



QUARTERLY
REPORT

Q4

 **EduFocal**
GROUP

EduFocal Limited

December 31, 2025

Contents	Page
Management Discussion & Analysis	2
Financial Statements	
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	6
Notes to the Condensed Consolidated Financial Statements	7-9
Disclosure of Shareholdings	10

EduFocal

G R O U P

Management Discussion & Analysis

For the Year Ended December 31, 2025 (Unaudited)

Message from the CEO

Dear Shareholders,

I am pleased to present EduFocal's full-year results for 2025. Full-year revenue was \$70.3 million, down 15% from 2024 as we continued our shift toward recurring revenue. More importantly, operating profit reached \$14.3 million, up from a loss of \$(24.2) million in the prior year. Adjusted EBITDA improved to \$16.1 million positive from \$(13.9) million negative, and we reduced administrative expenses by 67%. The business is generating real operating profit for the first time in recent years.

These results validate the strategic pivot we committed to. We moved away from volatile project-based contracts and toward predictable, recurring revenue. The top line is smaller. The business underneath it is healthier, leaner, and better positioned for sustainable growth.

Our balance sheet remains under stress, and we are clear-eyed about that. The operating improvements demonstrated in 2025 give us and our creditors a credible foundation to work from. We enter 2026 focused on execution: scaling our products, growing our subscriber base, and converting operational progress into balance sheet repair.

Financial Performance

Full Year 2025

(J\$ '000)	Q4 2025	Q4 2024	FY 2025	FY 2024
Revenue	14,540	14,861	70,266	82,980
Operating Profit/(Loss)	1,611	(595)	14,282	(24,171)
Adjusted EBITDA	(365)	2,109	16,118	(13,893)
Administrative Expenses	(6,180)	(237,181)	(30,398)	(91,370)
Net Loss	(5,426)	(13,205)	(15,861)	(54,545)

Revenue of \$70.3 million compared to \$83.0 million in 2024. The 15% decline reflects our continued transition from large one-off project contracts to smaller recurring streams. The rate of decline moderated

through the year. Q4 revenue of \$14.5 million was essentially flat against Q4 2024's \$14.9 million, suggesting the base is stabilizing.

Operating Profit of \$14.3 million versus an operating loss of \$(24.2) million in 2024. This is the clearest indicator that our restructuring has taken hold.

Adjusted EBITDA of \$16.1 million positive, compared to \$(13.9) million in 2024. The \$30 million improvement reflects both disciplined cost management and improving revenue quality.

Net Loss of \$(15.9) million, down 71% from \$(54.5) million. Finance costs of \$30.1 million remain the primary drag on our bottom line. The underlying operating business is now profitable.

Fourth Quarter 2025

Q4 revenue of \$14.5 million was broadly flat year-over-year. The quarter delivered an operating profit of \$1.6 million compared to an operating loss of \$(0.6) million in Q4 2024. Net loss of \$(5.4) million improved 59% from \$(13.2) million in the prior year quarter.

Q4 adjusted EBITDA of \$(0.4) million reflected a \$6.3 million impairment provision on trade receivables booked in the quarter. Excluding this provision, underlying Q4 operating performance remained consistent with the trajectory established in the first three quarters.

Balance Sheet

(J\$ '000)	Dec 31, 2025	Dec 31, 2024
Total Assets	178,856	233,320
Total Equity (Deficit)	(149,294)	(129,172)
Accumulated Deficit	(327,660)	(311,966)
Long-Term Borrowings	151,587	154,334
Accounts Payable	106,672	129,911
Cash and Cash Equivalents	104	2,493

The balance sheet remains our most significant challenge. Total equity deficit widened to \$(149.3) million from \$(129.2) million, driven by the accumulated net loss. Total liabilities of \$328.2 million include long-term borrowings of \$151.6 million and accounts payable of \$106.7 million. Cash at year-end was \$104,315.

On a constructive note, the Director's Account was reduced by \$22.6 million during the year, from \$38.4 million to \$15.7 million. Accounts payable declined by \$23.2 million, and total current liabilities decreased by \$31.6 million. These movements reflect ongoing efforts to normalize the balance sheet, even as the equity deficit remains elevated.

Creditor engagement remains active and constructive. The planned rights issue continues to be an important element of our capital strategy, and we will provide further details on timing and structure in due course.

Revenue Mix and Business Model

The majority of EduFocal's revenue today comes from our B2B channel: recurring contracts, retainers, and project work for schools, enterprises, and institutional clients. This is our strength and our near-term growth engine. We are focused on deepening these relationships and converting more project clients into recurring arrangements.

Our B2C channel, anchored by EduFocal Academy (edufocalacademy.com), is earlier in its growth curve but represents our highest-margin opportunity. As we enter the 2026 PEP examination cycle, we expect to see meaningful subscriber growth from parents and students seeking affordable, high-quality exam preparation. B2G partnerships with Ministries of Education across the Caribbean round out our revenue architecture and provide institutional credibility that supports both B2B and B2C efforts.

Product & Innovation

EduFocal Academy

EduFocal Academy is our direct-to-consumer platform for PEP preparation and academic readiness. In 2025, we improved the content library, user experience, and onboarding flows. Growing this subscriber base is a top priority for 2026, and we are investing in marketing and content ahead of the upcoming exam season.

Quizzative

Quizzative, our automated assessment platform, continued to mature in 2025. The platform enables teachers to create, assign, and grade assessments using just a smartphone camera, replacing hours of manual marking with instant results. Early adoption feedback from pilot schools has been strong, and we see near-term deployment opportunities across the Caribbean. Quizzative also powers our Content Hub, providing curriculum-aligned question banks that support both B2C and B2B use cases.

Commercial Division

Our Commercial Division exists to pursue non-EdTech opportunities, particularly with clients we already serve. It covers corporate training, time and attendance software, and AI-enabled onboarding solutions. Many of our existing B2B relationships have needs that extend beyond education, and this division allows us to capture that revenue without acquiring new customers. It also expands EduFocal's addressable market and positions us as a broader technology partner to both public and private sector clients.

Governance

The governance changes we made in 2025 are now embedded in how we operate. The Board was reconstituted under Chairman Harry Campbell, we appointed Garcia Campbell & Associates as external auditors, and we committed to enhanced disclosure.

Outlook

The restructuring is substantially complete. The work ahead is about growth. We believe we are ready for it.

Our priorities for the year ahead are: scaling Quizzative and EduFocal Academy adoption across Jamaica and the Caribbean; growing B2B recurring revenue through deeper client relationships; pursuing disciplined M&A opportunities that are strategically and financially accretive; advancing creditor discussions toward a sustainable resolution; and maintaining full compliance with JSE continuing listing requirements.

Once board approval is given, we will wind-down our African subsidiary operations, as previously disclosed, to concentrate resources on our core Caribbean markets where we have clear competitive advantage.

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

Acknowledgments

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

Respectfully submitted,

Gordon Swaby

Chief Executive Officer & Founder

EduFocal Limited

Condensed Consolidated Statement of Financial Position

31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Unaudited 31 December 2025 \$	Unaudited 31 December 2024 \$	Audited December 2024 \$
Assets			
Non-current assets			
Property, plant and equipment	642,925	1,195,484	1,195,484
Intangible assets	134,932,154	157,715,181	157,715,181
Deferred tax asset	1,863,338	1,863,338	1,863,338
	<u>137,438,417</u>	<u>160,774,003</u>	<u>160,774,003</u>
Current assets			
Receivables and prepayments	25,570,041	28,540,380	28,540,380
Director's account	15,743,653	38,382,670	38,382,670
Due from related party	-	3,130,086	3,130,086
Taxation recoverable	-	-	-
Cash and cash equivalents	104,315	2,492,817	2,492,817
	<u>41,418,009</u>	<u>72,545,953</u>	<u>72,545,953</u>
Total assets	<u>178,856,426</u>	<u>233,319,956</u>	<u>233,319,956</u>
Total equities and liabilities			
Capital and reserves			
Share capital	185,631,690	185,631,690	185,631,690
Foreign Exchange Reserve	(6,151,545)	(1,493,563)	(1,493,563)
Accumulated Income/(Deficit)	(327,659,658)	(311,966,359)	(311,966,359)
	<u>(148,179,513)</u>	<u>(127,828,232)</u>	<u>(127,828,232)</u>
Non-controlling interest	<u>(1,114,450)</u>	<u>(1,343,661)</u>	<u>(1,343,661)</u>
	<u>(149,293,963)</u>	<u>(129,171,893)</u>	<u>(129,171,894)</u>
Liabilities			
Non-liabilities			
Long term borrowings	151,586,911	154,333,771	154,333,772
	<u>151,586,911</u>	<u>154,333,771</u>	<u>154,333,772</u>
Current liabilities			
Accounts payable	106,672,386	129,911,038	129,911,038
Bank Overdraft	-	68,433	68,433
Current portion of Long-Term loans	69,171,110	76,377,537	76,377,537
Due to related party	719,982	1,801,070	1,801,070
	<u>176,563,478</u>	<u>208,158,078</u>	<u>208,158,078</u>
Total liabilities and shareholders' equity	<u>178,856,426</u>	<u>233,319,956</u>	<u>233,319,956</u>

Approved for Issue by the Board of Directors on February 16, 2025 and signed on its behalf by:


Director


Director

EduFocal Limited

Condensed Consolidated Statement of Comprehensive Income

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

Note	3 months to	3 months to	12 months to	12 months to	Audited
	31 December	31 December	31 December	31 December	31 December
	2025	2024	2025	2024	2024
	\$	\$	\$	\$	\$
Revenue	14,539,665	14,861,498	70,266,251	82,980,452	97,171,745
Other income	-	-	-	-	(2,758,541)
Administrative expenses	(6,180,258)	(237,181,137)	(30,398,237)	(91,369,943)	(322,759,442)
Depreciation and amortisation	(498,046)	(229,985)	(1,836,126)	(10,278,185)	(9,682,253)
Impairment loss on trade and other receivables, including contract assets	(6,250,000)	221,954,160	(23,750,000)	(5,503,300)	216,450,860
Operating (loss)/profit	<u>1,611,361</u>	<u>(595,464)</u>	<u>14,281,888</u>	<u>(24,170,976)</u>	<u>(21,577,631)</u>
Finance income	6	29,089	17	326,026	310,498
Finance costs	(7,037,110)	(7,196,253)	(30,142,577)	(30,700,241)	(31,258,627)
Net finance costs	<u>(7,037,104)</u>	<u>(7,167,164)</u>	<u>(30,142,560)</u>	<u>(30,374,215)</u>	<u>(30,948,129)</u>
Profit before taxation	(5,425,743)	(7,762,628)	(15,860,672)	(54,545,191)	(52,525,760)
Income tax	-	(5,441,886)	-	-	(5,441,886)
Net (loss) for the period	<u>(5,425,743)</u>	<u>(13,204,514)</u>	<u>(15,860,672)</u>	<u>(54,545,191)</u>	<u>(57,967,646)</u>
Total Comprehensive (Loss)	(5,425,743)	(13,204,514)	(15,860,672)	(54,545,191)	(57,967,646)
Net Loss Attributable to:					
Owners of Edufocal Ltd.	(5,421,498)	(13,118,022)	(15,848,265)	(54,263,803)	(57,621,680)
Non-controlling interests	(4,244)	(86,492)	(12,408)	(281,388)	(345,966)
	<u>(5,425,743)</u>	<u>(13,204,514)</u>	<u>(15,860,672)</u>	<u>(54,545,191)</u>	<u>(57,967,646)</u>
Earnings per stock unit (EPS)	\$0.00	(\$0.02)	(\$0.00)	(\$3.31)	(\$0.08)
Adjusted earnings before interest, tax, depreciation and amortisation (adjusted EBITDA)	2,109,407	(365,480)	16,118,013	(13,892,791)	(11,895,378)

EduFocal Limited

Condensed Consolidated Statement of Changes in Equity

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Attributable to owners of the Company				Total	Non-controlling interests	Total
	Number of shares	Share capital	Foreign exchange reserve	Accumulated profit/(deficit)			
		\$	\$	\$	\$	\$	\$
Balance at 1 January 2024	648,446,094	185,631,690	(352,553)	(255,366,524)	(70,087,387)	(1,460,350)	(71,547,737)
Foreign exchange reserves	-	-	(119,148)	-	(119,148)	462,655	343,507
Total comprehensive income for the period	-	-	-	(57,621,679)	(57,621,679)	(345,966)	(57,967,645)
Balance at 31 December 2024	648,446,094	185,631,690	(471,701)	(312,988,203)	(127,828,214)	(1,343,661)	(129,171,875)
Balance at 1 January 2025	648,446,094	185,631,690	(1,493,563)	(311,966,359)	(127,828,232)	(1,343,661)	(129,171,892)
Foreign exchange reserves	-	-	(4,657,982)	167,373	(4,490,609)	241,619	(4,248,990)
Total comprehensive income for the period	-	-	-	(15,860,672)	(15,860,672)	(12,408)	(15,873,080)
Balance at 31 December 2025	648,446,094	185,631,690	(6,151,545)	(327,659,658)	(148,179,513)	(1,114,450)	(149,293,963)

EduFocal Limited

Condensed Consolidated Statement of Cash Flows

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Unaudited 31 December 2025 \$	Unaudited 31 December 2024 \$	Audited December 2024 \$
Cash flows from operating activities:			
Net (loss) before taxation	(15,860,672)	(54,545,191)	(52,525,759)
Adjustments for:			
Amortization of intangible assets	1,356,589	9,678,940	9,682,253
Bad debt written off	23,750,000	-	214,517,871
Depreciation	479,536	599,245	829,229
Impairment losses on financial assets	(23,530,547)	5,503,300	(216,450,860)
Foreign exchange losses	-	73,825	92,433
Interest income	(17)	(252,201)	(310,462)
Interest expense	30,142,577	30,700,241	31,257,982
	<u>16,337,466</u>	<u>(8,241,841)</u>	<u>(12,907,313)</u>
Change in operating assets and liabilities:			
Increase in receivables	2,970,339	(15,369,943)	5,447,341
Decrease/increase in director's account	22,639,017	(11,663,631)	(11,332,363)
(Decrease)/increase in payables	<u>(23,238,652)</u>	<u>53,955,700</u>	<u>54,247,333</u>
Cash provided by/(used) in operations	<u>18,708,170</u>	<u>18,680,285</u>	<u>35,454,998</u>
Interest received	17	115	310,306
Loan interest repaid	(30,142,577)	(11,202,834)	(29,773,311)
Taxes paid	-	(9,425)	-
Net cash provided by/(used in) operating activities	<u>(11,434,390)</u>	<u>7,468,141</u>	<u>5,991,993</u>
Cash flows (used in)/provided by investing activities:			-
Purchase of intangible assets	<u>(5,053,167)</u>	<u>(8,800,515)</u>	<u>(17,079,392)</u>
Net cash (used in) investing activities	<u>(5,053,167)</u>	<u>(8,800,515)</u>	<u>(17,079,392)</u>
Cash flows from financing activities:			
Long term loans, net	9,953,288	(10,006,175)	(21,017,114)
Short term loans, net	-	(4,065,000)	(4,065,000)
Due to related parties	3,130,086	(105,546)	40,020,234
Due from relates parties	1,081,088	1,141,454	(351,598)
Net cash provided by/(used in) financing activities	<u>14,164,462</u>	<u>(13,035,267)</u>	<u>14,586,521</u>
Net increase in cash and cash equivalents	<u>(2,323,095)</u>	<u>(14,367,641)</u>	<u>3,499,123</u>
Effects of exchange rate changes on cash and cash equivalents	3,026	-	(1,233,443)
Cash and cash equivalents at beginning of year	<u>2,424,384</u>	<u>158,705</u>	<u>158,705</u>
Cash and cash equivalents at end of year	<u>104,315</u>	<u>(14,208,936)</u>	<u>2,424,384</u>
Represented by:			
Cash at Bank	104,315	727,230	2,492,817
Bank Overdraft	-	(14,936,166)	(68,433)
	<u>104,315</u>	<u>(14,208,936)</u>	<u>2,424,384</u>

EduFocal Limited

Notes to the Consolidated Condensed Financial Statements

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

1. Reporting Entity

EduFocal Limited (the “Company” or “EduFocal”) is a limited liability company incorporated and domiciled in Jamaica under the Jamaican Companies Act (the “Act”). The registered office is 22B Old Hope Road, Kingston 10, Jamaica.

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

On March 15, 2022, the Company was listed on the Junior Market of the Jamaica Stock Exchange (JSE)

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

Subsidiary	Principal Activity	Country of Incorporation	% Ownership by Company
EduFocal LLC	Online learning platform	USA	100%
EduFocal Africa Inc.	Online learning platform	USA	70%
EduFocal Nigeria Ltd	Online learning platform	Nigeria	100%

2. Basis of preparation

These financial statements for the twelve months ended 31 December 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (“last annual financial statements”). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company’s board of directors

EduFocal Limited

Notes to the Consolidated Condensed Financial Statements

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

1. Receivables

	31 December 2025 \$	31 December 2024 \$
Trade receivables	49,614,165	28,794,180
Less: Expected credit loss provision	(24,246,011)	(496,011)
	<u>25,368,154</u>	<u>28,298,169</u>
Prepaid expenses	83,447	83,447
Other receivables	118,440	158,764
	<u>25,570,041</u>	<u>28,540,380</u>

Movement of expected credit loss provision is as follows:

	31 December 2025 \$	31 December 2024 \$
Balance at beginning of year	(496,011)	(38,404,106)
Provision during the year	(17,500,000)	216,450,860
Adjustments	(6,250,000)	(178,046,754)
Balance at end of year	<u>(24,246,011)</u>	<u>(496,011)</u>

2. Share Capital

	31 December 2025 No. of shares	31 December 2024 No. of shares
Opening authorized ordinary shares of no par value	Unlimited	Unlimited
Closing authorized ordinary shares of no par value	<u>Unlimited</u>	<u>Unlimited</u>

EduFocal Limited

Notes to the Consolidated Condensed Financial Statements

For the period ended 31 December 2025

(expressed in Jamaican dollars unless otherwise indicated)

Issued and Fully Paid

Opening issued and fully paid ordinary shares	648,446,094	648,446,094
Initial Public Offer issued during the year	-	-
Closing issued and fully paid ordinary shares	<u>648,446,094</u>	<u>648,446,094</u>
	31 December	31 December
	2025	2024
Ordinary shares of no par value	\$	\$
Balance at beginning of year	185,631,690	185,631,690
Initial Public Offer issued during the year	-	-
Balance at end of quarter/year	<u>185,631,690</u>	<u>185,631,690</u>

