

CARGO Handlers Ltd.

2nd Quarter Financial Statements

March 31, 2026

Management Discussions and Analysis

We are pleased to share the results of our performance for the 3-month period ending March 31, 2026, where Cargo Handlers Limited achieved \$103.17M in total revenues; this result was 19% or \$24M below the \$127.15M realized for the corresponding quarter of the prior year. Operating and administrative expenses amounted to \$85.38M for the quarter, and was 3% below the corresponding period in the prior year. Operating profit amounted to \$17.8M, representing a 55% decline from the \$39.17M realized for the corresponding three months last year.

With the reduction in warehousing capacity caused by Hurricane Melissa, the importation of smaller shipments of cement via the Port of Montego Bay has negatively affected our performance during this period. The reduction in the tonnage of cement transported per vessel however, is a short-term measure while the restoration of the warehousing facilities on the port continues post Hurricane Melissa. Cargo Handlers also experienced an 8% decline in cruise revenue during the period relative to last year. Montego Bay was fortunate to have been able to salvage its cruise homeporting season after the devastating weather event. After the surge in relief containers towards the end of the last calendar year, the number of containers handled during the 3-month period to March 31, 2026 normalized, and was similar to the corresponding period last year, yielding marginal improvement.

Cargo Handler's share of profit of associates was \$19.49M for the 3-month period, down 43% from \$34.3M recorded in the corresponding quarter in 2025. Resulting net profit before tax was \$47.62M, and was 45% or \$39.54M below \$87.16M realized for the corresponding quarter last year. This result yielded \$0.11 in earnings per share (EPS) for the quarter and was \$0.06 below the share value for the comparative 3-month period. We anticipate that the initial shock caused by Hurricane Melissa and its effect on the first two quarters of the FY, will improve over the ensuing two quarters. Looking ahead, Cargo Handlers stand to benefit from its affiliate's pursuit of a construction of a modern climate-resilient warehousing facility. This would serve to improve our logistics chain and reliability, while protecting the livelihood of the workers on the Port of Montego Bay.

Instability remains a dominant feature of the current global macro environment, influencing a continuous recalibration of economic policies as well as business strategies. Cargo Handlers Limited remains optimistic about the future and we are sincerely grateful for the guidance and support of our Board of Directors; we take this opportunity to thank all of our stakeholders and the entire team at Cargo Handlers Limited.

Cargo Handlers Limited

Statement of Comprehensive Income

6 months ending March 31, 2026

	3 months to Mar 2026	3 months to Mar 2025	6 months to Mar 2026	6 months to Mar 2025
	\$	\$		
Revenue	105,174,087	129,300,116	213,123,296	240,253,613
Cost of sales	<u>(1,997,652)</u>	<u>(2,145,151)</u>	<u>(3,304,633)</u>	<u>(3,333,877)</u>
Gross profit	103,176,435	127,154,965	209,818,663	236,919,737
Administrative expenses	(15,075,524)	(13,222,971)	(27,841,962)	(26,253,412)
Other operating expenses	<u>(70,305,766)</u>	<u>(74,754,657)</u>	<u>(132,176,923)</u>	<u>(126,314,728)</u>
Operating Profit	17,795,144	39,177,338	49,799,778	84,351,597
Interest Income	7,210,123	6,376,457	13,263,817	13,242,179
Finance costs	(1,500)	(568,915)	(9,123)	(1,364,831)
Exchange Gain/(Loss)	29,574	1,768,770	(1,115,151)	810,993
Other income	3,096,717	6,100,000	3,023,450	6,100,000
Share of profit of associates	<u>19,489,589</u>	<u>34,306,221</u>	<u>48,824,606</u>	<u>61,846,392</u>
Profit before Taxation	47,619,647	87,159,871	113,787,378	164,986,330
Taxation	<u>(7,934,496)</u>	<u>(21,981,707)</u>	<u>(17,653,814)</u>	<u>(33,679,218)</u>
Net Profit, being Total Comprehensive Income for period	<u>39,685,151</u>	<u>65,178,164</u>	<u>96,133,564</u>	<u>131,307,112</u>
Earnings Per Share (EPS)	0.11	0.17	0.26	0.35

Cargo Handlers Limited

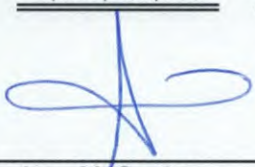
Statement of Financial Position

6 months ending March 31, 2026

	Unaudited Mar 2026 \$	Unaudited Mar 2025 \$	Audited Sept 2025
Non-Current Assets			
Property, plant & equipment	126,681,453	153,932,566	140,077,411
Related Companies	47,899	80,968,476	1,897,297
Investment in associate	593,778,793	449,890,689	544,954,186
	<u>720,508,144</u>	<u>684,791,731</u>	<u>686,928,894</u>
Current Assets			
Receivables	55,042,347	65,667,405	22,119,638
Taxation recoverable	2,217,907	4,078,641	-
Short-term deposits	707,416,725	560,887,964	578,631,947
Cash and cash equivalents	48,461,717	71,286,532	183,220,920
	<u>813,138,696</u>	<u>701,920,542</u>	<u>783,972,505</u>
Current Liabilities			
Payables	32,465,502	40,584,807	45,829,412
Income tax payable	27,132,462	5,999,055	11,053,649
Borrowings	4,371,740	3,837,703	-
	<u>63,969,704</u>	<u>50,421,565</u>	<u>56,883,061</u>
Net Current Assets/(Liabilities)	<u>749,168,992</u>	<u>651,498,978</u>	<u>727,089,444</u>
	<u>1,469,677,136</u>	<u>1,336,290,709</u>	<u>1,414,018,338</u>
Shareholders' Equity			
Share capital	43,175,494	43,175,494	43,175,494
Capital reserve	172,311	172,311	172,311
Retained earnings	1,411,259,657	1,208,717,581	1,356,338,506
	<u>1,454,607,462</u>	<u>1,252,065,386</u>	<u>1,399,686,311</u>
Non-Current Liability			
Related Companies	4,165,565	70,383,451	3,427,918
Deferred tax liability	10,904,109	10,904,109	10,904,109
Borrowings	-	2,937,763	-
	<u>15,069,674</u>	<u>84,225,323</u>	<u>14,332,027</u>
	<u>1,469,677,136</u>	<u>1,336,290,709</u>	<u>1,414,018,338</u>

Approved by the Board of Directors and signed on its behalf by:


A. Mark Hart


Andrew McCarthy

Cargo Handlers Limited

Statement of Changes in Equity
6 months ending March 31, 2026

	Number of Stock Units	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Total \$
Balance at 30 September 2024	374,658,300	43,175,494	172,311	1,122,369,465	1,165,717,270
Net profit, being total comprehensive income for the period	-	-	-	131,307,112	131,307,112
Transactions with owners:					
Dividends paid	-	-	-	(44,958,996)	(44,958,996)
Balance at 31 March 2025	374,658,300	43,175,494	172,311	1,208,717,581	1,252,065,386
Balance at 30 September 2025	374,658,300	43,175,494	172,311	1,356,338,506	1,399,686,311
Net profit, being total comprehensive income for the period	-	-	-	96,133,564	96,133,564
Transactions with owners:					
Dividends paid	-	-	-	(41,212,413)	(41,212,413)
Balance at 31 March 2026	374,658,300	43,175,494	172,311	1,411,259,657	1,454,607,462

Cargo Handlers Limited

Statement of Cash Flows

6 months ending March 31, 2026

	Mar 2026	Mar 2025
	\$	\$
Cash Flows from Operating Activities		
Net Profit	96,133,564	131,307,112
Items not affecting cash:		
Unrealised exchange (gain)/loss	3,601,530	(53,505)
Depreciation	14,995,459	12,469,854
Gain on disposal of property, plant and equipment	73,267	(6,100,000)
Interest income	(13,263,817)	(13,242,179)
Share of profit of associate	(48,824,606)	(61,846,392)
Interest expense	9,123	1,364,831
Taxation	17,653,814	33,679,218
	<u>70,378,335</u>	<u>97,578,939</u>
Changes in operating assets and liabilities:		
Receivables	(33,707,947)	(29,244,918)
Payables	<u>(13,363,910)</u>	<u>(6,960,549)</u>
Cash (used in)/provided by operating activities	23,306,478	61,373,472
Tax withheld at source	(2,217,907)	(2,226,874)
Income tax paid	<u>(1,575,000)</u>	<u>(7,226,569)</u>
Net cash (used in)/provided by operating activities	<u>19,513,571</u>	<u>51,920,029</u>
Cash Flows from Investing Activities		
Purchase of property, plant & equipment	(1,672,767)	(34,208,525)
Proceeds from sale/disposal of property, plant & equipment	-	6,100,000
Short-term deposits	(128,784,778)	(86,174,927)
Interest received	<u>13,263,817</u>	<u>13,242,179</u>
Cash provided by investing activities	<u>(117,193,729)</u>	<u>(101,041,274)</u>
Cash Flows from Financing Activities		
Related Companies	2,587,043	9,120,287
Repayment of borrowings	4,371,740	(3,669,400)
Interest paid	(9,123)	(1,364,831)
Dividends	<u>(41,212,413)</u>	<u>(44,958,996)</u>
Cash provided by financing activities	<u>(34,262,754)</u>	<u>(40,872,939)</u>
(Decrease)/Increase in net cash and cash equivalents	(131,942,911)	(89,994,184)
Effect of exchange rate on net cash and cash equivalents	(2,816,291)	36,807
Cash and cash equivalents at beginning of year	<u>183,220,920</u>	<u>161,243,909</u>
Cash and cash equivalents for period ending Mar 31	<u>48,461,717</u>	<u>71,286,532</u>

Selected Notes to the Financial Statements

1. Identification and Principal Activity

The Company is incorporated and domiciled in Jamaica and has its registered office at Montego Freeport Shopping Centre, Montego Bay. The Company's principal activity is the provision of stevedoring services, equipment leasing and the provision of management services

The Company is listed company on the Junior Market of the Jamaica Stock Exchange.

2. Basis of preparation

The interim financial statements for the period 31 March 2026 have been prepared in accordance with and in compliance with financial reporting standards. These interim financial statements were presented in accordance with IAS 34 "Interim Financial Reports", and follows the same accounting policies and method of computation that were used in the annual audit financial statements September 30, 2025

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed in Note 4.

3. Critical Accounting Judgments and key Sources of Estimation Uncertainty

Estimates and judgments used in preparing the financial statements of the Company are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In the process of applying the Company's accounting policies, management has arrived at no judgments which it believes would have a significant impact on the amounts recognized in these financial statements. Also, management has derived no estimates for inclusion in these financial statements which it believes have a significant risk of causing a material adjustment to the carrying amounts of these assets and liabilities within the next financial year.

4. Investment in Associates

	2026	2025
Buying House Cement Limited		
Unquoted shares – at cost	\$105,150,338	\$105,150,338
Share of profits	<u>488,628,455</u>	<u>344,740,351</u>
	<u>\$593,778,793</u>	<u>\$449,890,689</u>

CARGO Handlers Ltd.

TOP TEN (10) STOCKHOLDERS

As at 31 March 2026

<u>NAME</u>	<u>UNITS</u>	<u>PERCENTAGE</u>
North Star Investment Ltd	113,242,640	27.2054
Kingston Wharves Limited	112,911,980	27.1260
Antony Mark Hart	109,911,980	26.4053
Cargo Handlers Trust	41,591,700	9.9920
Theresa Chin	6,548,260	1.5732
Nigel O. Coke	5,733,313	1.3774
Jamaica Money Market Brokers ltd	3,959,993	0.9513
Mayberry Investments Ltd. Pension Scheme	3,429,920	0.8240
Rosemarie McIver	2,761,190	0.6633
Robert H. S. Chin	2,580,000	0.6198

DIRECTORS AND CONNECTED PARTIES REPORT

<u>NAME</u>	<u>POSITION</u>	<u>RELATIONSHIP</u>	<u>UNITS</u>	<u>PERCENTAGE</u>
Mark Hart	Chairman	Self	109,911,980	26.4053
Mark Hart	Chairman	Connected party holding	113,242,640	27.2054
Jeffery Hall	Director	Connected party holding	112,911,980	27.1260
Theresa Chin	Director	Self	1,721,000	0.4135
Theresa Chin	Director	Connected party holding	5,879,220	1.4124
William Craig	Director	Connected party holding	337,930	0.0812
Andrew McCarthy	Director	Self	0.00	0.00
John Byles	Director	Self	0.00	0.00
		Key Member Holdings	111,632,980	26.82
		Connected Party Holdings	232,371,770	55.82
		Combined Holdings	344,004,750	82.64

Senior Managers

Theresa Chin	6,548,260
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