

UNAUDITED  
**FINANCIAL  
STATEMENTS**



**FOR THIRD QUARTER ENDED MARCH 31, 2026**





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# DIRECTORS' REPORT

## TO SHAREHOLDERS - UNAUDITED RESULTS FOR THIRD QUARTER ENDED MARCH 31, 2026



The Board of Directors of Fontana Limited is pleased to present the unaudited financial statements for the third quarter ended March 31, 2026. These financial statements have been prepared in accordance with IFRS Accounting Standards.

The third quarter represented a defining period of resilience and recovery for Fontana following the widespread disruption caused by Hurricane Melissa. While Jamaica continued to confront the significant economic and social impact of the catastrophe, Fontana remained focused on serving customers, restoring operations and advancing its long-term strategic objectives.

Despite the challenging operating environment, Fontana delivered strong growth across its core business segments. Revenue for the quarter increased 17.7% year-over-year to \$2.6 billion, compared to \$2.2 billion in the corresponding quarter last year. This performance was driven by continued growth in same-store sales, increased customer activity and the increasing contribution from the recently integrated Monarch Pharmacy locations.

The integration of the four Monarch Pharmacy locations continues to progress ahead of expectations and is generating meaningful improvements in both revenue generation and customer traffic. Importantly, the Company is also achieving stronger operational alignment across these locations, with revenue-to-expense ratios steadily improving toward levels consistent with established Fontana operations. These trends reinforce management's confidence in the long-term value and earnings potential of the acquisition.

Gross profit for the quarter increased 16.2% to \$971 million, while the Company maintained a strong gross margin of 36.9%. The ability to maintain consistent margins during a period of operational recovery and business integration reflects the effectiveness of Fontana's merchandising strategy, pricing discipline and overall operational execution.

Operating expenses increased 18.2% to \$812.8 million compared to \$687.7 million in the prior year. The increase was largely aligned with revenue growth and was primarily attributable to:

- Increased staff costs associated with expanded operations and continued investments in customer service and operational support;
- Temporary integration-related expenses associated with the Monarch acquisition, including one-time amortization costs.

Operating profit totaled \$158.2 million, representing an increase of 6.8% over the \$148.1 million achieved in the prior year.

EBITDA for the quarter totalled \$795.2 million compared to \$857.2 million in the prior year. The Board notes that current period earnings continue to reflect the impact of non-recurring integration and amortization charges associated with the Monarch acquisition. These transitional expenses do not reflect the underlying operational strength of the expanded business nor its long-term earnings capacity

After recording a tax provision of \$18 million, net profit for the quarter totalled \$114 million, representing year-over-year growth of 11%, while earnings per share increased to \$0.09 compared to \$0.08 in the corresponding quarter last year.

Finance costs increased 4.2% during the quarter, while other income rose 6.3% to \$39.6 million.

The Company ended the quarter with a strong and stable balance sheet, maintaining significant financial flexibility to support ongoing operations, strategic initiatives and future growth opportunities.

Key balance sheet highlights include:

- Total assets of \$6.6 billion;
- Cash and cash equivalents of \$1.5 billion;
- Shareholders' equity of \$3.2 billion, representing growth of 4.8% year-over-year.

As the Company enters the final quarter of the financial year, management remains encouraged by the continued recovery in consumer demand, improving operational efficiencies and the strong long-term prospects of the expanded Fontana network. The Company remains focused on disciplined execution, customer experience, operational excellence and delivering sustained value to shareholders.

Fontana also continues to play an active role in supporting the communities in which it operates through strategic partnerships and philanthropic initiatives.

Key initiatives during the quarter included:

- Press Association of Jamaica 2025 National Journalism Awards – Donation
- Barbican Baptist Church Community Health Fair 2026
- Mannings School Yearbook 2026
- Hurricane Melissa Relief Donation to Mustard Seed Home
- NCU Homecoming 2026 - Golf Tournament Package
- DBJ Wellness Committee Grill Off Competition
- UTECH Nursing School Health Fair
- JCF Constant Spring Staff Function and Award Ceremony
- Cornwall Regional Hospital Renal Week Activities
- Salvation Army School for the Blind Health Fair

The Board wishes to express its deepest appreciation to the entire Fontana team for the extraordinary resilience, dedication and professionalism demonstrated throughout this period of national recovery. The commitment of our employees, many of whom were themselves directly impacted by Hurricane Melissa, has been instrumental in ensuring business continuity, maintaining high levels of customer service and positioning the Company for continued growth.

We also extend sincere thanks to our customers for their unwavering loyalty, trust and support during this challenging period. Your continued confidence in Fontana remains the foundation of our success. Finally, we thank our shareholders for their steadfast confidence and continued belief in the Company's long-term vision and strength.



**Kevin O'Brien Chang**  
Director/ Chairman



**Anne Chang**  
Director/ CEO

# Orá'

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# FONTANA LIMITED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) THIRD QUARTER ENDED MARCH 31, 2026




	Note	Third Quarter Ended March 31		9 Months Ended March 31		Audited June 30, 2025
		2026 \$	2025 \$	2026 \$	2025 \$	\$
Revenues		2,634,128,099	2,237,287,156	7,990,662,655	7,016,372,940	9,519,970,453
Cost of Sales		(1,663,149,645)	(1,401,429,293)	(5,004,998,893)	(4,342,790,531)	(5,901,240,076)
<b>Gross Profit</b>		970,978,454	835,857,863	2,985,663,762	2,673,582,410	3,618,730,377
Administrative and Other Expenses		(793,880,280)	(667,920,291)	(2,408,738,865)	(1,984,958,807)	(2,728,863,238)
Selling and Promotion		(18,892,683)	(19,817,880)	(66,534,414)	(62,582,810)	(105,175,216)
		(812,772,963)	(687,738,170)	(2,475,273,280)	(2,047,541,618)	(2,834,038,454)
<b>Operating Profit</b>		158,205,491	148,119,692	510,390,483	626,040,792	784,691,923
Other Income		39,611,629	37,277,755	128,628,235	116,515,092	159,943,617
Finance Costs	8	(65,693,213)	(63,036,085)	(225,400,523)	(171,801,478)	(249,573,307)
Profit before taxation		132,123,907	122,361,363	413,618,195	570,754,405	695,062,233
Taxation Charge		(18,025,068)	(19,570,368)	(53,912,679)	(80,915,921)	(103,501,728)
<b>Net Profit for the period/year</b>		114,098,839	102,790,994	359,705,516	489,838,485	591,560,505
<b>EARNINGS PER SHARE</b>	10	<b>0.09</b>	<b>0.08</b>	<b>0.29</b>	<b>0.39</b>	<b>0.47</b>

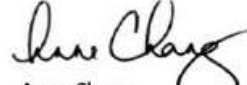
# FONTANA LIMITED STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT MARCH 31, 2026



	Note	Unaudited		Audited
		Mar 2026	Mar 2025	June 2025
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment		1,380,174,687	1,278,301,159	1,355,517,722
Right of use asset		668,745,170	801,559,000	768,355,543
Intangible asset	9	825,569,412	863,374,759	864,917,438
		<u>2,874,489,269</u>	<u>2,943,234,918</u>	<u>2,988,790,703</u>
<b>Current Assets</b>				
Due from Related Parties		5,909,377	2,644,636	5,888,260
Due from Directors		10,102,896	22,753,149	5,506,075
Trade and other Receivables	3	250,654,482	311,608,057	229,798,968
Inventories		2,007,472,957	1,945,661,106	2,041,869,403
Cash & Cash Equivalents		1,486,706,462	1,720,503,213	1,601,071,931
		<u>3,760,846,174</u>	<u>4,003,170,160</u>	<u>3,884,134,637</u>
<b>Total Assets</b>		<b><u>6,635,335,442</u></b>	<b><u>6,946,405,078</u></b>	<b><u>6,872,925,340</u></b>
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Issued Share Capital		252,589,301	252,589,301	252,589,301
Accumulated Surplus		2,980,775,337	2,831,691,508	2,621,069,821
		<u>3,233,364,638</u>	<u>3,084,280,808</u>	<u>2,873,659,122</u>
<b>Non-Current Liabilities</b>				
Bond Payable	6	1,351,463,336	1,126,797,153	1,110,745,116
Deferred Tax Liability		53,667,839	38,171,570	53,667,839
Non Current Portion of Lease Liability		774,388,347	924,061,323	895,919,837
Bank Loans Payable	4	20,397,775	22,631,262	28,795,971
		<u>2,199,917,296</u>	<u>2,111,661,308</u>	<u>2,089,128,763</u>
<b>Current Liabilities</b>				
Current portion of lease liability		152,706,488	139,164,453	143,472,586
Bank loans payable - Current portion	4	20,008,675	15,681,186	15,637,848
Taxation payable		12,183,273	30,863,079	12,865,551
Notes Payable	5	-	350,000,000	350,000,000
Trade and other payables	7	1,017,155,072	1,214,754,243	1,388,161,470
		<u>1,202,053,508</u>	<u>1,750,462,961</u>	<u>1,910,137,455</u>
<b>Total Equity and Liabilities</b>		<b><u>6,635,335,442</u></b>	<b><u>6,946,405,078</u></b>	<b><u>6,872,925,340</u></b>

  
 Kevin O'Brian Chang  
 Director/Chairman



  
 Anne Chang  
 Director/CEO

# FONTANA LIMITED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) THIRD QUARTER ENDED MARCH 31, 2026



	No. of Shares \$	Share Capital \$	Accumulated Surplus \$	Total \$
<b>Audited Balance as at June 30, 2024</b>	1,249,374,825	252,589,301	2,654,196,729	2,906,786,030
Dividend Payment	-	-	(312,343,706)	(312,343,706)
Net Profit for the period	-	-	489,838,485	489,838,485
<b>Balance at March 31, 2025</b>	<b>1,249,374,825</b>	<b>252,589,301</b>	<b>2,831,691,507</b>	<b>3,084,280,808</b>
<b>Audited Balance as at June 30, 2025</b>	1,249,374,825	252,589,301	2,621,069,821	2,873,659,122
Net Profit for the period	-	-	359,705,516	359,705,516
<b>Balance at March 31, 2026</b>	<b>1,249,374,825</b>	<b>252,589,301</b>	<b>2,980,775,337</b>	<b>3,233,364,638</b>

# FONTANA LIMITED STATEMENT OF CASH FLOWS (UNAUDITED) AS AT MARCH 31, 2026



	Unaudited		Audited
	Mar-26 \$	Mar-25	\$ 30-June-25 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation	413,618,195	570,754,406	695,062,233
<b>Adjustment for items not affecting cash resources:</b>			
Depreciation on property, plant and equipment	106,017,228	90,142,599	122,710,491
Depreciation expense - Lease Related	99,610,373	99,610,373	132,813,831
Amortization Expense - Monarch Acquisition	33,875,533	-	-
Lease interest expense	52,696,387	59,530,582	78,322,192
Interest expense	99,784,428	34,657,265	62,479,684
(Gain)/Loss on disposal of property, plant and equipment	(14,845,919)	1,025,596	1,025,596
Amoritization of bond issuance cost	4,468,220	1,484,553	2,995,849
	<b>795,224,445</b>	<b>857,205,373</b>	<b>1,095,409,876</b>
<b>(Increase)/decrease in operating assets:</b>			
Inventories	34,396,446	(500,451,129)	(596,659,426)
Due from related parties	(21,117)	2,868,904	(374,720)
Trade and other receivables	(20,855,514)	(104,765,138)	(22,956,049)
Taxation recoverable	(7,202,642)	3,837,034	(26,561,011)
<b>Increase/(decrease) in operating liabilities:</b>			
Trade and other payables	(371,006,398)	159,206,685	332,613,911
Notes Payable	(350,000,000)	350,000,000	350,000,000
Taxation Payable	271,797	-	12,865,551
Due to related parties	-	(1,364,647)	(1,364,647)
	<b>80,807,017</b>	<b>766,537,083</b>	<b>1,142,973,485</b>
<b>Cash flows (used in)/provided by operating activities</b>	<b>80,807,017</b>	<b>766,537,083</b>	<b>1,142,973,485</b>
Taxation paid	(47,392,306)	(14,942,040)	(46,314,703)
Net cash provided by operating activities	<b>33,414,711</b>	<b>751,595,042</b>	<b>1,096,658,782</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment	14,845,919	11,823,749	9,995,883
Acquisition of intangible asset	(7,867,544)	(672,063,241)	(677,410,226)
Acquisition of property, plant and equipment	(154,633,740)	(132,054,098)	(200,773,014)
Cost of work in progress	37,027,777	-	(37,027,777)
	<b>(110,627,588)</b>	<b>(792,293,590)</b>	<b>(905,215,134)</b>
Net cash used in investing activities	<b>(110,627,588)</b>	<b>(792,293,590)</b>	<b>(905,215,134)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid	-	(312,343,706)	(624,687,413)
Proceeds from loans	11,795,000	14,940,073	25,940,073
Repayment of loans	(15,822,368)	(12,949,638)	(17,828,268)
Proceeds from bonds	300,000,000	603,687,500	627,786,667
Repayment of bonds	(63,750,000)	-	(16,250,000)
ROU lease liability, net	(164,993,976)	(141,317,178)	(183,942,141)
Director's loans, net	(4,596,821)	(11,988,062)	5,259,012
Interest paid	(99,784,428)	(34,657,265)	(62,479,684)
	<b>(37,152,592)</b>	<b>105,371,724</b>	<b>(246,201,754)</b>
Net cash (used in)/provided by financing activities	<b>(37,152,592)</b>	<b>105,371,724</b>	<b>(246,201,754)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(114,365,469)</b>	<b>64,673,176</b>	<b>(54,758,106)</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of the period/year</b>	1,601,071,931	1,655,830,037	1,655,830,037
<b>CASH AND CASH EQUIVALENTS - End of the period/year</b>	<b>1,486,706,462</b>	<b>1,720,503,213</b>	<b>1,601,071,931</b>
<b>REPRESENTED BY:</b>			
Short term investment	890,948,909	744,084,638	762,326,367
Cash and bank deposits	595,757,553	976,418,575	838,745,564
	<b>1,486,706,462</b>	<b>1,720,503,213</b>	<b>1,601,071,931</b>

# FONTANA LIMITED - NOTES TO THE FINANCIAL STATEMENTS

## THIRD QUARTER ENDED 31ST MARCH 2026 (UNAUDITED)



### 1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

Fontana Limited (the "Company") is incorporated and domiciled in Jamaica and its registered office is situated at Fairview Shopping Centre, Montego Bay, St. James, Jamaica.

The Company is publicly listed on the Junior Market of the Jamaica Stock Exchange with an effective date of January 8, 2019.

The principal activity of the Company is the operation of a pharmacy business in each of its eleven locations dispersed over Jamaica as well as the retailing of consumer goods such as cosmetics, household essentials, school supplies and more.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These unaudited interim financial statements for the 9 months ended March 31, 2026 have been prepared in accordance with IAS 34, 'Interim financial reporting'. These interim financial statements should be read in conjunction with the accounting policies as set out in Note # 2 & #3 of the audited financial statements for the year ended 30 June 2025 which have been prepared in accordance with International IFRS Accounting Standards.

### 3. TRADE AND OTHER RECEIVABLES

	31-Mar	
	2026	2025
	\$	\$
Trade receivables	81,789,084	78,044,117
Other receivables	36,136,773	26,307,879
Pre-payments	55,789,706	138,232,641
Interest Receivables	14,312,736	6,960,179
Security deposits	62,626,184	62,063,242
	<b>250,654,482</b>	<b>311,608,057</b>

### 4. BANK LOANS PAYABLE (LONG TERM)

	31-Mar	
	2026	2025
	\$	\$
a. BNS Motor Vehicle Loan	3,680,625	7,078,125
b. BNS Motor Vehicle Loan	8,715,042	12,450,061
c. BNS VAN LOAN	-	400,000
d. BNS M/Vehicle Loan	-	1,750,135
e. BNS VAN LOAN	1,890,470	3,402,878
f. BNS M/Vehicle Line of Credit	1,862,500	3,725,000
g. BNS Vehicle Line of Credit	5,703,750	9,506,250
h. BNS FTR Truck Loan	8,479,167	-
i. BNS VAN LOAN EV	10,074,896	-
	<b>40,406,451</b>	<b>38,312,448</b>
	<b>(20,008,675)</b>	<b>(15,681,186)</b>
	<b>20,397,775</b>	<b>22,631,262</b>

*Less: Current Portion*

### 5. NOTES PAYABLE

	31- Mar	
	2026	2025
	\$	\$
Amount payable to GERK Ltd. for the Monarch acquisition		
August 2025	-	250,000,000
January 2026	-	100,000,000
		<b>350,000,000</b>

# FONTANA LIMITED - NOTES TO THE FINANCIAL STATEMENTS THIRD QUARTER ENDED 31ST MARCH 2026 (UNAUDITED)



## 6. SENIOR UNSECURED BONDS

	31-Mar	
	2026 \$	2025 \$
6% Bond due December 14, 2026	500,000,000	500,000,000
Unamortized bond fees (Legal and arranger fees)	(1,136,220)	(2,651,180)
9.5% Unsecured Bond Tranche A, due February 28, 2030	585,000,000	650,000,000
9.5% Unsecured Bond Tranche B, due February 28, 2030	285,000,000	-
Unamortized bond fees (Legal and arranger fees)	(17,400,445)	(20,551,667)
	<b>1,351,463,336</b>	<b>1,126,797,153</b>

In December 2021, the Company launched a private placement of Bonds to raise J\$500,000,000. The placement was successfully taken up in total by Scotia Investments Jamaica Limited. Interest is payable quarterly at 6% per annum for the first 3 years and at WATBY+ 300 basis points thereafter.

In February 2025, the company launched a second private placement of Bonds to raise J\$650,000,000 (tranche A). Tranche B was issued in July 2025 and raised J\$300,000,000. The placements were successfully taken up by a few institutional stakeholders. Interest as well as principal paydown is done quarterly at 9.5%.

## 7. TRADE AND OTHER PAYABLES

	31-Mar	
	2026 \$	2025 \$
Trade payables	704,688,042	910,679,269
Statutory liabilities	31,694,459	27,365,001
GCT payable	31,473,555	3,952,556
Salary accruals	21,540,909	17,383,700
Credit cards payable	75,232,482	136,211,143
Other payables and accruals	140,652,464	112,344,604
Accrued Interest	11,873,160	6,817,970
	<b>1,017,155,072</b>	<b>1,214,754,243</b>

## 8. FINANCE COSTS

	31-Mar	
	2026 \$	2025 \$
Bank service charges	4,128,376	3,866,913
Finance charges	6,304,893	2,331,075
Credit Card Commission	19,177,976	16,032,531
Loan interest	32,963,333	17,875,610
Lease interest expense (IFRS 16)	16,746,232	19,243,144
Foreign exchange (gain)/loss (Revaluation of Lease liability - IFRS 16)	(8,638,749)	7,831,935
Foreign exchange gain	(4,988,848)	(4,145,123)
	<b>65,693,213</b>	<b>63,036,085</b>

# FONTANA LIMITED - NOTES TO THE FINANCIAL STATEMENTS THIRD QUARTER ENDED 31ST MARCH 2026 (UNAUDITED)



## 9. INTANGIBLE ASSETS

	31-Mar	
	2026	2025
	\$	\$
Goodwill and other intangibles	803,648,853	837,524,386
Software	21,920,559	25,850,373
	<b>825,569,412</b>	<b>863,374,759</b>

Software is amortized over 4 years. Goodwill and other intangibles are assessed for impairment on an annual basis.

## 10. EARNINGS PER SHARE

	31-Mar	
	2026	2025
	\$	\$
Profit attributable to shareholders	359,705,516	489,838,485
Weighted average number of shares in issue	1,249,374,825	1,249,374,825
Earnings per share	0.29	0.39

# FONTANA LIMITED

## LIST OF TOP TEN (10) LARGEST SHAREHOLDERS AS AT MARCH 31, 2026

### SHAREHOLDERS

Shareholder	Units
1. Burbank Holdings Limited	961,298,275
2. Astronomical Holdings Limited	12,931,000
3. Sagicor Select Fund Limited – ('Class C' Shares) Manufacturing & Distribution	10,028,143
4. SJIML A/C 3119	9,606,875
5. St. Elizabeth International Limited	9,230,953
6. JCSD Trustee Services Ltd. A/C#76579-02	9,103,727
7. Wayfinder Holdings Limited	8,648,472
8. Jacqueline Sharp/Jason Sharp	7,094,000
9. St. Elizabeth Holdings Limited	5,319,000
10. Victory Island Limited	5,319,000

## SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES AS AT MARCH 31, 2026

Director	Shareholdings	Connected Parties	Shareholdings
Raymond Therrien	----	Burbank Holdings Limited	961,298,275
Kevin O'Brien Chang	----	Burbank Holdings Limited	961,298,275
		Nicole Watson-Chang	745,850
Anne Chang	----	Burbank Holdings Limited	961,298,275
Jacqueline Sharp	7,094,000	Jason Sharp (Joint Holder)	
Heather Goldson	2,211,000	David L. Goldson (Joint Holder)	
Larren Peart	56,844	----	----

## SHAREHOLDINGS OF OFFICERS AND CONNECTED PARTIES AS AT MARCH 31, 2026

Denise Douglas	25,352	Ryan McCalla (Joint Holder)
Judale Samuels- Smith	613,506	Daniel Smith (Joint Holder)



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