SYGNUS | CREDIT INVESTMENTS

SCI PERPETUAL CUMULATIVE REDEEMABLE PREFERENCE SHARES PROSPECTUS

PUBLICATION DATE
Monday, Nov. 18, 2024

OPENING DATE	CLOSING DATE
Monday Nov. 25, 2024	Thursday Dec. 12, 2024

LEAD ARRANGER	LEAD BROKER
SYGNUS CAPITAL	JMMB SECURITIES LTD A Member of the Jamaica Stock Exchange

Additional Invitation by Prospectus

by

SYGNUS
CREDIT INVESTMENTS

Perpetual Cumulative Redeemable Preference Share Prospectus by Sygnus Credit Investments Limited

(Incorporated in Saint Lucia with limited liability)

ISSUE OF 2 NEW CLASSES OF PERPETUAL CUMULATIVE REDEEMABLE PREFERENCE SHARES AS FOLLOWS:

CLASS	NO. OF SHARES	PRICE PER SHARE	YIELD	CALL OPTION	DOLLAR VALUE OF SHARES
H	12,000,000	J$100.00	10.00%	15 Years	J$1,200,000,000.00
I	2,000,000	US$10.00	8.00%	15 Years	US$20,000,000.00

For a total aggregate amount of J$1,200,000,000.00 (up-sizeable to J$1,600,000,000.000) AND US$20,000,000.00

all such Preference Shares in the capital of

Sygnus Credit Investments Limited

(the "Company" or "SCI")

Dated the 13th day of November 2024

A copy of this Prospectus was delivered to the Registrar of Companies for registration pursuant to section 372 of the Companies Act and was so registered on the 15th day of November 2024. The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus. A copy of this Prospectus was delivered to the Financial Services Commission for registration pursuant to section 26 of the Securities Act and was so registered on 18th day of November 2024. The Financial Services Commission has neither approved the issue of this Prospectus nor has the Commission passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

This Prospectus is intended for use in Jamaica only and shall not be construed as an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these Preference Shares to any person outside Jamaica.

The Directors whose names appear in Section 12 accept full responsibility, collectively and individually, for all the information in this document relating to the Company and its subsidiaries. The Directors have taken all reasonable care to ensure that, to the best of their knowledge and belief, the information given herein or in those portions for which they have particular responsibility, is in accordance with the facts and does not omit anything likely to affect, in a material way, the import of such information.

No person is authorized to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained herein.

Registered Office: McNamara Corporate Services Inc, 20 Micoud Street, Castries, St. Lucia
Website: www.sygnusgroup.com **Email**: sci@sygnusgroup.com
Telephone Number: 876-634-5000

TABLE OF CONTENTS

SECTION 1 | IMPORTANT NOTICE

1.1 Unless stated otherwise, terms used in this Prospectus shall have the meanings attributed to them in Section 5 - Definitions of this Prospectus.

1.2 **Existing Ordinary Shares of the Company are listed on the Jamaica Stock Exchange (JSE) and prospective investors are invited and encouraged to view all trade information relating to the Company published on the JSE website at www.jamstockex.com.**

1.3 The Company has issued 3,548,993 cumulative redeemable Preference Shares in two tranches with a redemption period of two and three years, as applicable. In a Public Offering for Ordinary Shares, the holders of these Preference Shares have the option to convert all the Preference Shares plus any accrued and accumulated dividends into common/ordinary shares. The Company has also issued 20,000,000 cumulative redeemable Preference Shares in three (3) tranches with redemption periods of two and three years, as applicable.

1.4 **Investors are also invited to view the FYE 2023 Annual Report for the Company at the following websites.**

www.sygnusgroup.com
www.jamstockex.com

1.5 **Copies of the Audited Financial Statements and Management Discussion and Analysis (“MD&A”) for the Company for the financial year ended June 30, 2024 appear as APPENDIX 2.**

1.6 The signatures of the **Directors of the Company** appear in Section 18 – **Signatures of Directors of the Company** of this Prospectus. The Directors of the Company are individually and collectively responsible for the contents of this Prospectus. To the best of the knowledge and belief of such Directors, the information contained in this Prospectus is factually correct and true and no information has been omitted that would make any statement in this Prospectus misleading or that is likely to otherwise materially affect its interpretation.

1.7 The Directors of the Company do not warrant or make any representation as to the accuracy of the information in this Prospectus as of any date other than the date on which it is dated.

1.8 **This Prospectus is issued by the Company to the public in Jamaica only and is not to be construed as making an invitation or offer to persons outside of Jamaica to subscribe for any Preference Shares or other securities.**

SECTION 2 | KEY DATES

2.1 Applications may be made online by following the instructions provided in Appendix 3 at the end of this Prospectus.

2.2 The Invitation will open at 9.00 am on the Opening Date and will close at 4:30 p.m. on the Closing Date subject to the right of the Company to: (a) close the Invitation at any time after 9:00 a.m. on the Opening Date once the Invitation is fully subscribed, or (b) extend the period during which the Invitation shall remain open for any reason, provided that such period does not extend beyond the expiration of 40 days after the publication of this Prospectus for the purposes of section 48 of the Companies Act. In the case of the extension of such period or an early closing, notice will be posted on the website of the JSE at www.jamstockex.com.

2.3 The below timetable is indicative, with the Directors of the Company however reserving the right to change the dates that the Invitation opens and closes based on market conditions and other relevant factors as determined by the Company subject always to statutory and regulatory obligations.

Date of Prospectus	November 13, 2024
Opening Date	9:00 A.M on November 25, 2024
Closing Date	4:30 P.M. on December 12, 2024 subject to the right of the Company to designate an earlier or later date in the circumstances set out in this Prospectus.
Expected dispatch of investor statements and any refunds, of subscriptions if applicable	Within 10 days of Closing Date

SECTION 3 | SUMMARY OF KEY INFORMATION

3.1 The following summary information is derived from and should be read in conjunction with, and is qualified in its entirety by, the full text of this Prospectus, including the Appendices and the Trade Information published on the JSE website.

3.2 Potential investors are advised to read carefully, this entire Prospectus and the Trade Information published on the JSE website, before making an investment decision about the transactions herein. Each recipient's attention is specifically drawn to the **Disclaimer and Advisory on Forward Looking Statements** in Section 7 and the **Risk Exposure** in Section 9 of this Prospectus for purposes of determining whether to apply/subscribe for Preference Shares.

3.3 If you have any questions arising out of this document or if you require any explanations, you should consult your stockbroker, licensed investment advisor, attorney-at-law, accountant or other professional advisor.

Issuer:	Sygnus Credit Investments Limited
Issuer Credit Rating:	The Issuer has been rated by CariCris, the Caribbean Premier Rating Agency with a rating of JmBBB+ (Stable outlook)
Lead Arranger:	Sygnus Capital Limited
Lead Broker:	JMMB Securities Limited ("JMMBSL")
Registrar & Paying Agent:	Jamaica Central Securities Depository Limited ("JCSD")
Instrument:	Cumulative Redeemable Preference Shares across two (2) classes of shares: (a) JMD Perpetual Cumulative Redeemable Class H Preference Shares ("Class H") (b) USD Perpetual Cumulative Redeemable Class I Preference Shares ("Class I") with Terms of Issue (as applicable) as set forth in Section 20
Currency:	(a) Class H – JMD (b) Class I – USD
Issue Price:	(a) Class H – J$100.00 per share (b) Class I – US$10.00 per share
Number of Preference Shares:	(a) Class H – Up to 12,000,000 shares (b) Class I – Up to 2,000,000 shares
Issue Size:	Up to J$1,200,000,000.00 and US$20,000,000.00, across two (2) classes of preference shares as follows:

	(a) Class H – Up to J$1,200,000,000.00 of JMD Preference Shares (b) Class I – Up to US$20,000,000.00 of USD Preference Shares
Term:	(a) Class H – Perpetual, subject to call option(s) redeemable after [15] Years at the discretion of the issuer (b) Class I – Perpetual, subject to call option(s) redeemable after [15] Years at the discretion of the issuer
Dividend Yield:	(a) Class H – 10.00% p.a. (b) Class I – 8.00% p.a.
Dividend Frequency and Payment Date:	Classes H & I – Quarterly on a 30/360 day basis i. The Board of Directors of the Company will declare Dividends quarterly on the [last] Business Day of each of the Issuer's financial quarters commencing March 31st, 2025 ii. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the next succeeding Business Day iii. Dividends shall be paid from the distributable profits of the Company iv. Dividends shall be declared at the Dividend Rate and such date for payment shall follow declaration by the Board of Directors of the Company and processing by the Registrar engaged by the Company to attend to payments to registered holders The Directors intend to consider the payment of dividends in the first instance for the period commencing on the Issue Date and ending March 31 and thereafter each three (3) month period expiring on [June 30, September 30, December 31 and March 31] in each year ("Dividend Frequency"). In the event that such date for payment is not a Business Day, the dividend payment shall be made on the next succeeding Business Day in the respective month. FURTHER PROVIDED THAT the Company shall not pay any interim dividends on the ordinary shares of the Company, if the Company has not paid dividends to the Preference Shareholders in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods. The Issuer reserves the right to accumulate the unpaid dividends on the Preference Shares. For greater certainty, if the preferential dividends are not paid in full, they shall continue to accrue and be paid on the date fixed for the subsequent quarterly dividend payment date when the Issuer has sufficient distributable profits.

Minimum Subscription:	(a) Class H – 500 JMD Preference Shares (b) Class I – 50 USD Preference Shares
Settlement:	All amounts of the Preference Shares subscribed for must be paid for in full in cleared funds, at the time of submission of the respective Application.
Withdrawal of Invitation:	The Issuer has the right to withdraw the Invitation and provide subscribing investors with written notice if the Board of Directors and the Arranger deem it appropriate to cancel, withdraw or postpone the Invitation at any time during the opening and closing period.
Rights of Preference Shareholders:	Preference Shareholders shall have the following rights: (a) Priority of payment to receive all dividends over any other type of capital distributions (e.g., ordinary dividends or share buybacks) to common equity holders (b) Full voting rights on winding up (c) Ranking in priority to common equity in the event of a winding up
Use of Proceeds:	The Company intends to use the net proceeds from the issue to: (i) Repay approximately US$11.0 million of outstanding debt (ii) Pay the perpetual cumulative redeemable preference share invitation expenses & Listing Expenses (iii) Finance the growth of its investment portfolio by investing in credit instruments issued by Medium-Sized Firms.
ISIN:	The Preference Shares will be immobilized and are proposed to be listed on the JSE. ISIN will be provided prior to listing on the JSE
Intention to List on the JSE:	The Perpetual Cumulative Redeemable Preference Shares will be converted on issue to Preference Stock Units, and SCI intends to apply to the Jamaica Stock Exchange for the listing on the Exchange of all of the Preference Stock Units, and to make such application as soon as conveniently possible following the closing of the Invitation and the allocation of Preference Shares. **However, these statements are not to be construed as a guarantee that any of the Preference Stock Units will be listed.**
Fees and Expenses:	The Issuer shall pay all reasonable costs and expenses associated with the execution of this transaction. The Directors believe that the expenses associated with the Invitation will be approximately 5% of the maximum Invitation Amount. This figure is inclusive of the Lead Arranger and Broker's fees, legal fees, accounting fees, listing fees and marketing expenses.
Net Proceeds:	The Company expects to receive the equivalent of approximately US$26,125,000.00 from the issue of the cumulative redeemable preference shares after deducting Fees and Expenses.

Taxation:	Subject to applicable tax laws including withholding taxes. Investors will be responsible for filing their own taxes.
Governing Law:	Laws of Jamaica.
Timetable:	The below timetable is indicative, with the Directors of the Company however reserving the right to change the dates that the Invitation remains open based on market conditions and other relevant factors. i. Publishing of Prospectus – November 18, 2024 ii. The Opening Date – 9:00am on November 25, 2024 iii. The Closing Date (completed and signed Application Forms to be received by) - 4:30pm on December 12, 2024
Announcement of basis of allotment:	A notice confirming the preliminary basis of allotment will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com) within six (6) business days after the Closing Date (or the extended Closing Date, as the case may be).
Allotment:	Within twenty-one days (21) of the Closing Date; subject to the Preference Shares being admitted for listing by the Board of the JSE on the Main Market of the JSE, the Preference Shares will be allocated based on the time of receipt of the subscription, on a "first come first served" basis. If the Invitation is oversubscribed, the Preference Shares will be allocated on a pro rata basis, in which event, Applicants may be allotted fewer Preference Shares than were the subject of their Applications.
Application for Listing:	As indicated in this Section 3, the Company intends to apply to have the new Preference Shares issued as a result of this invitation listed on the Jamaica Stock Exchange and intends to make such application to the JSE within fifteen (15) days after the Preference Shares have been allotted.
Expected Listing of the Preference Shares if the Offer is successful	No more than five (5) Business Days after the Jamaica Stock Exchange approves the admission of the Preference Shares to the Main Market.
Refunds:	Where applicable, it is expected that refunds of subscriptions will be made to Applicants within 10 days of the Closing Date.
Application Procedure:	See Section 19 for details.

Note: The above summary information is derived from, and should be read in conjunction with, the full text of this Prospectus. The summary does not contain all the information that may be important to prospective Investors.

SECTION 4 | CHAIRMAN'S MESSAGE TO PROSPECTIVE INVESTORS

Chairman's Letter to Prospective Investors

On behalf of the Board of Directors of Sygnus Credit Investments, I am pleased to extend to Prospective Investors an invitation to subscribe for Perpetual Cumulative Redeemable Preference Shares in the Company on the terms and conditions set out in this Prospectus. We thank you and we are grateful to all our shareholders, partners and team members that have supported us thus far on this exciting pioneering journey.

Key Achievements

SCI's commitment to facilitating resilient growth across the Caribbean region through its significantly expanded private credit platform has led to a continuing positive trajectory, which is reflected in the group's financial results. For the FYE June 2024, Net profits grew 17.3% to a record US$6.03 million, total investment income grew 13.6% to a record US$10.10 million, and portfolio investments grew 24.1% to a record US$188.05 million. This includes a US$30.29 million fair value assessment of SCI's investment in the Puerto Rico Credit Fund (PRCF), up from US$24.88 million over the same period in 2023. This was due in part to SCI increasing its stake to 95.6% in December 2023, paired with the record deployment and profitability of Acrecent Financial Corporation (AFC), the wholly owned Puerto Rico business held by The Group's subsidiary.

Since the first payment in October 2018, the Company has consistently paid bi-annual dividends to its shareholders. SCI has distributed a total of US$13.49 million or 22.2% of its share capital on twelve separate occasions. This speaks to the Company's dedication to its mission of delivering value and returns to investors. Furthermore, approximately US$833.0 thousand in shares have been repurchased under the ongoing share buyback program. Launched in June 2023, 136,525 USD ordinary shares and 10,274,842 JMD ordinary shares have been repurchased via the three-year program. In addition, SCI has made all scheduled preferred dividends to preference shareholders, up to the date of this Prospectus.

Proactive Risk Management

Minimizing the impact of business and portfolio risk has been a key tenet in SCI's management strategy since inception. To achieve this, the Company has maintained a lowly leveraged balance sheet and actively pursued portfolio diversification, all whilst modeling global best practices. This concentration on credit risk management has resulted in a portfolio loss ratio of <1% of capital deployed and a Net Debt to Equity ratio of 0.92x. This is notwithstanding exogenous shocks related to the Covid-19 pandemic and resulting elevated high-interest rate environment. Diversification efforts have led to effective territorial exposure across eight (8) territories in the Caribbean region and a myriad of flexible financing options. SCI has provided growth solutions for middle-market companies across the Jamaican, Spanish and Dutch markets.

Sustainable Growth

Given the resilient growth of SCI's private credit portfolio which has fueled seven successful years of operations, SCI has already begun executing its strategy to continue scaling its private credit business from the solid foundation laid during these first seven years. In this regard, SCI has built a robust regional private credit platform and has advanced the process to launch new financing solutions across the Spanish, English and Dutch-speaking Caribbean territories. As part of this process, SCI has collectively targeted at least US$300.0 million in new originations, and is already making good progress on this front, but requires additional financing to meet the demand for its flexible debt financing solutions and to finance its large pipeline of originations, particularly to Jamaican opportunities and Jamaican led middle-market businesses. The Group has entered the final stages of approval with one of its international financing partners to diversify its funding base, as it seeks to secure at least US$100.0 million in medium term financing.

SCI has enhanced its non-interest income revenue streams to buttress its net interest income on its path towards exceeding a targeted US$12.5 million in total core revenues and generating a return on equity of at least 10% on a consistent basis which will enable the Company to grow and maintain its dividend yield to above 5% on an ongoing basis, all to be achieved within the next three years. In keeping with its sustainable business model, SCI will continue to maintain a robust balance sheet with debt/equity below 2.0x, thus allowing the business to remain nimble and able to take advantage of opportunities that may arise in different market conditions. To assist with growing and expanding the business within the next three years, SCI is seeking to raise additional “Dry Powder” in the form of preference shares. Thus, this Perpetual Cumulative Redeemable Preference Share Invitation represents a key initiative on a multi-step journey within alternative investments to continue deepening and expanding the Caribbean private credit ecosystem, with a particular focus on opportunities within the Jamaican economic space.

Invitation to Participate

We are inviting shareholders, stakeholders and the general public to participate in SCI’s resilient growth over the three years, as we seek to enhance value for stakeholders by leveraging key international partnerships and regional relationships across the Caribbean middle-market.

Yours sincerely,

Linval Freeman
Chairman of the Board

SECTION 5 | DEFINITIONS

5.1 The following definitions apply throughout this Prospectus unless the context otherwise requires:

Word or Phrase	Definition
Additional Invitation	The invitation to subscribe for Perpetual Cumulative Redeemable Preference Shares in the capital of the Company, issued by the Company, on the terms and conditions set out in this Prospectus (herein referred to as the "Invitation").
Applicant	A person (being an individual or a body corporate) being a member of the general public, who submits an Application.
Application	Means the application to be made by all Applicants who wish to make an offer to subscribe for Preference Shares in the Invitation, based on instructions set forth in Appendix 3.
Application List	The application list in respect of the Invitation.
Arranger	The Lead Arranger
Articles	The Articles of Incorporation of the Company.
Board of Directors of the Company OR the Directors of the Company	The Board of Directors of the Company whose signatures appear in Section 18.
Company or Issuer or SCI	Sygnus Credit Investments Limited (an international business company established under the laws of St. Lucia)
Closing Date	The date on which the Invitation closes, being 4:30 pm on December 12, 2024, subject to the right of the Company to shorten or extend the period during which the Invitation will remain open, in the circumstances set out in this Prospectus.
Corporate Services Agreement	An agreement for the provision of services including general corporate secretarial, financial, accounting, coordinating oversight of legal matters and other administrative functions.
Dry Powder	Capital that is available for investing in Medium-Sized Firms which may comprise of cash held in bank accounts, cash equivalents held in short term marketable instruments and undrawn medium-term credit facilities.
FSC	The Financial Services Commission of Jamaica.
Invitation Price or Prices	Prices are as follows: - Class H - J$100.00 per share - Class I - US$10.00 per share
Investment Manager	Sygnus Capital Limited

JCSD	Jamaica Central Securities Depository Limited, a wholly owned subsidiary of the JSE, incorporated under the laws of Jamaica to provide depository and settlement services for securities traded electronically on the floor of the Jamaica Stock Exchange using a book entry system.
JSE	The Jamaica Stock Exchange
JSE website	The website of the Jamaica Stock Exchange at www.jamstockex.com
Latest Audited Accounts	The Audited Accounts of the Company for the FYE June 30, 2024, posted on the JSE website, a copy of which appears as APPENDIX 2.
Lead Arranger	Sygnus Capital Limited
Lead Broker	JMMB Securities Limited, the Broker engaged by the Company to assist with implementation of the Invitation.
Material Adverse Event	Means an event beyond the reasonable control of the Investment Manager including without limitation any Act of God, war, strike, lockout, industrial action, lightning, fire, earthquake, flood, storm, hurricane, epidemic or material adverse change in law.
Preference Shares	The Preference Shares in the capital of the Company made available for subscription pursuant to this Prospectus as described herein.
Selling Agent	A stockbroker approved by the Lead Broker to assist with the implementation of the Invitation.
Special Share	The one special-rights redeemable preference share of US$1.00 par value in the capital of the Company held by Sygnus Capital Group Limited.
Sygnus Capital Group Limited or SCG	Sygnus Capital Group Limited, an international business company incorporated under the laws of Saint Lucia and having its registered office at 20 Micoud Street, Castries, Saint Lucia

SECTION 6 | PROFESSIONAL ADVISORS TO THE INVITATION

Lead Arranger	**Sygnus Capital Limited** Unit 28 80LMR 80 Lady Musgrave Road Kingston 10 Jamaica Tel: 876- 420-3387 Contact Person: Steven Davis, AVP- Investment Banking	
Lead Broker	**JMMB Securities Limited (“JMMBSL”)** 6 Haughton Terrace Kingston 10 Jamaica Contact Person: Karl Townsend Chief Country Officer, Capital Markets 876 998 JMMB (5662)	
Registrar and Transfer Agent	**Jamaica Central Securities Depository Limited** 40 Harbour Street Kingston Jamaica Tel: 876-967-3271 Contact Person: Tameika Ricketts	
Auditors	**KPMG** Suite No. 2 Rodney Bayside Building Rodney Bay, Gros Islet Saint Lucia Tel: 246-434-3900 Email: ecinfo@kpmg.lc P.O. Box GI 2171 Gros Islet LC 01 101 Saint Lucia	
Legal Advisors to the Issuer	**Patterson Mair Hamilton** Temple Court 85 Hope Road Kingston 6 Jamaica Tel: 876.920.4000 Contact Persons: Arthur Hamilton/Kimberly HoSue	

SECTION 7 | DISCLAIMER AND ADVISORY ON FORWARD LOOKING STATEMENTS

7.1 **Neither the FSC nor any Governmental agency or regulatory authority in Jamaica has made any determination on the accuracy or adequacy of this Prospectus.**

7.2 If you are in doubt about the contents of this Prospectus, or have any queries about any information contained herein, you should consult your stockbroker, securities dealer, investment adviser, bank manager, attorney-at-law, professional accountant or other professional adviser.

a) This Prospectus has been reviewed and approved by the Directors of SCI and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, (i) the information is true and accurate in all material respects and is not misleading in any material respect, (ii) any opinions, predictions or intentions expressed herein on the part of SCI are honestly held or made and are not misleading in any material respect, (iii) that all proper inquiries have been made to ascertain and to verify the foregoing, and (iv) this Prospectus does not contain any untrue statement of a material fact or fail to state a material fact necessary in order to make the statements herein, in the light of the circumstances under which they are made, not misleading.

b) Each Applicant acknowledges and agrees that (i) they have received and have been afforded a meaningful opportunity to review all additional information considered by such Applicant to be necessary to verify the accuracy of the information contained in this Prospectus, (ii) such Applicant has not relied on SCI, the Investment Manager, any of the Lead Arranger or the Lead Broker, the legal or other professional advisors to SCI or any persons affiliated with the Investment Manager in connection with the Applicant's investigation of the accuracy of such information or investment decision, and (iii) no person has been authorized to give information or to make any representation concerning SCI or the Invitation comprised in this Prospectus or to provide information or to make any representation whatsoever in connection with this Prospectus (other than as contained in this Prospectus and information given by duly authorized officers and employees of the Investment Manager in connection with the Applicants' verification of the information contained in this Prospectus) and that, if given or made, such other information or representation should not be relied upon as having been authorized by SCI or the Investment Manager.

c) You should not subscribe for any of the Preference Shares unless you have received and read or had the opportunity to read this Prospectus in full. Investors are urged to review the Risk Factors in Section 9 of this Prospectus. Any decision to invest in the Preference Shares should be based on consideration of this Prospectus, as a whole, including any document incorporated therein by reference. The Preference Shares are available for subscription or sale only in Jamaica. No action has been taken to register or qualify the Preference Shares for subscription or sale outside Jamaica. The Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the invitation with respect to the Preference Shares in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus may come are required to inform themselves about, and to observe, such restrictions.

d) Save for the historical financial information relating to the Company presented by the Latest Audited Accounts, certain material in this Prospectus or referred to herein may contain forward-looking statements including but not limited to statements of expectations, future plans or future prospects, and financial projections. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. Forward-looking statements are based on certain assumptions and estimates made by the Company in light of the experience and perception of historical trends, current conditions, expected future developments, including projected growth in the credit industry, and other factors we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such assumptions and estimates will prove to be correct. Although the Board of Directors of the Company believes that in making any such statements its expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be different or materially different from those projected. Prospective investors in the Company are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they have been made. Future events or circumstances could cause actual results to differ or differ materially from historical or anticipated results.

e) Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the factors, which are discussed in greater detail in the "Risk Factors" section of this Prospectus.

f) Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that such expectations will prove to have been correct. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. Unless otherwise stated, the forward-looking statements contained in this Prospectus are made as of the date of this Prospectus.

g) Forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company's financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made). There are important factors that could cause actual results to differ or differ materially from those in the forward-looking statements, certain of which are beyond the Company's control. These factors include, without limitation, economic, social and other conditions prevailing both within and outside of Jamaica.

h) All phases of our business are subject to important uncertainties, risks and other influences, certain of which factors are beyond the Company's control. Any one of these factors, or a combination of them, could cause actual results to differ materially from those in forward-looking statements. These factors include, without limitation, the following:

a. economic, social and other conditions in any jurisdiction in which the Company may invest or operate, including actual rates of economic growth in such economies, local, regional or global instability, interest rate or exchange rate volatility;

b. adverse climatic events and natural disasters;

c. the Company's ability to gain access to capital financing at an acceptable cost, or business opportunities that meet the Company's investment criteria;

d. changes in regulatory policy adversely affecting the business model expected to be employed by the Company;

e. any other factor(s) negatively impacting on the realization of the assumptions on which the Company's financial projections are based; and

f. other factors identified in this Prospectus.

7.3 We caution that the foregoing list of risk factors is not exhaustive and other factors not set out above could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to the Company, Applicants and others should carefully consider the foregoing factors and other uncertainties and potential events. Once this Prospectus has been signed by or on behalf of the Company, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company's anticipated financial or actual or anticipated regulatory position, or to reflect the occurrence of unanticipated events.

SECTION 8 | THE INVITATION

8.1 The Company invites the public to subscribe for up to 14,000,000 Perpetual Cumulative Redeemable Preference Shares in the capital of the Company as under, subject to the terms and conditions of this Prospectus.

Issuer:	Sygnus Credit Investments Limited
Issuer Credit Rating:	The Issuer has been rated by CariCris, the Caribbean Premier Rating Agency with a rating of JmBBB+ (Stable outlook)
Instrument:	Perpetual Cumulative Redeemable Preference Shares across two (2) classes of shares: (a) JMD Perpetual Cumulative Redeemable Class H Preference Shares ("Class H") (b) USD Perpetual Cumulative Redeemable Class I Preference Shares ("Class I")
Currency:	(a) Class H - JMD (b) Class I – USD
Invitation Price/Issue Price:	(a) Class H – J$100.00 per share (b) Class I – US$10.00 per share
Number of Preference Shares:	(a) Class H – Up to 12,000,000 shares (b) Class I – Up to 2,000,000 shares
Issue Size:	Up to J$1,200,000,000.00 and US$20,000,000.00, in two (2) classes of preference shares as follows: (a) Class H – Up to J$1,200,000,000.00 of JMD Preference Shares (b) Class I – Up to US$20,000,000.00 of USD Preference Shares OR In the event of an upsize up to J$1,600,000,000.00 and US$20,000,000.00 across two (2) classes of preference shares as follows: • Class H – Up to J$1,600,000.00 of JMD Preference Shares • Class I – Up to US$20,000,000.00 of USD Preference Shares
Term:	(a) Class H – Perpetual, subject to call option(s) redeemable after 15 Years at the discretion of the issuer (b) Class I – Perpetual, subject to call option(s) redeemable after 15 Years at the discretion of the issuer
Dividend Yield:	(a) Class H – 10.00% p.a. (b) Class I – 8.00% p.a.
Dividend Frequency and payment date:	Classes H & I – Quarterly on a 30/360 day basis v. The Board of Directors of the Company will declare Dividends quarterly on the [last] Business Day of each of the Issuer's financial quarters commencing March 31st, 2025 vi. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the next succeeding Business Day vii. Dividends shall be paid from the distributable profits of

	the Company viii. Dividends shall be declared at the Dividend Rate and such date for payment shall follow declaration by the Board of Directors of the Company and processing by the Registrar engaged by the Company to attend to payments to registered holders The Directors intend to consider the payment of dividends in the first instance for the period commencing on the Issue Date and ending March 31 and thereafter each three (3) month period expiring on [June 30, September 30, December 31 and March 31] in each year ("Dividend Frequency"). In the event that such date for payment is not a Business Day, the dividend payment shall be made on the next succeeding Business Day in the respective month. FURTHER PROVIDED THAT the Company shall not pay any interim dividends on the ordinary shares of the Company, if the Company has not paid dividends to the Preference Shareholders in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods. The Issuer reserves the right to accumulate the unpaid dividends on the Preference Shares. For greater certainty, if the preferential dividends are not paid in full, they shall continue to accrue and be paid on the date fixed for the subsequent quarterly dividend payment date when the Issuer has sufficient distributable profits.
Minimum Subscription:	(a) Class H – 500 JMD Preference Shares and multiples of 100 Preference Shares (b) Class I – 50 USD Preference Shares and multiples of 10 Preference Shares
Settlement:	All amounts of the Preference Shares subscribed for must be paid for in full in cleared funds, at the time of submission of the respective Application.
Withdrawal of Invitation:	The Issuer has the right to withdraw the Invitation and provide subscribing investors with written notice if the Board of Directors and the Arranger deem it appropriate to cancel, withdraw or postpone the Invitation at any time during the opening and closing period.
Rights of Preference Shareholders:	Preference Shareholders shall have the following rights: (a) Priority of payment to receive all dividends over any other type of capital distributions (e.g., ordinary dividends or share buybacks) to common equity holders (b) Full voting rights on winding up (c) Ranking in priority to common equity in the event of a winding up

Use of Proceeds:	The Company intends to use the net proceeds from the issue to: I. Repay approximately US$11.0 million of outstanding debt II. Pay the perpetual cumulative redeemable preference share invitation expenses & Listing Expenses III. Finance the growth of its investment portfolio by investing in credit instruments issued by Medium-Sized Firms.
ISIN:	The Preference Shares will be immobilized and are proposed to be listed on the JSE
Intention to List on The JSE:	The Preference Shares will be converted on issue to Preference Stock Units, and SCI intends to apply to the Jamaica Stock Exchange for the listing on the Exchange of all of the Preference Stock Units, and to make such application as soon as conveniently possible following the closing of the Invitation and the allocation of Preference Shares. However, these statements are not to be construed as a guarantee that any of the Preference Stock Units will be listed.
Fees and Expenses:	The Issuer shall pay all reasonable costs and expenses associated with the execution of this transaction. The Directors believe that the expenses associated with the Invitation will be approximately 5% of the maximum Invitation Amount. This figure is inclusive of the Lead Arranger and Broker’s fees, legal fees, accounting fees, listing fees and marketing expenses.
Net Proceeds:	The Company expects to receive the equivalent of approximately US$26,125,000.00 from the perpetual cumulative redeemable preference shares after deducting Fees and Expenses.
Taxation:	Subject to applicable tax laws including withholding taxes. Investors will be responsible for filing their own taxes.
Governing Law:	Laws of Jamaica
Timetable:	The below timetable is indicative, with the Directors of the Company however reserving the right to change the dates that the Invitation remains open based on market conditions and other relevant factors. i. Distribution of Prospectus –November 18, 2024 ii The Opening Date – 9:00am on November 25, 2024 iii The Closing Date (completed and signed Application Forms to be received by) - 4:30pm on December 12, 2024

Announcement of basis of allotment:	A notice confirming the preliminary basis of allotment will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com) within six (6) business days after the Closing Date (or the extended Closing Date, as the case may be).
Allotment:	Within twenty-one days (21) of the Closing Date; subject to the Preference Shares being admitted for listing by the Board of the JSE on the Main Market of the JSE, the Preference Shares will be allocated based on the time of receipt of the subscription, on a "first come first served" basis. If the Invitation is oversubscribed, the Preference Shares will be allocated on a pro rata basis, in which event, Applicants may be allotted fewer Preference Shares than were the subject of their Applications.
Application for Listing:	The Company intends to apply to have the new Preference Shares issued as a result of this invitation listed on the Jamaica Stock Exchange and intends to make such application to the JSE within fifteen (15) days after the shares have been allotted.
Expected Listing of the Preference Shares if the Invitation is successful	No more than five (5) Business Days after the Jamaica Stock Exchange approves the admission of the Preference Shares to the Main Market.
Refunds:	Where applicable, it is expected that refunds of subscriptions will be returned to the Lead Broker, JMMB Securities Limited within 10 days of the Closing Date.
Application Procedure:	See Section 19 for details.

8.2 The Company invites the public to subscribe for Preference Shares in the capital of the Company as under, subject to the terms and conditions of this Prospectus.

8.3 Issued Shares at the date of this Prospectus. (Issued ordinary, special and preference before and after/only preference shares will change)

Description	Number of Shares
Issued and fully paid Ordinary Shares	590,975,463
Issued Preference Shares	23,548,993
Total	614,524,456

8.4 Total Issued Preference Shares in the event that the Invitation is fully subscribed.

Description	Number of Shares
Issued Preference Shares	23,548,993
Issued Preference Shares (New)	14,000,000
Total	37,548,993

8.5 The Preference Shares are priced at the Invitation Prices stipulated below:

Class H - J$100.00 per share
Class I - US$10.00 per share

8.6 The Application List will open at 9.00 a.m. on November 25, 2024 (the "Opening Date") and will close on December 12, 2024 at 4.30 p.m., (the "Closing Date") subject to the Company's right to close the Application List at any time without notice, if Applications have been received for the full amounts of the Preference Shares, the subject of the Invitation. Applications are due within the period commencing with Opening Date and ending on the Closing Date.

8.7 Subject to the provisions in this Prospectus, the Company reserves the right to extend the period during which the Invitation will remain open. Allocations may be on a prorated basis, per category of Preference Shares, 21 days after the Invitation is closed, and an announcement will be made informing of the allocation of Shares to successful Applicants.

8.8 All Applications must be submitted electronically via JMMB's Moneyline™ platform by logging on to the following websites:

(a) JMMB Clients - https://moneyline.jmmb.com/personal/login.php
(b) Non-JMMB clients - https://moneylineipo.jmmb.com.
(c) See Appendix 3 - JMMB's Moneyline Application Procedures for full details

8.9 Each Person who wishes to submit an Application and who does not have a stock brokerage account (whether with JMMB Securities or otherwise) or does not have a JMMB account may call JMMB's Client Care Centre at 876-998-JMMB (5662), between the hours of 8:00 a.m. to 4:30 p.m. for assistance in opening a stock brokerage account with JMMB Securities or a JMMB account. Interested Applicants may also open a JMMB account online at https://jm.jmmb.com/account-opening-personal. For non-JMMB Clients, please refer to the section "How to Apply – Non-JMMB Clients" contained on pages 81-84.

8.10 The Invitation will close at 4:30 pm on the Closing Date subject to the right of the Company to: (a) close the Invitation at any time after it opens at 9:00 am on the Opening Date once the Invitation is fully subscribed; or (b) extend the period during which the Invitation will remain open for any reason, provided that such period does not extend beyond the expiration of 40 days after the publication of this Prospectus for the purposes of section 48 of the Companies Act. In the case of the extension of such period or an early closing, notice will be posted on the website of the JSE at www.jamstockex.com.

Use of proceeds:

8.11 The Company intends to:

(i) To repay approximately US$11,000,000.00 of the Company's outstanding debt obligations.

(ii) use the proceeds of the Preference Shares to pay its capital raising and Listing Expenses (estimated at US$1,375,000.00)

(iii) Invest and hold the net funds raised from the Preference Share Invitation in customized credit instruments issued primarily by Medium-Sized Firms, across a broad range of sectors, including but not limited to manufacturing, distribution, financial services, energy, industrial, construction, transportation, infrastructure and business services. The Company expects to earn income from interest paid on the credit instruments comprised in its investment portfolio.

SECTION 9 | RISK EXPOSURES

9.1 In addition to other information set forth in this Prospectus, Investors should, before subscribing for Preference Shares in SCI, consider carefully the risks described below. These risks are not the only ones facing Investors. Additional risks not presently known to the Directors, or that the Directors may presently consider to be immaterial, may also impair the Company's operations.

9.2 This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated as a result of certain factors, including the risks faced by SCI described below and elsewhere in this Prospectus. You should read Section 1 entitled "Important Notice" and Section 7 entitled "Disclaimer – Forward Looking Statements" for more information.

(i) **Risk in Relation to Preference Share Issue**

9.3 The subscription price for the Preference Shares has been determined by the Directors on the advice of Sygnus Capital Limited as Lead Arranger. The Preference Share price should not be taken to be indicative of the market price of the Preference Shares in the event the Shares are listed on the Main Market of the Jamaica Stock Exchange. No assurance can be given regarding active or sustained trading in the Preference Shares of the Company or regarding the price at which the Preference Shares will be traded in the event of listing of the Preference Shares on the Main Market.

(ii) **Share Price Fluctuations**

9.4 The trading price of the Preference Shares may fluctuate significantly after the Preference Share Issue and may continue to do so in the future. Some of the reasons for fluctuations in the price of the Preference Shares include but are not limited to:

- Announcements of developments related to the Company's business;
- The issue of additional Shares by the Company from time to time;
- announcements concerning or affecting credit instruments in the Company's investment portfolio;
- General conditions in the economy or the industries in which SCI have made investments;
- Changes in the law regarding several matters including but not limited to taxation and the private credit industry;
- Changes to the JSE Rules.

9.4.1 In addition, prices on the stock market may be particularly subject to volatility. In many cases, the fluctuations may be unrelated to the operating performance of the affected companies. As a result, the price of the Preference Shares could fluctuate in the future without regard to operating performance.

(iii) **Changes in Government Policies**

9.5 Governments in various countries in which the Company invests, may from time to time affect macroeconomic conditions through fiscal and monetary policies or changes in regulations, which may have an adverse impact on the credit markets and the performance of the Company.

(iv) **Risk relating to Marketability of the Preference Shares**

9.6 The Preference Shares, if listed on the Main Market of the Jamaica Stock Exchange, may not be readily saleable and shareholders who may want to "cash-out" may not be able to do so or may only be able to do so at a discount.

(v) **Risks of hurricane, fire and other Acts of God**

9.7 Catastrophic events affecting Caribbean territories, such as hurricanes and earthquakes, could impact generally on economic activity in such territories and more specifically on some of the companies in whose securities the Company may invest from time to time.

(vi) **Taxation Risks**

9.8 The Company is an International Business Company ("IBC") incorporated in Saint Lucia prior to December 1, 2018. As such, effective July 1, 2021, the Company became subject to corporate income tax (CIT) in Saint Lucia at the rate of 30% on income derived from sources in Saint Lucia, less allowable deductions. At time of issue of this Prospectus, distributions (dividends) are exempt from income tax in Saint Lucia, and for so long as this remains the position, regardless of where the recipient of the dividend is resident for tax purposes, there would be no tax withheld in Saint Lucia on dividends paid to that recipient. Further, if the recipient of the dividend is a resident of a CARICOM member state that is a signatory to the CARICOM Double Taxation Treaty (CARICOM DTT), that recipient would not be subject to income tax on the dividend received from the Company in their country of residence.

9.9 At time of issue of this Prospectus no withholding tax applies in Saint Lucia on payments of income that are exempt under the Income Tax Act of Saint Lucia (such as dividends) or on payments made toward expenses incurred to generate income from a source outside Saint Lucia. Otherwise, withholding tax may apply.

9.10 At time of issue of this Prospectus income deemed to be derived from a foreign source (income from sources outside of Saint Lucia) is not subject to CIT in Saint Lucia unless the Company (and this includes an IBC) fails to meet its economic substance test. If the Company fails to meet the economic substance test, the income deemed as foreign source will become taxable in Saint Lucia at 30% (except income received from CARICOM member states signatory to the CARICOM DTT, provided SCI is a tax resident of Saint Lucia). The economic substance requirement is to ensure that the Company has adequate economic presence in Saint Lucia to carry out its activities in Saint Lucia.

9.11 If all Board Meetings are held outside Jamaica and all key policy decisions affecting the Company are made at such Board Meetings, the Company should not be treated as resident in Jamaica for tax purposes (based on the legal positions obtaining at time of issue of this Prospectus). If the Company does not have a fixed place of business in Jamaica through which its business is wholly or partly carried on (such as place of management, office, branch etc.), it would not be regarded as being subject to CIT in Jamaica.

9.12 The Company's operation is structured with the objective that it will not be treated, under Jamaican tax law, as resident, or as carrying on business, in Jamaica. If the Company is deemed to be resident, or carrying on business, in Jamaica it would be liable for Jamaican CIT which could materially affect its operation and profitability.

(vii) **Credit & Counterparty Risks**

9.13 The Company's assets are represented substantially by investments in credit instruments issued by other companies. This creates special risks associated with the creditworthiness of such companies. For instance, a debtor could default, its credit worthiness may deteriorate or be downgraded by credit rating agencies; these events could materially and adversely affect the value of the relevant credit instrument. In addition, there are documentary risks and settlement risks in the closing of transactions.

9.14 The Company will manage the foregoing risks by:

(a) diversifying its holdings across various issuers to limit exposure to any single issuer;

(b) restricting investment to credit instruments which are within limits and ranges set by the Investment and Risk Management Committee ("IRMC");

(c) carrying out extensive financial due diligence on companies in which it invests;

(d) active monitoring of investments through financial covenants, interim financial reviews, collateral review, annual review of the businesses in which an investment was made and acquiring board representation where appropriate; and

(e) prudently managing credit spreads according to the changing risks of the underlying credit instruments based on issuers' financial positions.

(viii) **Foreign Currency Risk**

9.15 The Company will be exposed to the risk that the value of the future cash flows from its investment portfolio may fluctuate because of changes in foreign exchange rates. The Company will manage foreign currency risk by matching currencies, i.e. J$ will be invested in opportunities that generate J$ and similarly US$. In addition, to mitigate this risk the Company may hedge its foreign exchange risks by investing in currency derivatives and buying foreign currency hedging instruments if the Investment Manager determines that such hedging strategy is in the best interest of the Company. The Investment Manager also limits the net exposure to currencies other than the US$.

(ix) **Collateral and Documentation Risk**

9.16 All investments will have documentation reflecting the nature of the transaction structure and the collateral securing the transaction in order to provide adequate protection of the investments made by SCI. The Company is exposed to the risk of loss of investments or interest or dividends on such investments if the relevant documentation is unenforceable or inadequate. To mitigate this risk, the Company retains internal and external attorneys to review and advise on documentation relating to investments. In instances where SCI holds security, it must meet credit risk policy requirements which include perfecting security, or in certain circumstances holding security in registrable form for perfection when considered appropriate by the Investment Manager.

(x) **Operational Risks**

9.17 In the execution of its business functions the Company is exposed to operational risks arising from failures in systems and the processes through which it operates. Critical areas of operational risks include:

(a) errors by the Investment Manager and other agents of the Company;

(b) accounting errors, data entry errors; and

(c) fraud (internal and external) or other criminal activity.

Under the Investment Management Agreement between the Company and the Investment Manager, the latter is required to indemnify the Company against all actions, proceedings, claims, costs, demands and expenses which may be brought against, suffered or incurred by the Company by reason of any fraud, negligence or wilful default on the part of the Investment Manager. Similar obligations are imposed upon parties contracted by the Investment Manager to provide services to the Company. The Investment Manager will seek to eliminate such risks by maintaining a comprehensive system of internal controls and administrative checks and balances to monitor transactions supported by a robust external auditing oversight. Under the provision of the Corporate Services Agreement, the Investment Manager will also provide general accounting support to the Company. It is expected that the Investment Manager's robust internal procedures will ensure completeness of entries to the financial statements, as well as provide general accounting oversight.

(xi) **Thin Market in Company's Preference Shares**

9.18 The Jamaican stock market is relatively small and the market trading in the Company's Preference Shares (if listed) will be relatively thin compared to larger capital markets. That means that trading in small quantities of SCI's Preference Shares can trigger wide swings (up or down) in the market price of the Preference Shares and make it easier for the stock price to be manipulated.

(xii) **Control of the Company**

9.19 Consistent with the business model which the Company has adopted, the Investment Manager will retain some control over the Company through the Special Share. This is designed to ensure that the Company is managed, and its assets invested in the manner contemplated by the Investment Manager. Nevertheless, the significant influence with respect to the election of directors may be averse to the interest of the other stockholders.

(xiii) **The Special Share held by SCL will deter take-over bids**.

9.20 The fact that SCL holds the Special Share which gives it control over the election of Directors and other key corporate decisions will make it unlikely that any investor other than SCL or entities affiliated with SCL would bid for control of the Company. Such bid if made would usually be expected to be at a premium above the prevailing trading price of the Shares. Accordingly, the likelihood of stockholders receiving a take-over bid is reduced, perhaps significantly.

(xiv) **Concentration in Credit Risks**

9.21 The Company's investment portfolio consists of various types of credit investments but is not intended to contain any other types of investments such as real property or ordinary stocks. This lack of diversification means that the Portfolio is particularly exposed to credit risks.

(xv) **Related Party & Potential Conflict of Interest**

9.22 The Company and its investment portfolio are managed by Sygnus Capital Limited ("SCL"), which is a related party. SCL, also provides corporate services to the Company pursuant to a Corporate Services Agreement. In spite of the multiple roles which SCL has, the interests of the various parties are generally aligned. Notwithstanding that the parties all share common interest in the success of the Company, it is possible that conflicts of interest may arise in the day-to-day operations of SCI. The risk management policy of the Company also adopts best practice measures to address any perceived or real conflict of interest that may arise in the operations and management of the business.

9.23 Peter Thompson, a current director of the Company, represents one of the Company's shareholders, JMMB Fund Managers Limited ("JMMB"). JMMB and its affiliated companies, particularly JMMB Bank (Jamaica) Limited, are in the business of providing credit services to companies in Jamaica and other Caribbean countries. Given that the Company is also in the business of providing credit services to companies, it will likely compete with JMMB and its affiliated companies for customers. As a director of the Company, Mr. Thompson will be privy to information on the Company and its clients as well as those of JMMB. Accordingly, Mr. Thompson may have competing interests in the Company and JMMB.

9.24 The Directors owe fiduciary duties to the Company. These duties include the duty to (i) act honestly and in good faith with a view to the best interest of the Company; and (ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, including, but not limited to the general knowledge, skill and experience of the director. These duties would prohibit each of the Directors of the Company from disclosing the Company's confidential information in any manner which is not in the best interest of the Company. As fiduciaries, Directors have a duty not to put themselves in a position where their personal interests' conflict with their duty to the Company. Directors are also required to disclose the nature or extent of their interest(s) in contracts with the Company. This would include their relationships with any person, company or body who is a party to a contract or proposed contract with the Company.

(xvi) **Changes in Law & Regulatory Risks**

9.25 The Company is a St. Lucian International Business Company which invests in medium-sized firms located in jurisdictions across the wider Caribbean region. Changes in legislation in these jurisdictions could negatively impact on the financial or operational performance of the Company or on the financial or operational performance of any such Medium- Sized Firm which in turn could negatively impact the performance of the Company.

9.26 The Company or Medium-Sized Firms in which it invests may become subject to new regulatory rules or standards that differ from those that are presently applicable. If such regulatory rules or standards become onerous from the point of view of the Company or its clients, this could require the Company to recapitalize, or to change its business operations, and in any case, changes in such regulatory rules or standards may affect its long - term profitability.

9.27 The Investment Manager is licensed as a securities dealer under the Securities Act of Jamaica and regulated by the FSC. Officers and Directors of the Investment Manager are also registered under the Securities Act as dealer's representatives in relation to the Investment Manager. The ability of the Investment Manager to provide investment advisory services in relation to the Company's investment portfolio could be adversely impacted if:

a) its dealer's license is suspended or canceled;
b) the registration of its Dealer Representatives is suspended or canceled; or
c) there are adverse changes in regulations and laws affecting the Investment Manager.

9.28 The performance of the Company and its ability to invest in Medium-Sized Firms located in different jurisdictions could be affected by changes in treaties made between St. Lucia and such jurisdictions (such as the CARICOM Double Taxation Treaty).

(xvii) **New Accounting Rules or Standards**

9.29 The Company may become subject to new accounting rules or standards that differ from those that are presently applicable. Such new accounting rules or standards could require significant changes in the way the Company currently reports its financial position, operating results or cash flows. Such changes could be applied retrospectively.

(xviii) **Inability to Redeem Shares**

9.30 The Company is obliged to invite shareholders to offer Shares for redemption from time to time. The Company may not be in a position to redeem such Shares if it does not have sufficient distributable profits or if it is unable to raise sufficient funds from a fresh issue of Shares.

(xix) **Risk Management**

9.31 The Company's goal in risk management is to ensure that it understands, measures, and monitors the various risks that arise and that it adheres strictly to the policies and procedures, which are established to address these potential risks.

9.32 The Board of Directors of the Company is ultimately responsible for the risk management policies of SCI and has delegated the management of credit risk to the Investment and Risk Management Committee, a sub-committee of the Board of SCL. The Directors do not guarantee that changes in the local and international markets will not have any materially adverse impact on SCI's financial results.

(xx) **Pandemic Risk**

9.33 The Company's financial condition and results of operations may in the future be adversely affected by public health events.

Preventive measures implemented to contain or mitigate public health events, such as quarantines or lockdowns, travel restrictions, social distance policies, and limiting operations of certain non-essential firms may materially impact the economies and operations of the businesses within the Company's private credit portfolio. The Company could face risks related to the fair value adjustments to its investment portfolio, an increase in non-performing investments due to business closures, expected impairment allowances, and unexpected investment exits or liquidity demands triggered by such public health events, including epidemics and pandemics.

The overall impact of another public health event on the economies and operations of the portfolio companies will depend on various factors, including the ultimate duration and scope of the crisis, its effect on their customers, employees, suppliers and vendors, imposed restrictions on travel, quarantines and other measures, capacity limitations and enforced social distancing requirements and the duration and magnitude of an economic downturn cause by such crisis. Whilst the timing or extent of any future potential public health event is an exogenous risk factor, Management's business continuity planning has contingencies aimed at mitigating adverse impact on the Company's operations and the portfolio companies.

SECTION 109 | THE COMPANY

Company History

10.1 The Company was incorporated on January 13, 2017, as an International Business Company under the International Business Companies Act, 1999 of Saint Lucia with its registered office located at 20 Micoud Street, Castries, St. Lucia.

10.2 At incorporation, the Company's authorized share capital was US$10,000 made up of 100,000 Shares of US$0.10 each. The Shares were issued to Sygnus Capital Management Limited. In accordance with the objectives set by Investment Manager, the Company on April 3, 2017, carried out its first fund raising by way of an offer of Ordinary Shares to Accredited Investors in a private placement under the Guideline for Exempt Distributions (Guidelines SR-GUID-08/05-0016). The offer resulted in the Company allotting 140,140,000 Shares to Accredited Investors. A further 19,029,523 Shares were subsequently allotted to three (3) additional Shareholders to raise further capital.

10.3 In April 2018 the Company carried out a successful Initial Public Offering ("IPO") of 90,909,091 Ordinary Shares in two classes, namely US$ and J$ shares. The IPO was oversubscribed and consequently upsized by a further 99,908,949 Shares. In all, the Company allotted 190,818,040 Shares in the IPO. On June 18, 2018, both the Company's US$ Shares and J$ Shares were respectively listed on the JSE's US$ denominated Main Market and J$ denominated Main Market.

10.4 In December 2020 the Company carried out a successful Additional Public Offer("APO") of 240,887,900 Ordinary Share in two classes namely US$ and J$ shares. The APO received 3,757 applications.

10.5 In September 2022 the Company issued the equivalent of US$4.90M of Cumulative Convertible Preference Shares in two tranches namely J$ and US$ Indexed shares.

10.6 In December 2023, the Company issued the equivalent of US$50.37M of Cumulative Redeemable Preference Shares in three tranches namely J$ and two US$ tranches.

10.7 In July 2024, the Company issued the equivalent of US$3.24M of Cumulative Convertible Preference shares in two tranches, J$ and US$ Indexed shares.

10.8 The Company has a 15-month unsecured dual-currency Revolving Line of Credit facility of up to J$750,000,000 or US$ equivalent with JMMB Bank (Jamaica) Limited. Interest is payable quarterly at 12.25% (USD rate of 8.75%).

10.9 The Company has a 1-year Senior Unsecured Revolving Line of Credit facility with Sagicor Bank Jamaica Limited:

a) Senior Unsecured Revolving Line of Credit not exceeding US$790,000.00. Interest is payable quarterly at 6.75%.

b) Senior Unsecured Revolving Line of Credit not exceeding J$452,168,114.00. Interest is payable quarterly at 10.00%.

Company's Business

10.10 Sygnus Credit Investments Limited is a specialty Private Credit investment company, dedicated to providing non-traditional financing to Medium-Sized Firms across the wider Caribbean region. Non-traditional forms of credit are more customized and flexible than traditional financing. Consequently, the Company offers an alternative channel through which Medium-Sized Firms - which are typically underserved by traditional forms of financing - can access capital to drive their expansion and growth.

10.11 The investment objective of the Company is to generate attractive risk adjusted returns with an emphasis on principal protection, by generating current income, and to a lesser extent capital appreciation, through investments primarily in Medium-Sized Firms ("Portfolio Companies") using Private Credit instruments. The Company invests primarily in Private Credit instruments including bilateral notes and bonds, preference shares, asset-backed debt, mezzanine debt, convertible debt and other forms of structured Private Credit instruments. These forms of financing are typically more aligned with the growth and expansion plans of Portfolio Companies.

10.12 The Company targets mostly Portfolio Companies operating across a broad range of sectors, including manufacturing, distribution, financial services, energy, real estate, transportation, infrastructure and business services. These Portfolio Companies typically have revenues between US$5 million and US$25 million.

10.13 The Company's dividend policy is to pay out up to 85% of the earnings generated from these investments as dividends. Thus, the Company unlocks capital for the growth and expansion of Portfolio Companies through its Private Credit investments, while providing its Shareholders with access to the Private Credit market in the form of consistent dividend payments. Dividends are currently paid semi-annually and may change to quarterly in the future when it is more appropriate to do so.

10.14 The Company's investment activities are managed by its Investment Manager, Sygnus Capital Limited (SCL). The Investment Manager is a wholly owned subsidiary of Sygnus Capital Group Limited.

Share Capital

10.15 The Company is authorized to issue four classes of shares; namely:

(a) A special rights redeemable preference share (the Special Share). At a general meeting of the Company, the holder of the Special Share has one vote on a show of hands and on a poll he shall have such number of votes as is equivalent to 101% of the aggregate votes, vested in all ordinary Shares issued by the Company from time to time but no right to receive any distribution of assets on a winding-up except the US$1.00 which was subscribed for the Special Share. A dividend may be paid to the holder of the Special Share in lieu of, or in addition to, the management fee payable to the Investment Manager. The Special Share will rank ahead of the US$, J$ and TT$ shares in the event of a winding up of the Company. The Special Share may be held by any member of the Sygnus Group and is currently held by Sygnus Capital Group Limited.

(b) US$ Shares. At a general meeting of the Company, every member present in person and holding a US$ Share or US$ Shares has one vote on a show of hands and on a poll every member present in person or by proxy holding a US$ Share or US$ Shares shall have one vote for each share of which he is the holder. Holders of US$ Shares will have the usual right to receive dividends and to participate in the assets of the Company on a winding-up. Each US$ Share has a par value of US$0.01;

(c) J$ Shares. At a general meeting of the Company, every member present in person and holding a J$ Share or J$ Shares has one vote on a show of hands and on a poll every member present in person or by proxy holding a J$ Share or J$ Shares shall have one vote for each share of which he is the holder. Holders of J$ Shares will have the usual right to receive dividends and to participate in the assets of the Company on a winding-up. Each J$ Share has a par value of J$1.30;

(d) TT$ Shares. At a general meeting of the Company, every member present in person and holding a TT$ Share or TT$ Shares has one vote on a show of hands and on a poll every member present in person or by proxy holding a TT$ Share or TT$ Shares shall have one vote for each share of which he is the holder. Holders of TT$ Shares will have the usual right to receive dividends and to participate in the assets of the Company on a winding-up. Each TT$ Share has a par value of TT$0.07;

The US$, J$ and TT$ shares all rank *pari passu* with each other.

10.16 The Special Share is held by the Investment Manager. As at the date of this Prospectus, Existing Shareholders have been issued 590,975,463 ordinary Shares made up of 242,735,763 US$ Shares and 348,239,700 J$ Shares.

10.17 The Special Share is designed to ensure that the purpose and operational philosophy of the Company cannot be subverted without the consent of the holder of the Special Share. This is achieved by:

(a) preventing any variation of rights attached to the Special Share without the consent of the holder thereof. Each of the following proposals is deemed to be a proposed variation of the rights attaching to the Special Share and is only effective with the consent in writing of the holder of the Special Share; namely:

(b) (i) modification or termination of the Investment Management Agreement; (ii) the amendment, or removal or alteration of the effect of all or any of the provisions in the Memorandum of Association or the Articles of Association of the Company setting out the rights and privileges attaching to the Special Share or otherwise concerning the Special Share.

(c) providing majority votes on a poll to such holder at a general meeting (see Section 8.9(a) above). At a general meeting, the holder of the Special Share carries 101% of the aggregate votes, vested in all ordinary Shares issued by the Company. In comparison, each ordinary Share carries one vote on a poll. This means that the holder of the Special Share could, by itself, pass a resolution requiring a simple majority vote.

The voting rights attached to the Special Share are restricted by the Articles as follows:

(d) If the Company fails to repurchase Shares or to make an invitation to repurchase Shares in accordance with its share buy-back program, the holders of Shares in the Company may vote on a resolution to reduce the management fee payable to the Investment Manager. The holder of the Special Share will not have a vote on such a resolution;

(e) If the Company experiences “Under-Performance” the shareholders of the Company may by resolution passed at any general meeting vote to wind-up the Company. The holder of the Special Share will have no vote on any such resolution to wind-up the Company unless it is shown that the Under-Performance of the Company has ceased. “Under-performance” means that for three (3) consecutive financial years, not including the Company’s first financial year, the gross return on the Investment Portfolio is 150 basis points less than the hurdle rate of 6%.

SHAREHOLDER INFORMATION

Shareholders	Shareholding	Approx. % Issued Capital
Sygnus Capital Group	1 Special Share	0.00%
Existing Ordinary Shareholders	590,975,463 Ordinary Shares	100%

10.18 As at June 30, 2024, the Company's top ten ordinary shareholders were:

Top Ten Ordinary Shareholders			
No.	**Shareholders**	**Shareholdings**	**% Holdings**
1	ATL Group Pension Fund Trustees Nominee LTD	27,271,991	4.7%
2	SJIML A/C 3119	25,425,700	4.3%
3	JCSD Trustee Services Ltd – Sigma Equity	23,850,444	4.1%
4	National Insurance Fund	20,000,000	3.4%
5	JMMB Fund Managers Ltd T1 – Equities Fund	19,460,000	3.3%
6	Wildelle Limited	18,199,900	3.1%
7	JCSD Trustee Services Ltd – Sigma Optima	13,059,955	2.2%
8	MF&G Asset Management Ltd	13,035,000	2.2%
9	Sagicor Pooled Equity Fund	11,729,600	2.0%
10	Sagicor JPS Employees Pension Plan	11,418,700	1.9%
	Sub-total	**183,451,290**	**31.3%**
	Total	**585,960,664**	**100.0%**

The remaining shareholders hold 402,509,374 Ordinary Shares representing approximately 68.7% of the total issued share capital of the Company. Note that the Top ten Ordinary Shareholders list is calculated based on the fully issued shares less the treasury shares that Sygnus Credit Investments Limited (SCI) holds from share buyback repurchases.

10.19 As at June 30, 2024, the Company's top ten preference shareholders were:

Top Ten Preference Shareholders			
No	**Shareholders**	**Shareholdings**	**% Holdings**
1	MICHELLE JULAL	1,046,607.	6.6%
2	GRACEKENNEDY LIMITED	1,000,000.	4.6%
3	PAM - POOLED EQUITY FUND	1,000,000.	3.8%
4	EDWARD JACKSON	655,060.	2.9%
5	NOVAR MCDONALD	434,926.	2.2%
6	GARY HESSING	427,815.	1.9%
7	ANGELLA VANHORNE	427,815.	1.3%
8	DEVELOPMENT BANK OF JAMAICA PENSION FUND	300,000.	1.1%
9	JESSICA YAP	299,077.	0.9%
10	ALFRED BAHADUR	250,000.	0.9%
	Sub-total	**5,841,300**	**24.8%**
		23,548,993	**100.0%**

10.20 **Total Issued Preference Shares in the event that the Invitation is fully subscribed.**

Issued Preference Shares	23,548,993
Sub-Total	23,548,993
Issued Preference Shares (New)	14,000,000
Total	**37,548,993**

CAPITALIZATION

10.21 **The following table sets forth the cash and cash equivalents and capitalization as of June 30, 2024.**

		As of June 30, 2024 (US$)
Cash and Cash Equivalents		2,750,237
Notes Payable	60,955,576	
Cumulative Redeemable Preference Shares	48,994,477	
Loans and Borrowings	8,062,646	
Total Debt		118,012,699
Equity		73,617,621
Total capitalization		194,380,557

Share Buy-Back Program

10.22 The Articles provide that the Company will, after the Fifth Anniversary Date, invite shareholders to offer for sale such number of Shares the aggregate value of which shall not exceed more than 15% of the Net Asset Value (the “Initial Invitation”). After the Initial Invitation, similar invitations will be made every three years following the Fifth Anniversary Date. Every such invitation shall be made within ninety (90) days of the relevant anniversary date and generally to all shareholders.

10.23. Where the Company:

(a) fails to make any such invitation; or

(b) fails to repurchase Shares which it is obliged to repurchase pursuant to any invitation,

and such failure was not caused by a Material Adverse Event (as defined in Section 5), any one or more of the Company's shareholders holding not less than 10% of the issued Shares of the Company may requisition a meeting to consider a resolution to reduce the management fees payable to the Investment Manager. If such a resolution is passed by a simple majority vote, the reduction of the management fee will take effect. The holder of the Special Share shall not be entitled to vote on such a resolution. Any reduction in the fee payable to the Investment Manager will cease to have effect once the relevant Shares are repurchased.

10.22 As a listed company, SCI is required to comply with the JSE Main Market Rules. Rule 413 (Purchase by Company of Its Own Shares) of the JSE Main Market Rules requires, among other things, that the Company at all times maintain and satisfy the requirements as to minimum issued capital and the minimum number of shares/stockholders as specified in Rules 402(A) and 402(B) respectively. Accordingly, the Company will ensure that its share buy-back program does not affect its compliance with Rule 413.

Intellectual and Real Property

10.24 As at the date of this prospectus, the Company has no registered intellectual or real property.

Applicable Regulatory Regime

10.25 The Company is a St. Lucian International Business Company ("IBC") and does not carry on or intend to carry on business in Jamaica. Further, the Company has not to date (and does not intend to establish at this time) a place of business in Jamaica. In 2018 the Company issued Shares pursuant to an Initial Public Offering ("the IPO") and successfully listed all its issued shares on the JSE. By virtue of the IPO and subsequent listing the Company became subject to all laws applicable to issuers of securities in Jamaica and companies listed on the stock exchange. The Company is also subject to the regulatory authority of the JSE, the Financial Services Commission and the Companies Office by virtue of this issue of the Preference Share Prospectus.

10.26 Rule 412(A) of the JSE Main Market Rules provides that listed companies which intend to issue new shares for cash should first make an offer of such shares to existing shareholders by way of a rights issue unless the stockholders of the Company, by an ordinary resolution, approve another specific method. Under Rule 412(F), listed companies incorporated in countries where there are no statutory or other requirement giving pre-emptive rights to existing shareholders, are not required to comply with Rule 412A; however such companies must undertake that new issues of shares for cash, other than to existing holders pro-rata to their holdings, will not be made on terms likely to detract significantly from the value of the interest of such holders. SCI, being incorporated in Saint Lucia where the International Business Company Act Chap 12.14 does not grant existing shareholders pre-emption rights over new shares, could sell the new shares for cash to third parties provided that such sales did not significantly detract from the value of the interests of Existing Shareholders.

10.27 The Investment Manager, Sygnus Capital Limited (SCL), is licensed as a securities dealer under the Securities Act ("the SA") and is regulated by the FSC. The SA requires a licensed dealer to appoint a responsible officer to ensure that the licensee complies with all requirements of the Act. Accordingly, SCL has appointed Dr. Ike Johnson as responsible officer for the Company. As a licensed securities dealer, SCL and its dealer's representatives are required to keep records of the securities in which they have an interest in and the FSC is empowered to inspect these records. A securities dealer and its dealer representative(s) are required to disclose the nature of their interest in, or their interest in the acquisition or disposal of, or the interest of any associated person in, the securities which they recommend for purchase. This disclosure must accompany any such recommendation. Dealers licensed under the SA are also required to file annual and quarterly reports with the FSC in accordance with the provisions of the Securities (Conduct of Business) Regulations. Failure by a licensed dealer or dealer's representative to comply with the SA or its attendant regulations is an offence.

Subsidiaries

10.28 The Company has three subsidiaries, namely Sygnus Credit Investments Jamaica Limited ("SCIJ"), SCI PR Holdings Limited ("SCIPRH") and Sygnus Credit Investments PR Inc. ("SCIPRI"). SCIJ is wholly owned by SCI and was incorporated on May 7, 2019, as a limited liability company under the Companies Act, 2004 of Jamaica. SCIJ was established to carry out various financing activities on behalf of the Company. SCI PR Holdings Limited ("SCIPRH") was incorporated on July 1, 2021, under the International Business Companies Act. Business operations commenced on February 28, 2022. Sygnus Credit Investments PR Inc ("SCIPRI") was formerly SCI Puerto Rico Inc, with a name change occurring effective April 1, 2024. SCIPRI was incorporated on September 24, 2021, as a Domestic Corporation and is a wholly owned subsidiary of SCIPRH. Business operations commenced on February 28, 2022. Sygnus Credit Investments PR Inc ("SCIPRI") holds a 95.58% membership interest in Sygnus Credit Investments Puerto Rico Fund LLC ("SCIPRF or Fund"). The membership interest held in SCIPRF is reflected as an equity investment at the end of the reporting period, as it was determined under IFRS 10 Consolidated Financial Statements that SCIPRI does not have power over the relevant activities of this Fund.

SECTION 11 | SHARE CAPITAL STRUCTURE

11.1 The Company has, as at the date of this Prospectus, issued 590,975,463 Ordinary Shares and has approximately 6,576 Ordinary Shareholders. Additionally, the Company has issued 23,548,993 cumulative redeemable Preference Shares. The issued Ordinary Shares in the Company, as at the date of this Prospectus, are held as follows:

11.2 The details of the share capital of the Company as at the date of this Prospectus are set out below:

Existing shares

Class	Authorised	Number Issued
Fixed rate cumulative convertible preference shares	[23,000,000]	3,260,210, 8.50% cumulative convertible preference shares and 288,783, 6.00% cumulative convertible preference shares.
Fixed rate cumulative redeemable preference shares	[23,000,000]	16,000,000, 10.50% cumulative redeemable preference shares and 2,321,920, 8.50% cumulative redeemable preference shares, 1,678,000, 8.00% cumulative redeemable preference shares.
Special rights redeemable share of US$1	1	1
Ordinary	Unlimited	[590,975,463]

SECTION 12 | BOARD OF DIRECTORS AND MANAGEMENT

The investment assets of the Company are managed by its Investment Manager, Sygnus Capital Limited (SCL), a subsidiary of Sygnus Capital Group Limited (SCG). SCL is a licensed securities dealer, regulated by the Financial Services Commission Jamaica. On February 28, 2022, SCI, through a wholly owned subsidiary, acquired 93.66% of Acrecent Financial Corporation, a private credit investment company in the US territory of Puerto Rico. During the June 2023 quarter, SCI increased its stake in Acrecent to 95%. AFC is not consolidated all the way up to SCI. An additional investment of US$3.00 million was made in Acrecent during the December 2023 quarter which increased SCI's stake to 95.58%.

The Company has issued one Special Share to SCG. The Special Share has one vote on a show of hands, and on a poll, it shall have such number of votes as is equivalent to 101% of the aggregate votes vested in all Ordinary Shares issued by the Company. The Special Share has no right to receive any distribution of assets on a winding up except the US$1.00, which was subscribed for the Special Share. A dividend may be paid to the holder of the Special Share in lieu of, or in addition to, the management fee payable to the Investment Manager.

Investment Management Decisions

The Investment Manager has delegated investment decisions to a sub-committee of experts, known as the Investment and Risk Management Committee (IRMC). The IRMC has extensive regional and international experience and expertise spanning credit risk, corporate and investment banking, investment management and financial markets.

The IRMC comprises:

Chairman: Milton Brady

Milton is Chairman of the Board, Sygnus Capital Limited and the Chairman on the SCL's Investment and Risk Management Committee ("IRMC") bringing with him a wealth of leadership experience. Currently serving as a Senior Advisor with Pan American Finance, Milton leverages his extensive expertise to provide strategic advice and counsel to businesses and governments throughout the Caribbean region.

His illustrious career includes notable positions such as Director and Global Head of Credit at SEB Merchant Banking in Sweden, as well as President of SEB in New York, USA. Milton has also held key leadership roles as Managing Director of Corporate and Investment Banking at CIBC FirstCaribbean in Barbados, Managing Director of CIBC FirstCaribbean in Jamaica, Chief Commercial Officer at LIME (formerly Cable & Wireless Caribbean), and Chief Risk Officer at NCB Group in Jamaica.

Milton's distinguished career underscores his commitment to driving success and innovation across various sectors, solidifying his reputation as a seasoned professional with a profound impact on the financial and corporate landscape in the Caribbean and other regions.

Simon Cawdery, CFA

Simon is a Director of Sygnus Capital Limited and a member of SCL's Investment and Risk Management Committee ("IRMC"). Additionally, he serves as a Non-Executive Director at HLX Management/IPAF Group in the Cayman Islands. Simon is also the visionary Founder and Director of Helix Group, Cayman, where his strategic insight has led to the growth and success of the company.

Simon previously held other leadership positions, including Head of Investment Strategy and Senior Portfolio Manager at EFG Bank in the Cayman Islands. Prior to this, he served as the Head of Discretionary Investments and Senior Portfolio Manager at Butterfield Bank (Cayman), where his keen financial acumen contributed to the bank's success. Simon's role in finance commenced as a Credit Analyst at Barclays in the UK, providing him with a solid foundation in the intricacies of global financial markets.

Jason Morris, CFA

Jason is a Co-founder and Executive Vice President and Chief Investment Officer at Sygnus Capital Limited playing a pivotal role in shaping the company's strategic direction.

Before assuming this key role, Jason made significant contributions to the financial industry during his tenure at Scotia Investments Jamaica Limited (SIJL). From June 2012 to June 2016, he held the position of Vice President of Business Analytics, Portfolio Advisory, and Product Development, showcasing his expertise in shaping data-driven business strategies. Prior to that, from March 2010 to June 2012, he served as Assistant Vice President of Product Development, demonstrating his proficiency in developing innovative financial products.

In the earlier stages of his career, Jason developed his skills at JMMB Group Limited, where he dedicated eight years (from 2002 to 2010) to the company. Commencing as an Investment Research and Sovereign Risk Analyst, he swiftly climbed the ranks to become the Senior Investment Strategist and Portfolio Manager, contributing to the company's success through his astute investment insights and strategic portfolio management.

Jason's journey in the financial industry not only reflects his commitment to excellence but also his ability to drive innovation and contribute significantly to the growth and success of any organizations he has been a part of. As one of the key strategic partners at Sygnus Capital Limited, he continues to bring a wealth of experience and visionary leadership to the company.

Investment Recommendations

The Investment Manager, through a committee of specialists from its Investment Advisory Committee (IAC), provides recommendations to the IRMC for decision making. The IAC has extensive expertise in the Caribbean region with structuring and arranging corporate credit transactions across a wide range of asset classes, including structured finance, securitisation, mezzanine finance, project finance and corporate and investment banking.

The IAC comprises:

Chairman: Berisford Grey

Beris is a Co-founder and Chief Executive Officer, Sygnus Capital Limited, steering the company toward unparalleled success. His illustrious career includes his appointment in the role as Managing Director of Corporate & Investment Banking at CIBC FCIB, the largest regional bank in the Caribbean, where he played a pivotal role in shaping the financial landscape.

Prior to joining CIBC FirstCaribbean, Beris was Senior Vice President of Origination & Capital Markets at Scotia Investments Jamaica Limited from 2010 to 2013. During this period, he left an indelible mark by spearheading some of the most innovative transactions in the local market. Notably, Beris orchestrated groundbreaking deals, including synthetic REIT financing structures, and introduced other pioneering project financing concepts that were the first of their kind in the industry.

Beris's visionary leadership and strategic acumen have not only propelled Sygnus Capital Limited to new heights but have also left an enduring impact on the financial sector in the Caribbean. His ability to conceive and execute innovative financial strategies underscores his commitment to pushing boundaries and redefining the norms of the industry.

Gregory Samuels, CFA

Gregory is Senior Vice President and Head of Investment Banking at Sygnus Group, where he also serves as Head of Corporate Advisory. He was the former Assistant Vice President of Treasury and Trading at Scotia Investments Jamaica, and the former Associate Director, Client Solutions Group at CIBC FCIB, where he provided structured products and derivative hedging solutions to clients. Gregory was also a former Engineer with Royal Dutch Shell PLC.

Ryan Landey, CFA

Ryan has a Bachelor of Science Degree in Actuarial Science. Prior to joining Sygnus, Ryan worked as a Segmentation Analyst at Digicel Jamaica and a Credit and Product Development Analyst at Mundo Finance Limited. Ryan has been at Sygnus for over five (5) years where he has served as Investment Management Associate and Investment Manager prior to his current role as Assistant Vice President.

Yashi Hall

Yashi Hall was educated in Jamaica and the UK, returning to Citibank shortly after completing her Master's degree in 1997. At Citibank she accumulated Wholesale Banking experience in junior and senior management positions across Treasury, Transaction Banking Services and Relationship Management and Risk Management. During her tenure in Risk, she completed extensive training in corporate credit, managed Citi Jamaica's payments and market risk systems and obtained her credit committee initials. Yashi joined CIBC FCIB in 2007 in an origination role with its newly formed Capital Markets Unit and later headed its Jamaica, Cayman and BVI Corporate Units as Director and Cluster Head, providing oversight for the Cluster's investment banking, corporate sales and corporate credit portfolios.

Ike Johnson, PhD, CFA

See SCI Board of Directors.

Sygnus Credit Investments' Board of Directors

12.1 The Articles of Association of SCI provides for a Board of Directors of not more than nine (9) persons. The current Board comprises seven (7) Directors. The Board of Directors is responsible for (i) the strategic direction of SCI which involves setting its business objectives and the plans for achieving them; (ii) execution of the approved business objectives through adequate management and resources; (iii) monitoring the performance of the Company's investment Portfolio with a view to achieving the strategic objectives and ensuring compliance with all applicable legal and regulatory regimes; and (iv) due and proper accounting to all stakeholders of SCI including in particular, the stockholders.

12.2 Brief Particulars of the current Directors are set out below.

Linval Freeman, FCA, FCCA Independent Chairman	Linval is a Fellow of the Institute of Chartered Accountants of Jamaica (FCA) and Fellow of the Association of Chartered Certified Accountants (FCCA). In addition, he also serves as a Justice of the Peace for Kingston and St. Andrew, further contributing to community development. Linval served as Director and Assurance Partner at Ernst & Young Caribbean (EY), Jamaica Office, from 2003 to 2018. Linval was instrumental in establishing the Advisory Service Line and fostering the growth and development of the Assurance Service Line. His dedication and leadership were integral to the firm's success, and he retired from the Partnership on July 31, 2018. Prior to EY, Linval served as a Director at PwC, further solidifying his reputation as a leader in the financial industry. Linval was appointed to the Board of Sygnus Real Estate Finance Limited on December 19, 2019, and is also the Chairman of the Board's Audit and Governance Committee.

Linval also serves as the Chairman of Sygnus Credit Investments Limited and a member of the Audit and Governance Committee. In addition, he is the Chairman of the Audit Committee and Director at Key Insurance Company Limited and Canopy Insurance Limited and Chairman of the Board of the National Housing Trust ("NHT').

Ike Johnson, PhD, CFA Non-executive Director

Dr. Ike Johnson is the Executive Vice President and Chief Operating Officer of Sygnus Capital Limited. In his role as Chief Operating Officer, Dr. Johnson holds executive responsibility for Operations, Corporate Strategy, and the Real Estate and Private Equity business lines. His leadership and deep industry knowledge enable him to identify high-growth opportunities and deliver exceptional results for clients and investors.

With a Ph.D. in Finance from the University of Manchester Business School and a CFA charter holder, Dr. Johnson brings a wealth of knowledge and experience to his role. His academic background, coupled with his extensive practical insights, enables him to navigate complex financial landscapes with exceptional acumen.

In addition to his role at Sygnus Capital Limited, Dr. Johnson also serves as the Managing Director for Sygnus Group Puerto Rico Inc. Furthermore, he holds directorship positions in Sygnus Real Estate Finance, and Sygnus Deneb Investments Limited, showcasing his multifaceted contributions to the Sygnus Group's diverse portfolio.

Driven by his dedication and passion for excellence, Dr. Ike Johnson embodies Sygnus Group's commitment to delivering innovative and transformative solutions. His exceptional leadership, strategic foresight, and commitment to pushing boundaries have solidified Sygnus Group's position as a trusted partner in the alternative investments landscape.

Dr. Johnson was appointed to the Board on January 13, 2017, he is a Non-independent Director.

Ian Williams, B.Sc., M.B.A Independent Non-executive Director

Ian Williams is an accomplished executive with extensive experience in both banking and consultancy. He currently serves as the President and CEO of ZNW Management and Consultancy Limited, where he leverages his vast knowledge of the Caribbean market to help international companies establish a foothold in the region.

Before founding ZNW Management, Ian spent 15 successful years at CIBC FirstCaribbean International Bank (FCIB), where he played a key role within the Treasury department. His tenure at FCIB culminated in his position as Director and Head of Foreign Exchange Sales, where he managed large-scale currency trading operations and developed robust foreign exchange strategies. Ian's leadership in this role not only helped the bank navigate complex market environments but also positioned him as an expert in the field of treasury and currency management across the Caribbean.

Ian's financial acumen and deep industry insights have earned him a respected place on the Board of Directors for Sygnus Credit Investments Limited, to which he was appointed on July 1, 2017. As a member of the Board's Audit and Governance Committee, Ian plays an integral role in overseeing the company's financial and governance practices, ensuring that Sygnus continues to operate with the highest standards of integrity and transparency.

Damian Chin, B.A., M.Sc. Independent Non-executive Director	Damian holds a Master of Science in Economics from the prestigious London School of Economics and Political Science (LSE), which has equipped him with a deep understanding of global financial systems and economic policy. His academic background, coupled with his professional expertise, has positioned him as a key player in the financial sector. Currently serving as the Deputy Director of Finance and Planning at Sandals Resorts International, Damian plays a crucial role in shaping the financial strategies of the company. Prior to his role at Sandals, Damian served as a consultant at Paul Chen Young & Associates, where he provided strategic financial insights, and as a Financial Analyst at First Fidelity Bank in New Jersey, where he honed his skills in financial analysis and banking. In addition to his executive role, Damian was appointed to the Board of Sygnus Credit Investments Limited on November 9, 2017, where he currently serves as the Chairman of the Board's Enterprise Risk Committee. His leadership in this capacity has been instrumental in strengthening the company's risk management framework, ensuring that Sygnus remains resilient in an ever-changing economic landscape. Damian's strategic foresight and financial acumen make him a vital asset to both the Sygnus Board and the broader financial community.
Peter Thompson, CFA, M.Sc. Independent Non-executive Director	Peter is a distinguished financial professional serving as the Group Client Investment Manager at JMMB Group Ltd. In this pivotal role, he is tasked with the development and optimization of processes and structures that underpin Non-executive Director/ Independent Director the management and service delivery of client portfolios throughout the JMMB Group. Before his current role, Peter held several key positions at JMMB Ltd, including Senior Investment Manager for Client Portfolios and Manager of Group Product Portfolio and Business Development. His extensive experience in these roles allowed him to refine his skills in portfolio management, product development, and business strategy, contributing to JMMB's

growth and innovation. His leadership and strategic insights have been instrumental in shaping the company's investment offerings and driving business development initiatives.

Appointed to the Board of Sygnus Credit Investments Limited on November 9, 2017, Peter also serves as a member of the Board's Enterprise Risk Committee. In this capacity, he brings a wealth of experience and a keen understanding of risk management to the board, helping to fortify Sygnus's risk framework and ensure its strategic resilience.

Hope Fisher, BSc Independent Non-Executive Director

Hope Fisher is a distinguished civil servant with the Ministry of Labour & Social Security, where the Director of the Bond Portfolio at the National Insurance Fund (NIF). In this capacity, she is responsible for overseeing the management of the fixed income portfolio and crafting strategic initiatives to optimize investment opportunities.

With a proven track record in financial management and investment strategy, Hope brings a wealth of experience to her role. Her adeptness at monitoring and evaluating market trends allows her to develop innovative strategies that capitalize on emerging investment opportunities.

Hope was appointed to the Board of Sygnus Credit Investments Limited on February 16, 2018, and she actively contributes as a member of the Board's Enterprise Risk Committee. Her role on the committee is crucial in reinforcing Sygnus's risk management framework, leveraging her deep understanding of financial risks and portfolio management to enhance the company's resilience and strategic decision-making. Hope's contributions are a testament to her commitment to excellence in both public service and corporate governance.

Horace Messado, FCA, MBA Independent Non-Executive Director

Horace is a Chartered Accountant, with an extensive career spanning over 25 years. He also holds a MBA in Finance from the University of Manchester. His expertise encompasses a diverse array of disciplines, including accounting, corporate finance, contract negotiation, regulatory economics and tariff design, business development, and strategic planning. With over a decade at the executive level, Horace has honed his skills to become a multifaceted leader.

Horace started his career at KPMG and Ernst & Young Services Limited. He held other senior positions including Financial Controller and Director of Corporate Finance at Jamaica Public Service Company Ltd. ("JPS") and Group Financial Controller at MaruEnergy Caribbean Limited. He also acted in the roles of Trustee and Chairman of the Investment Committee of one of the largest pension funds in Jamaica.

Horace was appointed to the Board of Sygnus Real Estate Finance Limited ("SRF") on April 1, 2021, and is currently the Chairman of the Board and the Enterprise Risk Committee. Horace is also a member of the Audit and Governance Committee.

He is a member of the Board of Sygnus Credit Investments Limited and the Chairman of the Board's Audit and Governance Committee. This dual role underscores his capacity to provide valuable insights and governance oversight across multiple businesses.

SECTION 13 | AUDITED FINANCIAL RESULTS

13.1 The summary consolidated statement of comprehensive income has been extracted from the audited financial statements of the Company as at and for the years ended June 30, 2020 to June 30, 2024. The summary financial statements presented do not include all the disclosures in the financial statements and cannot be expected to provide as complete an understanding as provided by the financial statements.

A complete set of audited financial statements for the Company for the financial years ended June 30, 2020 to June 30, 2024 can be found on the following websites.

www.jamstockex.com
www.sygnusgroup.com

A copy of the audited Financial Statements for the Company for the financial year ended June 30, 2024 appears as APPENDIX 2.

13.2 Summary consolidated statement of comprehensive income

SYGNUS CREDIT INVESTMENTS Limited
Summary Consolidated Statement of Comprehensive Income
For each of the Five Years ended 30 June 2020, 2021, 2022, 2023 and 2024
(Expressed in United States dollars unless otherwise indicated)

Summary Results of Operations	2024	2023	2022	2021	2020
Interest Income	18,762,316	14,085,331	10,217,443	8,221,661	5,382,777
Interest Expense	(10,286,916)	(5,949,995)	(3,112,690)	(1,797,459)	(890,759)
Net Interest Income	8,475,400	8,135,336	7,104,753	6,424,202	4,492,018
Puerto Rico Credit Fund Investment Income	1,304,593	372,351	1,098,772	-	-
Participation and Commitment Fees	319,373	379,203	42,697	62,786	7,000
Total Investment Income	10,099,366	8,886,890	8,246,222	6,486,988	4,499,018
Total Operating Expenses	(4,815,548)	(3,803,689)	(2,979,980)	(2,726,931)	(1,469,943)
Net Investment Income	5,283,818	5,083,201	5,266,242	3,760,057	3,029,075
Gain (Loss) on Sale of Investments	-	-	-	24,175	(8,370)
Fair Value Gain	448,100	886,491	2,878,590	1,416,793	74,640
Net Foreign Exchange Gain (Loss)	30,299	146,069	(405,221)	(72,988)	(1,039,375)
Impairment Allowance on Financial Assets	(369,708)	(844,920)	(3,820,134)	(69,710)	(101,593)
Profit before Taxation	5,392,509	5,270,841	3,919,477	5,058,327	1,954,377
Taxation Charge/Credit	632,564	(136,203)	(96,373)	(30,010)	18,416
Profit Attributable to Shareholders	6,025,073	5,134,638	3,823,104	5,028,317	1,972,793
Earnings Per Share	1.03¢	0.87¢	0.65¢	1.11¢	0.56¢
Diluted Earnings Per Share	1.03¢	0.82¢	0.65¢	1.11¢	0.56¢
Net Investment Income Per Share	0.90¢	0.86¢	0.89¢	0.83¢	0.87¢

13.3 Summary consolidated statement of financial position

SYGNUS CREDIT INVESTMENTS Limited
Summary Consolidated Statement of Financial Position
For each of the Five Years ended 30 June 2020, 2021, 2022, 2023 and 2024
(Expressed in United States dollars unless otherwise indicated)

Summary Balance Sheet Information	2024	2023	2022	2021	2020
Cash and Cash Equivalents	2,735,069	4,464,694	8,470,884	1,029,391	3,005,997
Certificate of Deposit	15,168	-	-	-	-
Repurchase Agreements	-	-	-	-	2,499,976
Dry Powder	**2,750,237**	**4,464,694**	**8,470,884**	**1,029,391**	**5,505,973**
Investments Measured at FV through P&L	27,148,453	22,628,408	25,856,260	20,572,410	10,636,030
Investments Measured at Amortised Cost	130,611,193	103,700,846	70,892,544	59,937,985	40,909,992
Finance Lease Measured at Amortised Cost	-	263,200	1,601,052	2,287,083	2,049,728
Investment in Portfolio Companies	**157,759,646**	**126,592,454**	**98,349,856**	**82,797,478**	**53,595,750**
Investments in Puerto Rico Credit Fund	30,291,123	24,884,276	24,159,175	-	-
Total Investment in Portfolio Companies	**188,050,769**	**155,941,424**	**122,509,031**	**82,797,478**	**53,595,750**
	190,801,006	**160,406,118**	**130,979,915**	**83,826,869**	**59,101,723**
Other Assets:					
Investment Income Receivable	4,746,067	5,199,704	3,675,584	3,232,954	1,886,168
Other Receivables	152,146	907,424	525,090	197,229	33,306
Due From Related Parties	1,643,087	1,812,232	1,612,232	613,395	-
Deferred Tax Asset	1,195,043	3,650	1,146	-	18,416
Total Assets	**198,537,349**	**163,864,434**	**136,793,967**	**87,870,447**	**61,039,613**
Liabilities:					
Notes Payable	60,955,576	77,065,698	60,285,928	14,670,025	14,869,476
Loans and Borrowings	8,062,646	7,958,745	3,003,572	4,478,037	6,513,562
Preference Shares	48,994,477	4,925,057	1,147,609	-	-
Accounts Payable and Accrued Liabilities	6,369,383	1,969,862	3,958,088	1,174,870	1,378,640
Other Liabilites	2,057,646	2,138,019	936,301	811,439	605,576
Total Liabilities	**126,439,728**	**94,057,381**	**69,331,498**	**21,134,371**	**23,367,254**
Share Capital	60,883,532	60,883,532	60,883,532	60,883,532	35,107,673
Treasury Shares	(829,726)	(242,950)	-	-	-
Retained Earnings	12,043,815	9,166,471	6,578,937	5,852,544	2,564,686
Total Shareholder's Equity	**72,097,621**	**69,807,053**	**67,462,469**	**66,736,076**	**37,672,359**
Total Liabilities and Equity	**198,537,349**	**163,864,434**	**136,793,967**	**87,870,447**	**61,039,613**

13.4 Summary consolidated statement of changes in equity

SYGNUS CREDIT INVESTMENTS Limited
Summary Consolidated Statement of Changes in Equity
For each of the Five Years ended 30 June 2020, 2021, 2022, 2023 and 2024
(Expressed in United States dollars unless otherwise indicated)

Statement of Changes in Equity	2024	2023	2022	2021	2020
Total Comprehensive Income					
Total Comprehensive Income for the year	6,025,073	5,134,638	3,823,104	5,028,317	1,972,793
Transaction with owners:					
Issue of ordinary shares	-	-	-	25,775,859	-
Treasury shares acquired	(586,776)	(242,950)	-	-	-
Dividends declared	(3,147,729)	(2,547,104)	(3,096,711)	(1,740,459)	(1,886,971)
Balance as at Year end	72,097,621	69,807,053	67,462,469	66,736,076	37,672,359

13.5 Summary consolidated statement of cash flows

SYGNUS CREDIT INVESTMENTS Limited
Summary Consolidated Statement of Cash Flows
For each of the Five Years ended 30 June 2020, 2021, 2022, 2023 and 2024
(Expressed in United States dollars unless otherwise indicated)

Statement of Changes in Cash Flow	2024	2023
Cash flows from operating activities		
Interest received	17,790,815	11,099,284
Interest paid	(8,256,008)	(4,770,632)
Net interest received	9,534,807	6,328,652
Other income received	1,425,138	1,461,927
Purchase of investments	(86,408,300)	(41,955,682)
Encashment of investments	50,954,046	11,983,495
Proceeds from lease receivables	263,200	1,337,852
Purchase of certificate of deposit	(15,168)	-
Other operating costs paid	(4,749,675)	(5,236,193)
Income tax paid	(585,895)	(80,660)
Net cash used in operating activities	(29,581,847)	(26,160,609)
Cash flows from investing activities		
Investments in subsidiaries, being net cash used in investing activities	-	-
Cash flows from financing activities		
Dividends paid	(3,395,578)	(2,451,775)
Repurchase of treasury shares	(586,776)	(242,950)
Proceeds from preference shares	50,312,000	3,840,808
Transaction costs related to issue of preference shares	(1,636,417)	(112,369)
Proceeds from notes payable	11,318,671	49,816,411
Repayment of notes payable	(27,285,851)	(32,839,092)
Transaction costs related to notes payable	(990,590)	(839,663)
Proceeds from loans and borrowings	8,674,013	15,847,749
Repayment of loans and borrowings	(8,524,172)	(10,801,610)
Transaction costs related to loans and borrowings	(55,631)	(67,160)
Net cash provided by financing activities	27,829,669	22,150,349
Net decrease in cash and cash equivalents	(1,752,178)	(4,010,260)
Cash and cash equivalents at beginning of year	4,464,694	8,470,884
Effect of exchange rate movements on cash and cash equivalents held	22,553	4,070
Cash and cash equivalents at end of year	2,735,069	4,464,694

The methodology of reporting the consolidated statement of cashflows has been changed to the direct method from the indirect method in previous years. See Note 27. (C) of the audited financial statements in Appendix 2 to reconcile the changes between the two approaches.

SECTION 14 | MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

14.1 Prospective Investors are invited to view our FY2024 Audited Financial Statements and the related MD&A which can be found at the following websites:

1. **Investor Relations – Sygnus Credit Investments - Sygnus Group**
2. **Home - Jamaica Stock Exchange (jamstockex.com)**

LIQUIDITY AND CAPITAL RESOURCES

14.2 As of the FYE June 2024, the Company's balance sheet held US$2.75 million in dry powder, including short-term instruments and cash. This amount represents the remaining funds from a capital raise at the end of the December 2023 quarter through the issuance of US$50.37 million cumulative redeemable preference shares. SCI is at the final stages of approval with its international financing partners to secure access to considerable credit facilities to assist in financing its substantial pipeline.

RELATED PARTY TRANSACTIONS

14.3 Related party transactions summary as at June 30, 2024

Related Party	Relationship to SCI	Country	Investment/ Credit Type	Return (%)	Maturity (Years)	Current Exposure
Distribution	Director	ABC Islands	Customized Medium-Term Note	10-13%	>1-3 Year	>1Mn-3Mn
Financial Services	Director	St. Lucia	Customized Short-Term Note	10-13%	<1 Year	>1Mn-3Mn
Financial Services	Director	St. Lucia	Customized Short-Term Note	10-13%	<1 Year	>5Mn-7Mn
Hospitality	Director	Jamaica	Customized Short-Term Note	12-15%	>1-3 Years	>3Mn-5Mn
SUB TOTAL (RELATED PARTY)						**14,347,659**
Total Exposure						**14,347,659**

DIVIDEND POLICY

14.4 Each class of the Preference Shares will be paid dividends at the respective Dividend Rate PROVIDED THAT:

i. Dividends will be paid quarterly on the final Business Day of the Issuer's financial quarter end commencing the first quarter after the issue date of the Preference Shares.

ii. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the previous Business Day.

iii. Dividends shall be paid from the distributable profits of the Company.

14.5 The record of dividends declared and paid on SCI's existing ordinary and preference shares in the last 5 years is as follows:

RECORD OF COMMON DIVIDENDS DECLARED AND PAID:			
Payment Date	**Class**	**Total (US$)**	**Per Unit (US$)**
5-Apr-24	Ordinary	1,547,388	0.00263
13-Oct-23	Ordinary	1,600,241	0.00272
5-Apr-23	Ordinary	998,748	0.00169
14-Oct-22	Ordinary	1,548,356	0.00262
5-Apr-22	Ordinary	1,548,356	0.00262
15-Oct-21	Ordinary	1,548,356	0.00262
1-Apr-21	Ordinary	868,741	0.00147
16-Oct-20	Ordinary	871,717	0.00249
6-Apr-20	Ordinary	1,015,254	0.00290
18-Oct-19	Ordinary	870,943	0.00249
5-April-19	Ordinary	607,537	0.00174
19-Oct-18	Ordinary	467,652	0.00134

14.5.2 JMD Preference Dividends

RECORD OF PREFERENCE DIVIDENDS DECLARED AND PAID: TRANCHE 1			
Payment Date	**Class**	**Total (J$)**	**Per Unit (J$)**
30-Jun-24	Preference	6,927,946	2.13
31-Mar-24	Preference	6,927,946	2.13
31-Dec-23	Preference	6,927,946	2.13
30-Sep-23	Preference	6,927,946	2.13
30-June-23	Preference	6,927,946	2.13
31-Mar-23	Preference	6,927,946	2.13
31-Dec-22	Preference	6,927,946	2.13
30-Sep-22	Preference	6,194,446	1.90

14.5.3 US$ Indexed Preference Dividends

RECORD OF PREFERENCE DIVIDENDS DECLARED AND PAID: TRANCHE 2 (US INDEXED)			
Payment Date	**Class**	**Total (US$)**	**Per Unit (US$)**
30-Jun-24	Preference	43,317	0.15
31-Mar-24	Preference	43,317	0.15
31-Dec-23	Preference	43,317	0.15
30-Sep-23	Preference	43,317	0.15
30-June-23	Preference	43,317	0.15
31-Mar-23	Preference	43,317	0.15
31-Dec-22	Preference	43,317	0.15
30-Sep-22	Preference	24,685	0.09

14.5.4 JMD$ Preference Shares – Class C Dividends

RECORD OF PREFERENCE DIVIDENDS DECLARED AND PAID: CLASS C (JMD)			
Payment Date	**Class**	**Total (JMD$)**	**Per Unit (JMD$)**
30-Jun-24	Preference	46,200,000	2.89
31-Mar-24	Preference	46,200,000	2.89

14.5.5 US$ Preference Shares – Class D Dividends

RECORD OF PREFERENCE DIVIDENDS DECLARED AND PAID: CLASS D (US)			
Payment Date	**Class**	**Total (US$)**	**Per Unit (US$)**
30-Jun-24	Preference	369,178	0.22
31-Mar-24	Preference	369,178	0.22

14.5.6 US$ Preference Shares – Class E Dividends

RECORD OF PREFERENCE DIVIDENDS DECLARED AND PAID: CLASS E (US)			
Payment Date	**Class**	**Total (US$)**	**Per Unit (US$)**
30-Jun-24	Preference	542,749	0.23
31-Mar-24	Preference	542,749	0.23

14.6 Further, the Company shall not pay any interim dividends on the common shares of the Company, if the Company has not paid dividends to the Preference Shareholders in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods.

14.7 The Company reserves the right subject to compliance with applicable laws to accumulate the unpaid dividends on the Preference Shares

MATERIAL CONTRACTS

14.8 The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company within the last two (2) years immediately preceding the date of issue of this Prospectus and is, or may be, material, namely:

Date	Counterparty	Description
May 11, 2023	Sygnus Capital Limited	Amended and Restated Investment Management Agreement (IMA)
October 2024	JMMB Securities Limited	Engagement Letter appointing JMMB Securities Limited as Lead Broker for the Invitation

The following contract, not being a contract entered into in the ordinary course of business, was entered into by the Company on the date stated below and is, or may be, material, namely

Date	Counterparty	Description
January 1, 2020	Sygnus Capital Limited	Corporate Services Agreement pursuant to which SCL provides general corporate services to the Company

LITIGATION

14.9 The Company is not involved in any litigation, arbitration or other legal proceedings in Jamaica or in any other jurisdiction and the Directors of the Company are not aware of any circumstance which would give rise to any such litigation, arbitration or other proceedings.

SECTION 15 | STATUTORY AND GENERAL INFORMATION

15.1 Statutory Information required to be set out in this Prospectus by section 41 and the Third Schedule to the Companies Act and other general information follow.

a) Sygnus Credit Investments Limited ("the Company") was incorporated in Saint Lucia on January 13, 2017, as an International Business Company ("IBC"). The Company registered office is located at McNamara Corporate Services Inc., 20 Micoud Street, Castries, Saint Lucia. The Company is a specialty credit investment company, dedicated to providing non-traditional financing to medium-sized firms across the Caribbean region.

b) With reference to paragraph 1(1)(a) of Part 1 of the Third Schedule to the Companies Act (the "Act"), the Company has no founders, management or deferred shares. SCI has issued a managers' preference shares, as described in this Prospectus. Paragraphs 1(1)(b) and (c) of the same Part 1 of the Third Schedule to the Act do not apply, this Prospectus being issued more than two years after the date on which SCI was entitled to and actually commenced business.

c) The Articles fix no shareholding qualification for the directors.

d) The Articles contain the following provisions with respect to the remuneration of the Directors.

81. Subject to Article 122, the remuneration of the directors shall be such amount as the board of directors, or any appropriate committee of the board of directors, may determine. Such remuneration shall be deemed to accrue from day to day. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the Company or in connection with the business of the Company.

82. The shareholding qualification for directors may be fixed by the Company in general meeting, and unless and until so fixed no qualification shall be required.

83. A director of the Company may be or become a director or other officer of, or otherwise interested in, any Company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs.

93. (3) A director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the directors may determine and no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall

any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any director is in any way interested, be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.

93. (5) Any director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a director; provided that nothing herein contained shall authorise a director or his firm to act as auditor to the Company.

98. The directors, on behalf of the Company, may pay a gratuity or pension or allowance on retirement to any director who has held any other salaried office or place of profit with the Company or to his widow or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

122. A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the board of directors, or any appropriate committee of the board of directors, may determine.

e) The Opening Date: November 25, 2024

f) The Closing Date: December 20, 2024

g) The following Preference Shares are being made available for subscription by prospective investors:

- JMD Perpetual Cumulative Redeemable Class H Preference Shares (“Class H”)
- USD Perpetual Cumulative Redeemable Class I Preference Shares (“Class I”)

h) The names and descriptions of the Directors of the Company are indicated in Section 12 of this Prospectus

i) The minimum amount required to be raised out of the proceeds of the Invitation to provide for the matters set out in paragraph 2 of Part 1 of the Third Schedule to the Companies Act (the “minimum subscription”) is US$[10,000,000.00].

j) No previous invitations/offers with respect to shares in the Company have been made by the Company to the public other than:

i. In April 2018 the Company carried out a successful Initial Public Offering (“IPO”) of 90,909,091 Ordinary Shares in two classes, namely US$ and J$ shares. The IPO was =oversubscribed and consequently upsized by a further 99,908,949 Shares. In all, the Company allotted 190,818,040 Shares in the IPO. On June 18, 2018, both the Company’s US$ Shares and J$ Shares were respectively listed on the JSE’s US$ denominated Main Market and J$ denominated Main Market.

ii. In December 2020, the Company carried out a successful Additional Public Offer ("APO") of 240,887,900 Ordinary Share in two classes namely US$ and J$ shares.

iii. In December 2023, the Company successfully completed a Cumulative redeemable preference share offer of 20,000,000 preference shares across three classes namely, a two-year J$ class and two US$ classes with two- and three-year tenors respectively.

k) The prices with respect to the Preference Shares available for subscription are:

CLASS	NO. OF SHARES	PRICE PER SHARE	DIVIDEND YIELD	CALL OPTION	DOLLAR VALUE OF SHARES
H	12,000,000	J$100	10.00%	15 Years	J$1,200,000,000.00
I	2,000,000	US$10	[8.00%	15 Years	US$20,000,000.00

l) All Applicants will be required to pay in full the price per Preference Share along with the JCSD processing fees as specified in this Prospectus. No further sum will be payable by any Applicant with respect to Preference Shares under any Application.

m) Details as to investments, bank loans and any other indebtedness of the Company (if any) are indicated by the Latest Audited Accounts.

n) The proceeds from the Invitation will be paid to the Company. The Company expects to pay the expenses of the Invitation out of the proceeds of the Invitation, and the Company estimates that such expenses will not exceed US$[1,375,000.00] (inclusive of brokerage fees, legal fees, marketing expenses, Companies Registrars' fees, initial fees and GCT).

o) By virtue of the Latest Audited Accounts the name and addresses of the auditors to the Company are as set out in such Audited Accounts.

p) As far as the Company is aware, the Company is not engaged in any material litigation, nor is it aware of any pending litigation.

q) The amount for goodwill, patent, or trademarks shown in the Audited Accounts is nil.

r) No real property is currently proposed to be purchased or acquired by the Company and paid for wholly or partly out of the proceeds of this Invitation for the purposes of paragraphs 6 to 9 (inclusive) of Part 1 of the Third Schedule of the Companies Act.

s) Save as set out in paragraph 14 above, within the 2 preceding years, no commissions have been paid, nor will any be payable to anyone for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares or debentures of the Company.

t) The issue is not underwritten.

u) The name and address of the auditors of the Company are:

KPMG
Suite No. 2
Rodney Bayside Building
Rodney Bay, Gros Islet
Saint Lucia

SECTION 16 | CONSENTS

16.1 KPMG, the Auditors of the Company, have given and have not withdrawn their written consent (a copy of which is attached as Appendix 4) to the issue of this Prospectus with the inclusion therein of (i) a copy of their Auditors' Report dated November 8, 2024 (ii) the complete audited financial statements of the Company for the year ended [June 30, 2024] and (iii) references to their name in the form and context in which they are included.

16.2 The Directors of the Company have given and have not withdrawn their written consent to the issue of the Prospectus and the inclusion therein of all material facts relevant to the Company as required by the Act.

SECTION 17 | DOCUMENTS AVAILABLE FOR INSPECTION

17.1 During the period that the Preference Shares Invitation remains open for subscription for Shares, the following documents will be available for inspection on any weekday during the hours of 9:00 am to 4:30 pm, at the office of Sygnus Capital Limited 80 LMR, 80 Lady Musgrave Road, Kingston 10; namely:

a. the Memorandum and amended Articles of Association of the Company;

b. written consent of the Auditors, KPMG;

c. the Audited Financial Statements of the Company for years ended June 30, 2020 to June 30, 2024;

d. copies of the Material Contracts referred to in herein;

e. copy of the International Business Companies Act of Saint Lucia.

SECTION 18 | SIGNATURES OF DIRECTORS OF COMPANY

18.1 The Directors of the Company whose signatures appear below are individually and collectively responsible for the contents of the Prospectus and each has signed same pursuant to a resolution of the Directors of the Company authorizing the issue of this Prospectus as at the date first hereinbefore stated.

DIRECTORS	SIGNATURE
Linval Freeman	
Ike Johnson	
Peter Thompson	
Ian Williams	
Damian Chin	
Hope Fisher	
Horace Messado	

SECTION 19 | APPLICATION PROCEDURE

Applications

19.1 Applications for Shares shall be made through the Jamaica Money Market Broker's Moneyline™ Platform (see Appendix 3 for details). Payment for US$ Shares and J$ Shares subscribed for must be made in US$ and J$ respectively (subject to the right of the Company to accept payment for Shares in either currency). Prospective investors who do not have access to the Moneyline™ Platform may contact their respective brokers for instructions on how to apply for shares.

19.2 If needed, additional copies of this Prospectus may be obtained from the websites of the Lead Arranger and Lead Broker (www.sygnusgroup.com and https://jm.jmmb.com/) and will be sent to the JSE. The JSE may elect to publish the Prospectus on its website (www.jamstockex.com). Assistance in completing an Application may be obtained from any such stockbroker, securities dealer or investment adviser.

19.3 The Company reserves the right to reject multiple applications and if multiple applications are received, only the first application in time may be processed.

Terms and Conditions of all Applications

19.4 All Applications for Shares are subject to the following terms and conditions:

(a) Neither the submission of an Application by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Shares by the Company to an Applicant (whether such Shares represent all or part of those specified by the Applicant in his/her Application) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for the number of allotted Shares at the Subscription Price, subject to these terms and conditions.

(b) The subscription in the Preference Share Invitation will open at 9:00 a.m. on [November 25, 2024] and will close at 4:30 p.m. on [December 20, 2024] subject to the right of the Company to close the Subscription List at any time if subscriptions have been received for the full amount of the Shares available for subscription and subject also to the right of the Company to extend the closing beyond that date subject to Section 48 of the Companies Act, 2004. In the event of an early closing or an extension of the closing, notice will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com).

(c) Applications made must be for a minimum of 500 units for the J$ shares and 50 units for the US$ shares. Applications for amounts in excess of the minimum subscription must be in multiples of [100] shares for the J$ Shares and [10] shares for the US$ Shares. The Company reserves the right to accept or reject Applications for amounts in other denominations.

(d) Online application for Shares must be made through Jamaica Money Market Broker's Moneyline™ Portal by following the instructions set out in Appendix 3.

(e) Receipts will not be issued for sums received as payment for Shares; All Shares allotted to successful applicants will be held in the JCSD and credited to an account in the JCSD in the name of the applicant within 10 days of the closing date of the subscription list. Evidence of the applicant's holding of Shares will be provided by statements generated by the JCSD and mailed to the applicant at the address indicated on their Application. If any subscription is not accepted or is accepted for fewer than the number of Shares applied for, the subscription monies, or the balance thereof as the case may be, will be refunded within 10 days of the Closing Date.

(f) Applicants must be at least 18 years old. However, Applicants who have not yet attained the age of eighteen (18) years, may apply jointly with Applicants who are at least eighteen (18) years of age.

(g) The Company reserves the right to reject, in whole or in part, any subscription and to allot less than the amount of Shares applied for by an applicant.

(h) The Company reserves the right to withdraw the Preference Share Invitation by notice published in at least one of the local daily newspapers and on the JSE website. The Company also reserves the right to reject any application if any of the conditions for application set out in this Prospectus is not met.

(i) By submitting an Application, a prospective investor shall be deemed to represent to the Company and the Directors and agree with him that:

(i) he has read and understood or has had the opportunity to read and understand this Prospectus (including the terms and conditions in this Section 19) and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus;

(ii) he has not relied on the Company or any other persons connected thereto with his investigation of the accuracy of such information or his investment decision;

(iii) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his Application;

(iv) he has made his own assessment of the Company, and the merits and risks of subscribing for Shares, inclusive of taking advice (or waiving the need for such advice) in relation to the financial and legal implication of subscribing for Shares and tax implications thereof;

(v) he has accepted the terms and conditions set out in this Prospectus, including in any Appendix hereto;

(vi) the Directors may take all such further requisite action without further reference to him or stockholders to secure the listing of the Shares on the Main Market of the JSE and the completion of all matters relating to this Preference Share Invitation;

(vii) he will be deemed to have offered to purchase from the Company the number of Shares applied for in his Application (or such lesser number which may be allotted to him by the Directors) on the terms and subject to the conditions set forth herein and subject further to the Articles of Association of the Company.

(j) Successful Applicants will be allotted Shares for credit to their account in the Jamaica Central Securities Depository specified in their Application. Applicants may refer to the confirmation instructions that will be posted on the website of the Jamaica Stock

Exchange (www.jamstockex.com) after the Closing Date. Applicants who wish to receive share certificates must make a specific request.

(k) Save as to the requirement for a minimum subscription of 500 units for the J$ shares and 50 units for the US$ shares and that subscription in excess of the minimum subscription must be in multiples of [100] shares for the J$ Shares and [10] shares for the US$ Shares, there is no restriction as to the number of Shares for which an Applicant may apply for, subject to provisions of any law or regulation which may impose conditions or restrictions on certain persons, such as approved superannuation funds as to their investment in shares and certain securities.

(l) The Company will refund amounts to Applicants whose Applications are not accepted, or whose Applications are only accepted in part, to the account stated by the Applicant (or in the case of multiple Applicants by the first-named joint Applicant) stated in the Application within 10 (ten) working days after the Closing Date (or the extended Closing Date, as the case may be) or as soon as practicable thereafter. If an Applicant so indicates in his Application a refund cheque will be sent to the JCSD for collection by the Applicant (or by the first-named joint Applicant) stated in the Application. Any other persons purporting to collect a cheque on behalf of the Applicant must be authorised in writing by the Applicant(s) to do so. All refunds of a quantum greater than the RTGS threshold of $1 Million will be refunded via RTGS to the account of origin. Please note that the JCSD processing fee of J$172.50 (inclusive of GCT) will not be refunded.

(m) Within six (6) days after close of the Subscription List, the Company shall give notice to the JSE of the basis of allocation and the list of allottees will be delivered to the JSE within ten (10) days after the allotment.

Acceptance of Applications

19.5 Applications that meet the requirements set out in this Prospectus shall be accepted on a “first come first served basis”. All Applications will be time-stamped to indicate the date and time it was received. If Applications are received before the Application List opens at 9.00 a.m. on November 25, 2024, then such Applications will, for allotment purposes, be stamped as received at 9.00 a.m. on November 25, 2024 being the date of the opening of the Subscription List.

SECTION 20 | APPENDICES

APPENDIX 1

Terms of Issue

[see next page]

TERMS OF ISSUE

TERMS OF ISSUE OF 10% FIXED RATE JMD PREFERENCE SHARES

SYGNUS CREDIT INVESTMENTS Limited
(the "**Company**")

[see next page]

SYGNUS CREDIT INVESTMENTS LIMITED
(the "**Company**")

10.00% J$ PERPETUAL CUMULATIVE CLASS H PREFERENCE SHARES

Terms of Issue

In these Terms of Issue:

"**Agreed Rate**" means 10.00% per annum (on a 30/360-day year basis);

"**Business Day**" means a day, not being a Saturday, Sunday or public holiday when banks are open for business in Jamaica;

"**IFRS**" means International Financial Reporting Standards as adopted and applied generally in Jamaica;

"**Paying Agent**" means any paying agent and registrar engaged by the Company to discharge paying agent and/or registrar roles/functions for the benefit of Preference Shareholders;

"**Material Adverse Change**" means any event, development or circumstance that has had or would reasonably be expected to have in the opinion of the holder(s) of Preference Shares a Material Adverse Effect;

"**Material Adverse Effect**" means a material adverse effect on (a) the business, condition (financial or otherwise) operations, performance or prospects of the Company and its subsidiaries, which would negatively affect the ability of the Company to perform and discharge its obligations in relation to the Preference Shares; (b) the validity, legality or enforceability of the terms hereof (c) the rights and remedies of the holder(s) of Preference Shares under these terms; or (d) the ability of the Company to perform and discharge its obligations with respect to the Preference Shares;

"**Optional Redemption Date**" means the date when the Company shall be at liberty to require that the Preference Shares held by the holder thereof be redeemed by the Company pursuant to these Terms of Issue, being (i) on the first occasion the last Business Day of the financial year of the Company occurring immediately prior to the fifteenth (15^{th}) anniversary of the date of issue of the Preference Shares; and (ii) the last Business Day of the financial year which falls immediately prior to every three (3) years thereafter;

"**Optional Redemption Notice**" means the notice issued by the Company to the holders of Preference Shares by which the Company shall exercise the right to redeem the Preference Shares in accordance with these Terms;

"**Optional Redemption Price"** means the higher of (i) the then prevailing market price for the Preference Shares at the time of issue of the Optional Redemption Notice and the Subscription Price paid for the Preference Shares;

"**Preference Shares**" means the 10.00% J$ Cumulative Redeemable Class H Preference Shares the subject of these Terms of Issue;

"**Subscription Price" J$100.00** per Preference Share.
The Preference Shares in the capital of the Company, each with a par value of J$100.00, subject as hereinafter provided, perpetual as to tenor, the same to be issued at the Subscription Price shall be denominated "10.00% Fixed Rate J$ Perpetual Cumulative Redeemable Class H Preference Shares" conferring upon the registered holders thereof the following rights and shall be subject to the following restrictions, namely:

(a) The right to a cumulative preferential dividend on **each** Preference Share calculated as follows:

Agreed Rate x the Subscription Price,
the same to be paid by way of quarterly interim dividends, on March 30, June 30, September 30, and December 31 in each year (commencing December 31, 2024) in J$, PROVIDED THAT (i) such dividends shall be paid from the distributable profits of the Company (from time to time determined by the Board of Directors of the Company) and not otherwise (ii) such date for payment aforesaid shall follow declaration by the Board of Directors of the Company and processing by the Paying Agent and Registrar engaged by the Company to attend to, *inter alia*, payments to registered holders; and (iii) in the event that such date for payment is not a Business Day, then subject as hereinbefore stated, the preferential dividend shall be made on the next succeeding Business Day (unless that day falls in the next calendar month in which event such payment shall be made on the immediately preceding Business Day);

(b) Notwithstanding any provision to the contrary herein, accrued and unpaid dividends will accumulate, the same to be paid on the next succeeding quarterly payment date;

(c) In the event of a dissolution, winding-up or liquidation of the Company, each holder of Preference Shares shall be entitled to repayment in priority to any payment to the holders of ordinary shares and pari passu with all other preference shares in the capital of the Company concerning the preferential dividend payment and any arrears of the preferential dividend payment attaching to the Preference Shares that is due to be paid, at the Agreed Rate;

(d) The Preference Shares enjoy the additional rights set forth in the SCHEDULE 1, in each case to be strictly observed;

(e) The Company may, without the consent or sanction of the holders of Preference Shares create and issue further preference shares in the capital of the Company or debt, which rank senior or pari passu and identical in all respects so as to form one class with the existing Preference Shares, or ranking pari passu therewith as regards priority in respect of income and/or capital but carrying a different rate of dividend or otherwise differing from the Preference Shares (the subject of this Terms of Issue). For greater certainty, the Company shall be at liberty to issue different classes of Preference Shares with terms and conditions attaching thereto as shall differ from the Class H Preference Shares;

(f) The Preference Shares shall be issued as perpetual cumulative Preference Shares and subject to the provisions contained in applicable law (the "Applicable Law") (as the same may be amended from time to time) redemption of such Preference Shares by the Company only, shall be effected in the manner and on the terms following:

(g) The Company may, by notice in writing to the Preference Shareholders, served not less than ninety (90) days prior to the Optional Redemption Date, require that the relevant Preference Shares be redeemed on or immediately following the Optional Redemption Date paying in relation to the same, the respective Optional Redemption Price. Such notice shall fix the time for redemption (being the earliest possible Business Day following the Optional Redemption Date);

(h) Any notice issued pursuant to paragraph (f) (i) shall be in writing and be irrevocable, the same to be in such form as the Company shall determine, acting reasonably. Redemption pursuant to any such notice shall take place at the registered office of the Company;

(i) At the time and place fixed for redemption of Preference Shares:

a. the registered holder, if such registered holder is the holder of Preference Shares by virtue of an allotment by the Company (the “original holder”) or a transferee from the original holder, shall (in the event that the Preference Shares are certificated, but not otherwise) be bound to deliver up to the Company the relevant share certificate(s) with respect to the said Preference Shares for cancellation following redemption; and

b. the Company shall take all required steps to effect payment of the Optional Redemption Price to each registered holder, thereby redeeming the Preference Shares in accordance with Applicable Law.

(j) As from the time fixed for redemption of any of the Preference Shares under any notice given pursuant to paragraph (f) of these Terms of Issue, dividends shall cease to accrue on such Preference Shares;

(k) If any registered holder of Preference Shares shall fail or refuse to surrender the certificate(s) for such Preference Shares (where such surrender is required) or shall fail or refuse to accept the Optional Redemption Price, at the time fixed for redemption of any of the Preference Shares under any notice given pursuant to paragraph (f) of these Terms of Issue, such money shall be retained and held by the Company in trust for such registered holder but without interest or further obligation whatever;

(l) No Preference Shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of preference shares made for the purposes of the redemption as permitted by Applicable Law.

(m) No Preference Shares redeemed by the Company shall be capable of re-issue and on redemption of any Preference Shares, the Directors may convert the authorised share capital created as a consequence of such redemption into shares and/or stock units of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of the same number as the shares and/or stock units of such class then in issue or into unclassified shares and/or stock units of the same number as the Preference Shares.

(n) The rights attaching to the Preference Shares may not, except as expressly provided for in these Terms of Issue, be varied either while the Company is a going concern or during or in contemplation of a winding up of the Company without the consent in writing of the holders of three-fourths of the issued Preference Shares or without the sanction of a resolution passed at a separate meeting of that class by the holders of three-fourths of the issued Preference Shares of that class, but not otherwise. To every such separate meeting all of the provisions of the constitutive documents of the Company relating to general meetings of the Company or to proceedings thereat shall, mutatis mutandis apply, except that the necessary quorum shall be two or more persons at least holding or representing by proxy in aggregate one-half in dollar value of the issued Preference Shares (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum) and that the holders of Preference Shares shall, on a poll, have one vote in respect of each Preference Share held by them respectively.

(o) In the event of any conflict between the provisions of this Terms of Issue and the constitutive documents of the Company, the former shall prevail.

SCHEDULE 1

Additional Rights for the Benefit of the holders of Preference Shares

The holders of Preference Shares shall enjoy the following rights:

General Rights

1. Priority of payment to receive all dividends over any form of capital distributions (e.g. ordinary dividends or share buybacks) to ordinary shareholders.
2. Rank pari-passu between and amongst all existing preference shares issued by the Company. No existing or future issuances of preference shares shall rank senior to the Preference Shares.
3. Rank pari passu to any future preference shares to be issued by the Company in respect of the right to receive dividends and the right to receive payments out of the assets of the Company upon any voluntary or involuntary liquidation, dissolution or winding up of the Company.
4. Rank senior to the holders of the Company's ordinary Shares and rank subordinated to the Company's secured creditors.

Reporting Requirements

The Company shall procure that the following be observed by the Registrar and Paying Agent for distribution to the holders of Preference Shares:

(a) quarterly unaudited consolidated financial statements in accordance with IFRS including the statement of financial position; statement of comprehensive income; statement of changes in equity; statement of cash flows as at the end of such 3 months period and summary related notes to the financial statements for the 3 months period then ended, setting forth in comparative form the figures for the similar 3 months in the prior fiscal year, within 45 days after the end of each 3 months period;

(b) annual audited consolidated financial statements in accordance with IFRS including the statement of financial position; statement of comprehensive income; statement of changes in equity; statement of cash flows as at the end of such fiscal year and the related notes to the financial statements for the fiscal year then ended, setting forth in comparative form the figures for the immediately preceding fiscal year, within 90 days after the end of each fiscal year;

(c) as soon as available, and in any event within five (5) Business Days after the Company has become aware thereof, notice and details of any material litigation, investigation or proceeding affecting the Company or its subsidiaries (if any) and which could have a Material Adverse Effect including for the avoidance of doubt any such litigation, investigation or proceeding involving a claim in excess of Five Hundred Thousand United States Dollars (US$500,000.00) or its equivalent in any currency;

(d) as soon as possible and in any event within two (2) days after the occurrence of or the Company becoming aware of a Material Adverse Change, a statement signed by the chief executive officer or chief financial officer of the Company setting forth details of such Material Adverse Change and the action that the Company has taken or proposes to take with respect thereto;

(e) promptly after the commencement thereof, notice of all actions, proceedings, inquiries, official investigations or other regulatory proceedings before, or by, any court, governmental agency, regulatory and which could have a Material Adverse Effect on the Company;

(f) promptly after request, such other relevant business or financial information that the holders of Preference Shares may from time to time reasonably request; and

(g) in addition, the Company will be subject to the reporting requirements of the FSC.

TERMS OF ISSUE OF 8% FIXED RATE USD PREFERENCE SHARES

SYGNUS CREDIT INVESTMENTS Limited
(the "**Company**")

[see next page]

SYGNUS CREDIT INVESTMENTS LIMITED
(the "**Company**")

8.00% US$ PERPETUAL CUMULATIVE CLASS I PREFERENCE SHARES

Terms of Issue

In these Terms of Issue:

"**Agreed Rate**" means 8.00% per annum (on a 30/360-day year basis);

"**Business Day**" means a day, not being a Saturday, Sunday or public holiday when banks are open for business in Jamaica;

"**IFRS**" means International Financial Reporting Standards as adopted and applied generally in Jamaica;

"**Paying Agent**" means any paying agent and registrar engaged by the Company to discharge paying agent and/or registrar roles/functions for the benefit of Preference Shareholders;

"**Material Adverse Change**" means any event, development or circumstance that has had or would reasonably be expected to have in the opinion of the holder(s) of Preference Shares a Material Adverse Effect;

"**Material Adverse Effect**" means a material adverse effect on (a) the business, condition (financial or otherwise) operations, performance or prospects of the Company and its subsidiaries, which would negatively affect the ability of the Company to perform and discharge its obligations in relation to the Preference Shares; (b) the validity, legality or enforceability of the terms hereof (c) the rights and remedies of the holder(s) of Preference Shares under these terms; or (d) the ability of the Company to perform and discharge its obligations with respect to the Preference Shares;

"**Optional Redemption Date**" means the date when the Company shall be at liberty to require that the Preference Shares held by the holder thereof be redeemed by the Company pursuant to these Terms of Issue, being (i) on the first occasion the last Business Day of the financial year of the Company occurring immediately prior to the fifteenth (15^{th}) anniversary of the date of issue of the Preference Shares; and (ii) the last Business Day of the financial year which falls immediately prior to every three (3) years thereafter;

"**Optional Redemption Notice**" means the notice issued by the Company to the holders of Preference Shares by which the Company shall exercise the right to redeem the Preference Shares in accordance with these Terms;

"**Optional Redemption Price"** means the higher of (i) the then prevailing market price for the Preference Shares at the time of issue of the Optional Redemption Notice and the Subscription Price paid for the Preference Shares;

"**Preference Shares**" means the 8.00% US$ Cumulative Redeemable Class I Preference Shares the subject of these Terms of Issue;

"**Subscription Price" US$10.00** per Preference Share.
The Preference Shares in the capital of the Company, each with a par value of US$10.00, subject as hereinafter provided, perpetual as to tenor, the same to be issued at the Subscription Price shall be denominated "8.00% Fixed Rate US$ Perpetual Cumulative Redeemable Class I Preference Shares" conferring upon the registered holders thereof the following rights and shall be subject to the following restrictions, namely:

(a) The right to a cumulative preferential dividend on **each** Preference Share calculated as follows:

(b) **Agreed Rate x the Subscription Price**,

(c) the same to be paid by way of quarterly interim dividends, on March 31, June 30, September 30, and December 31 in each year (commencing March 31, 2024) in US$, PROVIDED THAT (i) such dividends shall be paid from the distributable profits of the Company (from time to time determined by the Board of Directors of the Company) and not otherwise (ii) such date for payment aforesaid shall follow declaration by the Board of Directors of the Company and processing by the Paying Agent and Registrar engaged by the Company to attend to, *inter alia*, payments to registered holders; and (iii) in the event that such date for payment is not a Business Day, then subject as hereinbefore stated, the preferential dividend shall be made on the next succeeding Business Day (unless that day falls in the next calendar month in which event such payment shall be made on the immediately preceding Business Day);

(d) Notwithstanding any provision to the contrary herein, accrued and unpaid dividends will accumulate, the same to be paid on the next succeeding quarterly payment date;

(e) In the event of a dissolution, winding-up or liquidation of the Company, each holder of Preference Shares shall be entitled to repayment in priority to any payment to the holders of ordinary shares and pari passu with all other preference shares in the capital of the Company concerning the preferential dividend payment and any arrears of the preferential dividend payment attaching to the Preference Shares that is due to be paid, at the Agreed Rate;

(f) The Preference Shares enjoy the additional rights set forth in the SCHEDULE 1, in each case to be strictly observed;

(g) The Company may, without the consent or sanction of the holders of Preference Shares create and issue further preference shares in the capital of the Company or debt, which rank senior or pari passu and identical in all respects so as to form one class with the existing Preference Shares, or ranking pari passu therewith as regards priority in respect of income and/or capital but carrying a different rate of dividend or otherwise differing from the Preference Shares (the subject of this Terms of Issue). For greater certainty, the Company shall be at liberty to issue different classes of Preference Shares with terms and conditions attaching thereto as shall differ from the Class I Preference Shares;

(h) The Preference Shares shall be issued as perpetual cumulative Preference Shares and subject to the provisions contained in applicable law (the "Applicable Law") (as the same may be amended from time to time) redemption of such Preference Shares by the Company only, shall be effected in the manner and on the terms following:

(i) The Company may, by notice in writing to the Preference Shareholders, served not less than ninety (90) days prior to the Optional Redemption Date, require that the relevant Preference Shares be redeemed on or immediately following the Optional Redemption Date paying in relation to the same, the respective Optional Redemption Price. Such notice shall fix the time for redemption (being the earliest possible Business Day following the Optional Redemption Date);

(j) Any notice issued pursuant to paragraph (f) (i) shall be in writing and be irrevocable, the same to be in such form as the Company shall determine, acting reasonably. Redemption pursuant to any such notice shall take place at the registered office of the Company;

(k) At the time and place fixed for redemption of Preference Shares:

a. the registered holder, if such registered holder is the holder of Preference Shares by virtue of an allotment by the Company (the “original holder”) or a transferee from the original holder, shall (in the event that the Preference Shares are certificated, but not otherwise) be bound to deliver up to the Company the relevant share certificate(s) with respect to the said Preference Shares for cancellation following redemption; and
b. the Company shall take all required steps to effect payment of the Optional Redemption Price to each registered holder, thereby redeeming the Preference Shares in accordance with Applicable Law.

(l) As from the time fixed for redemption of any of the Preference Shares under any notice given pursuant to paragraph (f) of these Terms of Issue, dividends shall cease to accrue on such Preference Shares;

(m) If any registered holder of Preference Shares shall fail or refuse to surrender the certificate(s) for such Preference Shares (where such surrender is required) or shall fail or refuse to accept the Optional Redemption Price, at the time fixed for redemption of any of the Preference Shares under any notice given pursuant to paragraph (f) of these Terms of Issue, such money shall be retained and held by the Company in trust for such registered holder but without interest or further obligation whatever;

(n) No Preference Shares shall be redeemed otherwise than out of distributable profits or the proceeds of a fresh issue of preference shares made for the purposes of the redemption as permitted by Applicable Law.

(o) No Preference Shares redeemed by the Company shall be capable of re-issue and on redemption of any Preference Shares, the Directors may convert the authorised share capital created as a consequence of such redemption into shares and/or stock units of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of the same number as the shares and/or stock units of such class then in issue or into unclassified shares and/or stock units of the same number as the Preference Shares.

(p) The rights attaching to the Preference Shares may not, except as expressly provided for in these Terms of Issue, be varied either while the Company is a going concern or during or in contemplation of a winding up of the Company without the consent in writing of the holders of three-fourths of the issued Preference Shares or without the sanction of a resolution passed at a separate meeting of that class by the holders of three-fourths of the issued Preference Shares of that class, but not otherwise. To every such separate meeting all of the provisions of the constitutive documents of the Company relating to general meetings of the Company or to proceedings thereat shall, mutatis mutandis apply, except that the necessary quorum shall be two or more persons at least holding or representing by proxy in aggregate one-half in dollar value of the issued Preference Shares (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum) and that the holders of Preference Shares shall, on a poll, have one vote in respect of each Preference Share held by them respectively.

(q) In the event of any conflict between the provisions of this Terms of Issue and the constitutive documents of the Company, the former shall prevail.

SCHEDULE 1

Additional Rights for the Benefit of the holders of Preference Shares

The holders of Preference Shares shall enjoy the following rights:

General Rights

1. Priority of payment to receive all dividends over any form of capital distributions (e.g. ordinary dividends or share buybacks) to ordinary shareholders.

2. Priority of payment to receive all dividends over any form of capital distributions (e.g. ordinary dividends or share buybacks) to ordinary shareholders.

3. Rank pari-passu between and amongst all existing preference shares issued by the Company. No existing or future issuances of preference shares shall rank senior to the Preference Shares.

4. Rank pari passu to any future preference shares to be issued by the Company in respect of the right to receive dividends and the right to receive payments out of the assets of the Company upon any voluntary or involuntary liquidation, dissolution or winding up of the Company.

5. Rank senior to the holders of the Company’s ordinary Shares and rank subordinated to the Company’s secured creditors.

Reporting Requirements

The Company shall procure that the following be observed by the Registrar and Paying Agent for distribution to the holders of Preference Shares:

a) quarterly unaudited consolidated financial statements in accordance with IFRS including the statement of financial position; statement of comprehensive income; statement of changes in equity; statement of cash flows as at the end of such 3 months period and summary related notes to the financial statements for the 3 months period then ended, setting forth in comparative form the figures for the similar 3 months in the prior fiscal year, within 45 days after the end of each 3 months period;

b) annual audited consolidated financial statements in accordance with IFRS including the statement of financial position; statement of comprehensive income; statement of changes in equity; statement of cash flows as at the end of such fiscal year and the related notes to the financial statements for the fiscal year then ended, setting forth in comparative form the figures for the immediately preceding fiscal year, within 90 days after the end of each fiscal year;

c) as soon as available, and in any event within five (5) Business Days after the Company has become aware thereof, notice and details of any material litigation, investigation or proceeding affecting the Company or its subsidiaries (if any) and which could have a Material Adverse Effect including for the avoidance of doubt any such litigation, investigation or proceeding involving a claim in excess of Five Hundred Thousand United States Dollars (US$500,000.00) or its equivalent in any currency;

d) as soon as possible and in any event within two (2) days after the occurrence of or the Company becoming aware of a Material Adverse Change, a statement signed by the chief executive officer or chief financial officer of the Company setting forth details of such Material Adverse Change and the action that the Company has taken or proposes to take with respect thereto;

e) promptly after the commencement thereof, notice of all actions, proceedings, inquiries, official investigations or other regulatory proceedings before, or by, any court, governmental agency, regulatory and which could have a Material Adverse Effect on the Company;

f) promptly after request, such other relevant business or financial information that the holders of Preference Shares may from time to time reasonably request; and

g) in addition, the Company will be subject to the reporting requirements of the FSC.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

Appendix 2
2024 Audited Financial Statements

Audited Financial Statements for FY2024

[SEE NEXT PAGE]

SYGNUS

CREDIT INVESTMENTS

AUDITED FINANCIAL STATEMENTS

TRANSFORMING PRIVATE CREDIT ACROSS THE CARIBBEAN

FOR THE YEAR ENDED **JUNE 30, 2024**

SYGNUS CREDIT INVESTMENTS LIMITED

Financial Statements

Year ended June 30, 2024
(Expressed in United States Dollars)

KPMG
204 Johnsons Centre
No. 2 Bella Rosa Road
P.O. Box GI 2171
Gros- Islet LC01 101
Saint Lucia

Telephone: (758) 453-5764
Email: ecinfo@kpmg.lc

INDEPENDENT AUDITORS' REPORT

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Sygnus Credit Investments Limited ("the Company") comprising the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (collectively, "the Group"), set out on pages 9 to 80, which comprise the Group's and Company's statements of financial position as at June 30, 2024, the Group's and Company's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and Company as at June 30, 2024, and the Group's and Company's financial performance and the Group's and Company's cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group and Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Saint Lucia and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG

Page 2

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Key Audit Matters

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

1. Valuation of investments

The key audit matter	How the matter was addressed in our audit
The valuation of the Group's and Company's investments measured at fair value through profit or loss amounting to US$57,439,576 (2023:US$47,512,684) for the Group and US$27,148,453 (2023:US$22,628,408) for the Company, includes significant assumptions and judgments about the performance of the counterparties over the tenure of the investments. The most significant are those related to expected cash flows and market comparable price/book value multiples. Furthermore, the valuation methodology relies on unobservable inputs such as profitability achievement rate, risk-adjusted discount rates and control premium, which have a significant impact on the resulting values of the investments. These judgements and assumptions could result in estimated fair values that are materially different from actual transaction values. *[see notes 4(d), 10 and 26(d) of the financial statements]*	Our procedures in this area, in the main, included the following: • Tested the design and implementation of the group investment manager's review and approval controls over the determination and computation of fair values. • Involved our own valuation specialists to assist us in assessing the reasonableness of the valuation methodologies employed and the fair value conclusions. We considered the requirements of the financial reporting framework and tested, the sources of data and underlying assumptions utilised to value the investments and evaluated the impact of any variations.

KPMG

Page 3

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Key Audit Matters (Continued)

1. Valuation of investments (continued)

The key audit matter	How the matter was addressed in our audit
	Our procedures in this area, in the main, included the following (continued): • Assessed the adequacy and clarity of the disclosures, including the degree of estimation uncertainty involved in determining fair values in line with the requirements of the financial reporting framework.

2. Measurement of expected credit losses on financial assets

The key audit matter	How the matter was addressed in our audit
The financial reporting framework requires the Group and Company to recognise expected credit losses ('ECL') on financial assets. The determination of ECL is highly subjective and requires the application of significant judgements and assumptions.	Our procedures in this area, in the main, included the following: • Obtained an understanding of the model used by the Group and Company for the calculation of expected credit losses through evaluation of related model documentation, inquiries and walkthroughs. This further included consideration of the governance over the determination and approval of key judgements and assumptions.

KPMG

Page 4

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Key Audit Matters (Continued)

2. Measurement of expected credit losses on financial assets (continued)

The key audit matter	How the matter was addressed in our audit
The key areas requiring greater management judgement include the determination of significant increase in credit risk ('SICR'), the probabilities of default, the collateral values, loss given default, exposures at default and the application of forward-looking information. The identification of a significant increase in credit risk is a key area of judgement, as the criteria determine whether a 12 -month or lifetime loss allowance is recorded. The incorporation of forward-looking information, reflects a range of possible future economic conditions. Significant management judgement is used in determining the economic scenarios. Management considered the following: • Qualitative factors that result in changes to SICR. • Increased uncertainty about potential future economic scenarios and their impact on credit losses.	Our procedures in this area, in the main, included the following (continued): • Tested the design and implementation of the key control performed by the Group over the computation and approval of the expected credit losses. • Tested, on a sample basis, the completeness and accuracy of the data used in the model by tracing selected significant data back to relevant source documents and to the underlying accounting records. • Involved our financial risk modelling specialists to assist us in evaluating the appropriateness of the Group's impairment methodologies, including the SICR criteria used, and in independently assessing the assumptions for probabilities of default, losses given default, exposures at default and the incorporation of forward-looking information.

Page 5

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Key Audit Matters (Continued)

2. Measurement of expected credit losses on financial assets (continued)

The key audit matter	How the matter was addressed in our audit
The use of these judgements and assumptions increases the risk of material misstatement and is therefore a key audit matter. *[see notes 4(c)(v) and 27(b) to the financial statements]*	Our procedures in this area, in the main, included the following (continued): • Assessed the adequacy and clarity of the disclosures of the key assumptions and judgements considering the requirements of the financial reporting framework.

Other Information

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

Our opinion on the 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 and separate 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Group's 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Standards, and for such internal control as management determines is necessary to enable the preparation of

KPMG

Page 6

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)

financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 7-8, forms part of our auditors' report.

The engagement partner on the audit resulting in this independent auditors' report is Damion D. Reid.

KPMG

Chartered Accountants
Castries, Saint Lucia

September 26, 2024

KPMG

Page 7

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG

Page 8

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SYGNUS CREDIT INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report (Continued)

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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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.

SYGNUS CREDIT INVESTMENTS LIMITED

Statement of Financial Position
As at June 30, 2024
(Expressed in United States dollars)

	Notes	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
ASSETS					
Cash and cash equivalents	5	2,735,069	4,464,694	2,633,422	4,406,522
Certificate of deposit	6	15,168	-	15,168	-
Other receivables	7	152,146	907,424	150,989	906,741
Due from related parties	8(a)	1,643,087	1,812,232	2,615,516	25,227,258
Lease receivables	9	-	263,200	-	263,200
Interest receivable		4,746,067	5,199,704	4,742,438	4,945,545
Investments	10	188,050,769	151,213,530	157,778,314	126,601,155
Deferred tax asset	11	1,195,043	3,650	-	3,650
Investments in subsidiaries	12	-	-	27,589,552	23,089,552
Total Assets		198,537,349	163,864,434	195,525,399	185,443,623
LIABILITIES					
Accounts payable and accrued liabilities	13	6,369,383	1,969,862	6,269,102	1,934,712
Due to related parties	8(a)	743,155	1,106,066	743,155	23,891,891
Dividends payable	14	236,365	484,214	236,365	484,214
Interest payable	15	973,194	415,741	973,194	415,741
Taxation payable		104,932	131,998	74,077	131,998
Notes payable	16	60,955,576	77,065,698	50,412,813	59,212,591
Preference shares	17	48,994,477	4,925,057	48,994,477	4,925,057
Loans and borrowings	18	8,062,646	7,958,745	18,204,877	25,384,520
Total Liabilities		126,439,728	94,057,381	125,908,060	116,380,724
EQUITY					
Share capital	19	60,883,532	60,883,532	60,883,532	60,883,532
Treasury shares	20	(829,726)	(242,950)	(829,726)	(242,950)
Retained earnings		12,043,815	9,166,471	9,563,533	8,422,317
Total Equity		72,097,621	69,807,053	69,617,339	69,062,899
Total Liabilities and Equity		198,537,349	163,864,434	195,525,399	185,443,623

The financial statements on pages 9 to 80 were approved by the Board of Directors on September 26, 2024.

Director
Dr. Ike Johnson

Director
Horace Messado

The accompanying notes form an integral part of the consolidated and separate financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Statement of Profit or Loss and Other Comprehensive Income
Year ended June 30, 2024
(Expressed in United States dollars)

	Notes	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
Income					
Interest income calculated using the effective interest method	21	17,337,178	12,623,404	17,302,458	12,636,194
Other interest income	21	1,425,138	1,461,927	1,425,138	1,461,927
Interest expense	21	(10,286,916)	(5,949,995)	(10,037,751)	(5,612,532)
		8,475,400	8,135,336	8,689,845	8,485,589
Fair value gains from financial instruments at FVTPL	26(d)	1,752,693	1,178,284	448,100	805,933
Participation fees and other income	22	319,373	379,203	319,373	379,203
Net foreign exchange gain		30,299	146,069	30,722	146,125
Fair value adjustment on contingent consideration payable		-	80,558	-	-
		10,577,765	9,919,450	9,488,040	9,816,850
Expenses					
Management fees	8(b)	2,880,328	2,358,589	2,880,328	2,358,589
Performance fees	8(b)	207,720	119,445	207,720	119,445
Corporate service fees	8(b)	557,060	433,613	557,060	433,613
Impairment allowance on financial assets	27(b)(vii)	369,708	844,920	374,691	839,967
Other expenses	23	1,170,440	892,042	1,014,563	838,699
		5,185,256	4,648,609	5,034,362	4,590,313
Profit before taxation		5,392,509	5,270,841	4,453,678	5,226,537
Taxation credit/(charge)	24(a)	632,564	(136,203)	(164,733)	(136,203)
Profit for the year, being total comprehensive income		6,025,073	5,134,638	4,288,945	5,090,334
Earnings per stock unit	25	1.03¢	0.87¢		
Diluted earnings per stock unit	25	1.03¢	0.82¢		

The accompanying notes form an integral part of the consolidated and separate financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Group Statement of Changes in Equity
Year ended June 30, 2024
(Expressed in United States dollars)

	Share capital (note 19) $	Treasury shares (note 20) $	Retained earnings $	Total $
Balances at June 30, 2022	60,883,532	-	6,578,937	67,462,469
Profit for the year, being total comprehensive income for the year	-	-	5,134,638	5,134,638
Transactions with owners				
Treasury shares acquired	-	(242,950)	-	(242,950)
Dividends declared (note 14)	-	-	(2,547,104)	(2,547,104)
Balances at June 30, 2023	60,883,532	(242,950)	9,166,471	69,807,053
Profit for the year, being total comprehensive income for the year	-	-	6,025,073	6,025,073
Transactions with owners				
Treasury shares acquired	-	(586,776)	-	(586,776)
Dividends declared (note 14)	-	-	(3,147,729)	(3,147,729)
Balances at June 30, 2024	60,883,532	(829,726)	12,043,815	72,097,621

The accompanying notes form an integral part of the consolidated and separate financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Company Statement of Changes in Equity
Year ended June 30, 2024
(Expressed in United States dollars)

	Share capital (note 19) $	Treasury shares (note 20) $	Retained earnings $	Total $
Balances at June 30, 2022	60,883,532	-	5,879,087	66,762,619
Profit for the year, being total comprehensive income for the year	-	-	5,090,334	5,090,334
Transactions with owners				
Treasury shares acquired	-	(242,950)	-	(242,950)
Dividends declared (note 14)	-	-	(2,547,104)	(2,547,104)
Balances at June 30, 2023	60,883,532	(242,950)	8,422,317	69,062,899
Profit for the year, being total comprehensive income for the year	-	-	4,288,945	4,288,945
Transactions with owners				
Treasury shares acquired	-	(586,776)	-	(586,776)
Dividends declared (note 14)	-	-	(3,147,729)	(3,147,729)
Balances at June 30, 2024	60,883,532	(829,726)	9,563,533	69,617,339

The accompanying notes form an integral part of the consolidated and separate financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Statement of Cash Flows
Year ended June 30, 2024
(Expressed in United States dollars)

	Notes	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
Cash flows from operating activities					
Interest received		17,790,815	11,099,284	17,505,565	11,366,233
Interest paid		(8,256,008)	(4,770,632)	(8,280,573)	(4,759,781)
Net interest received		9,534,807	6,328,652	9,224,992	6,606,452
Other income received		1,425,138	1,461,927	1,425,138	1,461,927
Purchase of investments		(86,408,300)	(41,955,682)	(81,900,121)	(44,103,755)
Encashment of investments		50,954,046	11,983,495	50,796,371	14,217,370
Proceeds from lease receivables		263,200	1,337,852	263,200	1,337,852
Purchase of certificate of deposit		(15,168)	-	(15,168)	-
Other operating costs paid		(4,749,675)	(5,236,193)	(5,001,260)	(5,592,379)
Income tax paid		(585,895)	(80,660)	(219,004)	(80,660)
Net cash used in operating activities	29	(29,581,847)	(26,160,609)	(25,425,852)	(26,153,193)
Cash flows from investing activities					
Investments in subsidiaries, being net cash used in investing activities		-	-	(4,500,000)	(303,651)
Cash flows from financing activities					
Dividends paid		(3,395,578)	(2,451,775)	(3,395,578)	(2,451,775)
Repurchase of treasury shares		(586,776)	(242,950)	(586,776)	(242,950)
Proceeds from preference shares	27(c)	50,312,000	3,840,808	50,312,000	3,840,808
Transaction costs related to issue of preference shares	27(c)	(1,636,417)	(112,369)	(1,636,417)	(112,369)
Proceeds from notes payable	27(c)	11,318,671	49,816,411	54,314	31,802,334
Repayment of notes payable	27(c)	(27,285,851)	(32,839,092)	(8,642,178)	(14,839,092)
Transaction costs related to notes payable	27(c)	(990,590)	(839,663)	(785,832)	(520,901)
Proceeds from loans and borrowings	27(c)	8,674,013	15,847,749	8,774,013	19,616,903
Repayment of loans and borrowings	27(c)	(8,524,172)	(10,801,610)	(15,907,716)	(14,330,610)
Transaction costs related to loans and borrowings	27(c)	(55,631)	(67,160)	(55,631)	(67,160)
Net cash provided by financing activities		27,829,669	22,150,349	28,130,199	22,695,188
Net decrease in cash and cash equivalents		(1,752,178)	(4,010,260)	(1,795,653)	(3,761,656)
Cash and cash equivalents at beginning of year		4,464,694	8,470,884	4,406,522	8,164,108
Effect of exchange rate movements on cash and cash equivalents held		22,553	4,070	22,553	4,070
Cash and cash equivalents at end of year	5	2,735,069	4,464,694	2,633,422	4,406,522

* The statement of cash flows has been re-presented for the reason noted in note 29.

The accompanying notes form an integral part of the consolidated and separate financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements
Year ended June 30, 2024
(Expressed in United States dollars)

1. The Company

Sygnus Credit Investments Limited ("the Company") was incorporated in Saint Lucia on January 13, 2017 as an International Business Company. The Company's registered office is located at McNamara Corporate Services Inc., 20 Micoud Street, Castries, Saint Lucia.

The Company is a specialty credit investment company, dedicated to providing non-traditional financing to medium-sized firms across the Caribbean region.

The Company has no employees and the investment portfolio of the Company is managed and administered by Sygnus Capital Limited ("the Investment Manager"), a related company incorporated in Jamaica that is licensed and regulated by the Financial Services Commission.

The Company has interest in several subsidiaries, which are listed below. The Company and its subsidiaries are collectively referred to as "the Group".

Subsidiaries	Country of Incorporation	Principal Activities	Percentage Ownership
Sygnus Credit Investments Jamaica Limited (SCIJL)	Jamaica	Finance raising	100%
SCI PR Holdings Limited (SCIPRH)	Saint Lucia	Holding company	100%
Sygnus Credit Investments PR Inc (SCIPRI)	Puerto Rico	Holding company	100%

Sygnus Credit Investments Jamaica Limited ("SCIJL") was incorporated on May 7, 2019 and the business operations commenced in October 2019.

SCI PR Holdings Limited ("SCIPRH") was incorporated on July 1, 2021 under the International Business Companies Act. Business operations commenced on February 28, 2022.

Sygnus Credit Investments PR Inc ("SCIPRI"), was formerly SCI Puerto Rico Inc, with a name change occurring effective April 1, 2024. SCIPRI was incorporated on September 24, 2021 as a Domestic Corporation and is a wholly owned subsidiary of SCIPRH. Business operations commenced on February 28, 2022. SCIPRI initially held a 93.66% membership interest in Sygnus Credit Investments Puerto Rico Fund LLC ("SCIPRF or Fund"), which was increased to 95.00% on June 1, 2023 and to 95.58% on December 31, 2023. The membership interest held in SCIPRF is reflected as an equity investment at the end of the reporting period, as it was determined under IFRS 10 *Consolidated Financial Statements* that SCIPRI does not have power over the relevant activities of this Fund.

SCIPRF is a Fund which was incorporated under the laws of Puerto Rico on January 10, 2022. It acquired 100% of Acrecent Financial Corporation ("AFC") on February 28, 2022. On June 30, 2023 AFC filed a certificate of conversion changing from a regular corporation to a limited liability company. For income tax purposes, the election to be taxed as a partnership was effective on July 1, 2023.

2. Statement of compliance and basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS accounting standards) and their interpretations as issued by the International Accounting Standards Board ("IASB").

New and amended standards and interpretations that became effective during the year:

Certain new and amended standards came into effect during the current financial year, none of which had any significant impact on these financial statements. The Group has assessed them and has adopted those which are relevant to its financial statements:

- Amendments to IAS 1 *Presentation of Financial Statements*, promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

  Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

  A company classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. It has now been clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date. With the amendments, convertible instruments may become current. In light of this, the amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32.

  Generally, if a liability has any conversion options that involve a transfer of the company's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that a company can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

  The amendments did not have a significant impact on the financial statements.

- The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from July 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the 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".

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

New and amended standards and interpretations that became effective during the year (continued):

- The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from July 1, 2023 (Continued)

  The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

  Management reviewed the accounting policies and made updates to the information disclosed in note 3.

- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors 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

  - 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.

  The amendments did not have a significant impact on the financial statements.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

New and amended standards and interpretations issued but 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:

- Classification of Liabilities as Current and Non-current Liabilities with covenants (Amendments to IAS 1, effective 1 July 2024).

  The amendments remove the requirement for a right to defer settlement for at least 12 months be "unconditional" and instead requires that a right to defer settlement must exist at the reporting date and have substance. For liabilities with conversion options that involve a transfer of the company's own equity instruments, the IASB has now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

  The Group is assessing the impact that the amendment will have on its 2025 financial statements.

- Supplier Finance Arrangements (Amendments to IAS 27 and IFRS 7, effective 1 July 2024)

  The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 - for a reporting entity to provide information about its supplier finance arrangements that would enable users to assess the effects of these arrangements on the entity's liabilities and cash flows, and its exposure to liquidity risk.

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

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16, effective 1 July 2024)

  The amendments provide detailed guidance on sale and leaseback accounting, requiring that the seller-lessee applies the subsequent measurement requirements in such a way that it does not recognise a gain or loss associated with the rights retained under the leaseback.

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

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued)

New and amended standards and interpretations issued but not yet effective (continued):

- IFRS 18 Presentation and Disclosure in Financial Statements, is effective for annual reporting periods beginning on or after July 1, 2027.

  Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a company's main business activities.

  All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category.

  IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a 'useful structured summary' of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

  IFRS 18 requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for management performance measures (MPMs), requiring them to be a subtotal of income and expenses, used in public communications outside the financial statements and reflective of management's view of financial performance. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

  Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

  The Group is assessing the impact that these amendments will have on its future financial statements.

(b) Basis of preparation

The financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at fair value and/or amortised cost.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

2. Statement of compliance and basis of preparation (continued)

(c) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The Group's and Company's consolidated and standalone financial statements are presented in United States dollars, which is the Company's functional currency.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the reported amounts of income, expenses, gains and losses for the year then ended. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 3.

3. Critical accounting judgements and key sources of estimation uncertainty

Estimates that can cause a significant adjustment to the carrying amounts of assets and liabilities in the next financial year and judgements that have a significant effect on the amounts recognised in the financial statements, include the following:

(a) Key sources of estimation uncertainty

(i) Impairment of financial assets [see note 27(b)]

Measurement of the expected credit loss (ECL) allowance:

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring expected credit loss (ECL) is further detailed in notes 27(b), which also sets out key sensitivities of the ECL to changes in these elements.

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

(a) Key sources of estimation uncertainty (continued)

(ii) Fair value of financial instruments (see note 26)

There are no quoted market prices for a material portion of the Group and Company's financial assets. Accordingly, fair values of several financial assets are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The fair values determined in this way are classified as Level 3 in the fair value hierarchy. [see notes 10 and 26(d)].

(iii) Deferred tax asset (see note 11)

The recognition of a deferred tax asset requires management to make assumptions concerning future taxable profits against which deferred tax assets can be recovered. Judgements are also made on the timing of the recognition of the deferred tax based on the finalisation of the transactions that gave rise to the temporary differences.

(b) Critical accounting judgements in applying the Group's accounting policies

The Group's and Company's accounting policies which require the use of judgements in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements include the following:

(i) Classification of financial assets

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding requires management to make certain judgements on its business operations [see note 4(c)(ii)].

(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 the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement [see notes 27(b)(iii)].

4. Material accounting policies

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method at the date on which control is transferred to the Group.

4. Material accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Business combinations (continued)

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.

When the result is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

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.

The consideration the acquirer transfers in exchange for the acquiree includes any asset or liability resulting from a contingent consideration arrangement. The acquirer shall recognise the acquisition-date fair value of contingent consideration as part of the consideration transferred in exchange for the acquiree. Contingent consideration that is classified as a liability is remeasured to fair value at each reporting date, with changes included in the income statement in the post-combination period. Contingent consideration that is classified as equity is not remeasured in the post-combination period.

The accounting policies of the subsidiaries are consistent with those of the Group.

(ii) Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the relevant activities of 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.

(iii) Loss of control

On the loss of control, the Group derecognises the assets and liabilities of a subsidiary and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

4. Material accounting policies (continued)

(a) Basis of consolidation (continued):

(iv) Transactions eliminated on consolidation

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

(b) Cash and cash equivalents

Cash comprises cash at banks and cash equivalents which are highly liquid financial assets that are readily convertible to known amounts of cash (that is, with original maturities of less than three months), are subject to insignificant risk of changes in value, and are used for the purpose of meeting short-term commitments. Cash and cash equivalents are classified and measured at amortised cost.

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents, investments, other receivables, interest receivable, due from related parties and lease receivables. Financial liabilities include accounts payable and accrued liabilities, notes payable, interest payable, dividends payable, loans and borrowings, preference shares and due to related parties.

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group 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 expensed in profit or loss.

Financial assets

(ii) Classification and subsequent measurement

In applying IFRS 9, the Group classified its financial assets in the following measurement categories:

(a) Fair value through profit or loss (FVTPL); or

(b) Amortised cost.

4. Material accounting policies (continued)

(c) **Financial instruments (continued)**

Financial assets (continued)

(ii) Classification and subsequent measurement (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Business model assessment:

In making an assessment of the objective of the business model in which a financial asset is held, the Group considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets; and

- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed.

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 solely payments of principal and interest (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.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments 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 year.

4. Material accounting policies (continued)

(c) Financial instruments (continued)

Financial assets (continued)

(ii) Classification and subsequent measurement (continued)

Solely payments of principal and interest (SPPI) (continued):

Financial assets are classified as FVTPL when they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The Group does not have any instruments classified as fair value through other comprehensive income.

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

(iv) Measurement of gains and losses on financial assets

Gains and losses on financial assets at amortised cost and FVTPL are included in the statement of profit or loss.

(v) Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECL) on the financial instruments measured at amortised cost.

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'.
- 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.
- 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.

4. Material accounting policies (continued)

(c) Financial instruments (continued)

Financial assets (continued)

(v) Impairment of financial assets (continued)

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

- 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).

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Measurement of ECL

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

4. Material accounting policies (continued)

(c) **Financial instruments (continued)**

Financial assets (continued)

(v) Impairment of financial assets (continued)

Measurement of ECL (continued)

The ECL is determined by using the probability of default (PD), loss given default (LGD) and exposure at default (EAD). These three components are multiplied together and adjusted for forward looking information and discount rates.

The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows; and
- other and lease receivables are measured at an amount equal to lifetime ECL.

Write-off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, or that proceeds from collateral will not be sufficient to pay back the entire exposure. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss and other comprehensive income.

(vi) Financial liabilities

The Group classifies its non-derivative financial liabilities as measured at amortised cost.

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liabilities simultaneously. No financial assets and financial liabilities have been offset and presented net in these financial statements

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

4. Material accounting policies (continued)

(d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

(e) Investment in subsidiary

The Company measures investment in subsidiary in the financial statements at cost, less any impairment loss.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

4. Material accounting policies (continued)

(f) Revenue recognition

(i) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

(a) Purchased or originated credit-impaired (POCI) financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.

(b) Financial assets that are not POCI but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e., net of the expected credit loss provision).

(ii) Other interest income

Other interest income represents dividend on preference shares and is recognised when the right to receive payment is established.

(iii) Participation fees and other income

Participation fees and other income are recognised on the accrual basis when the related services are performed.

(iv) Net income from financial instruments at fair value through profit or loss

Net income from financial instruments at FVTPL includes fair value changes, interest, dividends and foreign exchange differences.

(g) Foreign currency transactions and balances

Assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the reporting date.

Transactions in foreign currencies are converted at the rates of exchange ruling on the dates of those transactions. Realised and unrealised gains and losses arising from fluctuations in exchange rates are included in profit or loss.

(h) Other receivables and due from related parties

Other receivables and amounts due from related parties are measured at amortised cost, less any impairment loss.

(i) Taxation

Taxation on the profit or loss for the period comprises current and deferred taxes. Current and deferred taxes are recognised as tax expense or benefit in profit or loss.

4. Material accounting policies (continued)

(i) Taxation (continued)

(i) Current taxation

Current tax charges are based on the taxable profit for the period, which differs from the profit before tax reported because they exclude items that are taxable or deductible in other periods, and items that are never taxable or deductible. The current tax is calculated at tax rates that have been enacted at the reporting date.

(ii) Deferred tax

Deferred tax liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods.

Deferred tax assets are recognised for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilised. Deferred tax assets are reviewed at each reporting date to determine whether it is probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled based on enacted rates.

(j) Interest expense

Interest expense is recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments through the expected life of the financial liability to its carrying amount.

The effective interest rate is established on initial recognition of the financial liability and not revised subsequently.

(k) Accounts payable, accrued liabilities and due to related parties

Accounts payable, accrued liabilities and due to related parties are measured at amortised cost.

(l) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds. Dividends on ordinary shares are recognised as distributions within equity. Dividends to ordinary shareholders are recorded in the financial statements in the period in which they are declared.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

4. Material accounting policies (continued)

(l) Share capital (continued)

(ii) Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes direct attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within capital contribution.

(m) Redeemable preference shares

The Group's redeemable preference shares are redeemable on specific dates, and bear entitlements to distributions that are cumulative, and not at the discretion of the directors. Accordingly, they are presented as financial liabilities. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instrument. Dividends on preference shares are recognised as interest expense in the statement of profit or loss.

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost, with any difference between cost and redemption being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(o) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures*, as the "reporting entity", that is, the Group).

(A) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;
(ii) has significant influence over the Group; or
(iii) is a member of the key management personnel of the Group.

(B) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group of companies (which means that each parent, subsidiary and fellow subsidiary is related to the other).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of companies of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the Group.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

4. Material accounting policies (continued)

(o) Related parties (continued)

(B) An entity is related to the Group if any of the following conditions applies (continued):

(vi) The entity is controlled, or jointly controlled by a person identified in (A).

(vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of companies of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(p) Segment reporting

An operating segment is a component of an entity:

(i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),

(ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

(iii) for which discrete financial information is available.

The Group maintains an integrated operating structure and its operations are reviewed by management and directors as a whole and not in segments. The operations of the subsidiaries are not material for segment disclosure. Consequently, no segment disclosures are included in the financial statements.

During the period under review, the Group and Company generated interest income from two clients within the Construction and Infrastructure industries, which separately represented 10% or more of total interest earnings. The combined concentration of revenue from these two clients was $3,980,771 or 23% (2023: $3,307,920 or 26%).

5. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Cash and bank balances	2,110,460	2,464,694	2,008,813	2,406,522
Certificate of deposit	624,609	-	624,609	-
Resale agreement (i)	-	2,000,000	-	2,000,000
	2,735,069	4,464,694	2,633,422	4,406,522

(i) At the reporting date, the fair value of the underlying collateral for the resale agreement was $nil (2023: $2,301,200).

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

6. Certificate of deposit

At the reporting date, the Group held a term deposit of $15,168 (2023: $nil) with an interest rate of 4.5% p.a. and a maturity date of October 7, 2024.

7. Other receivables

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Prepaid expenses	42,329	41,585	41,172	41,585
Client receivables (i)	78,747	715,388	78,747	715,388
Other receivables	31,070	150,451	31,070	149,768
	152,146	907,424	150,989	906,741

The aging of client receivables is as follows:

	Group and Company	
	2024	2023
	$	$
1-30 days	-	58,167
31-60 days	-	10,875
61-90 days	89	327,785
91-180 days	-	207,750
181-360 days	-	12,153
Over 360 days	78,658	98,658
	78,747	715,388

(i) Client receivables include undrawn fees, commitment fees and profit share payments from preference shares due under existing client contract arrangements.

(ii) The expected credit losses on client and other receivables are immaterial.

8. Related party balances and transactions

The Group has related party relationships with its directors, shareholders and other related entities which includes the directors having significant influence or shareholders with common shareholdings in both entities.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

8. Related party balances and transactions (continued)

(a) The statement of financial position includes balances with related parties, arising in the normal course of business as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Due from related parties (i)				
Subsidiaries:				
Sygnus Credit Investments Jamaica Limited	-	-	644,573	322,005
SCI PR Holdings	-	-	8,793	7,278
Sygnus Credit Investments PR Inc	-	-	1,712,150	24,647,975
Other related party:				
SCI Puerto Rico Fund	1,643,087	1,812,232	250,000	250,000
	1,643,087	1,812,232	2,615,516	25,227,258
Due to related parties (i)				
Subsidiary:				
SCI PR Holdings Limited	-	-	-	23,089,476
Other related parties:				
SCI Puerto Rico Fund	-	303,651	-	-
Sygnus Capital Limited	743,155	802,415	743,155	802,415
	743,155	1,106,066	743,155	23,891,891
Interest receivable				
Subsidiary:				
Sygnus Credit Investments Jamaica Limited	-	-	266,383	128,209
Other related parties:				
Sygnus Deneb Investments Limited	4,251	70,750	3,925	25,972
Sygnus Real Estate Finance Limited	270,466	337,590	480	-
	274,717	408,340	270,788	154,181
Investments [note 10(iv)]				
Subsidiary:				
Sygnus Credit Investments Jamaica Limited	-	-	9,228,062	4,500,823
Sygnus Deneb Investments Limited	5,769,825	2,549,630	-	549,872
Sygnus Real Estate Finance Limited	3,431,004	2,229,164	-	-
	9,200,829	4,778,794	9,228,062	5,050,695

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

8. Related party balances and transactions (continued)

(a) The statement of financial position includes balances with related parties, arising in the normal course of business as follows (continued):

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Loans and borrowings (note 18)				
Subsidiary:				
Sygnus Credit Investments Jamaica Limited	-	-	10,142,231	17,425,775

(i) These balances due to and from related parties represent reimbursable business expenses. The balances are unsecured, interest free and repayable on demand.

Amounts due from the related parties are considered low credit risk as these parties have intention and ability to settle these balances. $Nil (2023:$nil) allowance for impairment was recognised.

(b) The statement of profit or loss and other comprehensive income includes income earned and expenses incurred with related parties, arising in the normal course of business as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Income:				
Interest income (note 21)	1,190,212	366,702	1,155,492	379,492
Interest expense (note 18 (iii))	-	10,336	1,082,473	1,124,538
Operating expenses:				
Management fees (i)	2,880,328	2,358,589	2,880,328	2,358,589
Performance fees (ii)	207,720	119,445	207,720	119,445
Corporate service fees (iii)	557,060	433,613	557,060	433,613
Professional fees	-	10,953	-	7,599

(i) The Group has engaged a related party, Sygnus Capital Limited, to provide investment management services in relation to its investment portfolio. Under the governing investment management agreement, a fee is charged at 1.90% of the assets under management as at the end of each month.

(ii) Performance fees are computed at 15% of the return on average equity above a hurdle rate of 6%, based on the average return on equity of the current and prior two years.

(iii) The Group has engaged a related party, Sygnus Capital Limited, to provide corporate services in relation to the operations of the Group. Corporate service fees are charged at 0.45%, 0.35%, 0.25% and 0.20% of the monthly assets under management within bands of up to $25,000,000, $25,000,000 to $50,000,000, $50,000,000 to $100,000,000, and over $100,000,000; respectively.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

8. Related party balances and transactions (continued)

(b) (Continued):

(iv) Transactions with key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the relevant activities of the Group, directly or indirectly. Such persons comprise the directors and executive officers employed to the Group's Investment Manager and related sub-committees.

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Directors' fees and related expenses	151,507	135,549	151,507	135,349

Key management personnel and their immediate relatives hold 2,208,615 (2023: 2,078,019) ordinary shares of the Company.

9. Lease receivables

The Group leases out certain equipment under finance leases in its capacity as a lessor. The Group has classified these leases as finance leases, because substantially all of the risk and rewards incidental to the ownership of the assets are transferred.

For interest income earned on the Group's lease receivables, see note 21.

Information about leases for which the Group acts as a lessor is presented below:

	Group and Company	
	2024	2023
	$	$
Net investment in the lease	-	274,575
Less: unearned finance income	-	(11,247)
Less: impairment allowance [note 27(b)(v)]	-	(128)
	-	263,200
The lease payments are receivable as follows:		
Within one year	-	274,575

The leases have matured and were paid out during the year. Proceeds from lease receivables during the year was $263,200 (2023: $1,337,852).

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

10. Investments

	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
Fair value through profit or loss [note 26(d)]				
Preference shares - profit participation and conversion options (i)	27,148,453	22,628,408	27,148,453	22,628,408
Equity investments:				
Private credit fund (ii)	28,791,123	24,884,276	-	-
Business impact fund (iii)	1,500,000	-	-	-
	57,439,576	47,512,684	27,148,453	22,628,408
Amortised cost				
Short-term notes (iv)	72,597,895	60,864,511	72,616,593	61,131,459
Medium-term notes (v)	59,449,042	43,902,243	59,449,042	43,902,243
	132,046,937	104,766,754	132,065,635	105,033,702
Less: impairment allowance [note 27(b)(v)]	(1,435,744)	(1,065,908)	(1,435,774)	(1,060,955)
	130,611,193	103,700,846	130,629,861	103,972,747
	188,050,769	151,213,530	157,778,314	126,601,155

The maturity profile of investments as at the reporting date is as follows:

	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
Fair value through profit or loss:				
Preference shares				
Within 3 months	3,638,657	-	3,638,657	-
From 1 year to 5 years	23,509,796	22,628,408	23,509,796	22,628,408
	27,148,453	22,628,408	27,148,453	22,628,408
Other equity investments - no fixed maturity	30,291,123	24,884,276	-	-
Amortised cost:				
Within 3 months	39,338,768	21,213,821	39,338,768	19,769,946
From 3 months to 1 year	33,259,127	39,650,690	33,277,825	41,361,513
From 1 year to 5 years	59,449,042	43,902,243	59,449,042	43,902,243
	132,046,937	104,766,754	132,065,635	105,033,702
Less: impairment allowance [note 27(b)(v)]	(1,435,744)	(1,065,908)	(1,435,774)	(1,060,955)
	130,611,193	103,700,846	130,629,861	103,972,747
	188,050,769	151,213,530	157,778,314	126,601,155

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

10. Investments (continued)

(i) This represents convertible preference shares maturing within five years. These investments were carried out with companies in the betting and gaming, fast food, financial and manufacturing industries.

The terms and conditions of each preference share are as follows:

(a) The Group has an equity conversion option to convert all or part of the shares into common equity in the event of an Initial Public Offering or sale by the Issuer.

(b) The Group is entitled to receive a percentage of reported net/gross profits of the Issuers.

(c) The Issuers have a redemption option whereby the preference shares can be redeemed prior to the maturity date by paying a premium to the Group.

(ii) On February 28, 2022, the Group acquired a 93.66% membership interest in SCIPRF, a private credit fund through its subsidiary Sygnus Credit Investments PR Inc. The Group has since increased its holdings to 95.58%. It has been determined that the Group does not control the activities of the Fund.

The Group has accounted for this equity investment applying a market valuation approach, detailed under Note 26(c).

(iii) This represents a Class B membership interest in Sygnus Credit Investments Puerto Rico (Impact) Fund ("SPRIF"), a business impact fund based in Puerto Rico. This impact fund targets local opportunities in Puerto Rico that have a positive societal and environmental impact that is aligned with the United Nations sustainable development goals.

The Group executed this subscription agreement on June 28, 2024 and considers the carrying value to be representative of the fair market value as at the reporting date.

(iv) This represents short-term notes maturing within one year from the reporting date. Included in this balance for the Group are short-term notes with related parties for $9,200,829 (2023: $4,778,794) and for the Company $9,228,062 (2023: $5,050,695) net of impairment allowances.

(v) This represents medium-term notes maturing within two to five years. These notes can be repaid on or before the contracted periods.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

11. Deferred tax asset

The amount comprising the deferred income tax account and the movements therein is as follows:

	Group 2024		
	Balance at July 1, 2023	Recognised in profit or loss [Note 24(a)]	Balance at June 30, 2024
	$	$	$
Expected credit losses	3,650	(3,650)	-
Private capital special deduction	-	1,180,000	1,180,000
Net operating losses	-	15,043	15,043
	3,650	1,191,393	1,195,043

	Company 2024		
	Balance at July 1, 2023	Recognised in profit or loss [Note 24(a)]	Balance at June 30, 2024
	$	$	$
Expected credit losses	3,650	(3,650)	-

	Group and Company 2023		
	Balance at July 1, 2022	Recognised in profit or loss [Note 24(a)]	Balance at June 30, 2023
	$	$	$
Expected credit losses	1,146	2,504	3,650

12. Investments in subsidiaries

Investments in subsidiaries represent shares at cost (see note 1). The Company does not have significant restrictions on the ability to access or use assets and settle its liabilities

	Company	
	2024	2023
	$	$
Shares at cost:		
SCI PR Holdings Limited	27,589,476	23,089,476
Sygnus Credit Investments Jamaica Limited	76	76
	27,589,552	23,089,552

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

13. Accounts payable and accrued liabilities

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Accounts payable(i)	5,271,610	228,522	5,271,610	228,522
Audit fees	134,795	120,600	99,795	85,600
Directors' fees and related expenses	20,988	20,988	20,988	20,988
Security deposits (ii)	732,495	1,517,131	732,495	1,517,131
Advanced payment by client	52,180	-	52,180	-
Other payables and accrued expenses	157,315	82,621	92,034	82,471
	6,369,383	1,969,862	6,269,102	1,934,712

(i) Included in accounts payable is an amount for $4,983,162 which represents settlement obligations in respect of preference share instruments maturing on June 30, 2024.

(ii) These balances were withheld by the Company as part of investment transactions in the event of a default in payments.

14. Dividends

	Group and Company	
	2024	2023
	$	$
Final dividend in respect of 2023 @ 0.0026 $ per share	1,547,388	-
Interim dividend in respect of 2024 @ 0.0027 $ per share	1,600,341	-
Final dividend in respect of 2022 @ 0.0026 $ per share	-	1,548,356
Final dividend in respect of 2023 @ 0.0017 $ per share	-	998,748
	3,147,729	2,547,104

As at the reporting date, dividends of $236,365 (2023: $484,214) was unpaid.

15. Interest payable

	Group and Company	
	2024	2023
	$	$
Revolving line of credit (note 18)	96,222	40,290
Notes payable (note 16)	402,173	375,451
Preference shares (note 17)	474,799	-
	973,194	415,741

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

16. Notes payable

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Senior unsecured J$ notes (i)	8,977,928	9,732,372	8,977,928	9,732,372
Senior unsecured US$ notes (ii)	20,609,920	32,765,960	10,067,157	14,912,853
Unsecured US$ indexed notes (iii)	27,967,728	31,167,366	27,967,728	31,167,366
Secured US$ indexed note (iv)	3,400,000	3,400,000	3,400,000	3,400,000
	60,955,576	77,065,698	50,412,813	59,212,591
Due within 12 months	38,807,790	63,173,982	28,265,027	45,320,875
Over 12 months	22,147,786	13,891,716	22,147,786	13,891,716
	60,955,576	77,065,698	50,412,813	59,212,591

(i) This represents fixed rate unsecured notes with interest rates ranging between 10.25% and 11.50% per annum, payable on a quarterly basis. These notes mature between July 31, 2025 and January 6, 2026.

(ii) This represents fixed rate unsecured notes with interest rates ranging between 5.25% and 8.50% per annum, payable on a quarterly basis. The notes mature between July 15, 2024 and October 28, 2026.

(iii) This represents fixed rate unsecured notes with interest rates ranging between 6.00% and 8.50% per annum, payable on a quarterly basis. The notes mature between December 19, 2024 and October 28, 2026.

(iv) This represents a fixed rate secured note bearing an interest rate of 8.00% per annum payable at maturity. The note matures on November 22, 2024 and is secured by a deed of assignment over the receivables of a client in the manufacturing industry amounting to $3,400,000 (2023: $3,400,000).

17. Preference shares

	Group and Company	
	2024	2023
	$	$
8.5% Cumulative convertible preference shares (JMD)	-	2,090,491
6.0% Cumulative convertible preference shares (USD)	-	2,834,566
10.5% Cumulative redeemable preference shares (JMD)	10,019,016	-
8.0% Cumulative redeemable preference shares (USD)	16,377,028	-
8.5% Cumulative redeemable preference shares (USD)	22,598,433	-
(note 19)	48,994,477	4,925,057
Due within 12 months	-	4,925,057
Over 12 months	48,994,477	-
	48,994,477	4,925,057

The above issued preference shares are stated net of transaction costs.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

17. Preference shares (continued)

During the financial year, the Company executed a subscription for the issue of fixed rate JMD and USD indexed cumulative redeemable preference shares at a price of J$100 and US$10 respectively. The shares are redeemable within 2 to 3 years of the date of issue.

The significant terms and conditions of the preference shares are as follows:

(i) The right to a cumulative dividend payable quarterly at the rate agreed for each class;

(ii) The right, on winding up, to receive all dividends and repayment of capital in priority to the ordinary shareholders;

(iii) The option to convert the preference shares and any accumulated dividend into common ordinary shares in the event of a public offering; and

(iv) The right to a bonus dividend payment at redemption at the rate agreed for each class.

18. Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Revolving lines of credit (i)	3,315,811	3,192,745	3,315,811	3,192,745
Revolving lines of credit (ii)	4,746,835	4,766,000	4,746,835	4,766,000
Loans from related parties [(iii), note 8(a)]	-	-	10,142,231	17,425,775
	8,062,646	7,958,745	18,204,877	25,384,520
Less: transaction costs				
Incurred during the year	(55,631)	(67,160)	(55,631)	(67,160)
Amortised for the year	55,631	67,160	55,631	67,160
	8,062,646	7,958,745	18,204,877	25,384,520

(i) This represents an unsecured dual-currency facility of US$790,000 and up to J$575,000,000 (or US$ equivalent). Interest is payable quarterly at 6.75% (JMD rate of 10.00%). The facility matures on December 31, 2024.

(ii) This represents an unsecured dual-currency facility of up to J$750,000,000 or US$ equivalent. Interest is payable quarterly at 8.75% (JMD rate of 12.25%). The facility matures on August 20, 2025.

(iii) This represents an unsecured loan in the Company from its subsidiary at an interest rate of 8.50%. The loan matures on January 6, 2025.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

19. Share capital

Authorised capital:

(i) Unlimited ordinary shares, no par value
(ii) 23,000,000 (2023: 23,000,000) Fixed rate cumulative convertible preference shares
(iii) 20,000,000 (2023: nil) Fixed rate cumulative redeemable preference shares
(iv) One (1) special rights redeemable share of US$1

	2024 $	2023 $
Issued and fully paid:		
580,564,096 (2023: 588,360,664) ordinary stock units and one (1) special rights redeemable share	60,883,532	60,883,532
Nil (2023: 3,260,210) 8.5% cumulative convertible preference shares	-	2,090,491
Nil (2023: 288,783) 6.0% cumulative convertible preference shares	-	2,834,566
16,000,000 (2023: nil) 10.5% cumulative convertible preference shares	10,019,016	-
1,678,080 (2023: nil) 8.0% cumulative convertible preference shares	16,377,028	-
2,321,920 (2023: nil) 8.5% cumulative convertible preference shares	22,598,433	-
	109,878,009	65,808,589
Less: preference shares classified as liability (note 17)	(48,994,477)	(4,925,057)
	60,883,532	60,883,532

At the reporting date, one (1) special right redeemable share and 6,581,100 ordinary stock units were held by Sygnus Capital Group Limited, a related entity. The special share can be issued only to a member of the Group's and Company's affiliates. At the annual general meeting, and meetings of the holders of any class of shareholders of the Company, the holder of the special share carries 101% of the aggregate votes, vested in all ordinary shares issued by the Company. Dividend may be paid on the special share, as agreed between the Company and the holder of the special share in the Investment Management Agreement.

The remaining ordinary stock units are held by public and private investors.

The holders of ordinary stock units are entitled to dividends as declared from time to time and are entitled to one vote per stock at general meetings of the Company. The Company has two classes of shares, namely the JMD and USD share classes and combined they have rights to the residual assets of the entity.

The rights and entitlements of the holders of the preference shares that are classified as liabilities are detailed at note 17.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

20. Treasury shares

Treasury shares represent the cost of the Company's shares repurchased and held by the Company. At the reporting date, the Company held 10,411,367 of its own shares (2023: 2,614,799). The right to vote and dividend entitlements are suspended for these shares.

21. Net interest income

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Interest income, calculated using the effective interest method				
Cash and cash equivalents	2,696	2,994	2,696	2,994
Certificates of deposit	12,509	-	12,509	-
Resale agreements	254,069	74,758	254,069	74,758
Lease receivables	6,720	76,979	6,720	76,979
Notes with related entities	1,190,212	366,702	1,155,492	379,492
Investments	15,870,972	12,101,971	15,870,972	12,101,971
	17,337,178	12,623,404	17,302,458	12,636,194
Other interest income (i)	1,425,138	1,461,927	1,425,138	1,461,927
Interest expense, calculated using the effective interest method				
Notes payable	5,353,855	4,240,292	4,295,947	3,115,239
Preference shares	2,959,562	330,725	2,959,562	330,725
Loans and borrowings	500,044	373,528	500,044	373,528
Loans with related parties	-	10,336	1,082,473	1,124,538
Finance costs	1,473,455	995,114	1,199,725	668,502
	10,286,916	5,949,995	10,037,751	5,612,532
Net interest income	8,475,400	8,135,336	8,689,845	8,485,589

(i) Other interest income represents accrued dividends on cumulative preference shares which are carried at fair value through profit or loss.

22. Participation fees and other income

Participation fees and other income includes participation fees and undrawn fees on Notes issued to clients.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

23. Other expenses

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Advertising	74,822	28,348	74,822	28,348
Audit fees and expenses	173,116	132,799	119,205	97,799
Bank charges	28,261	23,479	24,870	20,226
Directors' fees and related expenses	151,507	135,549	151,507	135,549
Insurance	32,172	32,685	32,172	32,685
Irrecoverable tax	301,181	142,969	230,682	142,328
Listing fees	34,895	63,488	34,895	63,488
Professional fees	141,476	215,793	136,683	205,847
Registration fees	176,877	85,944	154,587	81,538
Software subscription	43,053	25,017	43,053	25,017
Other	13,080	5,971	12,087	5,874
	1,170,440	892,042	1,014,563	838,699

24. Taxation

(a) Depending on the jurisdiction and nature of business, income tax for the Group is computed at 25%, 30% and 37.5% of profit before tax for the year, adjusted for tax purposes and is made up as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
(i) Income tax:				
Current tax charge	532,442	138,707	134,696	138,707
Prior year under provision	26,387	-	26,387	-
	558,829	138,707	161,083	138,707
(ii) Deferred tax:				
Origination and reversal of temporary differences (note11)	(1,191,393)	(2,504)	3,650	(2,504)
	(632,564)	136,203	164,733	136,203

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

24. Taxation (continued)

(b) Reconciliation of applicable tax charge to effective tax charge

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Profit before taxation	5,392,509	5,270,841	4,453,678	5,226,537
Tax computed at 30%	1,335,648	1,566,843	1,336,103	1,567,961
Tax computed at 37.50%	467,373	155,160	-	-
Tax computed at 25%	(78,637)	(91,432)	-	-
	1,724,384	1,630,571	1,336,103	1,567,961
Adjusted for the effects of:				
CARICOM Income not subject to tax	(5,820,490)	(4,179,718)	(5,260,901)	(3,872,313)
Net foreign exchange	(9,217)	(47,629)	(9,217)	(47,629)
Fair value gains from investments in CARICOM member states	(134,430)	(241,780)	(134,430)	(241,780)
Private capital special deduction (i)	(1,180,000)	-	-	-
Prior year under provision	26,387	-	26,387	-
Expenses not deductible for tax (ii)	4,760,802	2,974,759	4,206,791	2,729,964
Actual tax (credit)/charge	(632,564)	136,203	164,733	136,203
Effective tax rate	(11.73%)	2.58%	3.11%	2.61%

(i) SCIPRI, is entitled to take a deduction of up to a maximum of 60% of its private equity investment as such basis is determined under the Puerto Rico internal revenue code. This deduction is available for use over fifteen years. In assessing the recognition of the deferred tax asset, Management considered whether it is more likely than not, that some portion or all of the deferred tax asset will not be realised.

Based on the successful completion of restructuring activities in Puerto Rico which took effect July 1, 2023 for tax purposes, the available deduction was assessed and an amount of $1,180,000 was considered realisable as at June 30, 2024.

The amount considered recoverable could change if estimates of future projected taxable income are revised. The majority of the amount of the deferred tax will be utilised over future periods greater than one year.

(ii) These non-deductible expenses were incurred in earning the CARICOM income not subject to tax.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

25. Earnings per stock unit

(i) Basic earnings per stock unit is computed by dividing the profit attributable to stockholders of the Group by the weighted average number of ordinary stock units in issue during the year.

	2024	2023
Net profit attributable to stockholders of the Group ($)	6,025,073	5,134,638
Weighted average number of ordinary stock units in issue (#)	587,539,545	588,360,664
Basic earnings per stock unit (¢)	1.03	0.87

(ii) Diluted earnings per stock unit reflects the impact of convertible preference shares held in the previous year.

	2024	2023
Net profit attributable to stockholders of the Group ($)	6,025,073	5,134,638
Weighted average number of ordinary stock units in issue (#)	587,539,545	588,360,664
Convertible preference shares (#)	-	41,037,487
	587,539,545	629,398,151
Diluted earnings per stock unit (¢)	1.03	0.82

26. Fair value of financial instruments

(a) Definition and measurement of fair values

The definition of fair value is described in note 4(d).

Fair values are categorised into three different levels in a fair value hierarchy, based on the extent to which the inputs used in the valuation techniques are observable. The different levels in the hierarchy have been defined as follows:

Level 1: fair value measured based on quoted market prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: fair value measured for assets and liabilities based on all significant inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: fair value measured for assets and liabilities based on inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not based on observable data and these inputs have a significant effect on the instrument valuation.

The Group's financial assets are classified at level 2 and level 3 in the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred. There were no transfers between levels during the reporting period.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

26. Fair value of financial instruments (continued)

(b) Valuation techniques for financial instruments classified at level 2

(i) The fair value of cash and cash equivalents, certificates of deposit, other receivables, lease receivables, accounts payable and accrued liabilities and due to related parties are considered to approximate their carrying amount because of the short-term maturity of these instruments.

(ii) The fair value of variable rate investment notes are considered to approximate their carrying amounts as the rates readjust in line with market rates.

(iii) The fair value of fixed rate short-term and medium-term investment notes are estimated by using discounted cash flow techniques. Changes in the credit quality of the investment notes are not taken into account in determining gross fair values as the impact of credit risk is recognised separately by deducting the allowance for credit losses.

(c) Valuation techniques for financial instruments classified at level 3.

Instrument	Valuation techniques	Significant unobservable inputs	Range of estimates for unobservable inputs	Sensitivity between key unobservable inputs and fair value measurement
Preference shares	Discounted cash flow method	• Adjusted profit of the issuer(s) based on probability of achievement • Risk-adjusted discount rates	• Probability of achievement of 30% • Fixed income discount rate of 10.78% to 11.77% and equity discount rate of 19.61% to 40.45%	The estimated fair value would increase/(decrease) if: • Adjusted profit was higher/(lower) • The cost of debt was (higher)/lower • Interest rates changed
Equity interest in private credit fund	Market approach, specifically the guideline public company method, using an average of market price/ book value multiples	• Market comparable price/book value multiples • Adjustments to the average market multiple for: (i) control premium and (ii) discount for lack of size and marketability	• Control premium of 10.4% • Discount for lack of marketability and size of 12.0%	The estimated fair value would increase/ (decrease) if: • The book value of the investment in private credit fund was higher/(lower) • Comparable market price/book value multiple was higher/(lower) • Control premium was higher/(lower) • Discount for lack of marketability and size was lower/ (higher)

The equity interest in the Business Impact Fund was valued based on the last transaction price. See note 10 (iii).

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

26. Fair value of financial instruments (continued)

(d) The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy.

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
At beginning of the year	47,512,684	50,015,435	22,628,408	25,856,260
Acquisitions	8,172,473	2,352,750	3,672,473	2,000,000
Interest capitalised and other adjustments	1,726	-	399,472	-
Maturities during the year	-	(5,955,680)	-	(5,955,680)
Gains/(losses):				
Fair value gains	1,752,693	1,178,284	448,100	805,933
Foreign exchange	-	(78,105)	-	(78,105)
At end of the year	57,439,576	47,512,684	27,148,453	22,628,408

(e) Accounting classifications and fair values

	Group					
	2024					
	Carrying value			Fair value		
	Amortised cost	FVTPL	Total	Level 2	Level 3	Total
	$	$	$	$	$	$
Financial assets measured at fair value						
Preference shares	-	27,148,453	27,148,453	-	27,148,453	27,148,453
Interest in private credit fund	-	28,791,123	28,791,123	-	28,791,123	28,791,123
Interest in business impact fund	-	1,500,000	1,500,000	-	1,500,000	1,500,000
	-	57,439,576	57,439,576	-	57,439,576	57,439,576
Financial assets not measured at fair value						
Cash and cash equivalents	2,735,069	-	2,735,069	2,735,069	-	2,735,069
Certificate of deposit	15,168	-	15,168	15,168	-	15,168
Interest receivable	4,746,067	-	4,746,067	4,746,067	-	4,746,067
Other receivables	152,146	-	152,146	152,146	-	152,146
Due from related parties	1,643,087	-	1,643,087	1,643,087	-	1,643,087
Short term investment notes	72,597,895	-	72,597,895	73,194,089	-	73,194,089
Medium term investment notes	59,449,042	-	59,449,042	61,347,544	-	61,347,544
	141,338,474	-	141,338,474	143,833,170	-	143,833,170

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

26. Fair value of financial instruments (continued)

(e) Accounting classifications and fair values (continued)

	Company					
	2024					
	Carrying value			Fair value		
	Amortised cost	FVTPL	Total	Level 2	Level 3	Total
	$	$	$	$	$	$
Financial assets measured at fair value						
Preference shares	-	27,148,453	27,148,453	-	27,148,453	27,148,453
Financial assets not measured at fair value						
Cash and cash equivalents	2,633,422	-	2,633,422	2,633,422	-	2,633,422
Certificate of deposit	15,168	-	15,168	15,168	-	15,168
Interest receivable	4,742,438	-	4,742,438	4,742,438	-	4,742,438
Other receivables	150,989	-	150,989	150,989	-	150,989
Due from related parties	2,615,516	-	2,615,516	2,615,516	-	2,615,516
Short term investment notes	72,616,593	-	72,616,593	73,207,755	-	73,207,755
Medium term investment notes	59,449,042	-	59,449,042	61,347,544	-	61,347,544
	142,223,168	-	142,223,168	144,712,832	-	144,712,832

	Group					
	2023					
	Carrying value			Fair value		
	Amortised cost	FVTPL	Total	Level 2	Level 3	Total
	$	$	$	$	$	$
Financial assets measured at fair value						
Preference shares	-	22,628,408	22,628,408	-	22,628,408	22,628,408
Interest in private credit fund	-	24,884,276	24,884,276	-	24,884,276	24,884,276
	-	47,512,684	47,512,684	-	47,512,684	47,512,684
Financial assets not measured at fair value						
Cash and cash equivalents	4,464,694	-	4,464,694	4,464,694	-	4,464,694
Interest receivable	5,199,704	-	5,199,704	5,199,704	-	5,199,704
Other receivables	907,424	-	907,424	907,424	-	907,424
Due from related parties	1,812,232	-	1,812,232	1,812,232	-	1,812,232
Lease receivables	263,200	-	263,200	263,200	-	263,200
Short term investment notes	60,864,511	-	60,864,511	65,253,400	-	65,253,400
Medium term investment notes	43,902,243	-	43,902,243	42,321,571	-	42,321,571
	117,414,008	-	117,414,008	120,222,225	-	120,222,225

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

26. Fair value of financial instruments (continued)

(e) Accounting classifications and fair values (continued)

	Company					
	2023					
	Carrying value			Fair value		
	Amortised cost	FVTPL	Total	Level 2	Level 3	Total
	$	$	$	$	$	$
Financial assets measured at fair value						
Preference shares	-	22,628,408	22,628,408	-	22,628,408	22,628,408
Financial assets not measured at fair value						
Cash and cash equivalents	4,406,522	-	4,406,522	4,406,522	-	4,406,522
Interest receivable	4,945,545	-	4,945,545	4,945,545	-	4,945,545
Other receivables	906,741	-	906,741	906,741	-	906,741
Due from related parties	25,227,258	-	25,227,258	25,227,258	-	25,227,258
Lease receivables	263,200	-	263,200	263,200		263,200
Short term investment notes	61,131,459	-	61,131,459	64,985,431	-	64,985,431
Medium term investment notes	43,902,243	-	43,902,243	42,321,571	-	42,321,571
	140,782,968	-	140,782,968	143,056,268	-	143,056,268

27. Financial risk management

The Group has exposure to the following financial risks from its operations and the use of financial instruments:

(a) **Overview**

The Group has developed and implemented a risk management policy that involves the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Group's risk management policies are established to identify and analyse the risks faced by the Group in order to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The risk management policy of the Group also adopts best practice measures to address perceived or real conflicts of interest that may arise in the operations and management of the business.
The Board of Directors is ultimately responsible for the risk management policies of the Group. The Board's risk management mandate is carried out through the following committees:

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(a) Overview (continued)

(i) Audit and Governance Committee

The primary purpose of this Committee is to assist the Board in fulfilling its oversight responsibilities. In performing its duties, the Committee maintains effective working relationships with the Board, the Enterprise Risk Committee and the Group's external auditors.

The Committee plays a key role in corporate governance and internal controls. The Committee is also responsible for assisting the Board of Directors in its compliance with regulatory requirements.

(ii) Investment and Risk Management Committee

The Group has delegated the management of credit risk to the Investment and Risk Management Committee ("IRMC"), a sub-committee of the Board of the Investment Manager, Sygnus Capital Limited. The committee is responsible for the overall risk management function of the Group and is responsible for all credit and investment decisions relating to the Group's investment portfolio.

This committee consists of a minimum of three members, two of whom are independent of the Company, including the Chairman, appointed by the Investment Manager's Board of Directors.

The Committee reviews and approves all investment recommendations and also determines the level conditions that will be attached to each investment.

(iii) Enterprise Risk Committee

In addition to the IRMC, the Group has also established an Enterprise Risk Committee, a sub-committee of the Board.

This Committee assists the Board in providing leadership, direction, and oversight pertaining to the Company's risk governance and framework, including the Company's risk appetite statement and risk limits and tolerances ("Risk Appetite Statement"). The Committee also assists the Board to foster a culture within the Company that demonstrates the benefits of a risk-based approach to risk management and internal controls. The Committee works closely with the Audit and Governance Committee.

(iv) Investment Advisory Committee

The Investment Manager, through an Investment Advisory Committee (the "IAC"), is responsible for analysing and recommending all investment and credit proposals to the Investment and Risk Management Committee.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(a) Overview (continued)

(iv) Investment Advisory Committee (continued)

The Group's risk management policies are established to identify and analyse the risks faced by the Group's in order to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(b) Credit risk

Credit risk is the risk of a financial loss arising from a counterparty to a financial contract failing to discharge its obligations. The Group manages this risk by establishing policies for granting credit and entering into financial contracts. The Group's credit risk is concentrated, primarily, in securities purchased under resale agreements, lease receivables and investments.

Exposure to credit risk:

The maximum credit exposure, the total amount of loss the Group would suffer if every counter-party to the Group's financial assets were to default at once, is represented by the carrying amount of financial assets shown on the statement of financial position.

Cash and cash equivalents are held with financial institutions and collateral is not required for such accounts, as management regards the institutions as strong. The strength of these financial institutions is continually reviewed by the IRMC and the Enterprise Risk Committee.

The Group manages credit risk related to other receivables by limiting exposure to specific counterparties and by monitoring settlements.

Lease receivables and investments expose the Group and the Company to credit losses as there is a risk that the counterparty will fail to fulfill its contractual obligations. Exposure to credit risk is managed in part by obtaining collateral and corporate and personal guarantees for approximately 9% & 10% (2023: 8% & 10%), of its investment portfolio for the Group and Company, respectively. The Group and Company also manages this risk by contracting only with counterparties that management considers to be financially sound.

The estimation of expected credit losses 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 the associated loss ratios, and default correlations between counterparties. The Company measures credit risk using probability of default (PD), exposure at default (EAD) and loss given default (LGD).

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Exposure to credit risk (continued):

The following table summarises credit risk exposure for investments and lease receivable at their carrying amounts as categorised by industry sectors. No resale agreements were held at the reporting date. These facilities are well diversified across industry sectors, and are extended to customers within Jamaica, other Caribbean territories, United States of America and Central America:

	Group	
	Investments 2024 $	Investments and Lease Receivable 2023 $
Construction	29,204,050	19,938,695
Distribution	1,945,464	2,570,570
Energy	20,930,500	8,780,500
Fast food	2,832,145	15,526,247
Financial	27,051,616	20,183,875
Hospitality	7,553,728	8,665,615
Infrastructure	17,201,460	13,125,964
Janitorial	316,937	619,242
Manufacturing	7,500,000	11,388,757
Mining and quarrying	1,261,729	1,275,275
Telecommunications	14,247,203	738,500
Transport	2,002,105	2,216,842
	132,046,937	105,030,082
Less: Impairment allowance [note 27(b)(vii)]	(1,435,744)	(1,066,036)
	130,611,193	103,964,046

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) **Credit risk (continued)**

Exposure to credit risk (continued):

The following table summarises credit risk exposure for investments and lease receivable at their carrying amounts as categorised by industry sectors. No resale agreements were held at the reporting date. These facilities are well diversified across industry sectors, and are extended to customers within Jamaica, other Caribbean territories, United States of America and Central America (continued):

	Company	
	Investments 2024 $	Investments and Lease Receivable 2023 $
Construction	29,204,050	19,938,695
Distribution	1,945,464	2,570,570
Energy	20,930,500	8,780,500
Fast food	2,832,145	15,526,247
Financial	27,070,314	20,450,822
Hospitality	7,553,728	8,665,615
Infrastructure	17,201,460	13,125,965
Janitorial	316,937	619,242
Manufacturing	7,500,000	11,388,757
Mining and quarrying	1,261,729	1,275,275
Telecommunications	14,247,203	738,500
Transport	2,002,105	2,216,842
	132,065,635	105,297,030
Less: Impairment allowance [note 27(b)(vii)]	(1,435,774)	(1,061,083)
	130,629,861	104,235,947

27. Financial risk management (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.

(i) *Significant increase in credit risk (SICR)*

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
Initial recognition	**Significant increase in credit risk since initial recognition**	**Credit-impaired assets**
12-month expected credit losses	Lifetime expected credit Losses	Lifetime expected credit Losses

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and third-party policies including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime PD as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Group uses the following criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on movement in PD;
- qualitative indicators;
- backstop of 30 days past due; and
- a movement of two notches from the credit risk rating at 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.

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

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(i) *Significant increase in credit risk (SICR) (continued)*

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.

(ii) *Definition of default*

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g. the counterparty is more than 90 days past due on its contractual payments; and
- quantitative: e.g. the counterparty meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

(iii) *Incorporation of forward-looking information (FLI)*

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument.

The Group uses a forward-looking score card model to estimate the potential effect of future economic conditions.

External information considered includes economic data and forecasts published by governmental bodies and monetary authorities across Caribbean territories, supranational organisations and selected private-sector forecasters.

The Group concluded that three scenarios (Central, Upside and Downside) appropriately captured non-linearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of [see note 27b(viii)].

(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(iii) *Incorporation of forward-looking information (FLI) (continued)*

For the economic scenarios used as at June 30, 2024 and 2023, the following key indicators represent scores used to adjust the forward-looking information for the years 2023 to 2024. The scores are derived by assigning a weight and multiplier for each macroeconomic variable. The weight reflects the significance of the impact that an indicator has on the portfolio performance. A multiplier which reflects the ECL impact on the portfolio is then applied to the weight assigned to the variable to determine score. The scores are then tallied to derive the FLI which is then applied to the exposure to determine the ECL.

	2024	2023
Interest rates		
Average Probability Weighted	0.6	0.6
Central	0.5	0.5
Upside	0.4	0.4
Downside	0.6	0.6
GDP growth		
Average Probability Weighted	0.3	0.3
Central	0.3	0.3
Upside	0.2	0.2
Downside	0.4	0.4
Inflation rates		
Average Probability Weighted	0.2	0.2
Central	0.2	0.2
Upside	0.2	0.2
Downside	0.3	0.3

Each scenario considers the expected impact of inflation rates, interest rates and gross domestic product (GDP).

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors.

(iv) *Credit risk grading*

The Group and Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(iv) *Credit risk grading (continued)*

The Group assesses the probability of default using internal ratings. These are segmented into rating classes. The Group's rating scale is shown below.

Rating	Description	Definition	Category	Average PD %
1	Very strong	Portfolio company is performing materially above expectations with least amount of risk to initial cost basis since origination or acquisition.	Standard Monitoring (Stage 1)	0.01-0.02
2	Strong	Portfolio company is performing above expectations and risk to recouping initial cost cost basis of investment is better than at the time of origination or acquisition.		0.05
3	Medium Strong	Portfolio company is performing in line with expectations and risk to recouping initial cost cost basis of investment is similar to risk at the time of origination or acquisition.		0.16
4	Average	Portfolio company has declining performance and there is some risk to recouping initial cost basis of investment since origination or acquisition.		0.86
5	Weak	Portfolio company has declining performance and risk to recouping initial cost basis of investment has increased since acquisition or origination.	Early Warning (Stage 2)	2.96
6	Below standard	Portfolio company has material declining performance and there is material risk to recouping initial cost basis of investment since origination or acquisition.	Enhanced Monitoring (Stage 2)	6.47 - 29.51
7	Restructured or Default	Portfolio company has material declining performance and initial cost basis of investment is not expected to be recouped upon exit.	Restructured or Default (Stage 3)	29.51 – 100

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposure to credit risk is managed in part by obtaining collateral and corporate and personal guarantees. Counterparty limits are established by the use of a credit classification system, which assigns each counterparty a risk rating.

Risk ratings are subject to regular revision, which may result in an exposure being moved to a different credit risk grade. The credit quality review process allows the Group to assess the potential loss as a result of the risk to which it is exposed and to take corrective action.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(v) *Credit quality analysis*

The following table contains information about the credit quality of financial assets measured at amortised cost and represents their carrying amounts at the reporting date.

Investments at amortised cost

	Group 2024			
	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Credit grade:				
Standard monitoring	128,440,538	-	-	128,440,538
Early warning	-	1,344,670	-	1,344,670
Restructured/default	-	-	2,261,729	2,261,729
	128,440,538	1,344,670	2,261,729	132,046,937
Impairment allowance investments (note 10)	(623,668)	(15,166)	(796,910)	(1,435,744)
	127,816,870	1,329,504	1,464,819	130,611,193

	Company 2024			
	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Credit grade:				
Standard monitoring	128,459,236	-	-	128,459,236
Early warning	-	1,344,670	-	1,344,670
Restructured/default	-	-	2,261,729	2,261,729
	128,459,236	1,344,670	2,261,729	132,065,635
Impairment allowance investments (note 10)	(623,698)	(15,166)	(796,910)	(1,435,774)
	127,835,538	1,329,504	1,464,819	130,629,861

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) **Credit risk (continued)**

Expected credit loss measurement (continued):

(v) *Credit quality analysis (continued)*

Investments at amortised cost (continued)

	Group			
	2023			
	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Credit grade:				
Standard monitoring	97,258,052	-	-	97,258,052
Early warning	-	5,233,427	-	5,233,427
Restructured/default	-	-	2,275,275	2,275,275
	97,258,052	5,233,427	2,275,275	104,766,754
Impairment allowance investments (note 10)	(488,516)	(37,574)	(539,818)	(1,065,908)
	96,769,536	5,195,853	1,735,457	103,700,846

	Company			
	2023			
	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Credit grade:				
Standard monitoring	97,525,000	-	-	97,525,000
Early warning	-	5,233,427	-	5,233,427
Restructured/default	-	-	2,275,275	2,275,275
	97,525,000	5,233,427	2,275,275	105,033,702
Impairment allowance investments (note 10)	(483,563)	(37,574)	(539,818)	(1,060,955)
	97,041,437	5,195,853	1,735,457	103,972,747

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(v) Credit quality analysis (continued)

Lease receivables at amortised cost

	Group and Company	
	2024	2023
	Stage 1	Stage 1
	$	$
Credit grade:		
Standard monitoring	-	263,328
Impairment allowance (note 9)	(-)	(128)
	-	263,200

(vi) Collateral and other credit enhancements held against financial assets

The Group holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Principal type of collateral held	Percentage of exposure that is subject to collateral	
	2024	2023
	%	%
Investments:		
Real Estate	100	100
Contracts	-	100
Cash	-	68
Inventory	100	100
Equipment	50	57
Securities	100	-
Lease receivables:		
Computer and other telephone equipment	-	77

The table below sets out the carrying amount and the fair value of the identifiable collateral held against investments with Corporations measured at amortised cost. For each investment, the value of disclosed collateral is capped at the nominal amount of the investment that it is held against. All other investments are unsecured.

	Group and Company			
	2024		2023	
	Carrying amount	Collateral	Carrying amount	Collateral
	$	$	$	$
Stage 1 and 2	11,739,134	10,658,245	9,535,100	8,320,346
Stage 3	2,261,757	1,582,004	2,275,334	1,761,415
	14,000,891	12,240,249	11,810,434	10,081,761

(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(vii) Impairment allowance

The following tables show a reconciliation of the opening to the closing impairment allowance.

Investments at amortised cost

	Group 2024			
	Stage 1 12-Month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Balance at July 1, 2023	488,516	37,574	539,818	1,065,908
Financial assets derecognised during the year	(16,368)	(35,311)	-	(51,679)
New financial assets originated during the year	101,457	-	-	101,457
Net remeasurement of loss allowance	50,063	12,903	257,092	320,058
Balance at June 30, 2024	623,668	15,166	796,910	1,435,744

	Company 2024			
	Stage 1 12-Month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Balance at July 1, 2023	483,563	37,574	539,818	1,060,955
Financial assets derecognised during the year	(16,368)	(35,311)	-	(51,679)
New financial assets originated during the year	101,457	-	-	101,457
Net remeasurement of impairment allowance	55,046	12,903	257,092	325,041
Balance at June 30, 2024	623,698	15,166	796,910	1,435,774

There were no originations of stage 3 investment during the financial year.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(vii) Impairment allowance (continued)

	Group			
	2023			
	Stage 1 12-Month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Balance at July 1, 2022	218,687	-	3,356,500	3,575,187
Transfer from stage 1 to stage 2	(30)	30	-	-
Financial assets derecognised during the year	(1,240)	-	-	(1,240)
Write-offs during the year	-	-	(3,356,500)	(3,356,500)
New financial assets originated during the year	62,049	-	-	62,049
Net remeasurement of impairment allowance	209,050	37,544	539,818	786,412
Balance at June 30, 2023	488,516	37,574	539,818	1,065,908

The stage 3 ECL at the beginning of the period was related solely to a facility granted to the owner of a hotel in the Cayman Islands. The investment value of $3,356,500 was moved from Stage 2 to Stage 3 in November 2021 and was written off in the 2023 financial year.

	Company			
	2023			
	Stage 1 12-Month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Balance at July 1, 2022	218,687	-	3,356,500	3,575,187
Transfer from stage 1 to stage 2	(30)	30	-	-
Amounts derecognised during the year	(1,240)	-	-	(1,240)
Write-offs during the year	-	-	(3,356,500)	(3,356,500)
New amounts recognised during the year	57,096	-	-	57,096
Net remeasurement of impairment allowance	209,050	37,544	539,818	786,412
Balance at June 30, 2023	483,563	37,574	539,818	1,060,955

(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(vii) Impairment allowance (continued)

Lease receivables at amortised cost

	Group and Company	
	2024 Stage 1 12 month ECL $	2023 Stage 1 12 month ECL $
Balance at July 1	128	2,429
Net remeasurement of impairment allowance	(128)	(2,301)
Balance at June 30	-	128

	Group	
	2024 $	2023 $
Total impairment allowance as at June 30	1,435,744	1,066,036

	Company	
	2024 $	2023 $
Total impairment allowance as at June 30	1,435,774	1,061,083

Total impairment loss recognised during the current year by the Group and the Company amounted to $369,708 (2023: $844,920) and $374,691 (2023: $ 839,967) respectively.

(viii) Sensitivity of ECL

The ECL computation is sensitive to judgements and assumptions made on forward looking scenarios and how such scenarios are incorporated into the calculations. Management has performed a sensitivity analysis on the ECL recognised for assets at amortised cost in its private credit portfolio by recalibrating estimated recovery rates ranging from best (upside) to worse (downside) scenarios using a weighted 100 percent instead of applying scenario probability weights across the three scenarios. This resulted in an FLI of 0.8 for the upside, 1 for central and 1.3 for the downside. The average FLI for the probability weighted was 0.9.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(viii) Sensitivity of ECL (continued)

The table below shows the loss allowance on the investment balance assuming each forward-looking scenario (central, upside and downside [note 27b(iii)]) were weighted 100 percent instead of applying scenario probability weights across the three scenarios. The table also includes the probability-weighted amounts that are reflected the financial statements.

	Group 2024			
	Upside $	Central $	Downside $	Probability weighted $
Gross exposure	132,046,937	132,046,937	132,046,937	132,046,937
Loss allowance	921,767	1,152,209	1,440,261	1,435,744
Proportion of assets in stage 2	1%	1%	1%	1%

	Company 2024			
	Upside $	Central $	Downside $	Probability weighted $
Gross exposure	132,065,635	132,065,635	132,065,635	132,065,635
Loss allowance	915,138	1,143,923	1,429,903	1,435,774
Proportion of assets in stage 2	1%	1%	1%	1%

	Group 2023			
	Upside $	Central $	Downside $	Probability weighted $
Gross exposure	105,041,329	105,041,329	105,041,329	105,041,329
Loss allowance	769,644	962,056	1,202,569	1,066,036
Proportion of assets in stage 2	1%	1%	1%	1%

(Expressed in United States dollars)

27. Financial risk management (continued)

(b) Credit risk (continued)

Expected credit loss measurement (continued):

(viii) Sensitivity of ECL (continued)

	Company 2023			
	Upside $	Central $	Downside $	Probability weighted $
Gross exposure	105,308,277	105,308,277	105,308,277	105,308,277
Loss allowance	769,644	962,056	1,202,569	1,061,083
Proportion of assets in stage 2	1%	1%	1%	1%

(c) Liquidity risk

Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The Group generally makes investments in financial instruments issued by private companies, substantially all of which are otherwise less liquid than publicly traded securities. The illiquidity of these investments may make it difficult for the Group to sell or dispose of such investments in a timely manner at or close to fair value, if the need arises.

In addition, the Group faces liquidity risk in the form of funding risk. This is the risk that the Group may encounter difficulty in raising funds to meet commitments associated with its investments and obligations as they fall due.

Maturities of assets and liabilities, and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature, are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates. The Group is not subject to any externally imposed liquidity requirements.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(c) **Liquidity risk (continued)**

The Group maintains an adequate amount of its financial assets in liquid form to meet contractual obligations and other recurring payments.

An analysis of the undiscounted cash flows required to settle the Group's financial liabilities on the basis of their earliest possible contractual maturity is presented below. The Group does not expect that all its lenders will demand the payment of funds at the earliest date possible.

	Group 2024						
	Within 3 months $	3-12 months $	1-2 years $	2-5 years $	No specific maturity date $	Total contractual cashflows $	Total carrying amounts $
Financial assets							
Cash and cash equivalents	2,735,069	-	-	-	-	2,735,069	2,735,069
Certificate of deposit	-	15,168	-	-	-	15,168	15,168
Interest receivable	4,746,067	-	-	-	-	4,746,067	4,746,067
Other receivables	152,146	-	-	-	-	152,146	152,146
Due from related parties	1,643,087	-	-	-	-	1,643,087	1,643,087
Investments	48,158,542	40,854,119	36,304,906	54,586,810	30,291,123	210,195,500	188,050,769
	57,434,911	40,869,287	36,304,906	54,586,810	30,291,123	219,487,037	197,342,306
Financial liabilities							
Accounts payable and accrued liabilities	6,369,383	-	-	-	-	6,369,383	6,369,383
Due to related parties	743,155	-	-	-	-	743,155	743,155
Interest payable	973,194	-	-	-	-	973,194	973,194
Note payable	1,317,895	41,525,877	14,148,724	9,750,053	-	66,742,549	60,955,576
Preference shares	1,098,964	3,296,892	30,195,148	24,162,158	-	58,753,162	48,994,477
Loans and borrowings	180,733	5,592,908	2,901,675	-	-	8,675,316	8,062,646
	10,683,324	50,415,677	47,245,547	33,912,211	-	142,256,759	126,098,431
Total liquidity gap	46,751,587	(9,546,390)	(10,940,641)	20,674,599	30,291,123	77,230,278	71,243,875
Cumulative gap	46,751,587	37,205,197	26,264,556	46,939,155	77,230,278		

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(c) Liquidity risk (continued)

	Company 2024					
	Within 3 months $	3-12 months $	1-2 years $	2-5 years $	Total contractual cashflows $	Total carrying amounts $
Financial assets						
Cash and cash equivalents	2,633,422	-	-	-	2,633,422	2,633,422
Certificate of deposit	-	15,168	-	-	15,168	15,168
Interest receivable	4,742,438	-	-	-	4,742,438	4,742,438
Other receivables	150,989	-	-	-	150,989	150,989
Due from related parties	2,615,516	-	-	-	2,615,516	2,615,516
Investments	48,141,001	40,858,395	36,304,906	54,586,810	179,891,112	157,778,314
	58,283,366	40,873,563	36,304,906	54,586,810	190,048,645	167,935,847
Financial liabilities						
Accounts payable and accrued liabilities	6,269,102	-	-	-	6,269,102	6,269,102
Due to related parties	743,155	-	-	-	743,155	743,155
Interest payable	973,194	-	-	-	973,194	973,194
Note payable	1,116,679	30,676,485	14,148,724	9,750,053	55,691,941	50,412,813
Preference shares	1,098,964	3,296,892	30,195,148	24,162,158	58,753,162	48,994,477
Loans and borrowings	396,255	15,965,029	2,901,675	-	19,262,959	18,207,877
	10,597,349	49,938,406	47,245,547	33,912,211	141,693,513	125,600,618
Total liquidity gap	47,686,017	(9,064,843)	(10,940,641)	20,674,599	48,355,132	42,335,229
Cumulative gap	47,686,017	38,621,174	27,680,533	48,355,132		

	Group 2023						
	Within 3 months $	3-12 months $	1-2 years $	2-5 years $	No specific maturity date $	Total contractual cashflows $	Total carrying amounts $
Financial assets							
Cash and cash equivalents	4,464,694	-	-	-	-	4,464,694	4,464,694
Interest receivable	5,199,704	-	-	-	-	5,199,704	5,199,704
Other receivables	907,424	-	-	-	-	907,424	907,424
Due from related parties	1,812,232	-	-	-	-	1,812,232	1,812,232
Lease receivables	150,172	124,403	-	-	-	274,575	263,200
Investments	23,734,962	45,057,825	25,849,112	47,072,972	24,884,276	166,599,147	151,213,530
	36,269,188	45,182,228	25,849,112	47,072,972	24,884,276	179,257,776	163,860,784
Financial liabilities							
Accounts payable and accrued liabilities	1,969,862	-	-	-	-	1,969,862	1,969,862
Due to related parties	1,106,066	-	-	-	-	1,106,066	1,106,066
Interest payable	415,741	-	-	-	-	415,741	415,741
Note payable	1,515,178	64,774,262	5,196,451	10,208,935	-	81,694,826	77,065,698
Preference shares	88,323	5,188,528	-	-	-	5,276,851	4,925,057
Loans and borrowings	116,601	8,178,528	-	-	-	8,295,129	7,958,745
	5,211,771	78,141,318	5,196,451	10,208,935	-	98,758,475	93,441,169
Total liquidity gap	31,057,417	(32,959,090)	20,652,661	36,864,037	24,884,276	80,499,301	70,419,615
Cumulative gap	31,057,417	(1,901,673)	18,750,988	55,615,025	80,499,301		

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(c) Liquidity risk (continued)

	Company 2023					
	Within 3 months $	3-12 months $	1-2 years $	2-5 years $	Total contractual cashflows $	Total carrying amounts $
Financial assets						
Cash and cash equivalents	4,406,522	-	-	-	4,406,522	4,406,522
Interest receivable	4,945,545	-	-	-	4,945,545	4,945,545
Other receivables	906,741	-	-	-	906,741	906,741
Due from related parties	25,227,258	-	-	-	25,227,258	25,227,258
Lease receivables	150,172	124,403	-	-	274,575	263,200
Investments	22,248,071	46,755,315	25,849,112	47,072,972	141,925,470	126,601,155
	57,884,309	46,879,718	25,849,112	47,072,972	177,686,111	162,350,421
Financial liabilities						
Accounts payable and accrued liabilities	1,934,712	-	-	-	1,934,712	1,934,712
Due to related parties	23,891,891	-	-	-	23,891,891	23,891,891
Interest payable	415,741	-	-	-	415,741	415,741
Note payable	1,414,390	46,818,127	5,196,451	10,208,935	63,637,903	59,212,591
Preference shares	88,323	5,188,528	-	-	5,276,851	4,925,057
Loans and borrowings	425,409	25,913,110	-	-	26,338,519	25,384,520
	28,170,466	77,919,765	5,196,451	10,208,935	121,495,617	115,764,512
Total liquidity gap	29,713,843	(31,040,047)	20,652,661	36,864,037	56,190,494	46,585,909
Cumulative gap	29,713,843	(1,326,204)	19,326,457	56,190,494		

(i) **Reconciliation of movements of liabilities to cash flows arising from financing activities**

	Group 2024		
	Notes Payable $	Preference Shares $	Loans & Borrowings $
Balance at July 1	77,065,698	4,925,057	7,958,745
Changes from financing cash flows:			
Proceeds received during the year	11,318,671	50,312,000	8,674,013
Repayments made during the year	(27,285,851)	-	(8,524,172)
Matured but not yet settled	-	(4,983,162)	-
Interest paid during the year	(5,327,133)	(2,484,764)	(444,111)
Transaction costs incurred	(990,590)	(1,636,417)	(55,631)
	(22,284,903)	41,207,657	(349,901)
Effect of foreign exchange	(142,887)	(50,290)	(45,940)
Other changes:			
Movement in interest payable	(26,722)	(474,798)	(55,933)
Interest expense	5,353,855	2,959,562	500,044
Amortisation of transaction costs	990,535	427,289	55,631
	6,317,668	2,912,053	499,742
Balance at June 30	60,955,576	48,994,477	8,062,646

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(c) Liquidity risk (continued)

(i) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Company		
	2024		
	Notes Payable $	Preference Shares $	Loans & Borrowings $
Balance at July 1	59,212,591	4,925,057	25,384,520
Changes from financing cash flows:			
Proceeds received during the year	54,314	50,312,000	8,774,013
Repayments made during the year	(8,642,178)	-	(15,907,716)
Matured but not yet settled	-	(4,983,162)	-
Interest paid during the year	(4,269,225)	(2,484,764)	(1,526,584)
Transaction costs incurred	(785,832)	(1,636,417)	(55,631)
	(13,642,921)	41,207,657	(8,715,918)
Effect of foreign exchange	(142,887)	(50,290)	(45,940)
Other changes:			
Movement in interest payable	(26,722)	(474,798)	(55,933)
Interest expense	4,295,947	2,959,562	1,582,517
Amortisation of transaction costs	716,805	427,289	55,631
	4,986,030	2,912,053	1,582,215
Balance at June 30	50,412,813	48,994,477	18,204,877

	Group		
	2023		
	Notes Payable $	Preference Shares $	Loans & Borrowings $
Balance at July 1	60,285,928	1,147,609	3,003,572
Changes from financing cash flows:			
Proceeds received during the year	49,816,411	3,840,808	15,847,749
Repayments made during the year	(32,839,092)	-	(10,801,610)
Interest paid during the year	(4,076,612)	(331,478)	(362,542)
Transaction costs incurred	(839,663)	(112,369)	(67,160)
	12,061,044	3,396,961	4,616,437
Effect of foreign exchange	(204,857)	(31,974)	(90,966)
Other changes:			
Movement in interest payable	(163,680)	753	(21,322)
Interest expense	4,240,292	330,725	383,864
Amortisation of transaction costs	846,971	80,983	67,160
	4,923,583	412,461	429,702
Balance at June 30	77,065,698	4,925,057	7,958,745

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(c) Liquidity risk (continued)

(i) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	Company		
	2023		
	Notes Payable	Preference Shares	Loans & Borrowings
	$	$	$
Balance at July 1	42,454,748	1,147,609	20,189,193
Changes from financing cash flows:			
Proceeds received during the year	31,802,334	3,840,808	19,616,903
Repayments made during the year	(14,839,092)	-	(14,330,610)
Interest paid during the year	(2,951,559)	(331,478)	(1,476,744)
Transaction costs incurred	(520,901)	(112,369)	(67,160)
	13,490,782	3,396,961	3,742,389
Effect of foreign exchange	(204,857)	(31,974)	(90,966)
Other changes:			
Movement in interest payable	(163,680)	753	(21,322)
Interest expense	3,115,239	330,725	1,498,066
Amortisation of transaction costs	520,359	80,983	67,160
Balance at June 30	3,471,918	412,461	1,543,904
	59,212,591	4,925,057	25,384,520

(d) Market risk

Market risk is the risk that the value or cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

Such risks arise from open positions in interest rates and currency products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices, such as foreign exchange and interest rates.

The market risk arising from investment activities is reviewed and assessed by the Investment Advisory Committee and the Investment and Risk Management Committee of the Investment Manager. Investment transactions are monitored by the Investment Manager.

The elements of market risk that affect the Group are as follows:

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of, or future cash flows from, financial instruments will vary because of exchange rate fluctuations. The Group incurs foreign currency risk on transactions that are denominated in currencies other than the United States dollar. The currency giving rise to this risk is the Jamaica dollar.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(i) Foreign currency risk (continued)

The exposure to foreign currency risk at the reporting date was as follows:

	Group			
	2024		2023	
	J$	US$ equivalent	J$	US$ equivalent
Foreign currency assets:				
Cash and cash equivalents	40,492,797	260,253	28,800,972	187,100
Interest receivable	56,386,056	362,401	75,708,519	491,826
Other receivables	5,014,238	32,227	-	-
Investments	367,122,127	2,359,547	1,034,646,637	6,721,378
	469,015,218	3,014,428	1,139,156,128	7,400,304
Foreign currency liabilities:				
Accounts payable and accrued liabilities	352,908,052	2,268,191	9,939,739	64,572
Dividends payable	14,799,740	95,120	15,521,857	100,835
Interest payable	44,559,097	286,388	21,413,522	139,109
Notes payable	1,396,876,712	8,977,928	1,498,140,070	9,732,372
Preference shares	1,558,859,684	10,019,016	321,797,018	2,090,491
Loans and borrowings	392,991,186	2,525,811	369,863,431	2,402,745
	3,760,994,471	24,172,454	2,236,675,637	14,530,124
Net exposure	(3,291,979,253)	(21,158,026)	(1,097,519,509)	(7,129,820)

	Company			
	2024		2023	
	J$	US$ equivalent	J$	US$ equivalent
Foreign currency assets:				
Cash and cash equivalents	40,485,303	260,205	28,791,519	187,039
Interest receivable	56,386,056	362,401	75,708,519	491,826
Other receivables	4,834,242	31,070	-	-
Due from related parties	1,034,978	6,652	10,000	65
Investments	367,122,127	2,359,547	1,034,646,637	6,721,378
	469,862,706	3,019,875	1,139,156,675	7,400,308
Foreign currency liabilities:				
Accounts payable and accrued liabilities	342,751,009	2,202,910	9,939,739	64,572
Dividends payable	14,799,740	95,120	15,521,857	100,835
Interest payable	44,559,097	286,388	21,413,522	139,109
Notes payable	1,396,876,712	8,977,928	1,498,140,070	9,732,372
Preference shares	1,558,859,684	10,019,016	321,797,018	2,090,491
Loans and borrowings	392,991,186	2,525,811	369,863,431	2,402,745
	3,750,837,428	24,107,173	2,236,675,637	14,530,124
Net exposure	(3,280,974,722)	(21,087,298)	(1,097,518,962)	(7,129,816)

Exchange rate for the US dollar to the Jamaica dollar was US$1 to J$155.59 (2023: J$153.94)

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(i) Foreign currency risk (continued)

Sensitivity to foreign exchange movements

The following table indicates the sensitivity of profit before taxation to changes in foreign exchange rates. The change in currency rate below represents management's assessment of the possible change in foreign currency exchange rates. The sensitivity analysis represents outstanding Jamaica dollar denominated assets and liabilities as at the year-end, and the analysis is done on the same basis as 2023.

	Group			
	2024		2023	
	% change in currency rate	Effect on profit $	% change in currency rate	Effect on profit $
JMD	-4%	813,770	-4%	274,224
JMD	+1%	(213,717)	+1%	(72,018)

	Company			
	2024		2023	
	% change in currency rate	Effect on profit $	% change in currency rate	Effect on profit $
JMD	-4%	811,050	-4%	274,224
JMD	+1%	(213,003)	+1%	(72,018)

(ii) Interest rate risk

Interest rate risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Group manages this risk by monitoring interest rates daily. Even though there are no formally predetermined gap limits, to the extent judged appropriate, the maturity profile of the financial assets is matched with that of the financial liabilities. Where gaps occur, management expects that its monitoring will, on a timely basis, identify the need to take quick action to close a gap, if it becomes necessary.

Management of interest rate risk

Interest rate risk exposure is measured using sensitivity analysis. Interest rate risk is managed by maintaining an appropriate mix of variable and fixed rate instruments.

(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(ii) Interest rate risk (continued)

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments were:

	Group and Company	
	2024	2023
	$	$
Variable rate instruments	1,229,875	2,269,305
Fixed rate instruments	157,759,646	126,592,454

Interest rate sensitivity analysis

Interest rate sensitivity has been determined based on the exposure to interest rates. These are substantially the interest sensitive instruments impacting the Group's financial results. For floating rate assets, the analysis assumes the amount of the asset outstanding at the reporting date was outstanding for the whole period.

A 50 (2023: 50) basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonable possible change in interest rates.

If market interest rates had been 25 (2023: 25) basis points higher or lower and all other variables were held constant, the effect on the Group's profit would have been as follows:

	Group and Company	
	2024	2023
	$	$
Effect on profit		
Increase 50 (2023: 50) basis points	6,149	11,347
Effect on profit		
Decrease 25 (2023: 25) basis points	(3,075)	(5,673)

The analysis is done on the same basis as 2023 and assumes that all other variables remain constant.

The following table summarises the carrying amounts of recognised financial assets and financial liabilities to arrive at the Group's interest rate gap based on the earlier of contractual repricing and maturity dates. There were no off-balance-sheet financial instruments giving rise to interest rate risk.

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(ii) Interest rate risk (continued)

	Group 2024					
	Within 3 months $	3-12 months $	Over 1 year $	No-rate sensitive $	Total $	Weighted avg interest rate %
Financial assets						
Cash and cash equivalents	1,229,875	-	-	1,505,194	2,735,069	0.02
Certificate of deposit	-	15,168	-	-	15,168	4.50
Interest receivable	-		-	4,746,067	4,746,067	-
Other receivables	-	-	-	152,146	152,146	-
Due from related parties	-	-	-	1,643,087	1,643,087	-
Investments	42,158,274	33,216,132	82,385,240	30,291,123	188,050,769	15.05
	43,388,149	33,231,300	82,385,240	38,337,617	197,342,306	
Financial liabilities						
Accounts payable and accrued liabilities	-	-	-	6,369,383	6,369,383	-
Due to related parties	-	-	-	743,155	743,155	-
Dividends payable	-	-	-	236,365	236,365	-
Interest payable	-	-	-	973,194	973,194	-
Note payable	-	28,215,028	32,740,548	-	60,955,576	8.37
Preference shares	-	-	48,994,477	-	48,994,477	8.59
Loans and borrowings	-	5,195,811	2,866,835	-	8,062,646	8.77
	-	33,410,839	84,601,860	8,322,097	126,334,796	
Total interest rate sensitivity gap	43,388,149	(179,539)	(2,216,620)	30,015,520	71,007,510	
Cumulative interest rate sensitivity gap	43,388,149	43,208,810	40,991,990	71,007,510		

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) **Market risk (continued)**

(ii) Interest rate risk (continued)

	Company 2024					
	Within 3 months $	3-12 months $	Over 1 year $	No-rate sensitive $	Total $	Weighted avg interest rate %
Financial assets						
Cash and cash equivalents	1,229,875	-	-	1,403,547	2,633,422	0.02
Certificate of deposit	-	15,168	-	-	15,168	4.50
Interest receivable	-		-	4,742,438	4,742,438	-
Other receivables	-	-	-	150,989	150,989	-
Due from related parties	-	-	-	2,615,516	2,615,516	-
Investments	42,158,275	33,234,799	82,385,240	-	157,778,314	15.05
	43,388,150	33,249,967	82,385,240	8,912,490	167,935,847	
Financial liabilities						
Accounts payable and accrued liabilities	-	-	-	6,269,102	6,269,102	-
Due to related parties	-	-	-	743,155	743,155	-
Dividends payable	-	-	-	236,365	236,365	-
Interest payable	-	-	-	973,194	973,194	-
Note payable	-	28,215,028	22,197,785	-	50,412,813	8.34
Preference shares	-	-	48,994,477	-	48,994,477	8.59
Loans and borrowings	-	15,338,042	2,866,835	-	18,204,877	8.62
	-	43,553,070	74,059,097	8,221,816	125,833,983	
Total interest rate Sensitivity gap	43,388,150	(10,303,103)	8,326,143	690,674	42,101,864	
Cumulative interest rate sensitivity gap	43,388,150	33,085,047	41,411,190	42,101,864		

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(ii) Interest rate risk (continued)

	Group 2023					
	Within 3 months $	3-12 months $	Over 1 year $	No-rate sensitive $	Total $	Weighted avg interest rate %
Financial assets						
Cash and cash equivalents	4,269,305	-	-	195,389	4,464,694	4.45
Interest receivable	-		-	5,199,704	5,199,704	-
Other receivables	-	-	-	907,424	907,424	-
Due from related parties	-	-	-	1,812,232	1,812,232	-
Lease receivables	-	263,200	-	-	263,200	11.25
Investments	20,662,106	39,546,494	66,120,654	24,884,276	151,213,530	12.35
	24,931,411	39,809,694	66,120,654	32,999,025	163,860,784	
Financial liabilities						
Accounts payable and accrued liabilities	-	-	-	1,969,862	1,969,862	-
Due to related parties	-	-	-	1,106,066	1,106,066	-
Dividends payable	-	-	-	484,214	484,214	-
Interest payable	-	-	-	415,741	415,741	-
Note payable	-	63,173,982	13,891,716	-	77,065,698	6.82
Preference shares	-	4,925,057	-	-	4,925,057	7.25
Loans and borrowings	-	7,958,745	-	-	7,958,745	7.69
	-	76,057,784	13,891,716	3,975,883	93,925,383	
Total interest rate sensitivity	24,931,411	(36,248,090)	52,228,938	29,023,142	69,935,401	
Cumulative interest rate sensitivity gap	24,931,411	(11,316,679)	40,912,259	69,935,401		

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

27. Financial risk management (continued)

(d) Market risk (continued)

(ii) Interest rate risk (continued)

	Company 2023					
	Within 3 months $	3-12 months $	Over 1 year $	No-rate sensitive $	Total $	Weighted avg interest rate %
Financial assets						
Cash and cash equivalents	4,269,305	-	-	137,217	4,406,522	4.45
Interest receivable	-	-	-	4,945,545	4,945,545	-
Other receivable	-	-	-	906,741	906,741	-
Due from related parties	-	-	-	25,227,258	25,227,258	-
Lease receivables	-	263,200	-	-	263,200	11.25
Investments	19,221,112	41,259,389	66,120,654	-	126,601,155	12.23
	23,490,417	41,522,589	66,120,654	31,216,761	162,350,421	
Financial liabilities						
Accounts payable and accrued liabilities	-	-	-	1,934,712	1,934,712	-
Due to related parties	-	-	-	23,891,891	23,891,891	-
Dividends payable	-	-	-	484,214	484,214	-
Interest payable	-	-	-	415,741	415,741	-
Note payable	-	45,320,875	13,891,716	-	59,212,591	5.88
Preference shares	-	4,925,057	-	-	4,925,057	7.25
Loans and borrowings	-	25,384,520	-	-	25,384,520	6.50
	-	75,630,452	13,891,716	26,726,558	116,248,726	
Total interest rate sensitivity	23,490,417	(34,107,863)	52,228,938	4,490,203	46,101,695	
Cumulative interest rate sensitivity gap	23,490,417	(10,617,446)	41,611,492	46,101,695		

(iii) Equity price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. A non–trading equity price risk exposure arises from the Group's investment in a private credit fund. As at the end of the reporting period, a 6% (2023: 6%) increase in the value of the Group's equity investment at FVTPL would have increased equity by $1,751,332 (2023: $1,493,057). A decrease of 3% (2023: 3%) in the value of the Group's equity investment at FVTPL would have reduced equity by $875,666 (2023: 746,528).

SYGNUS CREDIT INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
Year ended June 30, 2024
(Expressed in United States dollars)

28. Capital management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure to enable investments with additional companies. The Company may utilise leverage and may borrow up to 50% of its total assets to fund investments in additional portfolio companies. There are no externally imposed capital requirements.

The Group's approach to capital management is monitored by the Enterprise Risk Committee and Board of Directors.

29. Reconciliation of statement of cash flows

During the year, the Group has decided to transition from the indirect method to the direct method for presenting the statement of cash flows. This change aims to more accurately reflect the operating activities of both the Group and the Company. Consequently, certain investment activities related to the acquisition and liquidation of investments have been reclassified from investing activities to operating activities.

The below table represents the reconciliation of the cash flows from operating activities, had the indirect method been used.

		Group		Company	
	Notes	2024	2023*	2024	2023*
		$	$	$	$
Cash flows from operating activities					
Profit for the year		6,025,073	5,134,638	4,288,945	5,090,334
Adjustments for:					
Interest income	21	(18,762,316)	(14,085,331)	(18,727,596)	(14,098,121)
Interest expense	21	10,286,916	5,949,995	10,037,751	5,612,532
Impairment allowance on financial assets	27(b)(vii)	369,708	844,920	374,691	839,967
Fair value gain on contingent consideration		-	(80,558)	-	-
Fair value gains on investments	26(d)	(1,752,693)	(1,178,284)	(448,100)	(805,933)
Unrealised foreign exchange gains		(261,670)	(331,867)	(261,670)	(331,867)
Income tax (credit)/charge	24(a)	(632,564)	136,203	164,733	136,203
		(4,727,546)	(3,610,284)	(4,571,246)	(3,556,885)
Changes in:					
Other receivables		755,278	(382,334)	755,752	(383,771)
Due from related parties		169,145	(200,000)	22,611,742	(2,307,032)
Accounts payable and accrued liabilities		(583,641)	(1,907,668)	(648,772)	(212,335)
Due to related parties		(362,911)	864,093	(23,148,736)	867,644
		(4,749,675)	(5,236,193)	(5,001,260)	(5,592,379)
Purchase of investments		(86,408,300)	(41,955,682)	(81,900,121)	(44,103,755)
Encashment of investments		50,954,046	11,983,495	50,796,371	14,217,370
Proceeds from lease receivables		263,200	1,337,852	263,200	1,337,852
Purchase of certificate of deposit		(15,168)	-	(15,168)	-
Interest income received		19,215,953	12,561,211	18,930,703	12,828,160
Interest paid		(8,256,008)	(4,770,630)	(8,280,573)	(4,759,781)
Taxation paid		(585,895)	(80,660)	(219,004)	(80,660)
Net cash used in operating activities		(29,581,847)	(26,160,609)	(25,425,852)	(26,153,193)

30. Commitments

As at June 30, 2024, the Group and Company had undisbursed approved investments commitments amounting to approximately $14,568,000 (2023: $7,240,000).

Appendix 3 – JMMB's Moneyline Application Procedures

PART I

How To Apply – JMMB Clients

Applications shall be submitted via JMMB's Moneyline™ platform using an Equity Money Market Fund Account (EMMA™) by completing the steps below:

1. STEP 1

(a) From your browser, go to the JMMB Moneyline™ website which can be accessed at https://moneyline.jmmb.com/personal/;

(b) Enter your username and password then select 'Login';

(c) Enter your security question then press 'Continue', to begin your Moneyline™ session;

(d) From the main menu select 'Transactions', then select 'New Transaction' from the drop-down menu;

(e) Select 'Buy Stocks', for the transaction type;

(f) Select the EMMA™ account that you would like to make the purchase from. This EMMA™ account must be funded with the payment for the full amount payable for the respective Ordinary Shares applied for, plus the JCSD flat fee of J$172.50 per Application;

(g) Select 'IPO', and all available IPOs will be displayed. Choose IPO you wish to apply for from the list, then press 'Continue';

(h) You will be navigated to the 'Order Details' page, where you will be able to enter the quantity of Ordinary Shares you would like to purchase. The order type automatically defaults to the market price;

(i) You can also save a note to yourself about your transaction using the Personal Note section;

(j) Please confirm your agreement with the terms and conditions in the IPO Prospectus, by pressing 'Continue';

(k) If you have joint holders, a pop-up will appear to inform you that joint holders over the age of 18 years must indicate approval of this transaction to complete processing; and that instructions will be sent to joint account holders via email;

(l) You will be sent to the 'Order Summary' page, for review. You may then press the 'Back' button to revise the transaction; 'Continue' to approve the transaction; or 'Save and Add Another', if you would like to include additional stock purchases;

(m) Once you have selected 'Continue', enter your PIN, then select 'Process All Transactions'; and

(n) The status column for the Transaction Results will indicate that the transaction has been submitted.

2. **STEP 2: JOINT ACCOUNT HOLDER APPROVAL PROCESS**

(a) As a joint account holder, you do not need Moneyline™ access to be able to approve the IPO Application. Joint account holders will receive an email with the link to approve the Application order and an access code;

(b) Enter the last three digits of your TRN and the access code in the form provided and click ‘Submit’;

(c) Review the Application order and confirm your agreement to the terms and conditions in the prospectus, by clicking the ‘Approve Purchase’ button; and

(d) You will be navigated to the confirmation page, stating that the IPO transaction was approved.

JMMB clients who have a stock brokerage (EMMA) account but do not have JMMB Moneyline access may self-register at http://bit.ly/MoneylineNew.

Interested Applicants who do not have a stock brokerage account or do not have a JMMB account may call JMMB’s Client Care Centre at 876-998-JMMB (5662), between the hours of 8:00 a.m. to 4:30 p.m. for assistance in opening a stock brokerage account or a JMMB account. Interested Applicants may also open a JMMB account online at https://jm.jmmb.com/account-opening-personal.

How To Apply – Non-JMMB Clients

Applications shall be submitted via JMMB MoneylineIPO™ platform after creating a profile using your Jamaica Central Securities Depository Limited (JCSD) account registered with any broker excluding JMMB by completing the steps below:

1. STEP 1

(a) From your browser, go to the JMMB MoneylineIPO™ platform which can be accessed at https://moneylineipo.jmmb.com;

(b) Select ‘Register Now’ to register using your first name, last name, date of birth, JCSD Depend Account number, tax ID number, and select the corresponding broker;

(c) Complete ID verification using a valid passport, driver’s license or national ID;

(d) Create a profile by entering a username, password, mobile number and email address;

(e) Once registered, please enter your username and password then select ‘Login’;

(f) First, you will be required to provide a Refund account that JMMB will send funds to in the event that you are to be refunded.

(g) Go to the Profile screen then select the ‘Refund Account’ tab.

(h) Select ‘Add New Refund Account’ and enter the required account details for your refund account then select ‘Save’.

(i) Once your Refund Account is saved, return to the homepage/dashboard and select “Apply Now” on the applicable IPO card.

(j) Confirm that the correct IPO is pre-selected in the “Choose IPO” field. If not, select the “Choose IPO” field and choose the desired IPO from the drop-down list that appears.

(k) Select the JCSD account that you would like to apply from.

(l) Select the Refund Account that you wish to associate with the order.

(m) Select the Share Pool that you would like to purchase shares from.

(n) You can either enter the quantity of shares you would like to purchase or enter the dollar value of the amount you would like to purchase (inclusive of fees). The quantity of shares entered, or the dollar value equivalent must be in congruence with the minimum order amount and increment units outlined in the Prospectus.

(o) You can also save a note to yourself about your transaction using the Personal Note section;

(p) Please confirm your agreement with the terms and conditions of the IPO Prospectus by selecting the checkbox next to the terms and conditions, then select ‘Proceed’;

(q) You will be sent to the Order Summary page, for review. There you may either click the pencil icon to edit the application, select ‘Process Application’ to submit the application; or ‘Cancel’ if you would like to cancel the application;

(r) Once you have selected ‘Process Application’, a pop-up message will appear showing the order details.

(s) You will be sent to the dashboard where you will see the order displayed below the ‘My Applications’. The status column will indicate if action is required for the order to be Approved for submission to the Stock Exchange.

(t) If you have joint holders, an email will be sent to inform you that joint holders over the age of 18 years must indicate approval of this transaction to complete processing; and that instructions to approve the application will be sent to your joint account holders who have already completed identity verification.

2. STEP 2: JOINT ACCOUNT HOLDER APPROVAL PROCESS

As a joint account holder, you do not need a JMMB MoneylineIPO™ login to be able to approve the applications. Joint holders are simply required to verify their identity using the link sent via email once the registered user provides an email address for his/her joint account holder(s). Joint account holders who have completed identity verification will receive an email with the order details, an access code and the link to approve the Application by completing the steps below:

(a) Review the order details in the body of the email.

(b) Click the link in the email to be able to approve or decline the order.

(c) Enter the last three digits of your TRN and the access code in the respective fields.

(d) Select ‘Approve’ to approve the transaction or ‘Decline’ to decline the transaction.

(e) A pop-up box will appear asking you to confirm your selection, click ‘OK’ to confirm.

Joint account holders who have not completed identity verification will be able to approve orders with the steps outlined below:

(a) The registered user who placed the order downloads the Joint Holder Approval Form from either:

i. The email received after placing the order with the form attached or
ii. The order located in the 'My Applications' section of the dashboard.

(b) All persons on the account sign the form to approve the order.

(c) The user uploads the signed form to the order located in the 'My Applications' section of the dashboard.

3. STEP 3: ORDER FUNDING PROCESS

(a) To fund the order, you are required to electronically transferring the order total into the funding account created for you.
(b) To view your funding account details, go to the 'Profile' screen then select the 'Funding Account' tab.
(c) Electronically transfer the order total to the account via ACH, RTGS or international wire transfers only. The amount received in the account must be sufficient to cover the order total after any applicable fees associated with completing the transfer are deducted.

Interested Applicants who do not have a stock brokerage account or do not have a JMMB account may call JMMB's Client Care Centre at 876-998-JMMB (5662), between the hours of 8:00 a.m. to 4:30 p.m. for assistance in opening a stock brokerage account or a JMMB account. Interested Applicants may also open a JMMB account online at https://jm.jmmb.com/account-opening-personal.

Appendix 4 – Auditor's Consent

[SEE NEXT PAGE]

KPMG
Suite No. 2
Rodney Bayside Building
Rodney Bay, Gros Islet
Saint Lucia

Telephone: 246-434-3900
Email: ecinfo@kpmg.lc

November 8, 2024

The Board of Directors
Sygnus Credit Investments Limited
20 Micoud Street
Castries
St. Lucia

Ladies and Gentlemen:

Prospectus for Preference Shares public offer by Sygnus Credit Investments Limited of J$1,200,000,000 and US$20,000,000

With respect to the prospectus for the offer of Preference Shares by Sygnus Credit Investments Limited, we hereby consent to the inclusion in the prospectus of:

- our audit report dated September 26, 2024, on the separate financial statements of Sygnus Credit Investments Limited ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the Group's and Company's statements of financial position as at June 30, 2024, the Group's and Company's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information; and

- references to our name in the form and context in which it is included in the prospectus.

We confirm that we have not withdrawn such consent before delivery of a copy of the prospectus to the Financial Services Commission for registration.

November 8, 2024

The Board of Directors
Sygnus Credit Investments Limited

This letter should not be regarded as in any way updating the aforementioned reports or representing that we performed any procedures subsequent to the date of such reports.

Yours faithfully,
For and on behalf of KPMG

D. Reid

Damion D. Reid
Partner, Audit

DDR:DS:sb