internal Audit

The Committee maintained close oversight of the operations of the Internal Audit Department.

During the year, 47 audits were completed, the Quality Assurance and Improvement Program (QAIP) was advanced, client satisfaction reached 84%, and staff pursued professional development and certification opportunities provided by the Company.

The Committee extends its appreciation to the Board of Directors, Management, the Internal Audit Department and the External Auditors for their cooperation and support throughout the year.



Melvin R. Edwards

For and on behalf of the Audit Committee, TDC Group

Date: October 5, 2026

Joycelyn Liburd Primary School School-Community Partnership



**Reaffirming our commitment to
empowering young minds, supporting
education, and building brighter futures
for our Nation's children.**

Grant Thornton

Corner Bank Street and West
Independence Square
P.O. Box 1038
Basseterre, St. Kitts
West Indies

T + 1 869 466 8200

F + 1 869 466 9822

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of St. Kitts Nevis Anguilla Trading and Development Company Limited

Opinion

We have audited the consolidated financial statements of **St. Kitts Nevis Anguilla Trading and Development Company Limited** and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Matters ...continued***Loans to customers******Description of the Matter***

As at March 31, 2026, loans to customers amounted to \$184,420,821, net of allowance for impairment of \$3,462,162 and represents 33% of the Group's total assets.

The allowance for impairment of loans to customers is considered to be a matter of significance, as it requires the application of critical management judgement and use of subjective estimates in determining the amount of impairment losses that are required to be recognised in the consolidated financial statements. These judgments and expected credit estimates are disclosed in the Group's material accounting policy information in Note 4 to the consolidated financial statements.

The Group used the expected credit loss (ECL) model in determining the impairment of its loans to customers. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, the associated loss ratio and of default correlation between counterparties. Furthermore, the Group incorporated forward-looking information into the assessment of whether the credit risk of an instrument has increased significantly from its initial recognition to the date of measurement of ECL. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

The disclosures relating to the allowance for impairment of loans to customers, and the related credit risk are included in Notes 5 and 9 to the consolidated financial statements.

How the Matter was addressed in the Audit

Our audit procedures to address the risk of material misstatement relating to the adequacy of the allowance for impairment of loans to customers, which was considered to be a significant risk, included the following:

- Obtained an understanding of the Group's credit policy and loan impairment assessment process;
- Tested the controls over the approval, recording and monitoring of loans to customers, loan classification into stages and calculation and recognition of the allowance for impairment;
- Verified that the loans to customers are allocated to the appropriate stage, and challenged the criteria used to categorize loans to stage 1, 2 or 3 in accordance with the impairment requirements of IFRS 9;
- Evaluated the inputs and assumptions, as well as the formulae used in the development of the ECL model for the loan portfolio. This included assessing the appropriateness of design of the ECL impairment model and formulae used in determining the expected credit losses;

Key Audit Matters ...continued***Loans to customers ...continued******How the Matter was addressed in the Audit ...continued***

- Assessed the borrowers' repayment abilities by examining payment history for selected accounts, macro-economic factors and collateral values; and
- Assessed the adequacy of related financial statement disclosures to ensure they are in accordance with the requirements of IFRS 9.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements ...continued

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements ...continued

The engagement partner on the audit resulting in this independent auditor's report is Lisa Maryse Roberts.

Grant Thornton

**Chartered Accountants
September 30, 2026
Basseterre, St. Kitts**

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Financial Position

As at March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	7	39,807,925	27,947,480
Investment securities	8	102,653,824	87,412,222
Loans to customers	9	31,512,597	29,942,558
Receivables	10	9,254,433	9,801,323
Insurance contract assets	19	2,186,776	19
Reinsurance contract assets	19	5,925,415	5,668,772
Due from related parties	13	442,503	229,105
Inventories	11	52,335,231	54,521,477
Prepayments and other current assets	12	8,861,005	8,073,462
Income tax recoverable	22	164,536	198,347
Assets included in disposal group	14	59,121	259,733
Total current assets		253,203,366	224,054,498
Non-current assets			
Investment securities	8	22,107,720	26,862,198
Loans to customers	9	152,908,224	145,459,713
Receivables	10	3,308,081	3,078,079
Investment in associates	15	14,745,692	14,248,371
Property, plant and equipment	16	105,599,621	105,168,200
Intangible assets	17	239,844	303,405
Deferred tax assets	22	264,559	197,630
Assets included in disposal group	14	—	630
Total non-current assets		299,173,741	295,318,226
Total assets		552,377,107	519,372,724
Liabilities			
Current liabilities			
Borrowings	18	23,109,829	42,535,801
Insurance contract liabilities	19	20,387,847	14,980,139
Customers' deposits	20	204,342,675	176,836,231
Accounts payable and other liabilities	21	44,786,528	43,967,590
Income tax payable	22	829,503	778,600
Due to related parties	13	18,180	—
Liabilities included in disposal group	14	78,146	449,407
Total current liabilities		293,552,708	279,547,768
Non-current liabilities			
Borrowings	18	15,275,564	—
Insurance contract liabilities	19	—	1,604,233
Customers' deposits	20	2,759,107	2,645,243
Accounts payable and other liabilities	21	2,485,961	2,426,140
Deferred tax liabilities	22	5,737,565	5,893,079
Total non-current liabilities		26,258,197	12,568,695
Total liabilities		319,810,905	292,116,463

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Financial Position ...*continued*

As at March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Shareholders' equity			
Share capital	23	52,000,000	52,000,000
Other reserves	24	80,416,233	80,154,523
Retained earnings		93,044,215	88,166,101
		<u>225,460,448</u>	<u>220,320,624</u>
Non-controlling interests		<u>7,105,754</u>	<u>6,935,637</u>
Total shareholders' equity		<u>232,566,202</u>	<u>227,256,261</u>
Total liabilities and shareholders' equity		<u>552,377,107</u>	<u>519,372,724</u>

The accompanying notes are an integral part of these consolidated financial statements.

Approved for issue by the Board of Directors on September 30, 2026.


Chairman


Director

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Income

For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Revenue	25	141,454,420	127,348,328
Cost of sales		(98,656,870)	(87,794,784)
Gross profit		42,797,550	39,553,544
Other income	26	13,101,313	12,719,881
Net interest income	31	12,275,717	12,459,092
Insurance service result	19	4,592,230	5,223,215
Net insurance financial result		(19,000)	33,125
Operating income before operating expenses		72,747,810	69,988,857
Operating expenses			
Employee costs	27	(29,991,366)	(26,783,993)
General and administrative	28	(23,321,809)	(18,708,323)
Depreciation and amortisation	29	(4,532,968)	(4,397,815)
Decline in value of inventory	11	–	(1,064,665)
		(57,846,143)	(50,954,796)
Operating profit		14,901,667	19,034,061
Share of income of associated companies	15	632,056	2,071,951
Revaluation loss reversal	16	–	681,362
Finance charges	30	(3,036,221)	(3,111,682)
Profit before income tax from continuing operations		12,497,502	18,675,692
Profit before income tax from continuing operations attributable to:			
Parent company		11,918,925	17,769,677
Non-controlling interests		578,577	906,015
		12,497,502	18,675,692
Income tax expense	22	(3,005,591)	(3,388,814)
Profit for the year from continuing operations		9,491,911	15,286,878
Profit/(loss) for the year from discontinued operations	14	201,253	(605,260)
Profit for the year		9,693,164	14,681,618

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Income ...continued

For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Note	2026 \$	2025 \$
Profit for the period attributable to:			
Parent company		9,123,586	13,789,294
Non-controlling interests		569,578	892,324
		<u>9,693,164</u>	<u>14,681,618</u>
Earnings per share			
Basic and diluted per share	32	<u>0.175</u>	<u>0.265</u>

The accompanying notes are an integral part of these consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited
Consolidated Statement of Comprehensive Income
For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Profit for the year		9,693,164	14,681,618
Other comprehensive income/(loss):			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Share in associated companies' other comprehensive income	15, 24	446,640	—
Fair value gains on investment securities	8	250,137	536,136
Revaluation surplus, net of tax	16, 22	—	9,824,868
Total comprehensive income for the year		10,389,941	25,042,622
Total comprehensive income for the year attributable to:			
Parent company		9,819,824	24,152,183
Non-controlling interests		570,117	890,439
		10,389,941	25,042,622

The accompanying notes are an integral part of these consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Changes in Shareholders' Equity

For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	Share capital \$	Other reserves \$	Retained earnings \$	Subtotal \$	Non-controlling interests \$	Total \$
Balance at March 31, 2024		52,000,000	68,552,476	79,775,965	200,328,441	6,045,198	206,373,639
Comprehensive income							
Profit for the year	24	–	–	13,789,294	13,789,294	892,324	14,681,618
Transfer to reserve fund	24	–	986,215	(986,215)	–	–	–
Transfer from retained earnings	24	–	252,943	(252,943)	–	–	–
Other comprehensive income							
Fair value gains on investment securities	8	–	538,021	–	538,021	(1,885)	536,136
Revaluation surplus, net of tax	16, 22	–	9,824,868	–	9,824,868	–	9,824,868
Transactions with owners							
Dividends	23	–	–	(4,160,000)	(4,160,000)	–	(4,160,000)
Balance at March 31, 2025		52,000,000	80,154,523	88,166,101	220,320,624	6,935,637	227,256,261
Comprehensive income							
Profit for the year	24	–	–	9,123,586	9,123,586	569,578	9,693,164
Transfer to reserve fund	24	–	783,833	(783,833)	–	–	–
Transfer from retained earnings	24	–	(1,218,361)	1,218,361	–	–	–
Other comprehensive income							
Fair value gains on investment securities	8	–	249,598	–	249,598	539	250,137
Share in associated companies' other comprehensive income	15, 24	–	446,640	–	446,640	–	446,640
Transactions with owners							
Dividends	23	–	–	(4,680,000)	(4,680,000)	(400,000)	(5,080,000)
Balance at March 31, 2026		52,000,000	80,416,233	93,044,215	225,460,448	7,105,754	232,566,202

The accompanying notes are an integral part of these consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Cash Flows

For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Cash flows from operating activities			
Profit before income tax from continuing operations		12,497,502	18,675,692
Items not affecting cash:			
Interest expense		8,235,000	7,431,649
Depreciation and amortisation	29	5,441,462	5,055,238
Impairment losses of loans to customers, net	28	1,638,908	256,865
Impairment losses/(reversals) of receivables	28	189,180	(590,975)
Decline in value of inventory	11	–	1,064,665
Revaluation loss reversal `	16	–	(681,362)
Impairment reversals of investment securities	28	(43,854)	(216,916)
Dividend income	26	(529,335)	(243,733)
Share of income of associated companies	15	(632,056)	(2,071,951)
Gains on disposals of property and equipment	16	(699,729)	(214,240)
Interest income		(18,554,300)	(17,989,024)
Cash flows from operations before changes in operating assets and liabilities		7,542,778	10,475,908
Increase in loans to customers		(10,554,904)	(24,552,855)
Decrease in receivables		127,708	1,360,098
(Increase)/decrease in insurance contract assets		(2,186,757)	17,956
Increase in reinsurance contract assets		(256,643)	(1,778,321)
Increase in due from related parties		(213,398)	(229,105)
Decrease/(increase) in inventories		2,186,246	(5,932,667)
Increase in prepayments and other assets		(787,543)	(953,541)
Increase in insurance contract liabilities		3,803,475	3,523,563
Decrease in reinsurance contract liabilities		–	(88,167)
Increase in customers' deposits		27,390,377	24,947,163
Increase in accounts payable and other liabilities		1,021,955	1,328,207
Increase/(decrease) in due to related parties		18,180	(456,013)
Net cash from operating activities before interest receipts and payments and tax		28,091,474	7,662,226
Interest received		15,427,926	14,444,236
Taxes paid	22	(3,143,320)	(2,531,825)
Interest paid		(6,344,321)	(5,301,640)
Net cash from operating activities from continuing operations		34,031,759	14,272,997
Net cash used in operating activities from discontinued operations	14	(79,095)	(47,982)
Net cash from operating activities		33,952,664	14,225,015

St. Kitts Nevis Anguilla Trading and Development Company Limited

Consolidated Statement of Cash Flows ...continued

For the year ended March 31, 2026

(expressed in Eastern Caribbean dollars)

	Notes	2026 \$	2025 \$
Cash flows from investing activities			
Interest received		2,920,585	3,249,037
Dividends received		1,110,710	843,733
Proceeds from disposals of property and equipment		918,868	987,406
Purchase of intangible assets	17	—	(13,500)
Purchase of property, plant and equipment	16	(6,028,461)	(5,538,326)
Purchase of investment securities, net		(10,089,898)	(19,944,687)
Net cash used in investing activities from continuing operations		(11,168,196)	(20,416,337)
Net cash from investing activities from discontinued operations	14	1,830	42,724
Net cash (used in)/from investing activities		(11,166,366)	(20,373,613)
Cash flows from financing activities			
Interest paid on lease liabilities	21	(81,523)	(76,588)
Repayments of lease liabilities, net	21	(143,196)	(145,902)
Dividends paid attributable to non-controlling interests		(400,000)	—
Interest paid on borrowings		(1,579,225)	(1,617,665)
(Repayments)/proceeds from borrowings, net		(4,150,408)	9,897,964
Dividends paid attributable to parent company	23	(4,680,000)	(4,160,000)
Net cash (used in)/ from financing activities from continuing operations		(11,034,352)	3,897,809
Net cash used in financing activities from discontinued operations	14	—	(102,322)
Net cash (used in)/ from financing activities		(11,034,352)	3,795,487
Net increase/(decrease) in cash and cash equivalents		11,751,946	(2,353,111)
Cash and cash equivalents at beginning of year		28,089,084	30,442,195
Cash and cash equivalents at end of year		39,841,030	28,089,084
Represented by:			
Cash and cash equivalents	7	39,807,925	27,947,480
Cash under assets included in disposal group	14	33,105	141,604
		39,841,030	28,089,084

The accompanying notes are an integral part of these consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

1 Nature of operations

St. Kitts Nevis Anguilla Trading and Development Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are engaged in the business of general trading, services, vehicle sales, auto and equipment rental, hire purchase financing, insurance, consumer and mortgage financing, real estate development and shipping services.

2 General information, statement of compliance with IFRS Accounting Standards and going concern assumption

The Company was incorporated on January 8, 1973 as a public limited company under the Companies Act Chapter 335 of the Laws of St. Kitts and Nevis. The registered office of the Company is situated at Fort Street, Basseterre, St. Kitts. The Company’s shares are listed on the Eastern Caribbean Securities Exchange.

The accompanying consolidated financial statements are the financial statements of the Group and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared under the historical cost basis, as modified by the revaluation of land and buildings and financial assets at fair value through other comprehensive income (FVOCI). The measurement bases are fully described in the material accounting policy information. The consolidated financial statements have been prepared under the assumption that the Group operates on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due. In confirming the validity of the going concern basis of preparation, the Group has considered the following specific factors:

- the Group reported a net profit of \$9,693,164 (2025: \$14,681,618) for the year;
- the Group generated positive operating cash flows of \$33,952,664 (2025: \$14,225,015) in the current year; and
- the Group reported total equity of \$232,566,202 (2025: \$227,256,261) as at end of the reporting period.

Based on these factors, management has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

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

3 Changes in accounting policies

New standards and amended standards effective for the financial year beginning April 1, 2025

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed that Lack of Exchangeability (Amendments to IAS 21) is relevant to the Group.

These amendments do not have significant impact on these consolidated financial statements and therefore the disclosures have not been made. Accordingly, the Group has made no changes to its accounting policies in 2026.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

3 Changes in accounting policies ...continued

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

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes;
- the classification of all income and expenses within the statement of profit or loss in one of five categories;
- a new requirement to disclose performance measures defined by management; and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, IAS 8 will be renamed 'Basis of Preparation of Financial Statements'.

The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions.

The Group is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information

The consolidated financial statements have been prepared using the material accounting policy information and measurement bases summarised below.

a) Basis of consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiaries as at March 31, 2026. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of March 31.

All transactions and balances between the Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

b) Investment in associates

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries. They are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost and subsequently adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of income reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of income. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

b) Investment in associates ...continued

If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the loss as 'Impairment loss on investments' in the consolidated statement of income.

Upon loss of significant influence over an associate or a joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of comprehensive income.

c) Foreign currency translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Eastern Caribbean dollars, which is also the functional currency.

(ii) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Group, using the exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the consolidated statement of income.

d) Segment reporting

The Group has three main operating segments: general trading and services, insurance and financing operations. In identifying these operating segments, management generally follows the Group's service lines representing its main products and services.

Each of these operating segments is managed separately as each requires different technologies, marketing approaches and other resources. All intra-segment transfers are carried out at cost.

For management purposes, the Group uses the same measurement policies as those used in its consolidated financial statements. Income taxes are managed and computed on a company basis and are not allocated to operating segments. The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

e) Revenue recognition

Revenue arises from the sale of goods and rendering of services. It is measured at the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts. To determine whether to recognise revenue, the Group follows a 5-step process:

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

For Step 1 to be achieved, the following five criteria must be present:

- the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
- each party's rights regarding the goods or services to be transferred or performed can be identified;
- the payment terms for the goods or services to be transferred or performed can be identified;
- the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and
- collection of the consideration in exchange of the goods and services is probable.

The Group derives revenue from sale of goods and rendering of services is either at point in time or overtime, when (or as) the Group satisfies performance obligations by rendering the promised services to its customers.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- the Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

The Group often enters into transactions involving the sale of vehicles and maintenance services. The transaction price allocated to performance obligations satisfied at a point in time is recognised as revenue when control of the goods or services transfers to the customer. If the performance obligation is satisfied over time, the transaction price allocated to that performance obligation is recognised as revenue as the performance obligation is satisfied.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

e) Revenue recognition ...continued

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

Further, the Group provides warranty on its goods sold to customers. Under the terms of this warranty, customers can return the items for repair or replacement if it fails to perform in accordance with published specifications. These warranties are accounted for under IAS 37, Provisions, Contingent Liabilities and Contingent Assets. However, if the Group is required to refund the related purchase price for returned goods, it recognises a refund liability for the expected refunds by adjusting the amount of revenues recognised during the period. Also, the Group recognises a right to return asset on the goods to be recovered from the customers with a corresponding adjustment to cost of sales account.

The Group applies the other revenue recognition criteria set out below.

Commissions earned on reinsurance premiums ceded are recognised in the consolidated statement of income on the same basis as the underlying reinsurance premiums are expensed.

Interest income

Interest income is reported on the accrual basis using the effective interest method.

Commission income

If the Group acts in the capacity of an agent rather than as the principal in a transaction, then the revenue recognized is the net amount of commission made by the Group and is recognized when earned.

Dividend income

Dividend income is recognised when the right to receive a dividend is established.

Rental income

The Group also earns rental income from operating leases of its buildings and construction equipment. Rental income is recognised on a straight-line basis over the term of the lease.

Other income

Revenue earned from non-routine services and miscellaneous transactions are categorised as other revenue and recognised on the accrual basis.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

f) Expenses

Expenses are recognised in the consolidated statement of income upon utilisation of the service or as incurred. Expenditure for warranties is recognised when the Group incurs an obligation, which is typically when the related goods are sold or services provided.

g) Leases

Group as a lessee

At inception, the Group considers whether a contract is, or contains, a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

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

Measurement and recognition of leases as a lessee

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

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

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

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

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

g) Leases ...continued

Group as a lessee ...continued

Measurement and recognition of leases as a lessee ...continued

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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

On the consolidated statement of financial position, right-of-use asset has been included in property, plant and equipment and lease liabilities have been included in accounts and other liabilities.

Group as a lessor

The Group's accounting policy under IFRS 16 has not changed from the comparative period. As a lessor the Group classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

h) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of income in the period in which they are incurred using the effective interest method.

i) Property, plant and equipment

Land and buildings comprise of mainly the warehouses, offices and retail stores. Land and buildings are shown at fair value, based on periodic (every five years) valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

i) Property, plant and equipment ...continued

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserves in equity. Decreases that offset previous increases of the same asset are charged against reserves directly in equity; all other decreases are charged to the consolidated statement of income.

Land is not depreciated. Depreciation on other assets is calculated using the reducing balance method to allocate the cost of each asset to their residual values over the estimated useful lives using the annual rates below.

Buildings	2%
Furniture and fittings	15%
Plant, machinery and construction equipment rentals	20% - 40%
Containers	20%
Motor vehicles	20%
Computers and equipment	20% - 40%
Right of use assets	3% - 10%

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each reporting date.

Property, plant and equipment are periodically reviewed for impairment. 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other income" in the consolidated statement of income.

When revalued assets are sold, any amounts included in revaluation reserves are transferred to retained earnings.

j) Intangible assets

Intangible assets of the Group pertain to computer software. Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Subsequently, these intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised over their estimated useful life of three years (33% annual rate). The amortisation period and the amortisation method used for the computer software are reviewed at each reporting period.

Computer software is assessed for impairment whenever there is an indication that they may be impaired. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

j) Intangible assets ...continued

Costs associated with maintaining computer software programmes are recognised as an expense when incurred.

k) Impairment of non-financial assets

Non-financial assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

l) Financial instruments

(i) Recognition and derecognition

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

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

(ii) Classification and measurement of financial assets

At initial recognition, the Group initially measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expenses in the consolidated statement of income. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

l) Financial instruments ...continued

(ii) Classification and measurement of financial assets ...continued

Financial assets are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the current and prior periods presented, the Group does not have any financial assets categorised as FVTPL. All income and expenses relating to financial assets that are recognised in the consolidated statement of income are presented within interest income, whereas the loss allowance is presented within general and administrative expenses in the consolidated statement of income.

The classification is determined by both the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

All income and expenses relating to financial assets that are recognised in the consolidated statement of income are presented within finance costs, finance income or other financial items, except for loss allowance of investment securities, loans to customers, receivables and due from related parties, which is presented within operating expenses.

Business model

The business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets.

If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of the 'other' business model and measured at FVTPL. Factors considered by the Group 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 key management personnel, how risks are assessed and managed and how managers are compensated.

Solely Payments of Principal and Interest (SPPI)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent the SPPI test. In making this assessment, the Group 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 risks 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.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

1) Financial instruments ...continued

(ii) Classification and measurement of financial assets ...continued

Solely Payments of Principal and Interest (SPPI) ...continued

The Group reclassifies debt investments, if any, when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Financial assets at amortised cost

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 discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of the financial asset (i.e. its amortised cost before any impairment allowance). 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.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in the consolidated statement of income.

Financial assets at FVOCI

The classification requirements for equity instruments are described below.

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

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Group for trading or as mandatorily required to be classified as FVTPL. The Group has designated equity instruments as at FVOCI on the initial application of IFRS 9.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

1) Financial instruments ...continued

(ii) Classification and measurement of financial assets ...continued

Financial assets at FVOCI ...continued

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component, are recognized in other comprehensive income, net of any effects arising from income taxes, and are reported as part of revaluation reserves account in equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the revaluation reserves account is not reclassified to profit or loss but is reclassified directly to retained earnings account, except for those debt securities classified as FVOCI wherein cumulative fair value gains or losses are recycled to profit or loss.

Any dividends earned on holding equity instruments are recognised in the consolidated statement of income as part of dividends under the Other income account, when the Group's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and, the amount of the dividend can be measured reliably, unless the dividends clearly represent recovery of a part of the cost of the investment.

(iii) Impairment of financial assets

The Group uses the IFRS 9 impairment methodology which assesses, on a forward-looking basis, the expected credit losses – the 'expected credit loss model' - on its financial assets carried at amortised cost and with the exposure arising from loan commitments. Instruments within scope include loans to customers and other debt-type financial assets measured at amortised cost and FVOCI, receivables, contract assets recognised and measured under IFRS 15, and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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

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

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second and third categories.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

l) Financial instruments ...continued

(iii) Impairment of financial assets ...continued

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

The Group makes use of the expected credit loss approach in accounting for due from related parties, reinsurance assets and statutory deposits, investment securities, loans to customers and receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating the expected credit losses, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Group assesses loss allowance of receivables and due from related parties on a collective basis as they possess shared credit risk characteristics based on the days past due. Refer to Note 5(b) for a detailed analysis of how the impairment requirements of IFRS 9 are applied.

Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group 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;
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan;
- Significant extension of the loan term when the borrower is in financial difficulty;
- Significant change in the interest rate; and
- Inclusion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Group 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 purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group 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 (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

l) Financial instruments ...continued

(iv) Classification and subsequent measurement and derecognition of financial liabilities

(i) Classification and measurement

The Group's financial liabilities include borrowings, customer's deposits, insurance contract liabilities, reinsurance contract liabilities, accounts payable and other liabilities and due to related parties.

Financial liabilities are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

All related-interest charges are included within finance charges in the consolidated statement of income.

(ii) Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

m) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

n) Insurance contracts

Summary of measurement approaches

The Group uses different measurement approaches, depending on the type of contract, as follows:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Summary of measurement approaches ...continued

General insurance business

Measurement risk	Model	Portfolio	Reinsured
Motor risk	Premium Allocation Approach ("PAA")	Motor	Yes
Liability and indemnity risks		Liability	Yes
Fire and liability risks		Property	Yes
		Marine	Yes
		Travel	Yes
General and miscellaneous risks including travel, cash, etc.		Miscellaneous	Yes

Life business

Measurement risk	Model	Portfolio	Reinsured
Mortality risks (whole life)	General Measurement Model ("GMM")	Life	No

Definition and classification

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk and whether the accepted insurance risk is significant.

All of the Group's insurance contracts transfer significant insurance risk. The Group does not issue insurance contracts with direct or indirect participating features, nor any features that should be accounted for separately in accordance with IFRS 17 requirements. The Group measures insurance contracts issued applying the different measurement approaches as outlined above.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

Unit of account

The Group manages insurance contracts issued by product lines, where each product line includes contracts that are subject to similar risks and are managed together. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a fiscal year (annual cohorts) and are:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Unit of account ...continued

- a. contracts that are onerous at initial recognition;
- b. contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- c. a group of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available, to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

For contracts measured using the GMM, the Group develops rates or prices for the range of insurance contracts that may be issued under a given product. Rates would typically be intended to result in similar levels of profitability across all insurance contracts issued.

Generally, for contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a fiscal year (annual cohorts) into groups of:

- a. contracts for which there is a net gain at initial recognition, if any;
- b. contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- c. remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Recognition and derecognition ...continued

- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
 - a. the beginning of the coverage period of the group; and
 - b. the initial recognition of any underlying insurance contract;
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held;

Unless the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts restriction. Composition of the groups is not reassessed in subsequent periods.

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and additional criteria discussed below are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the Fulfilment Cash Flows ("FCF"), unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- a. if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
 - i. is not within the scope of IFRS 17;
 - ii. results in different separable components;
 - iii. results in a different contract boundary; or
 - iv. belongs to a different group of contracts;
- b. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract accounted for under the GMM is derecognised from within a group of insurance contracts, the Group:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Recognition and derecognition ...continued

- a. adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;
- b. adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the Liability for Remaining Coverage (“LRC”) of the group) in the following manner, depending on the reason for the derecognition:
 - i. if the contract is extinguished, for the same amount as the adjustment to the FCF relating to future service;
 - ii. if the contract is transferred to a third party, for the amount of the FCF adjustment in (a) less the premium charged by the third party; or
 - iii. if the original contract is modified resulting in its derecognition, for the amount of the FCF adjustment in (a) adjusted for the premium that the Group would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification; when recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received; and
- c. adjusts the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment being charged immediately to profit or loss.

Measurement

i) Fulfilment cash flows

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Company expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- a. are based on a probability-weighted mean of the full range of possible outcomes;
- b. are determined from the perspective of the Company, provided that the estimates are consistent with observable market prices for market variables; and
- c. reflect conditions existing at the measurement date.

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Measurement ...continued

i) Fulfilment cash flows ...continued

For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the Liability for Incurred Claims (“LIC”).

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation. For contracts measured under the PAA, the estimates of future cash flows are not adjusted for the time value of money.

Risk of the Group’s non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts. The Company uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognised in other operating expenses as incurred.

ii) Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- a. the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b. both of the following criteria are satisfied:
 - i. the Group has the ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Measurement ...continued

ii) Contract boundary ...continued

expense risk, are not included. Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

iii) Insurance acquisition costs

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts and that are directly attributable to the portfolio of insurance contracts to which the group belongs. Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

- a. to that group; and
- b. to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

Before a group of insurance contracts is recognised, the Group could pay for directly attributable acquisition costs to originate them. Such balances are recognised as insurance acquisition cash flows assets within the carrying amount of insurance contracts issued and are subsequently derecognised when respective groups of insurance contracts are recognised and the insurance acquisition cash flows are included in the group's measurement. The amounts allocated to groups of insurance contracts yet to be recognised are revised at each reporting date, to reflect any changes in assumptions that determine the inputs to the method of allocation used.

Insurance acquisition cash flows assets not yet allocated to a group are assessed for recoverability if facts and circumstances indicate that the assets might be impaired. Impairment losses reduce the carrying amount of these assets and are recognised in insurance service expenses. Previously recognised impairment losses are reversed to the extent that the impairment conditions no longer exist or have improved.

iv) Other pre-recognition cash flows within the contract boundary

Before a group of insurance contracts is recognised, the Group could recognise assets or liabilities for cash flows related to a group of insurance contracts other than insurance acquisition cash flows, either because of the occurrence of the cash flows or because of the requirements of another IFRS standard. Cash flows are related to the group of insurance contracts if they would have been included.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Measurement ...continued

iv) *Other pre-recognition cash flows within the contract boundary ...continued*

in the FCF at initial recognition of the group if they had been paid or received after that date. Such assets or liabilities (referred to as 'other pre-recognition cash flows') are included in the carrying amount of the related portfolios of insurance contracts issued or in the carrying amount of the portfolios of reinsurance contracts held.

Contracts measured under the GMM

i) *Contractual service margin*

The Contractual service margin ("CSM") is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance contract services in the future. At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

- a. the initial recognition of the FCF;
- b. cash flows arising from the contracts in the group at that date;
- c. the derecognition of any insurance acquisition cash flows asset; and
- d. the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised.

ii) *Subsequent measurement*

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

- a. the LRC, comprising:
 - i. the FCF related to future service allocated to the group at that date; and
 - ii. the CSM of the group at that date; and
- b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates. The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- a. changes that relate to current or past service are recognised in profit or loss; and

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Contracts measured under the GMM ...continued

ii) Subsequent measurement ...continued

- b. changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

iii) Changes to the CSM

The following adjustments relate to future service and thus adjust the CSM:

- a. experience adjustments – arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows;
- b. changes in estimates of the present value of future cash flows in the LRC; and
- c. changes in the risk adjustment for non-financial risk that relate to future service.

The following adjustments do not adjust the CSM:

- a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
- b. changes in the FCF relating to the LIC;
- c. experience adjustments – arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows; and
- d. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

For insurance contracts issued, at the end of each reporting period the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- a. The effect of any new contracts added to the group.
- b. Interest accreted on the carrying amount of the CSM.
- c. Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent that the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
- d. The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows. If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises these discount curves by calculating weighted-average discount curves over the period during which the contracts in the group are recognised. The weighted-average discount curves are determined by multiplying the new CSM added to the group and their corresponding discount curves over the total CSM.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Contracts measured under the GMM ...continued

iii) *Changes to the CSM ...continued*

The amount of the CSM recognised in profit or loss for insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected insurance coverage period of the group of insurance contracts based on coverage units. The coverage period is defined as a period during which the entity provides insurance contract services.

The total number of coverage units in a group is the quantity of service provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

- a. the quantity of benefits provided by contracts in the group;
- b. the expected coverage period of contracts in the group; and
- c. the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits with respect to insurance coverage. The Group reflects the time value of money in the allocation of the CSM to coverage units, using discount rates determined at initial recognition.

iv) *Loss component*

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

- a. expected incurred claims and other directly attributable expenses for the period;
- b. changes in the risk adjustment for non-financial risk for the risk expired; and
- c. finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses. Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

Contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less. For insurance contracts issued, insurance acquisition cash flows allocated to a group are expensed when incurred.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received. The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Contracts measured under the PAA ...continued

- a. the LRC; and
- b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- a. increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC; and
- b. decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid. The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- a. the remaining coverage; and
- b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- a. increased for ceding premiums paid in the period;
- b. decreased for the expected amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.

For contracts measured under the PAA, the LIC is measured similarly to contracts measured under the GMM. Future cash flows are adjusted for the time value of money.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. It reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

Unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

The Group adjusts the assets for reinsurance contracts held for the effect of the risk of reinsurer's non-performance. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Contracts measured under the PAA ...continued

relating to the future service and the carrying amount of the LRC without the loss component. Where applicable, resulting changes in the loss component are recognised as insurance service expenses.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Where applicable, changes in the loss-recovery component are recognised as net income from reinsurance contracts held.

Insurance service results

(i) Insurance revenue

As the Group provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services.

For contracts measured under the GMM, insurance revenue comprises the following:

- a. Amounts relating to the changes in the LRC:
 - i) claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
 - amounts allocated to the loss component;
 - amounts of transaction-based taxes collected in a fiduciary capacity;
 - insurance acquisition expenses; and
 - amounts related to the risk adjustment for non-financial risk (see (b));
 - ii) changes in the risk adjustment for non-financial risk, excluding:
 - changes that relate to future coverage (which adjust the CSM); and
 - amounts allocated to the loss component;
 - iii) amounts of the CSM recognised for the services provided in the period;
 - iv) experience adjustments – arising from premiums received in the period other than those that relate to future service; and

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

n) Insurance contracts ...continued

Insurance service results ...continued

(i) Insurance revenue ...continued

v) other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.

b. Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

(ii) Insurance service expenses

Insurance service expenses include the following:

- a. incurred claims and benefits, reduced by loss component allocations;
- b. other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- c. insurance acquisition cash flows amortisation;
- d. changes that relate to past service – changes in the FCF relating to the LIC;
- e. changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses; and
- f. insurance acquisition cash flows assets impairment.

For contracts measured under the GMM, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above. For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time. Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of income.

(iii) Insurance service result from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- a. reinsurance expenses;
- b. incurred claims recovery, reduced by loss-recovery component allocations;
- c. other incurred directly attributable expenses;
- d. changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- e. effect of changes in the risk of reinsurers' non-performance; and
- f. amounts relating to accounting for onerous groups of underlying insurance contracts issued.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies ...continued

n) Insurance contracts ...continued

Insurance service results ...continued

(iii) Insurance service result from reinsurance contracts held ...continued

The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. The Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts. Broker fees are included within reinsurance expenses.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- a. the effect of the time value of money and changes in the time value of money; and
- b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

- a. interest accreted on the FCF and the CSM;
- b. the effect of changes in interest rates and other financial assumptions; and
- c. foreign exchange differences.

For contracts measured under the PAA, the only amounts within insurance finance income or expenses are foreign exchange differences. The Company includes all insurance finance income or expenses for the period in profit or loss (that is, the profit or loss option (the PL option) is applied).

The Group does not apply the OCI option to disaggregate insurance finance income or expenses between profit or loss and OCI. The effect of changes in the time value of money and changes in financial risk on the LIC for insurance contracts issued are reflected in profit or loss.

The Group does not disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

o) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

p) Income taxes

Tax expense recognised in the consolidated statement of income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

p) Income taxes ...continued

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements.

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

Deferred income taxes are calculated on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided those rates are enacted or substantively enacted by the end of the reporting period.

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

Premium tax rate

Insurers are subject to tax on premium revenues generated in certain jurisdictions. The principal rate of premium tax is 5% for general insurance and nil for life insurance.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and current accounts, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Equity, reserves and dividend payments

Share capital represents the proceeds of shares that have been issued.

Revaluation reserve for property comprises unrealised gains and losses from revaluing land and buildings. Revaluation reserve for financial assets at fair value through other comprehensive income comprises unrealised gains and losses relating to these types of financial instruments (see note 25).

Claims equalisation reserve represents cumulative amounts appropriated from the retained earnings of TDC Insurance Company Limited and East Caribbean Reinsurance Company Limited based on the discretion of the Group's Board of Directors as part of the Group's risk management strategies to mitigate against catastrophic events. These reserves are in addition to the catastrophe reinsurance cover.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

r) Equity, reserves and dividend payments ...continued

Statutory reserve fund is a reserve fund which is required under Section 45 sub-section (1) of the Banking Act 2015 of Saint Christopher and Nevis, No. 1 of 2015, which states that every licensed financial institution shall maintain a reserve fund and shall, out of its net profits of each year, transfer to that fund a sum equal to not less than twenty percent of such profits whenever the amount of the reserve fund is less than a hundred percent of the paid-up or, as the case may be, assigned capital of the financial institution.

Retained earnings includes all current and prior period retained profits as reported in the consolidated statement of income, net of dividends.

All equity transactions with shareholders of the parent company are recorded separately within consolidated statement of changes in shareholders' equity.

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

s) Employee benefits

Post-employment benefit – defined contribution plan

The Group pays a fixed percentage into the TDC Pension Savings Plan for individual employees. The Group has no legal or constructive obligations to pay contributions beyond its fixed percentage contributions, which are recognised as an expense in the period that relevant employee services are received.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

t) Provisions, contingent assets and contingent liabilities

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

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

Any reimbursement that the Group can be certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the likelihood of an outflow of resources is remote.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

u) Events after the reporting date

Post year-end events that provide additional information about the Group's consolidated financial position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

v) Customer loyalty programmes

The Group operates a loyalty programme where customers accumulate points for purchases made which entitle them to discounts on future purchases. The award points, which are calculated as 1% of the fair value of the consideration received, are initially recognised at the time of purchase within the consolidated statement of income.

w) Earnings per share

Basic earnings per share are determined by dividing profit by the weighted average number of ordinary shares outstanding during the period after giving retroactive effect to stock dividends declared, stock splits and reverse stock splits during the period, if any.

Diluted earnings per share are computed by adjusting the weighted average number of ordinary shares outstanding to assume conversion of dilutive potential shares. Currently, the Group does not have dilutive potential shares outstanding, hence, the diluted earnings per share is equal to the basic earnings per share.

x) Assets and liabilities classified as held for sale group and discontinued operations

Assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

y) Significant management judgment in applying accounting policies and estimation uncertainty

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

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. Actual results may be substantially different.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

i) *Provision for expected credit losses of receivables*

The Group uses a provision matrix to calculate expected credit losses for receivables. The provision rates are based on days past due for groupings of customers that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed pattern default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the expected credit losses on the Group's receivables is disclosed in Note 5(b).

The carrying amount of receivables as at March 31, 2026 is \$12,562,514 (2025: \$12,879,402).

ii) *Measurement of the expected credit loss allowance of investment securities and loans to customers*

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). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 5(b), which also sets out key sensitivities of the ECL to changes in these elements.

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
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in note 5(b).

The most significant assumptions affecting the ECL allowance are as follows:

- The determination of the estimated time to sell the underlying collateral securing the financial assets
- The determination of the fair value of the underlying collateral securing the financial assets
- The determination of the probabilities of default utilized in the assessment of 12-month and lifetime credit losses.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

ii) Measurement of the expected credit loss allowance of investment securities and loans to customers ...continued

	-5%	Base case	+5%
	\$	\$	\$
<i>Loans to customers</i>			
Impact of provision based on changes in the time to sell	3,456,825	3,462,162	3,467,433
Impact of provision based on changes in the fair value of underlying collateral	3,416,237	3,462,162	3,439,606
	-0.05%	Base case	+0.05%
	\$	\$	\$
Determination of loss rates			
<i>Loans to customers</i>	3,224,838	3,462,162	3,228,618
<i>Investment securities</i>	409,082	409,287	409,492

iii) Estimated impairment of inventories

Management recognises a provision for inventory losses when the realisable values of inventory items become lower than cost due to obsolescence or other causes. Obsolescence is based on the physical condition of inventory items. Obsolescence is also established when inventory items can no longer be utilised. Obsolete goods when identified are charged to the consolidated statement of income. The Group believes such estimates represent a fair charge for the level of inventory losses in a given year. The Group's policy is to review on an annual basis the condition of its inventory.

iv) Fair value of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

The carrying values of the Group's financial assets at FVOCI and the amounts of fair value changes recognised on those assets are disclosed in Note 8.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

v) Significant judgements in applying IFRS 17

Areas of potential judgement	Applicable to the Company
For insurance contracts issued measured under the PAA, management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate that any changes in the onerous group's profitability and whether any loss component remeasurement is required.	The Group sets premiums considering recent experience and future expectations with the intention of underwriting profitable contracts. As part of annual analysis of the management account reports, the company quantifies the expected profits or losses for each portfolio of contracts which would be used to assess whether facts and circumstances exist that there are onerous groups of contracts. There are currently no facts and circumstances that indicate that onerous groups of contracts exist, and thus all contracts measured by the Group in 2025 and 2026 under the PAA were determined to be non-onerous on initial recognition.
An entity can use judgement to determine which cash flows within the boundary of insurance contracts are those that relate directly to the fulfilment of the contracts.	The Group performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts.
Insurance revenue and reinsurance expenses – methods and assumptions used in the determination of the CSM to be recognised in profit or loss for the insurance contract services provided or received in the period. Areas of potential judgement are: a. the determination of the expected coverage period over which the CSM is allocated into profit or loss for the services provided or received; b. the determination of the coverage units provided or received in the current period and expected to be provided in future periods, including the determination of the relative weighting of the benefits provided by insurance coverage; and c. factoring in the time value of money when determining the equal allocation of the CSM to the coverage units provided or received.	The Group applied judgements in the following aspects of the determination of the CSM amounts that were recognised in profit or loss in 2026 and 2025. The Group selected coverage units that reflect the amounts of benefits expected to be received. The following coverage units were applied: For whole life contracts, the net amount at risk equal to the policies' face values less the cash surrender value Coverage units include time value of money.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

vi) Insurance estimates and assumptions

This note provides an overview of items that are more likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below, together with information about the basis of calculation for each affected line item in the financial statements.

In applying IFRS 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios. The assumptions used in the deterministic scenarios are derived to approximate the probability-weighted mean of a full range of scenarios.

Estimates of future cash flows to fulfil insurance contracts

Included in the measurement of each group of contracts within the scope of IFRS 17 are all of the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Company estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Company uses information about past events, current conditions and forecasts of future conditions. The Company's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability-weighted average of the future cash flows is calculated using a deterministic scenario representing the probability-weighted mean of a range of scenarios.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis, such as activity-based costing method. The Company has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature.

Uncertainty in the estimation of future claims and benefit payments and premium receipts arises primarily from the unpredictability of changes in the mortality rates, the variability in policyholder behaviour, and uncertainties regarding future inflation rates and expenses growth. Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

The Company projects estimates of future expenses relating to fulfilment of contracts within the scope of IFRS 17 using current expense levels adjusted for inflation. Possible increases in expense assumptions increase estimates of future cash outflows and thus decrease the CSM within the LRC for contracts measured under the GMM, and they increase the LIC for contracts measured under the PAA.

The assumptions used for the actuarial liabilities relating to life insurance contracts disclosed in the notes to the financial statements are as follows:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

vi) Insurance estimates and assumptions ...continued

Mortality

For individual life insurance policies, the mortality assumptions are made based on 1986-92 Canadian Institute of Actuaries Select and Ultimate mortality tables and are adjusted to reflect the Group's experience and territory differences based on its investigation. Additional provisions for acquired immune deficiency syndrome extra mortality based on United States experience are added to the expected mortality assumptions. Additional margin was provided for uncertainty in setting the expected mortality assumptions.

Lapses

Lapse assumptions are made based on the Group's experience. The expected lapse rate assumptions are based on the results of the study and vary by policy year over the past 12 years. Additional margin was provided for uncertainty in setting the expected mortality assumptions.

Methods used to measure the risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates. The Group does not consider the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The risk adjustment was calculated at the business line level and then allocated down to each group of contracts in accordance with their risk profiles.

Under GMM contracts, the margin method was used to derive the risk adjustment for non-financial risk at the contract level. In the margin method, the risk adjustment is determined by applying margins to actuarial assumptions relating to non-financial risk. To determine the risk adjustment confidence level, TDC Insurance Company Limited used the Life Insurance Capital Adequacy Test ('LICAT') approach outlined by the Canadian Institute of Actuaries (CIA) in an IFRS 17 educational note. This approach infers a reference loss distribution from a regulatory capital framework, which has the benefit of leveraging existing robust capital models. The LICAT approach relies on the Canadian insurance capital adequacy test (LICAT) framework which is assumed to follow a normal distribution and models shocks at approximately the 85th percentile.

For contracts measured under the PAA, a lognormal model with 50% pairwise correlations was used to derive the risk adjustment for non-financial risk.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policy information ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

vi) Insurance estimates and assumptions ...continued

Methods used to measure the risk adjustment for non-financial risk ...continued

In the quantile approach, historical claims data for all accident years has been used to derive the loss distribution. The following risks have been considered in the quantification of the risk adjustment:

- Claims development: Uncertainty in the final amount of insurance claims that will be paid on known/reported claims
- Claims incidence: Uncertainty in the amount of claims that have been incurred but not yet reported (IBNR)
- Expense risk: Uncertainty in the expenses (inclusive of expense inflation) that will be required to settle incurred claims

The model has been applied at the portfolios level. The net loss distribution, net of reinsurance recoveries, is used to reflect the compensation that the Company requires, as pricing is determined based on net insurance benefits.

The resulting amount of the calculated risk adjustment corresponds to the confidence level of 68% (2025: 68%). The methods and assumptions used to determine the risk adjustment for non-financial risk were not changed in 2026.

Discount rates

The bottom-up approach was used to derive the discount rates. Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). The risk-free was derived using US Bond yield curve available in the market denominated in the same currency as the product being measured. Management uses judgement to assess liquidity characteristics of the liability cash flows. Insurance contracts are considered less liquid than the financial assets used to derive the risk-free yield. For these contracts, the illiquidity premium was estimated based on market observable liquidity premiums in financial assets, adjusted to reflect the illiquidity characteristics of the liability cash flows.

The settlement of the Group's current outstanding claims are all expected to occur within the period for which observable market information is available to determine the IFRS 17 discount rates.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

4 Material accounting policies ...continued

y) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

vi) Insurance estimates and assumptions ...continued

Methods used to measure the risk adjustment for non-financial risk ...continued

The yield curves (spot rates) that were used to discount the estimates of future cash flows are as follows:

Portfolio	2026					2025				
	1	5	10	20	30	1	5	10	20	30
	year	years	years	years	Years	year	years	Years	years	years
General insurance	4.09%	4.01%	4.29%	4.65%	4.56%	4.44%	4.12%	4.25%	4.41%	4.22%
Life - liquid	—	—	—	—	—	4.34%	4.49%	5.02%	5.67%	5.69%
Life - Mid-liquidity	—	—	—	—	—	4.72%	4.91%	5.43%	6.02%	5.94%

Expense

Policy administrative expense assumptions are made based on the Group's operating experience during the year of valuation.

vii) Sensitivity analysis of life insurance risk

The analyses below are based on change in assumption while holding all other assumptions constant. The purpose is to provide a measure of sensitivity of the life insurance liabilities, profit or loss and equity to each individual assumption.

	2026				2025			
	Impact on Profit				Impact on Profit			
	FCF	CSM	before tax	Equity	FCF	CSM	before tax	Equity
	\$	\$	\$	\$	\$	\$	\$	\$
Mortality rate								
+10%	—	—	—	—	(8,654)	7,309	1,345	1,345
-10%	—	—	—	—	9,024	(7,622)	(1,402)	(1,402)
Lapse margin								
+15%	—	—	—	—	27,608	(23,319)	(4,289)	(4,289)
Expenses								
+10%	—	—	—	—	10,183	(8,601)	(1,582)	(1,582)
Discount rate								
-1%	—	—	—	—	62,284	(52,607)	(9,677)	(9,677)

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group has not entered into forward contracts to reduce risk exposures. The Group's risk management focuses on actively seeking to minimise potential adverse effects on its financial performance.

The Group's risk management is coordinated with the Board of Directors and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets. Long-term financial investments are managed to generate returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

a) Market risk

i) Foreign currency risk

The Group conducts its operations primarily in Eastern Caribbean dollars; however, some transactions are executed in various other currencies, mainly United States Dollars. Foreign currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The exchange rate of the Eastern Caribbean dollar (EC\$) to the United States dollar (US\$) has been formally pegged at EC\$2.70 = US\$1.00 since July 1976, hence management considers foreign currency risk not to be significant.

ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises primarily from net interest-bearing liabilities held with financial institutions with respect to the credit accounts, bank overdraft, customers' deposits and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The credit accounts, bank overdraft and the long-term borrowings bear fixed interest rates of 3.0% - 4.0%, 4.5% - 6% and 5%, respectively, which exposes the Group to fair value interest rate risk. To manage interest rate risk, the Group negotiates the best rates possible and where possible considers factors such as refinancing, reviewing options and alternative financing. Also, cash flow interest rate risk arises from loans and advances to customers, and other interest-bearing assets at fixed rates.

If at March 31, 2026 interest rates on borrowings, credit accounts and credit customers' deposits had been 1% higher/lower, with all other variables held constant, consolidated profit for the year would have been \$2,619,380 lower/higher (2025: \$2,407,430), mainly as a result of higher/lower interest expense. If at March 31, 2026 interest rates on loans to customers and other interest-bearing assets had been 1% higher/lower, with all other variables held constant, consolidated profit for the year would have been \$3,022,893 higher/lower (2025: \$2,830,504), mainly as a result of higher/lower interest income.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

a) Market risk ...continued

iii) Price risk

The Group is exposed to equity securities price risk because of equity investments held by the Group and classified in the consolidated statement of financial position as financial assets at FVOCI. The Group's portfolio includes securities that are quoted on the Eastern Caribbean Securities Exchange, and its exposure to equity securities price risk is not material because the total of these securities is insignificant in relation to its consolidated statement of financial position and because of the limited volatility in this market. The Group does not hold equity securities that are quoted on the world's major securities markets. If market prices as at March 31, 2026 had been 10% higher/lower with all other variables held constant, the change in equity securities would have been insignificant.

b) Credit risk

Credit risk arises from the possibility that counterparties may default on their obligations to the Group. The Group's credit risk arises from cash at banks, as well as credit exposures to customers and receivables. Cash at banks are only held with well-known reputable banks and financial institutions. If no independent rating exists for customers, management assesses the credit quality of customers on an individual basis, taking into account their financial position, credit history and other factors. The utilization of credit limits is regularly monitored. Services rendered to customers are settled primarily in cash and cheques.

The Group has made adequate allowance for impairment for any potential credit losses and the amount of the Group's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

Credit risk management

Credit risk arises from cash, contractual cash flows of financial assets carried at amortised cost as well as credit exposure to customers, including outstanding receivables.

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

The Group continuously monitors the credit quality of the customers based on a credit rating scorecard. Where available, external credit ratings and/or reports on customers are obtained and used. The Group's policy is to deal only with credit worthy counterparties. The credit term ranges between 30 to 60 days. The credit terms for customers as negotiated with customers are subject to an internal approval process which considers the credit rating scorecard. The ongoing credit risk is managed through regular review of aging analysis, together with credit limits per customer.

Loans to customers and receivables consist of a large number of individual customers and in various industries.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by groups of similar customers, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Loans to customers including loan commitments, investment securities and receivables

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk through various approaches using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) or a loss rate approach. The approaches used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9 are outlined in note 5(b) for more details.

Credit risk rating

The Group uses various strategies to grade and assess credit risk of its customers, borrowers and other counterparties. With respect to the counterparties with which it holds investment securities, the Group uses an internal credit risk grading system that reflects its assessment of the probability of default of individual counterparties. The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

The Group's internal rating scale and mapping of external ratings are set out below:

Country	Type	Local/Foreign	Rating			PD	
			Caricris	Moody's	S&P	1 year	10 years
St. Kitts and Nevis	Sovereign	Foreign	BBB+	B1	B+	2.458%	
St. Kitts and Nevis	Sovereign	Local	BBB+	B1	B+	2.458%	
St. Kitts and Nevis	Corporate	Local	BBB+	B1	B+	3.048%	
St. Lucia	Sovereign	Local	BBB+	B1	B+	2.458%	
Anguilla	Sovereign	Local	A-	B1	Ba3		11.002%

For loans to customers and receivables, the Group assesses information collected at the time when the loans application or sale transaction is made (such as disposable income, and level of collateral for retail exposures; credit rating) to determine appropriate credit risk/staging for the financial assets. This is supplemented with external data such as credit scoring information on individual institutions, if available. In addition, the models enable expert judgement from management to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

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 Group.
- If a significant increase in credit risk (‘SICR’) since initial recognition is identified, the financial instrument is moved to ‘Stage 2’ but it 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.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. The ECL related to these financial assets is always measured on a lifetime basis (Stage 3).

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

	Change in credit quality since initial recognition		
	Stage 1	Stage 2	Stage 3
Risk Assessment	Initial recognition or credit risk is considered low	Significant increase in credit risk since initial recognition	Credit-impaired assets
Expected credit losses	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk

Loans to customers

	ECL staging 2026			
	Stage 1 \$	Stage 2 \$	Stage 3 \$	Total \$
Mortgage loans	56,128,805	2,258,826	4,155,013	62,542,644
Vehicle loans	50,329,706	1,229,877	398,883	51,958,466
Personal loans	69,074,619	2,283,518	2,023,736	73,381,873
Gross carrying amount	175,533,130	5,772,221	6,577,632	187,882,983
Loss allowance	(756,273)	(206,160)	(2,499,729)	(3,462,162)
Net carrying amount	174,776,857	5,566,061	4,077,903	184,420,821

	ECL staging 2025			
	Stage 1 \$	Stage 2 \$	Stage 3 \$	Total \$
Mortgage loans	57,227,339	1,462,152	4,363,997	63,053,488
Vehicle loans	47,738,516	2,246,321	832,847	50,817,684
Personal loans	60,236,085	3,126,664	2,252,420	65,615,169
Gross carrying amount	165,201,940	6,835,137	7,449,264	179,486,341
Loss allowance	(688,984)	(205,579)	(3,189,507)	(4,084,070)
Net carrying amount	164,512,956	6,629,558	4,259,757	175,402,271

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

The closing balance of the loans to customers loss allowance as at March 31, reconciles with the loans to customers loss allowance opening balance as follows:

	Note	2026 \$	2025 \$
Balance at beginning of year		4,084,070	3,934,443
Impairment charge during the year	28	1,680,852	294,323
Write-offs for the year		(2,302,760)	(144,696)
Balance at end of year		3,462,162	4,084,070

During the year ended March 31, 2026, certain loans to customers previously written-off amounting to \$41,944 (2025: \$37,458) were recovered (note 28).

Collateral and other credit enhancements

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The Group prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types for loans and advances are:

- Mortgages over residential properties
- Bills of sale and assignment of collateral such as motor vehicles and equipment; and
- Charges over financial instruments such as liens on fixed and other deposits.

Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

The Group'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 Group since the prior period.

A portion of the Group's financial assets originated by the mortgage business has sufficiently low 'loan to value' (LTV) ratios, which results in no loss allowance being recognised in accordance with the Group's expected credit loss model. The carrying amount of such financial assets is \$1,483,281 as at March 31, 2026 (2025: \$1,028,271).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

Collateral and other credit enhancements ...continued

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

March 31, 2026

	Gross exposure \$	Impairment allowance \$	Carrying amount \$	Fair value of collateral held \$
Credit-impaired assets				
Loans to customers				
Mortgage	4,155,013	(1,090,390)	3,064,623	6,571,626
Vehicle	398,883	(97,285)	301,598	—
Personal	2,023,736	(1,312,054)	711,682	141,885
Total credit-impaired assets	6,577,632	(2,499,729)	4,077,903	6,713,511

March 31, 2025

	Gross exposure \$	Impairment allowance \$	Carrying amount \$	Fair value of collateral held \$
Credit-impaired assets				
Loans to customers				
Mortgage	4,363,997	(1,112,851)	3,251,146	6,595,599
Vehicle	832,487	(367,098)	465,749	—
Personal	2,252,420	(1,709,558)	542,862	472,587
Total credit-impaired assets	7,449,264	(3,189,507)	4,259,757	7,068,186

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

Collateral and other credit enhancements ...continued

The following table shows the distribution of LTV ratios for the Group's credit-impaired loans to customers:

March 31, 2026

LTV distribution	Credit-impaired (Gross carrying amount)			Total
	Mortgage loans portfolio	Vehicle loans portfolio	Personal loans portfolio	
	\$	\$	\$	\$
Lower than 50%	1,873,455	—	—	1,873,455
50% to 60%	594,361	—	—	594,361
60% to 70%	—	—	—	—
70% to 80%	—	—	—	—
80% to 90%	—	—	—	—
90% to 100%	—	—	—	—
Higher than 100%	1,687,197	398,883	2,023,736	4,109,816
Total	4,155,013	398,883	2,023,736	6,577,632

March 31, 2025

LTV distribution	Credit-impaired (Gross carrying amount)			Total
	Mortgage loans portfolio	Vehicle loans portfolio	Personal loans portfolio	
	\$	\$	\$	\$
Lower than 50%	1,855,706	1,529	94,056	1,951,291
50% to 60%	1,058,594	6,610	—	1,065,204
60% to 70%	—	21,604	—	21,604
70% to 80%	—	—	—	—
80% to 90%	—	—	—	—
90% to 100%	158,176	109,756	22,930	290,862
Higher than 100%	1,291,521	693,348	2,135,434	4,120,303
Total	4,363,997	832,847	2,252,420	7,449,264

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stages 1, 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

The following tables further explains changes in the gross carrying amount of the financial assets to help explain their significance to the changes in the loss allowance for the same portfolio as discussed above:

March 31, 2026				
Loans to customers				
Changes in financial assets impacting expected credit losses by stage				
	Stage 1 12-month ECL \$	Stage 2 Lifetime ECL \$	Stage 3 Lifetime ECL \$	Total \$
Balance as at April 1, 2025	165,201,940	6,835,137	7,449,264	179,486,341
Transfers:				
Transfers from stage 1 to stage 2	(4,392,562)	4,392,562	—	—
Transfers from stage 1 to stage 3	(1,610,565)	—	1,610,565	—
Transfers from stage 2 to stage 1	2,943,207	(2,943,207)	—	—
Transfers from stage 2 to stage 3	—	(820,411)	820,411	—
Transfers from stage 3 to stage 1	91,684	—	(91,684)	—
New financial assets originated or purchased	59,934,255	474,361	16,762	60,425,378
Changes in PDs/LGDs/EADs	(15,671,477)	(497,567)	(585,640)	(16,754,684)
Financial assets derecognised during the year	(30,963,352)	(1,668,654)	(2,642,046)	(35,274,052)
Total net changes in loans to customers by stages	10,331,190	(1,062,916)	(871,632)	8,396,642
Balance as at March 31, 2026	175,533,130	5,772,221	6,577,632	187,882,983

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

March 31, 2025				
Loans to customers				
Changes in financial assets impacting expected credit losses by stage				
	Stage 1 12-month ECL \$	Stage 2 Lifetime ECL \$	Stage 3 Lifetime ECL \$	Total \$
Balance as at April 1, 2024	139,212,887	9,361,840	6,499,261	155,073,988
Transfers:				
Transfers from stage 1 to stage 2	(4,367,643)	4,367,643	—	—
Transfers from stage 1 to stage 3	(386,696)	—	386,696	—
Transfers from stage 2 to stage 1	4,645,247	(4,645,247)	—	—
Transfers from stage 2 to stage 3	—	(966,018)	966,018	—
Transfers from stage 3 to stage 1	87,210	—	(87,210)	—
New financial assets originated or purchased	67,394,680	1,353,173	69,725	68,817,578
Changes in PDs/LGDs/EADs	(13,417,259)	(743,961)	(141,675)	(14,302,895)
Financial assets derecognised during the year	(27,966,486)	(1,892,293)	(243,551)	(30,102,330)
Total net changes in loans to customers by stages	25,989,053	(2,526,703)	950,003	24,412,353
Balance as at March 31, 2025	165,201,940	6,835,137	7,449,264	179,486,341

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

March 31, 2026

	Stage 1 12-month ECL \$	Stage 2 Lifetime ECL \$	Stage 3 Lifetime ECL \$	Total \$
Loss allowance as at April 1, 2025	688,984	205,579	3,189,507	4,084,070
Transfers:				
Transfers from stage 1 to stage 2	—	146,058	—	146,058
Transfers from stage 1 to stage 3	—	—	826,663	826,663
Transfers from stage 2 to stage 1	10,548	—	—	10,548
Transfers from stage 2 to stage 3	—	—	283,426	283,426
Transfers from stage 3 to stage 1	76	—	—	76
New financial assets originated or purchased	313,993	21,160	4,190	339,343
Changes in loss rates/ LGDs/EADs	(88,716)	(112,785)	(191,325)	(392,826)
Financial assets derecognised during the year	(168,612)	(53,852)	(1,612,732)	(1,835,196)
Total net profit or loss charge during the year	67,289	581	(689,778)	(621,908)
Loss allowance as at March 31, 2026	756,273	206,160	2,499,729	3,462,162

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

March 31, 2025

	Stage 1 12-month ECL \$	Stage 2 Lifetime ECL \$	Stage 3 Lifetime ECL \$	Total \$
Loss allowance as at April 1, 2024	771,854	382,565	2,780,024	3,934,443
Transfers:				
Transfers from stage 1 to stage 2	—	104,345	—	104,345
Transfers from stage 1 to stage 3	—	—	131,932	131,932
Transfers from stage 2 to stage 1	13,757	—	—	13,757
Transfers from stage 2 to stage 3	—	—	526,799	526,799
Transfers from stage 3 to stage 1	126	—	—	126
New financial assets originated or purchased	333,805	56,949	41,843	432,597
Changes in loss rates/ LGDs/EADs	(232,828)	(251,506)	(167,935)	(652,269)
Financial assets derecognised during the year	(197,730)	(86,774)	(123,156)	(407,660)
Total net profit or loss charge during the period	(82,870)	(176,986)	409,483	149,627
Loss allowance as at March 31, 2025	688,984	205,579	3,189,507	4,084,070

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Loans to customers ...continued

Write-off policy

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the year ended March 31, 2026 was \$nil (2025: \$nil).

The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Group sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery. Such restructuring activities include extended payment term arrangements. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (see note 5(b) above). The Group monitors the subsequent performance of modified assets. The Group may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for twelve consecutive months or more. The gross carrying amount of such assets held as at March 31, 2026 was \$nil (2025: \$nil).

The Group continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Investment securities

March 31, 2026

Type of investment	Group internal credit rating	External credit rating			Average ECL rate %	Estimated gross carrying amount at default \$	Loss allowance \$
		Caricris	Moody's	S&P			
Fixed deposits	Stage 1	BBB+	B1	B+	0.7083	32,869,633	247,030
Fixed deposits	Stage 2	A-	B1	Ba3	0.8306	1,090,257	9,056
Corporate bonds	Stage 1	BBB+	B1	B+	0.4062	21,550,000	108,435
Treasury bills and Bonds	Stage 1	BBB+	B1	B+	0.0840	62,784,549	44,766
						118,294,439	409,287

March 31, 2025

Type of investment	Group internal credit rating	External credit rating			Average ECL rate %	Estimated gross carrying amount at default \$	Loss allowance \$
		Caricris	Moody's	S&P			
Fixed deposits	Stage 1	BBB-	B3	B-	0.5331	28,767,715	153,371
Fixed deposits	Stage 2	BBB+	B3	B+	0.8544	1,083,508	9,257
Corporate bonds	Stage 1	BBB-	B3	B-	0.7208	27,927,028	201,288
Treasury bills and Bonds	Stage 1	BBB-	B3	B-	0.1773	50,323,055	89,225
						108,101,306	453,141

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Maximum exposure to credit risk ...continued

Investment securities ...continued

The closing balance of the investment securities loss allowance as at March 31, reconciles with the investment securities loss allowance opening balance as follows:

	Note	2026 \$	2025 \$
Balance at beginning of year		453,141	670,057
Loss allowance reversal for the year	28	(43,854)	(216,916)
Balance at end of year		<u>409,287</u>	<u>453,141</u>

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Receivables

	ECL staging			
	Current	31 to 180 days	Over 190 days	Total
	\$	\$	\$	\$
March 31, 2026				
Expected credit loss rate	3.28%	3.23%	100%	
Gross carrying amount	11,764,893	1,223,399	6,108,968	19,097,260
Lifetime expected credit loss	386,258	39,520	6,108,968	6,534,746
March 31, 2025				
Expected credit loss rate	2.20%	2.72%	100%	
Gross carrying amount	12,010,892	1,164,596	6,089,474	19,264,962
Lifetime expected credit loss	264,422	31,664	6,089,474	6,385,560

The closing balance of the receivables loss allowance as at March 31, reconciles with the receivables loss allowance opening balance as follows:

	Note	2026 \$	2025 \$
Balance at beginning of year		6,385,560	8,487,747
Charge of allowance for the year	28	264,291	8,556
Recoveries	28	(75,111)	(599,531)
Written-off during the year		(39,994)	(1,511,212)
Balance at end of year		6,534,746	6,385,560

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

b) Credit risk ...continued

Expected credit loss measurement ...continued

Due from related parties, reinsurance assets and statutory deposits

Due from related parties, reinsurance assets and statutory deposits are financial assets measured at amortised cost and considered to have low credit risk.

In 2026, no loss allowance is recognised as management believes that there is no risk of not collecting those financial assets due to their short-term duration and the counterparties have access to sufficiently highly liquid assets in order to repay the receivable if demanded at the reporting date.

Geographic

Substantially all of the Group's customers are located within St. Kitts and Nevis and the Eastern Caribbean region.

c) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecasts of cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine surplus or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by credit facilities.

The table below analyses the Group's financial liabilities and assets in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date, and represent the contractually undiscounted cash flows:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

c) Liquidity risk ...continued

	Within 1 year \$	Between 1 and 5 years \$	More than 5 years \$	Total \$
As at March 31, 2026				
Financial liabilities				
Borrowings	23,677,730	6,004,134	12,993,970	42,675,834
Customers' deposits	204,342,674	1,347,130	4,744,861	210,434,665
Insurance contract liabilities	20,387,847	—	—	20,387,847
Accounts payable and other liabilities	42,992,350	741,784	1,244,000	44,978,134
Liabilities included in disposal group	61,773	—	—	61,773
Total financial liabilities	291,462,374	8,093,048	18,982,831	318,538,253
Financial assets held to managed liquidity risk	195,838,534	117,356,571	60,230,808	373,425,913
Net liquidity gap	(95,623,840)	109,263,523	41,247,977	54,887,660
As at March 31, 2025				
Financial liabilities				
Borrowings	24,494,260	8,819,152	14,503,441	47,816,853
Customers' deposits	176,836,231	28,382	5,196,174	182,060,787
Insurance contract liabilities	14,980,139	—	1,604,233	16,584,372
Accounts payable and other liabilities	43,967,590	723,336	1,304,490	45,995,416
Liabilities included in disposal group	449,377	—	—	449,377
Total financial liabilities	260,727,597	9,570,870	22,608,338	292,906,805
Financial assets held to managed liquidity risk	165,550,462	115,075,764	59,284,383	339,910,609
Net liquidity gap	(95,177,135)	105,504,894	36,676,045	47,003,804

d) Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

To limit the Group's exposure to potential loss on an insurance policy, the Group cedes certain levels of risk to a reinsurer. The Group selects reinsurers which have a well-established capability to meet their contractual obligations and which generally have high credit ratings.

For its property risks, the Group uses excess of loss catastrophe reinsurance treaties to obtain reinsurance coverage. Catastrophe reinsurance is obtained for multiple claims arising from one event or occurring within a specified time period. However, treaty limits may apply and may expose the insurer to further claims exposure.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance liabilities. This could occur because of the frequency or severity of claims and if benefits payments are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate.

The concentration of insurance risk for the insurance subsidiary before and after reinsurance by risk category is summarised below, with reference to the carrying amount of the liability for incurred claims arising from insurance contracts issued and the asset for incurred claims arising from reinsurance contracts held.

	March 31, 2026			March 31, 2025		
	Insurance contracts issued \$	Reinsurance contracts held \$	Net \$	Insurance contracts issued \$	Reinsurance contracts held \$	Net \$
Type of risk						
Motor	9,829,131	(4,578,757)	5,250,374	10,004,083	(4,533,675)	5,470,408
Property	1,433,982	–	1,433,982	545,301	–	545,301
Liability	946,448	–	946,448	918,410	–	918,410
Marine	124,427	–	124,427	126,880	–	126,880
Travel	9,230	–	9,230	8,335	–	8,335
Miscellaneous	65	–	65	228	–	228
	12,343,283	(4,578,757)	7,764,526	11,603,237	(4,533,675)	7,069,562

	2026 \$	2025 \$
Insurance contracts issued		
Present value of future cash flows	11,764,283	11,045,237
Risk adjustment for non-financial risk	579,000	558,000
	12,343,283	11,603,237
Reinsurance contracts held		
Estimates of present value of future cash flows	4,349,757	4,307,675
Risk adjustment for non-financial risk	229,000	226,000
	4,578,757	4,533,675

i) Property insurance

Property insurance contracts are underwritten using the following main risk categories: fire, business interruption, weather damage and theft.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

i) Property insurance ...continued

Frequency and severity of claims

For property insurance contracts, climatic changes may give rise to more frequent and severe extreme weather events (for example, flooding, hurricanes, earthquakes, etc.), and may increase the frequency and severity of claims and their consequences. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The Group has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claim payment limits are always included to cap the amount payable on occurrence of the insured event. Cost of rebuilding properties, of replacement or indemnity for contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from fire, hurricane and earthquake damage. The Group has reinsurance cover for such damage to limit losses to \$500,000 in any one occurrence, per individual property risk.

Sources of uncertainty in the estimation of future claim payments

Claims on property contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract even if the loss is discovered after the end of the contract term. There are several variables that affect the amount and timing of cash flows from these contracts. The compensation paid on these contracts is the monetary awards granted for property damage caused by insured perils as stated in the contract of insurance.

The estimated costs of claims include direct expenses to be incurred in settling claims. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Property claims are less sensitive as the shorter settlement period for these claims allows the Group to achieve a higher degree of certainty about the estimated cost of claims. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for incurred but not reported (IBNR) and a provision for reported claims not yet paid (outstanding claims) at the reporting date.

ii) Casualty insurance

The Group's casualty insurance is motor, marine and liability insurance.

Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant is the number of cases coming to Court that have been inactive or latent for a long period of time. Estimated inflation is also a significant factor due to the long period required to settle these cases. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. Furthermore, the Group's strategy limits the total exposure to the Group by the use of reinsurance treaty arrangements. The reinsurance arrangements include excess of loss cover. The effect of such reinsurance arrangements is that the Group should not suffer total net insurance loss of more than \$200,000 per risk for casualty insurance.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

ii) Casualty insurance ...continued

Sources of uncertainty in the estimation of future claim payments

Claims on casualty contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract even if the loss is discovered after the end of the contract term. As a result, casualty and financial risk claims are settled over a longer period of time. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employers' liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur because of the accident.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for claims incurred but not reported (IBNR) and a provision for reported claims not yet paid (outstanding claims) and a provision for unexpired risks at the reporting date. The Group's IBNR loss reserves are derived using the paid loss development estimation method (triangular method). Each business class IBNR was calculated using claims data and loss history. The quantum of casualty claims is particularly sensitive to the level of Court awards and to the development of legal precedent on matters of contract and tort.

iii) Reinsurance contracts

Sources of uncertainty in the estimation of future claim payments

Claims on reinsurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract even if the loss is discovered after the end of the contract term. The provision for outstanding claims is subject to the risk that actual claims settlement may be less than or exceed the amount reserved. Particular attention is given to those situations where the funds dedicated to future claims payments may be inadequate. The estimated costs of claims include direct expenses to be incurred in settling claims. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for incurred but not reported (IBNR) and a provision for reported claims not yet paid (outstanding claims) at the reporting date. The Group engages an actuary to ensure that its loss reserves for claims incurred but not reported are adequate. The Actuary uses a range of well-established actuarial methods for this purpose and determines the minimum required provision using a weighted average.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

iv) Life insurance contracts

The nature and extent of risks arising from life insurance contracts as of 2026 and 2025 are as follows:

Concentration of life insurance risk

Gross individual life insurance benefit insured per life policy as at 2026 and 2025 is as follows:

Range	2026	2025
\$0 - \$200,000	—	78.5%
\$200,001 - \$400,000	—	21.5%

The risk is concentrated in the first 2 categories.

Net individual life insurance benefit insured for life policies within the range of \$0 – \$200,000 per policy as at March 31, 2026 is nil (2025: 100%).

Comparison of actual and expected claims of life insurance risk

The disclosure about claims development relates to the period when the earliest material claim arose for which there is still uncertainty about the amount and timing of the claims payments. As at March 31, 2026 and 2025, the Group's comparison of actual and expected claims is shown below.

Year	2026		2025	
	Actual claims \$	Expected claims \$	Actual claims \$	Expected claims \$
2009	—	—	—	113,000
2010	—	—	45,000	106,000
2011	—	—	93,000	103,000
2012	—	—	8,000	98,000
2013	—	—	—	93,000
2014	—	—	—	87,000
2015	—	—	—	82,000
2016	—	—	—	78,000
2017	—	—	50,000	74,000
2018	—	—	71,000	54,000
2019	—	—	147,000	67,000
2020	—	—	—	56,000
2021	—	—	95,000	46,000
2022	—	—	—	43,000
2023	—	—	90,000	41,000
2024	—	—	—	37,000
2025	—	—	—	38,000

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

iv) Life insurance contracts ...continued

Maturity profile of life insurance risk

The following table sets out the carrying amounts of insurance and reinsurance contracts expected to be settled more than 12 months after the reporting date.

	2026	2025
	\$	\$
Insurance contract liabilities	–	949,417

v) Claims development

The Group employs loss (claims) development tables as a means of measuring actual claims compared with previous estimates. Claims are typically resolved within one year and are assessed on a case-by-case basis. The claims that tend to extend beyond one year are normally from the Accident line of business and to a lesser extent, the Motor line.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

d) Insurance risk ...continued

v) Claims development ...continued

Gross of reinsurance basis													
Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
(\$'000)													
Estimate of ultimate claims costs													
At end of accident year	–	–	5,000	3,777	5,338	4,683	3,695	16,706	3,769	4,518	6,153	586	
one year later	–	2,938	4,440	3,498	4,124	4,471	3,321	18,716	3,032	3,241			
two years later	7,636	2,896	4,403	3,279	3,790	4,553	3,497	18,563	2,817				
three years later	7,610	2,899	4,272	3,082	3,727	4,536	3,375	18,622					
four years later	7,605	2,853	2,527	3,148	3,636	4,450	3,870						
five years later	7,624	2,689	2,499	2,921	3,687	4,381							
six years later	7,414	2,643	2,392	2,934	3,231								
seven years later	7,434	2,566	2,288	4,897									
eight years later	7,372	2,536	2,288										
nine years later	7,373	2,536											
ten years later	7,373												
Current estimate of claims	7,373	2,536	2,288	4,897	3,231	4,381	3,870	18,622	2,817	3,241	6,153	586	59,995
Cumulative payments to date	7,373	2,377	2,276	4,100	3,181	3,183	2,556	18,042	2,256	1,274	1,979	–	48,597
Claims liabilities recognized	–	159	12	797	50	1,198	1,314	580	561	1,967	4,174	586	11,398
10 Year gross claims liability													11,398
Liability in respect of prior years													36
Rounding													(243)
Total all accident years													11,191
Undiscounted future cash flow (excl. ULAE)													450
Unpaid unallocated loss adjustment expense (ULAE)													(861)
Effect of discounting													697
Risk adjustment													866
Payables / (receivables)													–
Insurance pre-recognition cash flows assets													–
Total LIC for insurance contracts issued													12,343

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of insurance and financial risks ...continued

d) Insurance risk ...continued

v) Claims development ...continued

Net of reinsurance basis													
Accident year (\$'000)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Total all insurance risks													
Estimate of ultimate claims costs													
At end of accident year	2,714	3,162	3,095	3,777	4,692	4,173	3,867	3,611	3,435	3,285	4,171	586	
one year later	2,531	2,938	2,670	3,251	3,758	3,680	3,272	3,848	2,812	2,043			
two years later	2,386	2,895	2,633	3,135	3,462	3,743	3,359	3,693	2,616				
three years later	2,361	2,898	2,502	2,920	3,440	3,726	3,237	3,668					
four years later	2,356	2,853	2,488	3,002	3,384	3,640	3,276						
five years later	2,374	2,689	2,475	2,921	3,435	3,571							
six years later	2,165	2,643	2,392	2,906	2,979								
seven years later	2,185	2,563	2,288	2,809									
eight years later	2,123	2,536	2,288										
nine years later	2,123	2,536											
ten years later	2,123												
Current estimate of claims	2,123	2,536	2,288	2,809	2,979	3,571	3,276	3,668	2,616	2,043	4,171	586	32,666
Cumulative payments to date	2,123	2,377	2,276	2,484	2,929	2,883	2,555	3,172	2,176	1,232	1,844	—	26,051
Claims liabilities recognized	—	159	12	325	50	688	721	496	440	811	2,327	586	6,615
10 Year net claims liability													
Liability in respect of prior years													6,615
Rounding													36 (38)
Total all accident years													
Undiscounted future cash flow (excl. ULAE)													6,613
Unpaid unallocated loss adjustment expense (ULAE)													450
Effect of discounting													(861)
Risk adjustment													697
Payables / (receivables)													866
Insurance pre-recognition cash flows assets													—
Total LIC for insurance contracts issued less AIC for reinsurance contract held													7,765

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

e) Fair value of financial assets and liabilities

Fair value is the arm's length consideration for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties, who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

Determination of fair value

The following methods and assumptions have been used to estimate the fair value of each class of financial instruments for which it is practical to estimate a value:

Short-term financial assets and liabilities

The carrying value of these financial assets and liabilities is a reasonable estimate of their fair value because of the short maturity of these instruments. Short-term financial assets are comprised of cash and cash equivalents, loans to customers, receivables reinsurance contract assets and due from related parties. Short-term financial liabilities are comprised of customers' deposits, insurance liabilities, accounts payable and other liabilities and due to related parties.

Long-term financial assets

The fair value of long-term financial assets which are not quoted in an active market is based on discounted cash flows using the interest rate for new financial assets with the same characteristics and maturities.

Financial assets at FVOCI

Fair value is based on quoted market prices. Where these are not available, fair value is assumed to approximate cost.

Borrowings and deposits

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand.

The estimated fair value of fixed-interest bearing deposits and other borrowings not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

e) Fair value of financial assets and liabilities ...continued

The table below summarises the carrying amounts and fair values of the Group's financial assets and liabilities:

	Carrying value		Fair value	
	2026	2025	2026	2025
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	39,807,925	27,947,480	39,807,925	27,947,480
Investment securities	117,885,152	107,648,165	117,885,152	107,648,165
Loans to customers	184,420,821	175,402,271	184,420,821	175,402,271
Receivables	12,562,514	12,879,402	12,562,514	12,879,402
Insurance contract assets	2,186,776	19	2,186,776	19
Reinsurance contract assets	5,925,415	5,668,772	5,925,415	5,668,772
Statutory deposits	3,469,518	3,447,920	3,469,518	3,447,920
Due from related parties	442,503	229,105	442,503	229,105
	366,700,624	333,223,134	366,700,624	333,223,134
Financial liabilities				
Borrowings	38,385,393	42,535,801	38,385,393	42,535,801
Customers' deposits	207,101,782	179,481,474	207,101,782	179,481,474
Insurance contract liabilities	20,387,847	16,584,372	20,387,847	16,584,372
Accounts payable and other liabilities	44,224,169	41,296,789	44,224,169	41,296,789
Due to related parties	18,180	—	18,180	—
	310,117,371	279,898,436	310,117,371	279,898,436

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

f) Fair value hierarchy

Fair value measurement of financial assets

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1: Quoted prices in active markets for identical assets and liabilities. This level includes equity securities and debt instruments listed on exchanges.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data. This level includes equity investments and debt instruments with significant unobservable components.

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

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets – 2026					
Financial assets at FVOCI	8	–	3,870,460	3,005,932	6,876,392
Financial assets – 2025					
Financial assets at FVOCI	8	–	3,864,744	2,761,511	6,626,255

There were no any transfers in or out of level 1, 2 and 3 in both periods.

The Group's finance team performs valuation of financial assets at FVOCI for financial reporting purposes and reports directly to the Group's Finance Director. Discussion of valuation process and result are held between the Group's Chief Financial Officer and Operations and finance team at least quarterly, in line with the Group's quarterly reporting periods.

The market value of level 1 and 2 are derived from the trade reports of the listed equity securities in the Eastern Caribbean Securities Exchange.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Weighted average cost of capital was used since the capital asset pricing model used for the determination of the cost of equity, assumes a market premium which we were unable to calculate; and
- Earnings growth factors for unlisted equity security are estimated based on market information for similar types of companies. In the absence of reliable information on the growth of dividends moving forward, the growth rate was assumed to be zero so as not to distort the results of the computation with an assumption.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

f) Fair value hierarchy ...continued

Fair value measurement of non-financial assets

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land and buildings – March 31, 2026	–	20,960,000	69,060,597	90,020,597
Land and buildings – March 31, 2025	–	20,960,000	69,790,000	90,750,000

Fair value of the Group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board of Directors at each reporting date.

The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location and current use.

Land and buildings were revalued in March 2025 and difference between the carrying amounts of land and buildings and the fair values are recognised as a revaluation loss or surplus either in the consolidated statement of income or consolidated statement of other comprehensive income (see notes 16 and 24).

g) Capital risk management

The Group maintains a level of capital that is sufficient to meet several objectives, including its ability to continue as a going concern in order to provide returns and benefits for shareholders and to maintain an acceptable total debt-to-capital ratio to provide access to adequate funding sources to support current operations and the fulfillment of its strategic plan.

Total net debt includes bank loans and long-term debt less cash and cash equivalents. The Group's capital includes total net debt and equity. As at March 31, 2026, the Group's net cash amounted to \$1,422,532 (net debt in 2025: \$14,588,321), while its equity amounted to \$232,566,202 (2025: \$227,256,261).

The Group manages its capital structure and makes adjustments in light of changes in activities, economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Group may issue new shares, adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

g) Capital risk management ...continued

In accordance with Section 3 of the Insurance Act of 2009 of St. Kitts and Nevis (the “Act”), the insurance subsidiary, TDC Insurance Company Limited, is required to have a minimum share capital of \$2,000,000 fully paid up in cash. Further, Section 23 of the Act requires the insurance subsidiary to deposit an amount of \$1,000,000 for long term insurance and no less than \$500,000 for motor vehicle insurance with the Registrar or that the interest of the Registrar in respect of any prescribed asset be duly registered with the Eastern Caribbean Central Securities Registry. The statutory deposits prior to intercompany balance elimination in the amount of \$4,955,754 (2025: \$4,932,413) in the form of term deposits and bonds are currently held by the insurance subsidiary to satisfy the above requirement.

In St. Kitts and Nevis, the solvency criteria prescribed by Section 54 (c) of the Act states that a registered insurance company carrying on both long-term insurance and general insurance business, shall be deemed to be insolvent, if the excess of its total assets over its total liabilities is less than the greater of the following amounts:

- i) \$500,000; or
- ii) 20% of its premium income in respect of the general insurance business in its last preceding financial year and 5% of the long-term life insurance liabilities as at the end of the reporting period.

	2026 \$	2025 \$
<i>General insurance business</i>		
20% of net premium income of the preceding year (2026: \$9,829,968; 20245 \$10,815,822)	1,965,994	2,163,104
<i>Long-term insurance business</i>		
5% of life policyholders' benefits of the current year (2026: \$nil; 2025: \$1,132,980)	—	58,649
	<u>1,965,994</u>	<u>2,221,753</u>

Compliance with the minimum margin of solvency is determined as follows:

	2026 \$	2025 \$
Total assets	72,490,478	68,463,927
Total liabilities	<u>(15,557,942)</u>	<u>(14,132,086)</u>
Margin of solvency	56,932,536	54,331,841
Required minimum margin of solvency	<u>(1,965,994)</u>	<u>(2,221,753)</u>
Margin of solvency in excess of requirement	<u>54,966,542</u>	<u>52,110,088</u>

The margin of solvency was met and exceeded by the insurance subsidiary in 2026 and 2025.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

g) Capital risk management ...continued

In accordance with Section 3 of the Insurance Act of 2014 of Anguilla (the “Act”), the reinsurance subsidiary is required to have a minimum share capital of \$540,000 fully paid up in cash. Further, Section 8 of the Act requires the reinsurance subsidiary to deposit an amount at least equal to the total of its unearned premium reserves and outstanding claims reserves at a domestic bank in Anguilla. As at March 31, 2026, unearned premiums and outstanding claims amounted to \$3,375,326 (2025: \$2,940,428) and \$4,979,965 (2025: \$4,632,982), respectively. Term deposits held at domestic banks in Anguilla amounted to \$730,045 as at March 31, 2026 (2025: \$1,095,068) and term deposits of \$16,806,827 (2025: \$17,484,296) to satisfy the above requirement.

In Anguilla, the solvency criteria prescribed by Section 48 of the Financial Services Act states that a registered insurance company other than one carrying on long-term business, shall be deemed to be insolvent, if the excess of its total assets over its total liabilities is less than the greater of the following amounts:

- i) the minimum amount of paid up capital; and
- ii) where the Net Retained Annual Premium (NRAP) of the Company does not exceed US\$5,000,000, 20% of Net Retained Annual Premium.

	2026 \$	2025 \$
<i>General insurance business</i>		
20% of net premium income		
(2026: \$3,669,184; 2025: \$4,070,666)	<u>733,837</u>	<u>814,133</u>

Compliance with minimum margin of solvency is determined as follows:

	2026 \$	2025 \$
Total assets	40,780,115	36,935,029
Total liabilities	<u>(8,727,057)</u>	<u>(5,777,550)</u>
Margin of solvency	32,053,058	31,157,479
Required minimum margin of solvency	<u>(540,000)</u>	<u>(540,000)</u>
Margin of solvency in excess of requirement	<u>31,513,058</u>	<u>30,617,479</u>

The margin of solvency was met and exceeded by the reinsurance subsidiary in 2026 and 2025.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

5 Management of financial and insurance risks ...continued

g) Capital risk management ...continued

Capital adequacy and the use of regulatory capital of the finance subsidiary are constantly monitored by the Board of Directors. The ECCB requires all financial institutions under its jurisdiction to hold the minimum level of regulatory capital of \$5,000,000.

The finance subsidiary regulatory capital as managed by management is divided into two tiers:

- Tier 1 Capital: share capital, retained earnings and reserves created by appropriation of retained earnings.
- Tier 2 Capital: qualifying subordinated loan capital, collective impairment allowance and unrealised gains arising on the fair valuation of security instruments held as available for sale.

The table below summarises the composition of regulatory capital of the finance subsidiary for the two-year presentation. During those two years, the finance subsidiary complied with all of the statutory capital requirements with which it must comply.

	2026 \$	2025 \$
Tier 1 capital		
Share capital	12,000,000	12,000,000
Statutory reserve	10,987,470	10,203,637
Other reserves	3,214,641	4,344,376
Retained earnings	26,015,011	23,661,318
Total qualifying Tier 1 capital	52,217,122	50,209,331
Tier 2 capital		
Accumulated impairment allowance	3,462,162	4,084,070
Total regulatory capital	55,679,284	54,293,401

6 Segment reporting

Management currently identifies the Group's product and service lines as its operating segments. These operating segments are monitored by the Group's Chief Executive Officer (the chief operating decision maker) and strategic decisions are made on the basis of segment operating results.

Operating segments are combined below under the "Other" segment. These are rentals and hire purchase, airline agents, real estate development and shipping services.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

6 Segment reporting ...continued

Segment information for the reporting period is as follows:

Year ended March 31, 2026	General trading \$	Insurance \$	Financing \$	Other \$	Eliminations \$	Total \$
Revenue						
From external customers:						
Revenue	127,115,570	–	–	14,338,850	–	141,454,420
Other income	13,911,013	3,058,316	1,702,789	1,351,623	(6,922,428)	13,101,313
Net interest income	690,032	1,239,098	10,431,847	(85,260)	–	12,275,717
Insurance service results	–	4,592,230	–	–	–	4,592,230
Net insurance financial result	–	(19,000)	–	–	–	(19,000)
From other segments	13,043,020	2,317,159	13,989	156,735	(15,530,903)	–
Cost of sales	154,759,635	11,187,803	12,148,625	15,761,948	(22,453,331)	171,404,680
	(104,880,050)	–	–	(5,749,631)	11,972,811	(98,656,870)
Gross profit	49,879,585	11,187,803	12,148,625	10,012,317	(10,480,520)	72,747,810
Employee costs	(21,573,831)	(1,288,143)	(3,027,986)	(4,088,674)	(12,732)	(29,991,366)
General and administrative expenses	(17,645,420)	(1,836,028)	(3,327,500)	(3,859,494)	3,346,633	(23,321,809)
Depreciation and amortisation	(4,383,884)	(266,306)	(513,905)	(1,060,205)	1,691,332	(4,532,968)
Finance charges	(4,006,031)	769,279	(265,844)	(132,132)	598,507	(3,036,221)
Share of income on associated companies	–	–	–	–	632,056	632,056
	(47,609,166)	(2,621,198)	(7,135,235)	(9,140,505)	6,255,796	(60,250,308)
Segment profit before income tax	2,270,419	8,566,605	5,013,390	871,812	(4,224,724)	12,497,502
Segment assets	213,771,398	113,497,525	276,482,223	31,547,501	(82,921,540)	552,377,107
Segment liabilities	105,842,040	24,511,931	224,265,101	14,413,519	(49,221,686)	319,810,905

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

6 Segment reporting ...continued

Year ended March 31, 2025

Revenue

From external customers:

Revenue

Other income

Net interest income

Insurance service result

Net insurance financial result

From other segments

Cost of sales

Gross profit

Employee costs

General and administrative expenses

Depreciation and amortisation

Decline in value of inventory

Finance charges

Revaluation loss reversal

Share of income on associated companies

Segment profit/(loss) before income tax

Segment assets

Segment liabilities

	General trading \$	Insurance \$	Financing \$	Other \$	Eliminations \$	Total \$
117,989,944	–	–	–	9,358,384	–	127,348,328
7,598,308	2,976,402	2,976,402	1,632,474	1,018,523	(505,826)	12,719,881
716,294	2,136,855	2,136,855	9,672,639	(66,696)	–	12,459,092
–	5,223,215	5,223,215	–	–	–	5,223,215
–	33,125	33,125	–	–	–	33,125
16,369,411	1,805,569	1,805,569	32,452	159,363	(18,366,795)	–
142,673,957	12,175,166	12,175,166	11,337,565	10,469,574	(18,872,621)	157,783,641
(98,909,539)	–	–	–	(1,515,606)	12,630,361	(87,794,784)
43,764,418	12,175,166	12,175,166	11,337,565	8,953,968	(6,242,260)	69,988,857
(19,848,232)	(1,176,250)	(1,176,250)	(2,512,618)	(3,248,904)	2,011	(26,783,993)
(16,064,311)	(603,032)	(603,032)	(1,661,369)	(2,944,536)	2,564,925	(18,708,323)
(4,378,699)	(350,086)	(350,086)	(539,341)	(687,027)	1,557,338	(4,397,815)
–	–	–	–	(1,064,665)	–	(1,064,665)
(3,733,595)	309,329	309,329	(307,883)	(28,062)	648,529	(3,111,682)
–	681,362	681,362	–	–	–	681,362
–	–	–	–	–	2,071,951	2,071,951
(44,024,837)	(1,138,677)	(1,138,677)	(5,021,211)	(7,973,194)	6,844,754	(51,313,165)
(260,419)	11,036,489	11,036,489	6,316,354	980,774	602,494	18,675,692
218,866,798	103,474,829	103,474,829	246,157,987	32,428,108	(81,554,998)	519,372,724
110,372,886	17,916,365	17,916,365	195,948,656	15,476,025	(47,597,469)	292,116,463

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

6 Segment reporting ...continued

The totals presented above for the Group's operating segments reconcile to the financial figures as presented in the consolidated statement of financial position and consolidated statement of income.

Major customers

The Group does not have a single external customer from which sales revenue generated amounted to 10% or more of the total revenue of the Group.

7 Cash and cash equivalents

	2026 \$	2025 \$
Cash at banks	32,241,908	20,383,716
Treasury bills and term-deposits	7,527,487	7,526,959
Cash on hand	38,530	36,805
	39,807,925	27,947,480

Cash at banks is held with several local commercial banks in non-interest-bearing current accounts. The amounts held in these accounts facilitate the short-term commitments and day-to-day operations of the Group.

Treasury bills and term-deposits

Treasury bills and term-deposits are held with Government of St. Kitts and Nevis, United States of America and local commercial banks, respectively, with original terms to maturity of three months or less. The interest rate on local treasury bills is 4.0% per annum (2025: 4.0%) while the interest rate on short-term deposits is 1% per annum (2025: 1%). The interest rate on US treasury bills is 5% per annum.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

8 Investment securities

	2026 \$	2025 \$
Financial assets at FVOCI		
Quoted securities	3,870,460	3,864,744
Unquoted securities	3,005,932	2,761,511
	6,876,392	6,626,255
Amortised cost		
Government treasury bills and bonds	62,784,549	49,643,671
Fixed deposits	32,384,045	29,448,217
Corporate bonds	21,550,000	27,550,000
	116,718,594	106,641,888
Interest receivable	1,525,907	1,459,418
Dividend receivable	49,938	—
	118,294,439	108,101,306
Allowance for impairment	(409,287)	(453,141)
	117,885,152	107,648,165
	124,761,544	114,274,420
Current	102,653,824	87,412,222
Non-current	22,107,720	26,862,198
	124,761,544	114,274,420

The movement in investment securities may be summarised as follows:

	Note	Amortised cost \$	Financial assets at FVOCI \$	Total \$
Balance at March 31, 2024		87,157,547	6,090,119	93,247,666
Additions		46,057,895	—	46,057,895
Redemptions		(26,113,288)	—	(26,113,288)
Movement in interest receivable		329,095	—	329,095
Fair value losses		—	536,136	536,136
Impairment reversals	28	216,916	—	216,916
Balance at March 31, 2025		107,648,165	6,626,255	114,274,420
Additions		38,786,302	—	38,786,302
Redemptions		(28,746,342)	—	(28,746,342)
Movement in interest receivable		103,235	—	103,235
Movement in dividend receivable		49,938	—	49,938
Fair value gains		—	250,137	250,137
Impairment reversals	28	43,854	—	43,854
Balance at March 31, 2026		117,885,152	6,876,392	124,761,544

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

8 Investment securities ...continued

The fair value gains/(losses) for the year on financial assets at FVOCI are attributable to the shareholders of:

	Note	2026 \$	2025 \$
Parent company	24	249,598	538,021
Non-controlling interests		539	(1,885)
		<u>250,137</u>	<u>536,136</u>

The movement in the impairment losses on investment securities during the period is shown in Note 5(b).

Fixed deposits

Fixed deposits consist of one to two years term deposits at local and regional financial institutions bearing interest at rates ranging from 1.0% to 3.5% per annum (2025: 1.0% to 3.5%).

At January 31, 2016, the Group held \$7,426,146 and \$2,747,376 in cash and fixed deposits at Caribbean Commercial Bank (Anguilla) Limited and National Bank of Anguilla Limited, respectively.

Both the Caribbean Commercial Bank (Anguilla) Limited and National Bank of Anguilla Limited were placed in Conservatorship in August 2013. The Conservator of these two banks advised that all depositors' balances up to \$2,800,000 are accessible to the depositors and any excess amounts will be transferred to a Depositors Protection Trust. The Bank Resolution Obligation Act, 2016 of Anguilla provides for the Government of Anguilla to fund the Depositors Protection Trust in support of the resolution of the Caribbean Commercial Bank (Anguilla) Limited and National Bank of Anguilla Limited.

On April 22, 2016, Caribbean Commercial Bank (Anguilla) Limited and National Bank of Anguilla Limited were placed in Receivership. Funds in the amount of \$975,921 and \$2,747,376 held at Caribbean Commercial Bank (Anguilla) Limited and National Bank of Anguilla Limited, respectively, that were not transferred to the Depositors Protection Trust, were transferred to a newly formed Bank, National Commercial Bank of Anguilla Limited.

Deposits held with the Depositors Protection Trust will be for a term of 10 years commencing on June 30, 2016, at an interest rate of 2% per annum and with a maximum annual allowed withdrawal of 10% of the principal balance. Accordingly, the amount of \$3,650,255 representing the Group's remaining deposit at Caribbean Commercial Bank (Anguilla) Limited in excess of \$2,800,000 will be held in the Depositors Protection Trust. The Trust Deeds in respect of these amounts were signed on June 30, 2017, with the first quarterly payment of principal and interest due on December 30, 2017. The first interest payment totalling \$141,750 was received on April 25, 2018. In 2026, the Group received payments totalling \$391,487 including interest amounting to \$19,164 (2025: \$26,464).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

8 Investment securities ...continued

The Trust Deed in respect of this amount was signed on June 30, 2017. Deposits held with the Depositors' Protection Trust were to be held for a term of 10 years that commenced on April 22, 2016. However, due to a delay in the commencement of the payment on the Depositors' Protection Trust, a revised payment schedule was completed and resulted in a maturity date of March 30, 2028.

As at March 31, 2026, the Group held an outstanding principal of \$730,045 (2025: \$1,095,068) and interest receivable of \$nil (2025: \$nil).

Corporate bonds

Corporate bonds are held with Eastern Caribbean Home Mortgage Bank for a period of twelve months at an interest rate of 2.5% per annum (2025: 2.5%).

Treasury bills and bonds

Treasury bills and bonds are held with Eastern Caribbean Governments with original terms to maturity ranging from more than three months to one year for treasury bills and one to twenty years for bonds. The interest rates on treasury bills range from 4% to 4.5% per annum (2025: 4% to 4.5%) while the interest rates on bonds is 2.5% per annum (2025: 2.5%).

9 Loans to customers

	2026 \$	2025 \$
Performing	175,241,066	164,978,148
Under performing	5,696,911	6,775,799
Non-performing	5,593,097	6,483,039
Interest receivable	1,351,909	1,249,355
Gross loans	187,882,983	179,486,341
Allowance for loan impairment	(3,462,162)	(4,084,070)
Total loans to customers	184,420,821	175,402,271
Current	31,512,597	29,942,558
Non-current	152,908,224	145,459,713
	184,420,821	175,402,271

The weighted average effective interest rate on performing and under performing loans and advances at amortised cost at March 31, 2026 was 8.08% (2025: 8.22%).

The movement in the impairment losses of loans to customers during the period is shown in Note 5(b).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

9 Loans to customers ...continued

According to the ECCB loan provisioning guidelines, the calculated allowance for loan impairment amounts to \$5,531,063 (2025: \$7,352,491). Where the ECCB loan loss provision is greater than the allowance for credit losses calculated under IFRS Accounting Standards, the difference is set aside as a specific reserve in equity. As at March 31, 2026 and 2025, the loan loss provision calculated under IFRS Accounting Standards was lower than the ECCB provision. Therefore, a specific reserve through equity was required at the reporting date (see note 24).

Non-performing loans as at March 31, 2026 amounted to \$5,593,097 (2025: \$6,483,039) and interest taken to income on credit-impaired loans during the period resulted in a derecognition of \$18,842 (2025: \$66,347). The interest receivable on loans that would not be recognised under ECCB guidelines as at March 31, 2026 amounted to \$984,535 (2025: \$1,003,376), and is included in other reserves in equity (see Note 24). The interest receivable on non-performing loans to customers but not recognised in the consolidated financial statements as at March 31, 2026 amounted to \$2,641,317 (2025: \$3,815,677).

10 Receivables

	2026 \$	2025 \$
Accounts receivable	13,067,804	13,226,678
Finance lease receivables	4,302,603	3,841,691
Loan receivable	1,694,468	1,840,059
Other receivables	32,385	356,534
	19,097,260	19,264,962
Less: provision for impairment	(6,534,746)	(6,385,560)
	12,562,514	12,879,402
Less: non-current portion of receivables	(3,308,081)	(3,078,079)
Current portion of receivables	9,254,433	9,801,323

Accounts receivable

The Group's accounts receivable represents amounts due from customers for the goods sold and services rendered in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Details about the Group's impairment policies and the calculation of the loss allowance are disclosed in Note 5(b).

Due to the short-term nature of the Group's accounts receivable, their carrying amount is considered to be the same as their fair value.

Movement in the allowance for impairment of receivables is shown in Note 5(b).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

10 Receivables ...continued

Finance lease receivables

The Group entered into finance leases covering motor vehicles and household furniture and appliances with lease terms ranging from two to eight years. The future Minimum Lease Payments Receivables (MLPR) under these finance leases together with the Present Value (PV) of Net Minimum Lease Payments Receivables (NMLPR) are as follows:

	2026		2025	
	Future MLPR \$	PV of NMLPR \$	Future MLPR \$	PV of NMLPR \$
Within one year	3,621,701	2,491,118	3,546,992	2,439,730
After one year but not more than five years	2,227,983	1,532,476	1,873,745	1,288,820
More than five years	405,636	279,009	164,491	113,141
Total MLPR	6,255,320	4,302,603	5,585,228	3,841,691
Amounts representing finance income	(1,952,717)	–	(1,743,537)	–
PV of MLPR	4,302,603	4,302,603	3,841,691	3,841,691

The net investment relating to these finance leases is presented as finance lease receivables under receivables in the consolidated statement of financial position.

As at March 31, 2026, the provision for impairment of finance lease receivables included a provision for uncollectible minimum lease payments receivable amounting to \$1,522,324 (2025: \$1,576,558).

Loan receivable

On February 26, 2018, the Group, St. Kitts-Nevis-Anguilla National Bank Limited, Social Security Board and St. Kitts and Nevis Sugar Industry Diversification Foundation (the “lenders”) entered into a credit agreement with St. Christopher Air and Sea Ports Authority (SCASPA). Under the credit agreement, the lenders granted a loan to SCASPA to assist in the construction of second cruise pier. Further, National Bank Trust Company (St. Kitts and Nevis) Limited acted as the security trustee while St. Kitts-Nevis-Anguilla National Bank Limited as the administrative agent. The loan bears interest at the rate of 4.5% per annum and repayable beginning October 2019, matures in 2033 and is secured by the parcels of land situated at Port Zante, Basseterre, St. Kitts.

The lenders agreed that the Group will provide US\$1,000,000 to the administrative agent for the loan extended to SCASPA. As at March 31, 2026 and 2025, the amounts disbursed amounted to US\$851,534 or EC\$2,299,142.

The interest income recognised for the year ended March 31, 2026 amounted to US\$30,177 or EC\$81,478 (2025: US\$33,074 or EC\$89,299) is shown as part of interest income in the consolidated statement of income.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

10 Receivables ...continued

Loan receivable ...continued

The loan receivable balance including accrued interest as at March 31, 2026 from SCASPA amounted to US\$627,581 or EC\$1,694,468 (2025: US\$679,783 or EC\$1,840,059).

11 Inventories

	2026 \$	2025 \$
At cost		
General trading stock on hand	32,548,360	33,591,140
Land held for future development	11,615,251	11,615,251
Goods in transit	3,119,413	2,141,967
Dewar properties – land	1,970,100	2,076,941
Real estate units available for sale	784,596	784,596
Work-in-progress	712,511	2,726,582
At net realisable value		
Sunrise Hills Villas – land	1,585,000	1,585,000
	52,335,231	54,521,477

During the year, the Group made a write-down for a decline in value of \$nil (2025: \$1,064,665).

12 Prepayments and other current assets

	2026 \$	2025 \$
Prepayments	5,360,076	4,490,080
Statutory deposits	3,469,518	3,447,920
Right of return assets	31,411	135,462
	8,861,005	8,073,462

Statutory deposits

In accordance with the Insurance Act 2009 Section 23, all registered insurance companies are required to maintain a statutory deposit. As at March 31, 2026 and 2025, statutory deposits were held in the form of term deposits with local commercial banks, with original terms to maturity of one year, bearing interest at a rate of 1% per annum (2025: 1%), and funds held on deposit with the Financial Services Regulatory Commission – St. Christopher Branch. Statutory deposits are restricted and hence are not available for use in the day-to-day operations of the Group.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

13 Related party balances and transactions

A related party relationship exists when one party has the ability to control directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between or among entities under common control, with the reporting enterprise and its key management personnel, directors and shareholders.

Amounts due from and to related parties are interest-free, unsecured and have no fixed terms of repayment and comprise the following:

	2026 \$	2025 \$
Due from related parties		
Associated companies	442,503	229,105

	2026 \$	2025 \$
Due to related parties		
Associated companies	18,180	—

The following transactions with associated companies were carried out with related parties:

	2026 \$	2025 \$
Revenues		
Sale of goods	10,245,717	6,121,322
Management fees	48,000	48,000
Expenses		
Reinsurance premium expense	4,695,797	4,353,554
Expenses	5,490,692	4,551,405

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

13 Related party balances and transactions ...continued

Shares owned by Group directors

	2026 \$	2025 \$
4,553,197 shares at \$1 per share (2025: 4,542,597 shares at \$1 per share)	<u>4,553,197</u>	<u>4,524,597</u>

The following transactions were carried out with related parties:

Balances with the Group directors

Loans to and deposits from directors bear interest ranging from 5.6% to 7.0% and 3% to 3.5%, respectively, are included in loans to customers and customers' deposits, respectively, on the consolidated statement of financial position.

	2026 \$	2025 \$
Loans to directors	<u>767,287</u>	<u>80,924</u>
Deposits from directors	<u>1,705,432</u>	<u>2,063,000</u>

Advances from directors are repayable on demand and bear interest ranging from 3% to 4% per annum (2025: 3% to 4%) and are included in accounts payable and other liabilities on the consolidated statement of financial position.

	2026 \$	2025 \$
Advances from directors	<u>—</u>	<u>1,084,206</u>

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

13 Related party balances and transactions ...continued

Key management compensation

Key management includes the Group's executive and non-executive directors. The compensation incurred in respect of key management is as follows:

	2026 \$	2025 \$
Salaries	3,083,843	2,369,457
Directors' fees	686,900	701,950
Allowances	201,555	174,375
Pension	169,205	151,580
Social security	281,794	125,270
Gratuity	25,600	82,645
	4,448,897	3,605,277

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

14 Interest in subsidiaries

Composition of the Group

Set out below are details of the subsidiaries held directly by the Group:

Name of subsidiary	Country of incorporation and principal place of business	Principal activity	Proportion of ownership interests held by the Group	
			2026	2025
City Drug Store (2005) Limited	St. Kitts	the retailing of consumer products (permanently ceased its commercial operations effective November 1, 2023)	100%	100%
Dan Dan Garments Limited	St. Kitts	leasing of land and building	100%	100%
Ocean Terrace Inn Limited	St. Kitts	operation of Ocean Terrace Inn hotel, Fisherman's Wharf Restaurant and apartments ownership and rentals (permanently ceased its commercial operations since March 2020)	100%	100%
Sakara Shipping Inc.	Tortola	the provision of freight and other shipping services	100%	100%
St. Kitts Bottling Company Limited	St. Kitts	the trade or business of aerated beverages and purified water manufacturers and bottlers (permanently ceased its commercial operations since December 2016)	51.67%	51.67%
TDC Financial Services Company Limited	St. Kitts	accepting deposits from customers, providing loans to customers and investing in debt and equity securities	100%	100%
TDC Insurance Company Limited	St. Kitts	the business of underwriting all classes of general insurance	100%	100%
TDC Airline Services Limited	St. Kitts	airline, shipping, chartering and travel agents	100%	100%

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

14 Interest in subsidiaries ...continued

Composition of the Group ...continued

Name of subsidiary	Country of incorporation and principal place of business	Principal activity	Proportion of ownership interests held by the Group	
			2026	2025
TDC Real Estate and Construction Company Limited	St. Kitts	real estate development and construction of residential villas	100%	100%
TDC Rentals Limited	St. Kitts	car rental services and financing service to consumers	100%	100%
City Drug Store (Nevis) Limited	Nevis	retailing of products (ceased commercial operations effective December 2024)	100%	100%
TDC Nevis Limited	Nevis	trading as general merchants, manufacturers' representatives and commission agents	100%	100%
TDC Real Estate and Construction Company (Nevis) Limited	Nevis	real estate development and construction	100%	100%
East Caribbean Reinsurance Company Limited	Anguilla	the business of reinsurance for all classes of general insurance	80%	80%

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

14 Interest in subsidiaries ...continued

There are no subsidiaries with a non-controlling interest that are material to the Group.

The Company has issued guarantees to certain banks in respect of the credit facilities granted to certain subsidiaries (see note 33).

Disposal group and discontinued operations

In 2017, St. Kitts Bottling Company Limited ceased its operations through sale of its manufacturing of aerated beverages and water along with certain assets and liabilities to a third-party purchaser.

In March 2020, the Ocean Terrace Inn Limited and its subsidiaries (collectively referred to as “OTI Group”) ceased its business operations due to significant decline in business activity and the impact of the COVID-19 pandemic.

Certain subsidiaries, namely City Drug Store (2005) Limited and City Drug Store (Nevis) Limited, were ceased their business operations due to significant decline in business activities.

The revenues and expenses, gains and losses relating to the cessation of the above businesses have been eliminated from profit or loss from the Group’s continuing operations and are shown as single line item on the face of the consolidated statement of income.

The carrying amounts of assets and liabilities in this disposal group are summarized as follows:

	2026 \$	2025 \$
Current assets		
Cash	33,105	141,604
Receivables	46	44,058
Inventory	—	29,917
Prepayments	702	513
Income tax recoverable	25,268	43,641
Current assets included in disposal group	59,121	259,733
Non-current asset		
Property and equipment	—	630
Total assets included in disposal group	59,121	260,363
Current liabilities		
Accounts payable and other liabilities	60,728	448,800
Bank overdraft	1,045	577
Income tax payable	16,373	30
Liabilities included in disposal group	78,146	449,407

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
March 31, 2026

(expressed in Eastern Caribbean dollars)

14 Interest in subsidiaries ...continued

Disposal group and discontinued operations ...continued

The analysis of the results of discontinued operations excluding transactions with related parties are as follows:

	2026	2025
	\$	\$
Revenue	9,484	1,713,039
Cost of sales	(31,900)	(1,780,041)
Gross loss	(22,416)	(67,002)
Other income	295,744	76,928
Employee costs	15,346	(388,814)
General and administrative expenses	(46,547)	(101,752)
Depreciation and amortisation	—	(106,028)
Finance charges	(6,128)	(18,592)
Profit/(loss) before tax	235,999	(605,260)
Income tax expense	(34,746)	—
Net profit/(loss) for the year	201,253	(605,260)

Cash flows from discontinued operations for the reporting period are as follows:

	2026	2025
	\$	\$
Cash flows used in operating activities	(79,095)	(47,982)
Cash flows from investing activities	1,830	42,724
Cash flows used in financing activities	—	(102,322)

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

15 Investment in associates

The Group's associates include the following:

Name of associate	Country of incorporation/ Principal place of business	Percentage of ownership		Carrying value	
		2026	2025	2026	2025
		%	%	\$	\$
St. Kitts Masonry Products Limited	St. Kitts	50%	50%	10,327,668	10,077,043
Malliouhana-Anico Insurance Company Limited	Anguilla	25%	25%	4,110,673	3,947,508
Port Services Limited	St. Kitts	33%	33%	307,351	223,820
				<u>14,745,692</u>	<u>14,248,371</u>

Movements in the investment in associates account are as follows:

	Note	2026	2025
		\$	\$
Balance at beginning of year		14,248,371	12,776,420
Share of income of associated companies			
Profit or loss		632,056	2,071,951
Other comprehensive income	24	446,640	—
Dividends received		(581,375)	(600,000)
Balance at end of year		<u>14,745,692</u>	<u>14,248,371</u>

St. Kitts Masonry Products Limited

St. Kitts Masonry Products Limited manufactures and sells ready-mix concrete and concrete blocks for the construction industry.

Other associated companies

Other associated companies include Malliouhana-Anico Insurance Company Limited and Port Services Limited and the related principal activities are the underwriting of all classes of general insurance and stevedoring services, respectively.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

15 Investment in associates ...continued

Condensed financial information of St. Kitts Masonry Products Limited and other associated companies are as follows:

2026

	St. Kitts Masonry Products Limited \$	Other Associated companies \$
Current assets	10,356,946	2,287,483
Non-current assets	18,300,714	27,449,294
Current liabilities	(4,397,025)	(8,060,102)
Non-current liabilities	—	(55,399)
Net assets	24,260,635	21,621,276
Revenue	29,025,090	5,326,513
Costs and expenses	(28,517,121)	(3,897,737)
Net income	507,969	1,428,776

2025

	St. Kitts Masonry Products Limited \$	Other associated companies \$
Current assets	9,216,350	5,986,974
Non-current assets	15,074,237	24,470,870
Current liabilities	(4,240,246)	(5,831,361)
Non-current liabilities	—	(3,963,120)
Net assets	20,050,341	20,663,363
Revenue	28,457,354	5,660,925
Costs and expenses	(25,439,667)	(3,473,635)
Net income	3,017,687	2,187,290

During the year ended March 31, 2026, dividends received from St. Kitts Masonry Products Limited and Malliouhana-Anico Insurance Company Limited amounted to \$450,000 and \$131,375, respectively (2025: \$600,000 and \$nil).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

16 Property, plant and equipment

	Note	Land and buildings	Furniture and fittings	Plant and machinery	Containers	Motor vehicles	Computers and equipment	Right-of-use assets	Total
		\$	\$	\$	\$	\$	\$	\$	\$
At March 31, 2024									
Cost or valuation		86,671,633	4,493,630	18,008,082	561,743	16,530,155	8,054,740	2,263,297	136,583,280
Accumulated depreciation		(5,996,352)	(3,597,712)	(14,175,875)	(472,407)	(11,817,234)	(6,782,111)	(682,809)	(43,524,500)
Net book amount		80,675,281	895,918	3,832,207	89,336	4,712,921	1,272,629	1,580,488	93,058,780
Year ended March 31, 2025									
Opening net book amount		80,675,281	895,918	3,832,207	89,336	4,712,921	1,272,629	1,580,488	93,058,780
Additions		32,252	84,774	2,560,530	4,251	2,030,788	825,731	–	5,538,326
Disposals		(653,000)	(16,397)	(269,339)	(8,910)	(733,787)	(34,504)	–	(1,715,937)
Reclassifications									
Cost		(174,704)	139,135	–	35,569	–	–	–	–
Accumulated depreciation		71,495	(36,026)	–	(35,469)	–	–	–	–
Revaluation surplus		12,200,417	–	–	–	–	–	–	12,200,417
Effect of elimination of accumulated depreciation									
Cost		(7,326,598)	–	–	–	–	–	–	(7,326,598)
Accumulated depreciation		7,326,598	–	–	–	–	–	–	7,326,598
Writeback on disposals		–	16,397	259,265	8,718	632,091	26,300	–	942,771
Depreciation charge	29	(1,401,741)	(208,680)	(1,049,887)	(19,499)	(1,348,389)	(536,659)	(291,302)	(4,856,157)
Closing net book amount		90,750,000	875,121	5,332,776	73,996	5,293,624	1,553,497	1,289,186	105,168,200
At March 31, 2025									
Cost or valuation		90,750,000	4,701,142	20,299,273	592,653	17,827,156	8,845,967	2,263,297	145,279,488
Accumulated depreciation		–	(3,826,021)	(14,966,497)	(518,657)	(12,533,532)	(7,292,470)	(974,111)	(40,111,288)
Net book amount		90,750,000	875,121	5,332,776	73,996	5,293,624	1,553,497	1,289,186	105,168,200

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

16 Property, plant and equipment ...continued

	Note	Land and buildings \$	Furniture and fittings \$	Plant and machinery \$	Containers \$	Motor vehicles \$	Computers and equipment \$	Right-of-use assets \$	Total \$
Year ended March 31, 2026									
Opening net book amount		90,750,000	875,121	5,332,776	73,996	5,293,624	1,553,497	1,289,186	105,168,200
Additions		694,308	271,398	1,981,118	–	2,334,498	484,750	262,389	6,028,461
Disposals		–	–	(40,251)	–	(2,531,676)	(51,400)	(687,877)	(3,311,204)
Writeback on disposals		–	–	19,004	–	2,346,947	38,237	687,877	3,092,065
Depreciation charge	29	(1,423,711)	(216,772)	(1,389,434)	(15,291)	(1,572,395)	(555,879)	(204,419)	(5,377,901)
Closing net book amount		90,020,597	929,747	5,903,213	58,705	5,870,998	1,469,205	1,347,156	105,599,621
At March 31, 2026									
Cost or valuation		91,444,308	4,972,540	22,240,140	592,653	17,629,978	9,279,317	1,837,809	147,996,745
Accumulated depreciation		(1,423,711)	(4,042,793)	(16,336,927)	(533,948)	(11,758,980)	(7,810,112)	(490,653)	(42,397,124)
Net book amount		90,020,597	929,747	5,903,213	58,705	5,870,998	1,469,205	1,347,156	105,599,621

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

16 Property, plant and equipment ...continued

The land and buildings were revalued in March 2025 and the difference between the carrying amounts of land and buildings and the fair values are recognised as a revaluation loss reversal and revaluation surplus amounting to \$681,362 and \$11,519,055, respectively, in the 2025 consolidated statement of income and consolidated statement of other comprehensive income (24).

The details of gains on disposals of property and equipment were as follows:

	2026 \$	2025 \$
Proceeds from disposals of property and equipment	918,868	987,406
Carrying amount of property and equipment	(219,139)	(773,166)
Gains on disposals of property and equipment	699,729	214,240

Gains on disposals of property and equipment are recognised as part of other income in the consolidated statement of income (note 26).

If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	Land \$	Buildings \$	Total \$
At March 31, 2025			
Opening net book value	18,342,054	48,895,695	67,237,749
Additions/(disposals)	(653,000)	32,252	(620,748)
Depreciation	—	(977,914)	(977,914)
Closing net book value	17,689,054	47,950,033	65,639,087
At March 31, 2026			
Opening net book value	17,689,054	47,950,033	65,639,087
Additions	—	694,308	694,308
Depreciation	—	(960,899)	(960,899)
Closing net book value	17,689,054	47,683,442	65,372,496

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

17 Intangible assets

	Note	Computer software \$
At March 31, 2024		
Cost		3,308,131
Accumulated amortisation		<u>(2,819,145)</u>
Net book amount		<u>488,986</u>
Year ended March 31, 2025		
Opening net book amount		488,986
Additions		13,500
Amortisation	29	<u>(199,081)</u>
Closing net book amount		<u>303,405</u>
At March 31, 2025		
Cost		3,321,631
Accumulated amortisation		<u>(3,018,226)</u>
Net book amount		<u>303,405</u>
Year ended March 31, 2026		
Opening net book amount		303,405
Amortisation	29	<u>(63,561)</u>
Closing net book amount		<u>239,844</u>
At March 31, 2026		
Cost		3,321,631
Accumulated amortisation		<u>(3,081,787)</u>
Net book amount		<u>239,844</u>

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

18 Borrowings

	2026 \$	2025 \$
Bank term loans	22,406,686	26,109,665
Bank overdrafts	15,978,707	16,426,136
Total borrowings	38,385,393	42,535,801
Current	23,109,829	42,535,801
Non-current	15,275,564	—
	38,383,393	42,535,801

Bank term loans carry interest rate of 3.5% to 5% (2025: 3.5% to 5%) and are repayable in regular instalments of principal and interest, maturing at various intervals from one to fourteen years through 2017 to 2039 (2025: through 2017 to 2039).

Bank overdrafts carry interest rates varying from 4.5% to 6% (2025: 4.5% to 6%).

Collateral security for indebtedness

The Group's bankers and other lenders hold as collateral security, mortgage debentures creating fixed and floating charges and an equitable mortgage on the Group's assets.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities

a) Composition of the consolidated statement of financial position

As at March 31, 2026	Contracts not measured under PAA \$	Contracts measured under PAA \$	Total \$	Current \$	Non- current \$	Total \$
Insurance contract liabilities						
Life risk	—	—	—	—	—	—
Property and casualty	—	20,575,475	20,575,475	20,575,475	—	20,575,475
Assets for insurance acquisition cash flows	—	(187,628)	(187,628)	(187,628)	—	(187,628)
Total	—	20,387,847	20,387,847	20,387,847	—	20,387,847
Insurance contract assets						
Property and casualty	—	2,186,775	2,186,775	2,186,775	—	2,186,775
Assets for insurance acquisition cash flows	—	1	1	1	—	1
Total	—	2,186,776	2,186,776	2,186,776	—	2,186,776
Reinsurance contract assets						
Life risk	—	—	—	—	—	—
Property and casualty	—	5,925,415	5,925,415	5,925,415	—	5,925,415
Total	—	5,925,415	5,925,415	5,925,415	—	5,925,415

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

a) Composition of the consolidated statement of financial position ...continued

As at March 31, 2025	Contracts not measured under PAA \$	Contracts measured under PAA \$	Total \$	Current \$	Non- current \$	Total \$
Insurance contract liabilities						
Life risk	1,533,031	–	1,533,031	(71,202)	1,604,233	1,533,031
Property and casualty	–	15,122,863	15,122,863	15,122,863	–	15,122,863
Assets for insurance acquisition cash flows	(169)	(71,353)	(71,522)	(71,522)	–	(71,522)
Total	1,532,862	15,051,510	16,584,372	14,980,139	1,604,233	16,584,372
Insurance contract assets						
Property and casualty	–	19	19	19	–	19
Assets for insurance acquisition cash flows	–	–	–	–	–	–
Total	–	19	19	19	–	19
Reinsurance contract assets						
Life risk	–	–	–	–	–	–
Property and casualty	–	5,668,772	5,668,772	5,668,772	–	5,668,772
Total	–	5,668,772	5,668,772	5,668,772	–	5,668,772

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

b) Insurance revenue and expenses

	2026 \$	2025 \$
<i>Contracts not measured under the PAA:</i>		
Amounts relating to changes in liabilities for remaining coverage:		
CSM recognised for services provided	223,786	75,221
Change in risk adjustment for non-financial risk for risk expired	–	160
Expected incurred claims and other insurance service expenses	–	(20,474)
Other - experience adjustments arising from premiums received in the period other than those that relate to future service	–	(3,689)
Total insurance revenue for contracts not measured under PAA	223,786	51,218
Contracts measured under the PAA	39,634,839	36,443,227
Total insurance revenue	39,858,625	36,494,445
Insurance service expenses		
Incurred claims and other directly attributable expenses	(7,205,907)	(9,147,949)
Losses on onerous contracts and reversal of those losses	(20,786)	–
Total insurance service expenses	(7,226,693)	(9,147,949)
Net (expenses)/income from reinsurance contracts held		
Reinsurance expenses – contracts measured under the PAA	(26,341,426)	(22,055,842)
Other incurred directly attributable expenses	(542,301)	(410,166)
Incurred claims recovery	375,005	1,830,762
Other adjustments	(1,530,980)	(1,488,035)
Total net expenses from reinsurance contracts held	(28,039,702)	(22,123,281)
Total insurance service result	4,592,230	5,223,215

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

c) Movements in insurance and reinsurance contract balances

The details of insurance and reinsurance contract balances net are as follows:

	2026 \$	2025 \$
Insurance contract liabilities	(20,387,847)	(16,584,372)
Insurance contract assets	2,186,776	19
Reinsurance contract assets	5,925,415	5,668,772
Carrying amounts at end of period	(12,275,656)	(10,915,581)

The movements of insurance and reinsurance contract balances, net is shown below.

	2026 \$	2025 \$
Carrying amounts at beginning of year	(10,915,581)	(9,240,550)
Premiums received	(30,398,142)	(27,041,822)
Recoveries received	15,312,703	12,162,653
Claims and expenses paid	6,056,422	7,079,106
Acquisition cash flows	—	8,569
Experience adjustments	—	596
Future service	1,401,138	—
Pre-recognition cash flow assets derecognised	116,776	13,412
Insurance revenue	28,169,809	26,209,855
Insurance service expenses	(6,941,721)	(8,783,903)
Net reinsurance expenses	(15,058,060)	(11,351,040)
Insurance finance (expenses)/income	(19,000)	27,543
Carrying amounts at end of year	(12,275,656)	(10,915,581)

The reconciliations in the following tables show how the net carrying amounts of insurance and reinsurance contracts changed during the year as a result of cash flows and amounts recognised in consolidated statement of income.

The Group presents a table that separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the consolidated statement of income.

For contracts not measured using PAA, it separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the contract service margin (CSM).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

c) Movements in insurance and reinsurance contract balances ...continued

i) Insurance contracts issued

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims

Insurance contracts issued	March 31, 2026					Total \$
	LRC	LIC for PAA			Risk adj. for non- financial risk	
	Excluding loss component \$	Loss component \$	LIC for GMM \$	Present value of future cash flows \$		
Insurance contract liabilities as at April 1, 2025, net of insurance contract assets	5,009,807	—	(28,691)	11,045,237	558,000	16,584,353
Insurance revenue	(28,169,809)	—	—	—	—	(28,169,809)
Incurred claims and other directly attributable expenses	—	—	—	6,899,935	21,000	6,920,935
Losses on onerous contracts and reversal of those losses	20,786	—	—	—	—	20,786
Insurance service expenses	20,786	—	—	6,899,935	21,000	6,941,721
Insurance service result	(28,149,023)	—	—	6,899,935	21,000	(21,228,088)
Finance expenses from insurance contracts issued recognised in profit or loss	—	—	—	21,000	—	21,000
Total amounts recognised in comprehensive income	(28,149,023)	—	—	6,920,935	21,000	(21,207,088)
Other pre-recognition cash flows assets derecognised at the date of initial recognition	—	—	168	(116,944)	—	(116,776)
Amounts adjusting the CSM	(1,401,138)	—	—	—	—	(1,401,138)
Cash flows						
Premiums received	30,398,142	—	—	—	—	30,398,142
Claims and other directly attributable expenses paid	—	—	28,523	(6,084,945)	—	(6,056,422)
Total cash flows	30,398,142	—	28,523	(6,084,945)	—	24,341,720
Insurance contract liabilities as at March 31, 2026, net of insurance contract assets	5,857,788	—	—	11,764,283	579,000	18,201,071

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

c) Movements in insurance and reinsurance contract balances ...continued

i) Insurance contracts issued ...continued

(a) Reconciliation of the liability for remaining coverage and the liability for incurred claims
...continued

	March 31, 2025					Total \$
	LRC Excluding loss component \$	Loss component \$	LIC for GMM \$	LIC for PAA Present value of future cash flows \$	Risk adj. for non- financial risk \$	
Insurance contracts issued						
Insurance contract liabilities as at April 1, 2024, net of insurance contract assets	4,162,548	—	(67,477)	9,583,638	459,000	14,137,709
Insurance revenue	(26,209,855)	—	—	—	—	(26,209,855)
Incurred claims and other directly attributable expenses	—	—	13,546	8,671,357	99,000	8,783,903
Insurance service expenses	—	—	13,546	8,671,357	99,000	8,783,903
Insurance service result	(26,209,855)	—	13,546	8,671,357	99,000	(17,425,952)
Finance expenses from insurance contracts issued recognised in profit or loss	24,457	—	—	(92,000)	—	(67,543)
Total amounts recognised in comprehensive income	(26,185,398)	—	13,546	8,579,357	99,000	(17,493,495)
Experience adjustments	(596)	—	—	—	—	(596)
Other pre-recognition cash flows assets derecognised at the date of initial recognition	—	—	(69)	(13,343)	—	(13,412)
Cash flows						
Premiums received	27,041,822	—	—	—	—	27,041,822
Claims and other directly attributable expenses paid	—	—	25,309	(7,104,415)	—	(7,079,106)
Insurance acquisition cash flows	(8,569)	—	—	—	—	(8,569)
Total cash flows	27,033,253	—	25,309	(7,104,415)	—	19,954,147
Insurance contract liabilities as at March 31, 2025, net of insurance contract liabilities	5,009,807	—	(28,691)	11,045,237	558,000	16,584,353

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

c) Movements in insurance and reinsurance contract balances ...continued

ii) Reinsurance contracts held

	March 31, 2026			
	Assets for incurred claims			
	Assets for remaining coverage	Estimates of present value of future cashflows	Risk adjustment for non-financial risk	Total
	\$	\$	\$	\$
Opening assets, net of reinsurance contract liabilities	1,135,097	4,307,675	226,000	5,668,772
Changes in the statement of profit or loss:				
Allocation of reinsurance premiums paid	(14,652,609)	—	—	(14,652,609)
Amounts recoverable from reinsurers:				
Recoveries of incurred claims and other insurance service expenses	—	(408,451)	3,000	(405,451)
	(14,652,609)	(408,451)	3,000	(15,058,060)
Net expenses from reinsurance contracts:				
Insurance service result:				
Net finance expenses from insurance contracts	—	2,000	—	2,000
Total changes in the statement of profit or loss	(14,652,609)	(406,451)	3,000	(15,056,060)
Pre-recognition cash flows assets	—	—	—	—
Cash flows				
Premiums paid	14,864,170	—	—	14,864,170
Recoveries from reinsurance	—	448,533	—	448,533
Total cash flows	14,864,170	448,533	—	27,152,740
Net closing balance, net of reinsurance contract liabilities	1,346,658	4,349,757	229,000	5,925,415

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

c) Movements in insurance and reinsurance contract balances ...continued

ii) Reinsurance contracts held ...continued

March 31, 2025				
Assets for incurred claims				
	Assets for remaining coverage \$	Estimates of present value of future cashflows \$	Risk adjustment for non- financial risk \$	Total \$
Opening assets, net of reinsurance contract liabilities	962,082	3,754,077	181,000	4,897,159
Changes in the statement of profit or loss:				
Allocation of reinsurance premiums paid	(11,771,251)	—	—	(11,771,251)
Amounts recoverable from reinsurers:				
Recoveries of incurred claims and other insurance service expenses	—	375,211	45,000	420,211
Net expenses from reinsurance contracts:				
Insurance service result:	(11,771,251)	375,211	45,000	(11,351,040)
Net finance expenses from insurance contracts	—	(40,000)	—	(40,000)
Total changes in the statement of profit or loss	(11,771,251)	335,211	45,000	(11,391,040)
Pre-recognition cash flows assets	—	—	—	—
Cash flows				
Premiums paid	11,944,266	—	—	11,944,266
Recoveries from reinsurance	—	218,387	—	218,387
Total cash flows	11,944,266	218,387	—	12,162,653
Net closing balance, net of reinsurance contract liabilities	1,135,097	4,307,675	226,000	5,668,772

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

19 Insurance liabilities ...continued

d) Expected recognition of the CSM

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in the consolidated statement of income is provided in the following table:

	Less than 1 year \$	1 to 2 years \$	2 to 3 years \$	3 to 4 years \$	4 to 5 years \$	5 to 10 years \$	More than 10 years \$	Total \$
March 31, 2026	—	—	—	—	—	—	—	—
March 31, 2025	57,541	43,767	38,982	33,055	29,444	24,359	181,798	408,946

20 Customers' deposits

	2026 \$	2025 \$
Fixed deposits	182,248,090	157,784,853
Savings deposits	22,274,685	19,347,545
	204,522,775	177,132,398
Interest payable	2,579,007	2,349,076
Total customers' deposits	207,101,782	179,481,474
Current	204,342,675	176,836,231
Non-current	2,759,107	2,645,243
	207,101,782	179,481,474

The Group pays interest on all categories of customers' deposits. At the reporting date, total interest expense on deposit accounts for the year ended March 31, 2026 amounted to \$6,278,583 (2025: \$5,529,932). The average effective rate of interest paid on customers' deposits was 3.40% (2025: 3.34%).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

21 Accounts payable and other liabilities

	2026 \$	2025 \$
Credit accounts	16,452,832	18,725,740
Accounts payable	15,506,511	10,550,622
Accrued expenses	8,121,613	7,903,502
Advance deposits	2,874,642	4,730,008
Dividend payable	1,721,512	1,721,512
Lease liabilities	1,516,325	1,448,815
Other liabilities	905,376	946,598
Contract liabilities	173,678	366,933
Total accounts payable and other liabilities	47,272,489	46,393,730
Current	44,786,528	43,967,590
Non-current	2,485,961	2,426,140
	47,272,489	46,393,730

Credit accounts

Credit accounts represent interest-bearing liabilities to individuals and companies payable on demand and bear interest ranging from 3% to 4% per annum (2025: 3% to 4% per annum).

Leases

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

	2026 \$	2025 \$
Current	213,354	153,359
Non-current	1,302,971	1,295,456
	1,516,325	1,448,815

The Group has leases for the office buildings and land, which are reflected on the consolidated statement of financial position as right-of-use assets and lease liabilities. The Group classifies its right-of-use asset in a separate class in the property, plant and equipment (see note 16).

The lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. The lease may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased asset as security. Further, the Group must keep the office building in a good state of repair and return the property in its original condition at the end of the lease. Also, the Group must insure items of property and equipment and incur maintenance fees on such items in accordance with the lease contracts.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

21 Accounts payable and other liabilities ...continued

Leases ...continued

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on consolidated statement of financial position:

March 31, 2026

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average Remaining lease term	No. of leases with extension option	No. of leases with options to purchase	No. of leases with variable payments linked to an index	No. of leases with termination options
Office buildings	2	2.8 years	2.8 years	—	—	—	—
Land	2	24.8 years	24.8 years	—	—	—	—

March 31, 2025

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension option	No. of leases with options to purchase	No. of leases with variable payments linked to an index	No. of leases with termination options
Office buildings	2	3.8 years	3.8 years	—	—	—	—
Land	2	25.8 years	25.8 years	—	—	—	—

The lease liabilities are unsecured and future minimum lease payments at March 31, are as follows.

March 31, 2026

	Within 1 year \$	1 – 5 years \$	More than 5 years \$	Total \$
Lease payments	284,506	741,784	1,244,000	2,270,290
Finance charges	(71,152)	(201,248)	(481,565)	(753,965)
Net present values	213,354	540,536	762,435	1,516,325

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

21 Accounts payable and other liabilities ...continued

Leases ...continued

March 31, 2025

	Within 1 year \$	1 – 5 years \$	More than 5 years \$	Total \$
Lease payments	222,490	723,336	1,304,490	2,250,316
Finance charges	(69,131)	(211,865)	(520,505)	(801,501)
Net present values	153,359	511,471	783,985	1,448,815

The Group did not enter into any short-term lease arrangements during the year.

As at March 31, 2026, the Group has no commitment to a lease which has not yet commenced.

Total cash outflow for repayments of lease liabilities and interest portion of the lease liabilities for the year ended March 31, 2026 were \$143,196 and \$81,523, respectively (2025: \$145,902 and \$76,588).

The right-of-use asset and accumulated depreciation as at March 31, and the related depreciation expense for the year then ended are shown separately under property, plant and equipment account (see note 16).

Contract liabilities

The breakdown of contract liabilities as at March 31, is as follows:

	2026 \$	2025 \$
Maintenance services	103,800	170,414
Refund liability	27,696	196,520
	131,496	366,934

The Group satisfies its performance obligation when services are rendered to the customers.

Changes in the contract liabilities are recognised by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

21 Accounts payable and other liabilities ...continued

Contract liabilities ...continued

A reconciliation of the movement of contract liabilities as at March 31, is as follows:

March 31, 2026

	Customer loyalty programme \$	Maintenance liability \$	Refund liability \$	Total \$
Balance at beginning of year	—	170,414	196,520	366,934
Revenue recognised that was included in contract liabilities at beginning of year	—	(170,414)	(196,520)	(366,934)
Increase due to cash received excluding amount recognised as revenue during the year	—	103,800	27,696	131,496
Balance at end of year	—	103,800	27,696	131,496

March 31, 2025

	Customer loyalty programme \$	Maintenance liability \$	Refund liability \$	Total \$
Balance at beginning of year	347,536	173,192	184,427	705,155
Revenue recognised that was included in contract liabilities at beginning of year	(347,536)	(173,192)	(184,427)	(705,155)
Increase due to cash received excluding amount recognised as revenue during the year	—	170,414	196,520	366,934
Balance at end of year	—	170,414	196,520	366,934

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

22 Taxation

	2026 \$	2025 \$
Income tax expense		
Profit before income tax from continuing operations	12,497,502	18,675,692
Income tax expense at 25% (2025: 25%)	3,124,376	4,668,923
Effect of permanent differences	2,785,461	1,208,462
Over provision in prior year	(112)	(11,812)
Effect of income not assessable for taxation	(2,904,134)	(2,476,759)
	3,005,591	3,388,814
	2026 \$	2025 \$
Consolidated statement of income		
Current tax expense for the year	3,228,034	3,306,875
Net deferred tax (credit)/expense for the year	(222,443)	81,939
Total income tax expense for the year	3,005,591	3,388,814
Consolidated statement of comprehensive income		
Deferred tax expense	—	1,694,187

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

22 Taxation ...continued

Deferred tax (credit)/expenses

The deferred tax (credit)/expense recognised under deferred tax assets and deferred tax liabilities accounts is shown below.

	2026 \$	2025 \$
Consolidated statement of income		
(Increase)/decrease in deferred tax assets	(34,965)	160,291
Decrease in deferred tax liabilities	(187,478)	(78,352)
	(222,443)	81,939
Consolidated statement of comprehensive income		
Increase in deferred tax liabilities	—	1,694,187
	(222,443)	1,776,126

The details of deferred tax (credit)/expense are as follows:

	Note	2026 \$	2025 \$
Consolidated statement of income			
Deferred tax on depreciation of property, plant and equipment		(394,498)	(99,342)
Deferred tax on capital allowances		172,055	181,281
		(222,443)	81,939
Consolidated statement of comprehensive income			
Deferred tax on revaluation on buildings	24	—	1,694,187
		(222,443)	1,776,126

Deferred tax liabilities, net

The deferred tax liabilities, net is analysed as follows:

	2026 \$	2025 \$
Depreciation of property, plant and equipment	1,634,477	2,028,975
Unutilised capital allowances	2,144,342	1,972,287
Revaluation surplus on buildings	1,694,187	1,694,187
	5,473,006	5,695,449

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

22 Taxation ...continued

Deferred tax (assets)/liabilities, gross

The gross deferred tax (assets)/liabilities shown in the consolidated statement of financial position is as follows:

	2026 \$	2025 \$
Deferred tax assets	(264,559)	(197,630)
Deferred tax liabilities	5,737,565	5,893,079
	<u>5,473,006</u>	<u>5,695,449</u>

Deferred tax assets, gross

The movement in the deferred tax assets is as follows:

	2026 \$	2025 \$
Balance at beginning of year	(197,630)	(357,921)
Transferred to deferred tax liabilities	(31,964)	—
Deferred tax (credit)/expense for the year	(34,965)	160,291
Balance at end of year	<u>(264,559)</u>	<u>(197,630)</u>

The deferred tax assets arise from decelerated depreciation, unutilised capital allowances and unutilised losses.

Deferred tax liabilities, gross

The movement in the deferred tax liabilities is as follows:

	2026 \$	2025 \$
Balance at beginning of year	5,893,079	4,277,244
Transferred from deferred tax assets	31,964	—
Deferred tax (credit)/expense for the year	(187,478)	1,615,835
Balance at end of year	<u>5,737,565</u>	<u>5,893,079</u>

The deferred tax liabilities arise from accelerated depreciation and revaluation surplus on buildings.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

22 Taxation ...continued

Income tax payable

The movement in the income tax payable is as follows:

	2026 \$	2025 \$
Balance beginning of year	778,600	81,596
Current tax expense for the year	3,023,646	2,556,349
Transferred (to)/from income tax recoverable	(12,143)	8,629
Income tax paid during the year	(2,960,600)	(1,867,974)
Balance at end of year	829,503	778,600

Income tax recoverable

The movement in the income tax recoverable is as follows:

	2026 \$	2025 \$
Balance at beginning of year	198,347	276,393
Transferred (from)/to income tax payable	(12,143)	8,629
Income tax paid during the year	182,720	663,851
Current tax expense	(204,388)	(750,526)
Balance at end of year	164,536	198,347

23 Shareholders' equity

Share capital

	2026 \$	2025 \$
Authorised:		
500,000,000 ordinary shares at \$1 per share	500,000,000	500,000,000
Issued and fully paid:		
52,000,000 ordinary shares at \$1 per share	52,000,000	52,000,000

Dividends

On November 5, 2025, the Company's Board of Directors approved the declaration of cash dividends amounting to \$4,680,000 (2025: \$4,160,000).

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

24 Other reserves

	2026 \$	2025 \$
Revaluation reserve – property	40,138,278	39,691,638
Claims equalisation reserve	20,763,237	20,763,237
Statutory reserve fund	10,987,470	10,203,637
Non-distributable reserve	3,053,436	4,271,797
Others	2,722,227	2,722,227
Revaluation reserve – financial assets at FVOCI	2,751,585	2,501,987
	80,416,233	80,154,523

Revaluation reserve – property

The revaluation reserve – property relates to the net appreciation of land and freehold buildings based on revaluations performed by an independent property appraiser. The movement of revaluation reserve - property is as follows:

	Notes	2026 \$	2025 \$
Balance at beginning of year		39,691,638	29,866,770
Revaluation surplus	15, 16	446,640	11,519,055
Deferred tax on revaluation surplus on buildings	22	–	(1,694,187)
Balance at end of year		40,138,278	39,691,638

Claims equalization reserve

Claims equalisation reserve represents cumulative amounts appropriated from retained earnings based on the discretion of the Group's Board of Directors as part of the Group's risk management strategies to mitigate against catastrophic events. These reserves are in addition to the catastrophe reinsurance cover. As at March 31, 2026, total claims equalisation reserve amounted \$20,763,237 (2025: \$20,763,237).

Statutory reserve fund

In accordance with Section 45 (1) of Saint Christopher and Nevis Banking Act, 2015, TDC Financial Services Company Limited is required to maintain a reserve fund into which it shall transfer not less than 20% of its net income of each year whenever the reserve fund is less than the finance subsidiary's paid-up capital.

	2026 \$	2025 \$
Balance at beginning of year	10,203,637	9,217,422
Appropriations during the year	783,833	986,215
Balance at end of year	10,987,470	10,203,637

Others

Others represent bonus shares and share premiums.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

24 Other reserves ...continued

Revaluation reserve – financial assets at FVOCI

The revaluation reserve arises as a result of the net appreciation in the market value of financial assets at FVOCI.

	Note	2026 \$	2025 \$
Balance at beginning of year		2,501,987	1,963,966
Fair value gains during the year	8	249,598	538,021
Balance at end of year		2,751,585	2,501,987

Non-distributable reserve

Non-distributable reserve is reserve established for interest accrued on non-performing loans. This reserve is created to set aside interest accrued on non-performing loans where certain conditions are met in accordance with IFRS Accounting Standards. The prudential guidelines of the ECCB do not allow for the accrual of such interest. As a result, the interest is set aside in a reserve, and it is not available for distribution to shareholders until received.

The movement of non-distributable reserve account is as follows:

	Note	2026 \$	2025 \$
Balance at beginning of year		4,271,797	4,018,854
Transfer (to)/from retained earnings		(1,218,361)	252,943
Balance at end of year	8	3,053,436	4,271,797

25 Revenue

All revenue of the Group in 2026 and 2025 is generated within St. Kitts and Nevis.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

25 Revenue ...continued

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	Sale of goods \$	Rendering of services \$	Total \$
Year ended March 31, 2026			
Transferred at point in time	131,392,330	96,822	131,489,152
Transferred over time	—	9,965,268	9,965,268
	131,392,330	10,062,090	141,454,420
Year ended March 31, 2025			
Transferred at point in time	117,937,807	113,383	118,051,190
Transferred over time	—	9,297,138	9,297,138
	117,937,807	9,410,521	127,348,328

26 Other income

	Note	2026 \$	2025 \$
Commission income		4,346,904	4,253,180
Rent		2,495,581	2,469,226
Shipping income		2,091,545	2,164,997
Gains on disposals of property and equipment	16	699,729	214,240
Dividend income		529,335	243,733
Electrical repairs		440,066	429,474
Equipment rental and repairs		421,801	436,714
Damage insurance income		392,107	398,026
Handling charges		338,173	371,713
Management and administration fees		338,110	317,565
Facility income		260,496	284,700
Photocopier income		259,458	273,851
Miscellaneous income		257,138	634,189
Truck operating income		254,503	65,855
Vehicle servicing		(23,633)	162,418
		13,101,313	12,719,881

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

27 Employee costs

	2026 \$	2025 \$
Salaries and wages	23,330,652	21,484,736
Statutory contributions	2,058,358	1,910,532
Pension savings plan	947,406	980,774
Bonus and gratuity	1,650,484	960,197
Other staff costs	1,120,181	642,560
Directors' fees	307,780	282,107
Health insurance	351,333	264,769
Staff scholarship and training	225,172	258,318
	29,991,366	26,783,993

28 General and administrative expenses

	Note	2026 \$	2025 \$
Repairs and maintenance		3,220,960	2,876,940
Legal and professional fees		3,151,907	2,064,151
Computer installation and consultancy		1,711,219	2,187,627
Impairment losses on loans to customers, net	5	1,638,908	256,865
Advertising and sales promotion		1,564,311	1,209,421
Utilities		1,561,066	1,498,698
General		1,487,699	953,348
Freight, handling and truckage		1,222,197	1,102,743
Subscriptions		1,098,643	754,739
Taxes and licenses		1,001,055	814,952
Communications		971,933	873,680
Cleaning		647,253	603,207
Motor vehicles		632,432	686,494
Travel		600,869	584,379
Supplies		567,824	596,657
Equipment handling		387,712	304,056
Balance carried forward		21,465,988	17,367,957

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

28 General and administrative expenses ...continued

	Notes	2026 \$	2025 \$
Balance brought forward		21,465,988	17,367,957
Security		362,727	356,399
Directors, secretary and consultancy fees		352,059	396,190
Entertainment		301,951	410,163
Commission		234,996	271,517
Impairment losses/(reversals) of receivables, net	5	189,180	(590,975)
Sewage, waste and landscaping		159,663	170,940
Printing and stationery		148,772	170,281
Warranty		116,294	344,110
Annual general meeting		34,033	28,657
Impairment losses/(reversals) of investment securities	5, 8	(43,854)	(216,916)
		<u>23,321,809</u>	<u>18,708,323</u>

29 Depreciation and amortisation

	Notes	2026 \$	2025 \$
Depreciation	16	5,377,901	4,856,157
Amortisation	17	63,561	199,081
		<u>5,441,462</u>	<u>5,055,238</u>

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

29 Depreciation and amortisation ...continued

The total depreciation and amortisation charges is classified in the consolidated statement of income as follows:

	2026 \$	2025 \$
Operating expenses	4,532,968	4,397,815
Insurance service results	163,982	150,760
Cost of sales	744,512	506,663
	<u>5,441,462</u>	<u>5,055,238</u>

30 Finance charges

	2026 \$	2025 \$
Interest expense		
Borrowings	1,579,225	1,617,665
Credit accounts	295,669	207,464
Right of use assets	81,523	76,588
	<u>1,956,417</u>	<u>1,901,717</u>
Bank charges	1,079,804	1,209,965
	<u>3,036,221</u>	<u>3,111,682</u>

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

31 Net interest income

	2026 \$	2025 \$
Interest income		
Loans to customers	14,619,391	13,411,305
Investments	3,023,820	3,578,052
Receivables	911,089	999,667
	<u>18,554,300</u>	<u>17,989,024</u>
Interest expense		
Savings account interest expense	(616,177)	(524,895)
Time deposits interest expense	(5,662,406)	(5,005,037)
	<u>(6,278,583)</u>	<u>(5,529,932)</u>
	<u>12,275,717</u>	<u>12,459,092</u>

32 Earnings per share

Basic and diluted earnings per share were computed as follows:

	2026 \$	2025 \$
Profit attributable to shareholders of parent company	9,123,586	13,789,294
Divided by weighted average number of outstanding ordinary shares	<u>52,000,000</u>	<u>52,000,000</u>
Basic and diluted earnings per share	<u>0.175</u>	<u>0.265</u>

The Group had no dilutive potential ordinary shares as of March 31, 2026 and 2025.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

March 31, 2026

(expressed in Eastern Caribbean dollars)

33 Commitments and contingencies

Guarantees

The Group's parent company provides guarantees to various financial institutions in connection with credit facilities extended to subsidiaries in the range of \$150,000 to \$1,500,000.

Legal claims

There are pending claims and legal actions filed by the Group or against the Group arising from the normal course of business. No provision has been made in the consolidated financial statements as at March 31, 2026, in respect of these claims as the amounts and outcomes are not presently determinable.

As of the date of approval of the consolidated financial statements, the Group does not believe that any of the litigation matters will have a material effect on its consolidated statement of income or consolidated statement of financial position.

Contingent tax liability

On October 7, 2022, the Group received correspondence from the Inland Revenue Department of Saint Kitts and Nevis regarding outstanding unpaid taxes, including penalties and interest for corporate income tax and value added tax totalling \$11,241,300. The Group's directors believe that there are strong grounds upon which to challenge the outstanding unpaid taxes and a formal request for the basis for those unpaid taxes was made on October 28, 2022. The outcome of this assessment is not presently determinable, and no provision has been made in these financial statements.

OUR PARTNERS

GOODYEAR

Canon

Lenovo

True Value


SUZUKI

BERGER
FOR LASTING BEAUTY AND PROTECTION

Whirlpool


HARRIS

 **PREMIER**

 **Husqvarna**

**Do it
Best**


LEXUS

BRITISH AIRWAYS 


Sagikor


CMA CGM


FABER-CASTELL
since 1761


DHL


BROWN
Since 1915


Thrifty
CAR RENTAL

 **Liat Air**
Pride of the Caribbean

TOLEDO

 **TOYOTA**


ROYAL


Lubeco
The Perfect Place to Stop

 **LENSYL**
PRODUCTS LIMITED



**ST. KITTS · NEVIS · ANGUILLA
TRADING & DEVELOPMENT COMPANY LTD.**

**www.tdcgrouplimited.com | www.shoptdcgroup.com
www.facebook.com/TDCGroupofCompanies/**

P.O. Box 142, Fort Street, Basseterre,
St. Kitts, West Indies

P: (869) 465 2511 **F:** (869) 465 1099
E: headoffice@tdcgroupltd.com