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**UNAUDITED FINANCIAL REPORT
NINE MONTHS ENDED DECEMBER 31, 2023**

Access Financial Services Limited

Directors' Statement

The Board of Directors of Access Financial Services Limited is pleased to present the Consolidated Unaudited Financial Statements of the Group for the nine months ended December 31, 2023.

Overview

Access Financial Services Limited (AFS) recorded Consolidated Net Profit after Tax of \$325 million for the nine months ended December 31, 2023 compared to \$226 million for the prior period ended December 31, 2022. This performance reflects an 11% increase in Operating Revenues in line with a growing loan portfolio, however this was offset by a 10% increase in Operating Costs. For the quarter ended December 31, 2023, Net Profit amounted to \$91 million, a 2% decline over the corresponding quarter for the prior year.

As at December 31, 2023 the Group's asset base stood at \$7.2 billion; an increase of \$970million or 16% when compared to the prior year. Loans and Advances now stand at \$5.7 billion; an increase of \$694 million or 14% year over year. This improvement resulted from the increase in disbursements, which is a continuing trend consistent with the gradual improvement in the economic environment.

Financial Performance

Net Operating Income for the nine months ended December 31, 2023, increased by \$170 million to \$1.72 billion; an increase of 11% year over year. Increasing interest rates in the domestic market have negatively impacted the company's cost of funds year over year. The increasing funding cost were offset by a 22% growth in interest income in line with the growth of the portfolio.

Operating Expenses for the nine months ended December 31, 2023, increased by \$119 million or 10% due mainly to increases in Allowance for credit losses and marketing costs.

HIGHLIGHTS

	Unaudited Nine Months Ended Dec 31, 2023	Unaudited Nine Months Ended Dec 31, 2022	Audited Year Ended 31 March, 2023	% Change Year over Year
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OPERATING RESULTS (INCOME STATEMENT DATA):

Net Profit After Tax - J\$ millions	325	226	301	44%
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FINANCIAL POSITION & STRENGTH (BALANCE SHEET DATA):

Loans & Advances - J\$ billions	5.66	4.97	4.75	14%
Total Asset - J\$ billions	7.22	6.25	6.29	16%
Stockholder's Equity - J\$ billions	2.94	2.87	2.66	2%

PROFITABILITY:

Return on average Stockholder's Equity (RCE)	15%	11%	12%	4%
Earnings Per Stock unit (EPS) - J\$	\$1.18	\$0.82	\$1.10	44%
Efficiency Ratio	78%	79%	80%	1%
Efficiency Ratio (excluding Allowances for Credit Losses)	62%	66%	61%	3%

Increases in Allowance for credit losses are linked to a growing loan portfolio, while the increase in marketing spend is associated with our successful sponsorship of the hugely popular Expo Jamaica 2023 and the launch of the Access-Ability poverty reduction program, both of which provided excellent reach and great visibility for the business.

Net Profit for the period was \$325 million, an increase of 44% when compared to \$226 million for the prior year. This resulted in Earnings per Share for the period increasing to \$1.18 compared to \$0.82 for the prior year.

Financial Position

Total Assets as at December 31, 2023 was \$7.22 billion, compared to the prior year amount of \$6.25 billion as at December 31, 2022. Loans and advances for the Group as at the end of the period was \$5.66 billion, an improvement of 14% year over year due to the higher levels of demand for consumer loans.

Total liabilities increased by \$901 million or 27% year over year to \$4.28 billion as at December 31, 2023. This increase was mainly due to the additional debt financing used to grow the loan portfolio year over year.

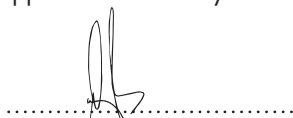
Access Financial Services Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NINE MONTHS ENDED DECEMBER 31, 2023

	Unaudited Dec. 2023 \$'000	Unaudited Dec. 2022 \$'000	Audited March 2023 \$'000
Assets			
Cash and cash equivalents	493,804	446,814	666,737
Other accounts receivables	91,137	70,472	93,207
Loans and advances	5,662,599	4,969,052	4,753,540
Property, plant and equipment	63,762	94,261	63,182
Intangible assets	448,557	427,695	443,898
Right use of assets	154,411	78,784	71,828
Deferred tax assets	303,354	160,451	198,379
Total Assets	7,217,624	6,247,529	6,290,771
LIABILITIES			
Accounts payables	434,482	365,624	436,543
Loan payables	3,427,057	2,751,072	2,995,996
Lease liability	165,308	88,100	77,211
Taxation payable	250,170	170,391	122,976
Total Liabilities	4,277,017	3,375,187	3,632,726
SHAREHOLDERS' EQUITY			
Share capital	96,051	96,051	96,051
Foreign exchange translation	196,629	176,131	173,157
Retained earnings	2,647,927	2,600,160	2,388,837
Total Stockholders' Equity	2,940,607	2,872,342	2,658,045
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	7,217,624	6,247,529	6,290,771

Approved for issue by the Board of Directors on January 25, 2024 and signed on its behalf by:



Marcus James
 Executive Chairman




Charmaine Boyd-Walker
 Director

Acknowledgement

On behalf of the Board of Directors, I would like to thank all our team members for their personal contribution to the continued success of the Group. We also want to express our sincere gratitude to our loyal customers for the trust you have placed in us to meet the financial needs for you and your family and our shareholders for your commitment and continued support.

On behalf of the Board of Directors



Marcus James
 Executive Chairman
 January 25, 2024

Access Financial Services Limited

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

NINE MONTHS ENDED DECEMBER 31, 2023

	Unaudited Three Months Ended Dec. 2023 \$'000	Unaudited Three Months Ended Sept. 2023 \$'000	Unaudited Three Months Ended Dec. 2022 \$'000	Unaudited Nine Months Ended Dec. 2023 \$'000	Unaudited Nine Months Ended Dec. 2022 \$'000	Audited Year Ended March 2023 \$'000	Variance Year over Year \$'000 %	
Operating Income								
Interest income from loans	581,813	555,674	456,910	1,634,769	1,333,194	1,877,607	301,574	23%
Interest income from securities	100	1,695	4,408	2,522	8,629	10,322	(6,107)	(71%)
Total Interest Income	581,913	557,369	461,318	1,637,291	1,341,823	1,887,929	295,468	22%
Interest expense	(92,634)	(90,121)	(78,837)	(265,356)	(207,443)	(282,781)	(57,912)	28%
Net Interest Income	489,279	467,248	382,481	1,371,935	1,134,380	1,605,148	237,555	21%
Net fees and commissions on loans	71,989	56,101	105,013	222,539	317,834	309,035	(95,295)	(30%)
	561,268	523,349	487,494	1,594,474	1,452,214	1,914,183	142,260	10%
Other Operating Income								
Money services fees and commission	311	334	374	955	1,075	1,345	(120)	(11%)
Foreign exchanges gains / (losses)	102	(1,346)	(703)	1,974	2,229	(438)	(255)	(11%)
Other income	38,678	44,869	23,815	124,622	96,545	169,327	28,077	29%
	39,091	43,857	23,486	127,551	99,849	170,234	27,702	28%
Net Operating Income	600,359	567,206	510,980	1,722,025	1,552,063	2,084,417	169,962	11%
Operating Expenses								
Staff costs	191,227	166,722	168,600	524,682	540,691	710,922	(16,009)	(3%)
Allowances for credit losses	95,116	89,304	86,209	269,819	207,062	396,114	62,757	30%
Depreciation and amortization	27,346	27,081	28,041	83,469	83,845	104,395	(376)	0%
Marketing expenses	22,552	20,947	11,008	69,103	24,690	40,549	44,414	180%
Other operating expenses	133,514	149,318	99,318	396,697	367,556	415,461	29,141	8%
	469,755	453,372	393,176	1,343,770	1,223,844	1,667,441	119,927	10%
Profit / (loss) before taxation	130,604	113,834	117,804	378,255	328,219	416,976	50,035	15%
Exceptional Item	-	40,813	-	49,783	-	-	49,783	-
Taxation	(39,636)	(14,272)	(24,809)	(103,066)	(102,206)	(115,927)	(860)	1%
PROFIT / (LOSS) FOR THE PERIOD / YEAR	90,968	140,375	92,995	324,972	226,013	301,049	98,958	44%
OTHER COMPREHENSIVE INCOME								
Items that may be reclassified to profit/loss:								
Foreign currency translation gain on overseas subsidiary	(3,137)	5,103	(6,304)	26,609	(14,442)	(17,416)	41,051	(284)
Translation gain/loss	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	87,831	145,478	86,691	351,581	211,571	283,633	140,008	66%
EARNINGS PER STOCK UNIT – JMD cents	\$0.33	\$0.51	\$0.34	\$1.18	\$0.82	\$1.10	\$0.36	44%

Access Financial Services Limited

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

NINE MONTHS ENDED DECEMBER 31, 2023

	Share Capital \$'000	Translation Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Unaudited					
Balance as at March 31, 2022 as previously reported	96,051	190,573	-	2,252,494	2,539,118
Total Comprehensive Income for the period:					
Net profit	-	-	-	301,049	301,049
Other comprehensive income / (loss)	-	(17,416)	-	-	(17,416)
Transaction with Owners:					
Dividends paid	-	-	-	(164,706)	(164,706)
Balance as at 31 December 2022	96,051	173,157		2,388,837	2,658,045
Balance as at March 31, 2023, as previously reported	96,051	173,157		2,388,837	2,658,045
Total Comprehensive Income for the period:					
Net profit	-	-	-	324,972	324,972
Other Comprehensive Income					
Foreign exchange translation reserve	-	23,472	-	-	23,472
Transaction with Owners:					
Dividends paid	-	-	-	(65,882)	(65,882)
Balance as at 31 December 2023	96,051	196,629	-	2,647,927	2,940,607

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CONSOLIDATED STATEMENT OF CASH FLOWS NINE MONTHS ENDED DECEMBER 31, 2023

	Unaudited Nine Months Ended Dec. 2023 \$'000	Unaudited Nine Months Ended Dec. 2022 \$'000	Audited Year Ended March 2023 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the period	324,972	226,013	301,049
Items not affecting cash resources:			
Exchange (gain)/loss on foreign balances	(1,974)	(2,229)	438
Depreciation and amortization	21,501	30,874	35,149
Depreciation of right right-of-use-asset	61,968	52,971	69,246
Gains on disposal of property, plant & equip	(4,512)	-	(399)
Increase in allowance for loan losses	259,764	207,062	396,114
Loans and receivables written-off	84,574	102,364	-
Impairment of intangible assets	-	-	9,074
Interest income	(1,618,670)	(1,341,823)	(1,887,929)
Interest expense	234,252	199,395	272,781
Lease interest expense	12,482	8,048	10,000
Income Tax	207,120	148,700	168,378
Deferred tax	(104,054)	(46,494)	(51,662)
	(522,577)	(415,119)	(677,761)
Changes in operating assets and liabilities			
Other accounts receivable	(61,167)	(20,808)	(51,734)
Payable	(310,595)	(214,480)	63,921
Loans and advances	(1,239,367)	(783,295)	(810,740)
	(2,133,706)	(1,433,702)	(1,476,314)
Interest received	1,690,067	1,321,949	1,887,929
Interest paid	(254,096)	(168,000)	(272,786)
Lease interest paid	(10,750)	-	(10,000)
Loans payable / (repaid)	741,755	659,341	-
Taxation paid	(79,926)	(41,692)	(108,810)
Net Cash provided by / (used) in operating activities	(46,656)	337,896	20,019

	Unaudited Nine Months Ended Dec. 2023 \$'000	Unaudited Nine Months Ended Dec. 2022 \$'000	Audited Year Ended March 2023 \$'000
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property, plant and Equipment and intangible assets	(1,348)	(53,963)	(25,252)
Proceeds from disposal of property, plant & equipment	4,847	-	1,362
Net Cash used by Investing Activities:	3,499	(53,963)	(23,890)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings	-	-	3,146,170
Repayment of borrowings	-	-	(2,465,969)
Lease payments	(68,028)	(62,090)	(75,381)
Dividends paid	(65,882)	(137,255)	(164,706)
Net Cash Used by Financing Activities:	(133,910)	(199,345)	440,114
Increase / (Decrease) in Cash And Cash Equivalents For The Period / Year	(177,067)	84,588	436,242
Effect of exchange rate fluctuations on cash and cash equivalents	4,134	10,348	(121,383)
Cash and Cash equivalents at the beginning of period / year	666,737	351,878	351,878
Cash and Cash Equivalents At End Of Period / Year	493,804	446,814	666,737

Access Financial Services Limited

NOTES TO THE FINANCIAL STATEMENTS

NINE MONTHS ENDED DECEMBER 31, 2023

Identification and Principal Activities

Access Financial Services Limited (the Company) is incorporated and domiciled in Jamaica and its registered office is situated at 41B Half-Way Tree Road, Kingston 5, Jamaica W.I. The Company is listed on the Junior Market of the Jamaica Stock Exchange.

The Company acquired a 100% shareholding in its subsidiary, Embassy Loans Inc., on December 15, 2018. The Company and its subsidiary are collectively referred to as “the Group” in these financial statements.

The principal activity of the Group is retail lending to the micro enterprise sector for personal and business purposes. Funding is provided by financial institutions, government entities and non-governmental organizations. The Company also operates a money services division and offers bill payment services.

Statement of Compliance and Basis of Preparation

The condensed consolidated financial statements for the nine months ended December 31, 2023 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed financial statements should be read in conjunction with the accounting policies as set out in Note 3 of the Audited Financial Statements for the year ended 31 March 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

New Standards effective and adopted in the current year

Certain new and amended standards came into effect during the current financial year. None of which resulted in any changes to amounts recognised or disclosed in the financial statements.

New and amended standards and interpretations that are not yet effective:

At the date of authorisation of these financial statements, certain new and amended standards and interpretations have been issued which were not effective for the current year and which the Group has not early-adopted. The Group has assessed them with respect to its operations and has determined that the following are relevant:

- Amendments to IAS 1 Presentation of Financial Statements are effective for annual periods beginning on or after January 1, 2023 and may be applied earlier. The amendments help companies provide useful accounting policy disclosures.

The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments are consistent with the refined definition of material:

“Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements”.

The Group is assessing the impact that the amendment will have on its financial statements

- Amendments to IAS 1 Presentation of Financial Statements, will apply retrospectively for annual reporting periods beginning on or after 1 January 2024. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

The Group does not expect the amendment to have a significant impact on its financial statements.

- Amendments to IFRS 16 Leases is effective for annual periods beginning on or after April 1, 2022, with early application permitted. The amendments extend the practical expedient by 12 months – i.e. allowing lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

The 2021 amendments are applied retrospectively with the cumulative effect of initially applying it being recognised in opening retained earnings. The disclosure requirements of Paragraph 28(f) of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors do not apply on initial application.

The Group does not expect the amendment to have a significant impact on its financial statements.

- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors are effective for annual reporting periods beginning on or after January 1, 2023, with early adoption permitted. The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.
- The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and

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NINE MONTHS ENDED DECEMBER 31, 2023

- choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates, unless they result from the corrections of prior periods errors. The definition of accounting policies remains unchanged.

The Group is assessing the impact that the amendment will have on its financial statements.

- Amendments to IAS 12 Income Taxes are effective for annual reporting periods beginning on or after January 1, 2023, with early adoption permitted. The amendments clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

The Group is assessing the impact that the amendment will have on its financial statements.

- Amendments to IFRS 17 Insurance Contracts, effective for annual reporting periods beginning on or after January 1, 2023 and provides for the following amendments to the standard:

For loan contracts that meet the definition of insurance but limit the compensation for insured events to the amount otherwise required to settle the policyholder's obligation created by the contract, companies that issue such loans have an option to apply IFRS 9 or IFRS 17, reducing the impact of IFRS 17 for non-insurers.

The Group has done its assessment for the impact of IFRS 17 and has determined that there is no exposure to this standard.

(b) Basis of preparation:

The financial statements are prepared under the historical cost basis, except for investments at fair value.

(c) Functional and presentation currency:

These financial statements are presented in thousands of Jamaica dollars (\$'000), which is the Company's functional currency, unless otherwise indicated. The financial statements of the subsidiary, which has a different functional currency, (United States Dollar), are translated into the presentation currency in the manner described in note 3(g)(ii).

(d) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and judgements that affect the selection of accounting policies and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income, expenses, gains and losses for the year then ended. Actual amounts could differ from those estimates. The estimates and the assumptions underlying them, are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects both current and future periods. The critical judgements made in applying accounting policies and the key areas of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements, and or that have a significant risk of material adjustment in the next financial period, are as follows:

(i) Judgements:

For the purpose of these financial statements, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS.

The key relevant judgements are as follows:

(i) Classification of financial assets:

The assessment of the business model within which financial assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest.

(ii) Impairment of financial assets:

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into measurement of expected credit losses (ECL) and the selection and approval of models used to measure ECL requires significant judgement [see note 3(i)].

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NINE MONTHS ENDED DECEMBER 31, 2023

(ii) Key assumptions concerning the future and other sources of estimation uncertainty:

(i) Allowance for impairment losses:

The measurement of the expected credit loss allowance measured at amortised cost 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). Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such an estimate. Explanations of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 25(a)(iv), which also sets out key sensitivities of the ECL to changes in these elements.

3. Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the assets, liabilities, and results of operations of the Company and its subsidiaries presented as a single economic entity. Business combinations are accounted for using the acquisition method as at the acquisition date, which is at the date on which control is transferred to the Group. The Group measures goodwill at the acquisition date as:

the fair value of the consideration transferred; plus
the recognised amount of any non-controlling interests in the acquired entity; plus
if the business combination is achieved in stages, the fair value of the pre-existing interest in the acquired entity; less
the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Subsidiaries are all entities controlled by the Group. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Balances and transactions between companies within the Group, and any unrealized gains arising from those transactions, are eliminated in preparing the consolidated financial statements.

Financial Instruments:

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise cash and cash equivalents, financial investments, other accounts receivable, and loans and advances. Financial liabilities comprise accounts payable and loans payable.

(i) Financial Assets

Financial assets include both debt and equity instruments.

Classification and measurement

Debt instruments includes loans and debt securities. In applying IFRS 9, the Group classified its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Classification of debt instruments is determined based on the business model under which the asset is held and the contractual cash flow characteristics of the instrument. Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. The Group's financial assets mainly comprise of loans and advances and are measured at amortized cost using the effective interest method.

Impairment of Financial Assets

The Group recognises loss allowances for expected credit losses (ECL) on the financial instruments measured at amortised cost and debt instruments at FVOCI. No impairment loss is recognised on equity instruments. The Group applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9. Financial assets migrate through three stages based on the change in credit risk since initial recognition.

The Group's allowance for credit loss calculations are outputs of models with several underlying assumptions regarding the choice of variable inputs and their interdependencies. This impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

- 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 is not yet deemed to be credit-impaired. See below for a description of how the Group determines when a significant increase in credit risk has occurred. A financial asset is credit impaired ('Stage 3') when one or more events that has a detrimental impact on the estimated future cash flows of the financial asset have occurred.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 and 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 (POCI) are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Access Financial Services Limited

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NINE MONTHS ENDED DECEMBER 31, 2023

(ii) Financial liabilities

The Group's financial liabilities, comprising loans and accounts payable, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Property, Plant, and equipment:

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation and amortisation:

Depreciation is recognised in the income statement on the straight-line basis, over the estimated useful lives of property, plant and equipment. The depreciation rates are as follows:

- | | |
|--------------------------|---------|
| • Right-of-use assets | 20%-50% |
| • Furniture and fixtures | 10% |
| • Leasehold improvement | 10% |
| • Computer equipment | 20% |
| • Motor vehicle | 25% |

Intangible assets:

(i) Intangible assets which represents computer software is deemed to have a finite useful life of five years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. The depreciation rate for computer software is 20%.

(ii) Customer relationship and non-compete agreements that are acquired by the Company are deemed to have a finite useful lives of eight years and are measured at cost less accumulated amortisation and accumulated impairment losses, if any. The depreciation rate for customer relationship is 12.5%.

(iii) Trade name and trademark have indefinite useful lives and are carried at cost less accumulated impairment losses. The useful lives of such assets are reviewed at each reporting date to determine whether events and circumstances continue to support an indefinite useful life assessment for those assets. A change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

(iv) Goodwill represents the excess of cost of the acquisition over the Company's interest in the net fair value of the identifiable assets of the acquiree. Goodwill is measured at cost less accumulated impairment losses and is assessed for impairment annually.

(v) Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Interest income and expense:

Interest income and expense are recognised in profit or loss for using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instruments to its gross carrying amount.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Fee and commission income

Fee and commission income are recognized on the accrual basis when service has been provided. Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party are recognized on completion of the underlying transaction.

Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

4. Dividend Declaration

After the quarter-ended on December 31, 2023, The Board of Directors of Access Financial Services Limited declared an interim dividend of \$0.12 per share with a record date of January 25, 2024 and a payment date of February 23, 2024.

5. Earnings per Stock Unit

Access Financial Services Limited Earnings per stock unit "EPS" is computed by dividing the profit attributable to stockholders for the quarter ended December 31, 2023 of J\$324,972,000 by the number of ordinary stock units in issue of 274,509,840 shares.

