



DIRECTORS' REPORT TO SHAREHOLDERS

Spur Tree Spices Jamaica Limited (STSJL) presents its audited financial statements for the year ended December 31, 2025, prepared in accordance with International Financial Reporting Standards (IFRS).

The year 2025 was both challenging and ultimately rewarding for the Company. Emerging from 2024, and in the wake of Hurricane Beryl, the agro-processing segment experienced a particularly difficult first half of the year. Raw material shortages and the resulting inflationary pressures significantly impacted operations, with the most pronounced effects felt in the production and sale of ackee, a key component of the Company's overall product portfolio.

Despite these setbacks, the Company executed a series of carefully crafted strategic initiatives that markedly strengthened its operating position. These efforts culminated in its strongest quarterly financial performance in the third quarter of 2025, positioning the Company for what was anticipated to be a very successful fourth quarter and the best annual performance on record.

Unfortunately, the momentum of the fourth quarter was constrained by the passage of Hurricane Melissa in October 2025, which once again disrupted operations.

Notwithstanding these additional challenges, we are pleased to report that the Company performed very well overall in 2025, demonstrating resilience, sound management, and a strong capacity to adapt under adverse conditions.



Financial Highlights

SPUR TREE SPICES JAMAICA LTD YEAR OVER YEAR PERFORMANCE SUMMARY				
	Dec-25	Dec-24	Change	Change
	\$'000	\$'000	\$'000	%
Revenue	1,791,655	1,563,745	227,910	14.6
Gross Profit	530,175	474,578	55,597	11.7
Operating Profit	181,354	144,994	36,360	25.1
Profit Before Tax	123,829	91,140	32,689	35.9
Net Profit	116,484	97,372	19,112	19.6
Net Profit attributable to:				
Owners of the company	102,164	105,445	(3,281)	-3.1
Non-controlling interest	14,320	(8,073)	22,393	277.4
	116,484	97,372	19,112	19.6
Earnings Per Share	\$0.0609	\$0.0629	(0.002)	-3.1
Shareholders' Equity	1,134,951	1,018,467	116,484	11.4
Total Assets	1,838,217	1,686,657	151,560	9.0
Cash and Cash Equivalents	112,413	117,582	(5,169)	-4.4

Financial Performance

Revenue for 2025 amounted to J\$1.79 billion, compared with J\$1.56 billion in 2024, representing a 14.8% improvement year over year. This performance demonstrates the Group's ability to adapt to challenging operating conditions and successfully execute key initiatives that support resilience and sustained performance improvement.

For the twelve months ended December 31, 2025, Gross Profit amounted to J\$530.18 million, compared with J\$474.59 million in 2024, reflecting an 11.7% year-over-year increase. This result is particularly commendable given the significant supply disruptions and resulting inflationary pressures experienced by the business during the year.

Profit before tax increased to J\$123.83 million, up from J\$91.14 million in 2024, representing a 35.9% year-over-year improvement. This strong performance reflects the Group's ability to consolidate revenue gains and translate them into profitability through disciplined cost control and effective expense management under very challenging operating conditions.

Net Profit (Total Comprehensive Income) for the year ended December 31, 2025, amounted to J\$116.48 million, compared with J\$97.37 million in 2024. This represents an improvement of 19.6%



and reflects a more balanced contribution across the Group, driven by effective execution and demonstrating resilience in a highly challenging operating environment.

Outlook

The Group enters 2026 following a year defined by exceptional operating challenges. The lingering effects of Hurricane Beryl (2024) delayed the recovery of ackee production well into 2025, while tariff-related pressures in key export markets weighed on demand. As the agricultural sector began to approach full recovery, the island was subsequently affected by Hurricane Melissa late in the year, causing widespread disruption to agricultural output.

Despite these adverse conditions, the Group delivered a 19.6% increase in profitability over the prior year—a highly creditable achievement given the severity and persistence of the challenges faced throughout 2025. This performance reflects material improvements in operational efficiency across the Group, strengthened expense management, and disciplined execution of strategic priorities. These gains confirm a marked improvement in execution capability and provide a strong foundation upon which the Group intends to build in 2026.

Internationally, the Group's FY2026 growth strategy will remain disciplined, focusing on deepening penetration in existing markets while selectively exploring profitable opportunities in new territories. E-commerce is expected to play an increasingly important role in expanding market reach and strengthening direct consumer engagement. In the domestic market, initiatives will prioritise improving product accessibility, supporting channel expansion—particularly within the food-service segment—and increasing penetration across all trade channels.

Product development will remain a central driver of growth in FY2026, with new and innovative offerings expected to stimulate category growth, drive demand, and support overall market expansion.

With a comprehensive post-hurricane recovery plan well underway—including strengthened farm operations and enhanced supply chain management—the anticipated resurgence in ackee availability relatively early in 2026, and continued benefits from improved operational efficiencies and cost discipline, the Group is well positioned to deliver strong results in 2026.