



Everyday Family Values

LASCO Distributors Limited



2026
ANNUAL REPORT

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Our Vision

To become a global corporate leader, through innovation and entrepreneurship. Driven by passion for excellence and compassion for our fellow man, we will make LASCO a world name, synonymous with integrity, value and service.

Our Mission

To provide quality products and services to our customers, ensure profitability and promote employee development.

Being the best ... Always.

Core Values

CARE FOR OUR CUSTOMERS

We respect our customers' time and privacy.

COMMITMENT

We are committed to achieving success for our team, agents and shareholders.

INTEGRITY

In dealing with our customers, agents, staff and shareholders.

Continuous Improvement of our Processes.





Everyday Family Values

About LASCO Distributors Limited

Founded in September 1988, by the Hon. Lascelles Chin, we have grown organically through a relentless approach to delivering value and excellence through our products and services. Today, we are one of the largest distributors of consumer and pharmaceutical products in Jamaica.

With sustainability at the heart of our corporate culture, we have a strong track record of investing in programmes that provide tangible results at the intersection of business and community. Reaping the fruits of this labour, we boast an enviable portfolio of consumer products sourced through partnerships across the region and the world, made possible by the relentless commitment of our team of professionals across multiple disciplines.

Enhancing everyday family values through Nutrition, Hygiene and Healthcare is at the core of our corporate ethos, driving our business activities with purpose and care. At LASCO Distributors Limited, we believe that everyone has the right to lead a healthy, happy life. We also believe that healthy people build more vibrant and resilient communities. From our inception, we have innovated to deliver products that empower people to be healthier, happier and more productive.

As we look to the future, we continue to push the boundaries to create solutions that make a difference and enrich lives. We innovate with our brand portfolio, invest in people and technology capability, and accelerate the growth of our business footprint to create shared value for our customers, communities and other key stakeholders.





Everyday Family Values

NOTICE OF 16th Annual General Meeting

NOTICE IS HEREBY GIVEN that the 16th Annual General Meeting of **LASCO DISTRIBUTORS LIMITED** will be held on Friday, October 9, 2026, at 1:00 p.m., in the Montego Suite at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5. The meeting will be streamed live and can be accessed at <https://consumer.lascojamaica.com/agm/> and will be for viewing purposes only.

This meeting is called to consider and pass the resolutions set out hereunder.

Ordinary Resolutions



01 Audited Accounts

To receive the audited accounts for the year ended March 31, 2026 and consider and if thought fit, pass the following resolution:

“THAT the Audited Accounts for the year ended March 31, 2026, and the Reports of the Directors and Auditors, circulated with the notice convening the meeting, be and are hereby adopted.”

02 Ratification of Dividend

To consider and if thought fit pass the following resolution:

“THAT the Interim Dividend of \$0.12 cents per stock unit which was paid on July 24, 2025, to stockholders on record at the close of business on July 1, 2025, be declared final for the year 2025.”

03 Election of Directors

Article 97 of the Company's Articles of Incorporation provides that one-third of the Directors, if their number is not three (3) or a multiple of three (3), the number nearest one-third ($\frac{1}{3}$), shall retire from office at each Annual General Meeting.

Article 98 of the Company's Articles of Incorporation provides that the Directors to retire in every year shall be those who have been longest in office since their last election.

The Directors retiring under these Articles are **Dr. Eileen Chin** and **Mr. Colin Maxwell** and being eligible, offer themselves for re-election.

To consider and if thought fit pass the following resolution:

(i) “THAT retiring Director, **Dr. Eileen Chin**, be and is hereby re-elected a Director of the Company.”

To consider and if thought fit pass the following resolution:

(ii) “THAT retiring Director, **Mr. Colin Maxwell**, be and is hereby re-elected a Director of the Company.”

04 Directors Remuneration

Article 77 of the Articles of Incorporation empowers the Directors or any appropriate Committee of the Board of Directors to fix the remuneration of the Directors.

To consider and if thought fit, pass the following resolution:

“THAT, the remuneration of the Directors be fixed by the Compensation & Human Resources Committee of the Board”.

Article 111 empowers the Directors, or any appropriate Committee of the Board of Directors, to determine the remuneration of the Managing Director.

To consider and if thought fit pass the following resolution:

“THAT, the remuneration of the Managing Director be fixed by the Compensation & Human Resources Committee of the Board”.

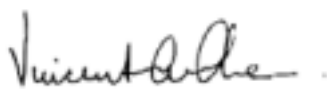
05 Remuneration of Auditors

To consider and if thought fit pass the following ordinary resolution:

“THAT, the remuneration of the Auditors, BDO, be fixed by the Directors of the Company.”

Dated this 18th day of June, 2026

BY ORDER OF THE BOARD



Vincent A. Chen
COMPANY SECRETARY

NOTE:

1. A Member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more persons as his/her Proxy to attend and vote in his/her stead, and a Proxy need not be a Member of the Company.
2. All Members are entitled to attend and vote at the meeting.
3. Enclosed is a form of Proxy which must be deposited with the Secretary at the registered office of the Company not less than 48 hours before the time appointed for the holding the meeting or with the Registrar and Transfer Agent, Jamaica Central Securities Depository, 40 Harbour Street, Kingston.

Corporate Data

REGISTERED OFFICE

LASCO Distributors Limited

27 Red Hills Road
Kingston 10
Jamaica, West Indies
Tel: (876) 968-3456-65
Fax: (876) 929-7622
Website: www.lascojamaica.com

BANKERS

CIBC Caribbean Limited

23-27 Knutsford Boulevard
Kingston 5
Jamaica, West Indies

Bank of Nova Scotia Jamaica Limited

Corner of Duke & Port
Royal Streets
Kingston
Jamaica, West Indies

National Commercial Bank Jamaica Limited

94 Half Way Tree
Kingston 10
Jamaica, West Indies

AUDITORS

BDO

26 -28 Beechwood Avenue
Kingston 5
Jamaica, West Indies

REGISTRAR AND TRANSFER AGENTS

Jamaica Central
Securities Depository
Limited
40 Harbour Street
Kingston
Jamaica, West Indies

BOARD OF DIRECTORS

Executive Chairman:

James E.D. Rawle, CD

Managing Director:

John De Silva

Non-Executive Directors:

Colin Maxwell, FCA, FCCA
Dr. Eileen Chin, MBA
Justice Seymour Panton OJ, CD
Gary Peart, MBA
Vincent A. Chen

Chief Financial Officer:

Shellyann Jackson

Company Secretary:

Vincent A. Chen

ATTORNEYS-AT-LAW

Chen, Green & Co

6 Haining Road
Kingston 5
Jamaica, West Indies

SEGMENT LOCATION

LASCO

Pharmaceutical Division

27 Red Hills Road
Kingston 10
Jamaica, West Indies
Tel: (876) 968-3456-65;
(876) 929-7633
Fax: (876) 929-7622

LASCO Consumer Division

White Marl, St. Catherine
Jamaica, West Indies
Tel: (876) 749-2967-9;
(876) 749-5272
Fax: (876) 749-2966

LASCO

Mackerel

Get **HOOKED**
on the **TASTIEST**
MACKEREL AROUND

Perfect
for
Lent





Everyday Family Values

Top Ten Shareholders as at March 31, 2026

Name	Volumes	Percentages
East West (St. Lucia) Limited	1,649,551,260	46.72
Estate Lascelles A. Chin (Deceased)	1,020,735,448	28.91
Mayberry Jamaican Equities Limited	68,535,544	1.94
JCSD Trustee Services Ltd. A/C #76579-02	33,781,958	0.95
Wayne M. Chin	30,017,860	0.85
Peter M. Chin	28,291,522	0.80
Sagicor Select Fund Ltd. – (Class C' Shares) Manufacturing & Distribution	27,753,880	0.78
Yuan Liao	24,374,727	0.69
SJIML A/C 3119	22,423,657	0.63
Joel Izquierdo Gonzalez	21,003,000	0.59



Everyday Family Values

Shareholdings of Directors & Connected Parties as at March 31, 2026

Name	Position *Joint Holder	Units	Percentages
Eileen Chin		15,116,165	0.4281
	*Estate, Lascelles Chin Direct -(Deceased)	{1,020,735,448}	28.91
Colin Maxwell		0.000	0.0000
Gary Peart		1,397,000	0.0396
Vincent Chen		2,500,000	0.0708
James Rawle		10,000,000	0.2832
Justice Seymour Panton		0.000	0.000



Everyday Family Values

Shareholdings of Senior Managers and Connected Parties

as at March 31, 2026

Name Primary Holder	Units	Percentages
Shellyann Jackson	0.00	0.0000
Peter Hylton	72,121	0.0020
Kerri Dunn	0.00	0.0000



**NUTRITION NEVER
TASTED SO GOOD**



SCAN ME

#WinningNutrition

  **LASCOGOODNESS**



Ten Year Financial Review

	2026	2025	2024	2023
Number of Shares Issued ('000)	3,530,703	3,525,703	3,525,703	3,525,703
Stock Holders Equity (\$'000)	\$11,099,316	\$10,474,474	\$9,519,921	\$8,413,888
Percentage increase over prior year	6.0%	10.0%	13.1%	15.4%
Market Capitalisation (\$'000)	\$11,616,013	\$15,336,808	\$14,984,238	\$9,061,057
Total Borrowings (\$'000)	\$806,059	\$365,585	\$0	\$0
INCOME STATEMENT (\$'000)	2026	2025	2024	2023
Turn Over	\$31,674,360	\$30,256,427	\$29,185,779	\$26,559,286
Percentage increase/decrease over prior year	4.7%	3.7%	9.9%	13.8%
Profit before Taxation	\$1,328,326	\$1,677,835	\$1,811,572	\$1,621,016
Percentage increase/decrease over prior year	-20.8%	-7.4%	11.8%	27.9%
Profit after Taxation	\$1,063,458	\$1,338,868	\$1,446,840	\$1,353,576
Percentage increase over prior year	-20.6%	-7.5%	6.9%	33.2%
Net Profit Attributable to Stockholders	\$1,063,458	\$1,338,868	\$1,446,840	\$1,353,576
Percentage increase/decrease over prior year	-20.6%	-7.5%	6.9%	33.2%
Total Comprehensive Income	\$1,029,426	\$1,342,380	\$1,458,603	\$1,401,106
Percentage increase/decrease over prior year	-23.3%	-8.0%	4.1%	34.2%
IMPORTANT RATIOS	2026	2025	2024	2023
Debt to Equity Ratio	7.3%	3.5%	0.0%	0.0%
Return on Equity	9.9%	13.4%	16.1%	17.2%
Profit before Taxation/Sales	4.2%	5.5%	6.2%	6.1%
Return on Asset	6.2%	8.9%	10.5%	10.5%
Quick Ratio	1.38	1.47	1.55	1.31
Current Ratio	2.35	2.55	2.54	2.22
Return on Sales	3.4%	4.4%	5.0%	5.1%
Shareholders Equity per Stock unit	\$3.14	\$2.97	\$2.70	\$2.39
Earning per Stock Unit- basic	\$0.30	\$0.38	\$0.41	\$0.38
Closing Stock Price -JSE	\$3.29	\$4.35	\$4.25	\$2.57
Price Earning ratio	10.92	11.46	10.36	6.69

2022	2021	2020	2019	2018	2017
3,510,703	3,510,703	3,507,925	3,507,259	3,486,361	3,424,463
\$7,288,245	\$6,472,428	\$5,708,349	\$5,188,987	\$4,569,854	\$4,048,136
12.6%	13.4%	10.0%	13.5%	12.9%	13.8%
\$12,287,461	\$14,393,882	\$10,453,617	\$13,047,003	\$14,154,626	\$22,601,456
\$0	\$13,333	\$93,333	\$540,000	\$261,666	\$351,797
2022	2021	2020	2019	2018	2017
\$23,337,292 15.0%	\$20,286,028 4.1%	\$19,496,216 7.5%	\$18,130,689 11.4%	\$16,269,083 2.9%	\$15,803,329 8.6%
\$1,267,233 13.6%	\$1,116,013 36.4%	\$818,265 18.3%	\$691,942 -35.9%	\$1,079,369 57.1%	\$686,892 -9.3%
\$1,016,428 11.8%	\$909,480 25.3%	\$725,756 21.4%	\$597,781 -40.5%	\$1,003,879 64.7%	\$609,678 -14.9%
\$1,016,428 11.8%	\$909,480 25.3%	\$725,756 21.4%	\$597,781 -40.5%	\$1,003,879 64.7%	\$609,678 -14.9%
\$1,044,013 11.1%	\$939,722 40.4%	\$669,198 9.6%	\$610,608 -39.8%	\$1,014,183 58.4%	\$640,335 -13.6%
2022	2021	2020	2019	2018	2017
0.0%	0.2%	1.6%	10.4%	5.7%	8.7%
14.8%	14.9%	13.3%	12.3%	23.3%	16.0%
5.4%	5.5%	4.2%	3.8%	6.6%	4.3%
8.7%	9.1%	8.2%	7.0%	12.6%	8.8%
1.26	1.29	1.32	1.25	1.18	1.13
2.00	1.97	2.03	1.99	1.84	1.89
4.4%	4.5%	3.7%	3.3%	6.2%	3.9%
\$2.08	\$1.84	\$1.63	\$1.48	\$1.31	\$1.18
\$0.29	\$0.26	\$0.21	\$0.17	\$0.29	\$0.18
\$3.50	\$4.10	\$2.98	\$3.72	\$4.06	\$6.60
12.09	15.83	14.40	21.83	14.10	37.07

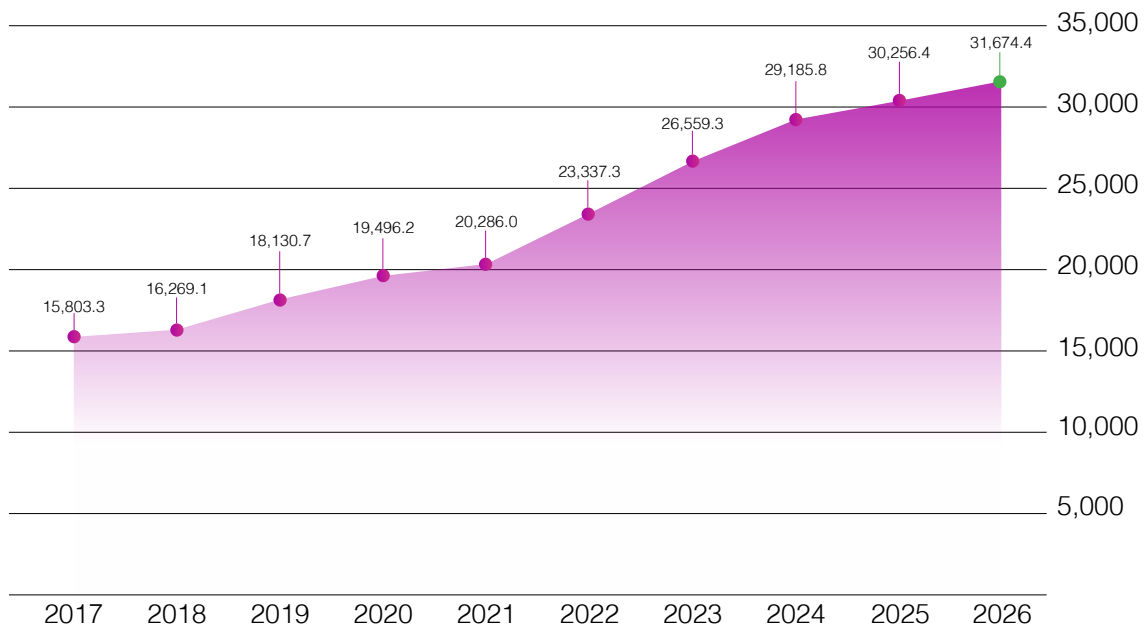
Ten Year Financial Review (Continued)

(\$'000)	2026	2025	2024	2023
Inventory	6,035,742	5,319,697	4,561,395	4,469,208
Receivables	4,843,096	4,745,459	4,329,711	3,579,728
Non Current Assets	3,644,809	3,284,167	2,462,852	2,447,330
Total Assets	18,258,359	15,863,546	14,210,665	13,377,858
Payables	6,047,594	4,713,405	4,374,592	4,686,876
Non Current Assets	3,644,809	3,284,167	2,462,852	2,447,330
Current Assets	14,613,550	12,579,379	11,747,813	10,930,528
Current Liabilities	6,217,081	4,937,490	4,622,138	4,916,796
Net working Capital	8,396,469	7,641,889	7,125,675	6,013,732
Ratios	2026	2025	2024	2023
Quick Ratio	1.38	1.47	1.55	1.31
Current Ratio	2.35	2.55	2.54	2.22
Debt to Equity Ratio	7.3%	3.5%	0.0%	0.0%
Earning per Stock Unit- basic	\$0.30	\$0.38	\$0.41	\$0.38
Price Earning ratio	10.92	11.46	10.36	6.69
Return on Equity	9.9%	13.4%	16.1%	17.2%
Gross Profit Margin	16.6%	17.3%	18.1%	17.3%
Operating profit as a % of Sales	4.3%	5.6%	6.2%	6.1%
Net Profit Margin	3.4%	4.4%	5.0%	5.1%
Gross Profit	5,251,990	5,235,686	5,277,994	4,584,775
Operating Profit	1,374,242	1,694,590	1,812,081	1,625,285

2022	2021	2020	2019	2018	2017
3,787,487	2,913,619	2,375,149	2,467,632	2,483,422	2,406,735
3,945,825	3,232,378	2,863,479	2,570,870	2,491,497	2,117,566
2,308,601	2,367,363	2,300,926	2,001,622	1,614,955	1,420,557
12,449,982	10,811,553	9,158,627	8,639,662	8,510,266	7,392,240
4,927,546	4,110,182	3,269,007	2,842,566	3,596,852	2,913,173
2,308,601	2,367,363	2,300,926	2,001,622	1,614,955	1,420,557
10,141,381	8,444,190	6,857,701	6,638,040	6,895,311	5,971,683
5,061,796	4,278,717	3,384,640	3,337,059	3,750,772	3,153,807
5,079,585	4,165,473	3,473,061	3,300,981	3,144,539	2,817,876
2022	2021	2020	2019	2018	2017
1.26	1.29	1.32	1.25	1.18	1.13
2.00	1.97	2.03	1.99	1.84	1.89
0.0%	0.2%	1.6%	10.4%	5.7%	8.7%
\$0.29	\$0.26	\$0.21	\$0.17	\$0.29	\$0.18
12.09	15.83	14.40	21.83	14.10	37.07
14.8%	14.9%	13.3%	12.3%	23.3%	16.0%
16.6%	18.0%	19.4%	19.6%	19.5%	18.6%
5.4%	5.5%	4.3%	3.9%	6.6%	4.4%
4.4%	4.5%	3.7%	3.3%	6.2%	3.9%
3,877,606	3,647,203	3,776,437	3,548,889	3,171,857	2,937,388
1,269,161	1,120,849	833,469	705,859	1,079,893	689,508

Financial Highlights

Total Company Revenue (\$M)



REVENUE

31.67M

5%▲

NET PROFIT
(J\$ '000S)

1.06M

21%▼

RETURN ON
EQUITY (ROE)

9.9%

3.5%▼

EARNINGS PER
SHARE (EPS)

\$0.30

21%▼

01

Message from the Chairman & the Managing Director



James Rawle

The 2026 financial year was one of resilience, investment, and continued progress for LASCO Distributors Limited. Despite a challenging operating environment characterized by supply chain volatility, inflationary pressures, higher financing costs, and the impact of Hurricane Melissa on certain sectors of the economy, the Company remained focused on executing its long-term strategy and strengthening its position across the Nutrition, Hygiene, and Healthcare categories.

Revenue continued to grow during the year, supported by strong performances across several of our core categories, improving export sales, and disciplined market execution. While profitability was impacted by rising operating costs and strategic investments being made to support future growth, the Company remained financially strong and continued to generate healthy operating cash flows.

We believe that sustainable growth requires ongoing investment. Accordingly, we continued to invest in our brands, our people, our systems, and our infrastructure. The expansion of our White Marl warehouse remains one of the most significant projects undertaken by the Company and represents a critical investment in our future. Upon completion, this facility will provide additional capacity, enhance operational efficiency, improve service levels, and strengthen our ability to support future growth.

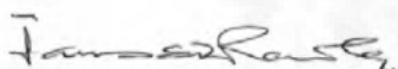
We were particularly encouraged by the continued growth of our export business, reflecting the strength of our brands and the opportunities that exist beyond our domestic market. Our focus remains on building deeper relationships with our distribution partners, strengthening market execution, and expanding our footprint across key international markets.

The year also reinforced the importance of agility and the strength of our business. From supply chain challenges to weather-related disruptions, our team demonstrated remarkable adaptability and commitment in ensuring that we continued to serve our customers and consumers effectively. We extend our sincere appreciation to our employees, whose dedication and professionalism continue to be one of our greatest strengths.

Strong corporate governance and effective risk management remain fundamental to our success. The Board continued to provide oversight and strategic guidance while ensuring that the Company maintains high standards of accountability, transparency, and ethical conduct. We also continued to strengthen our Enterprise Risk Management framework to support informed decision making and long-term value creation.

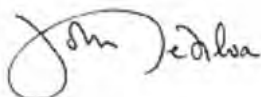
Looking ahead, we remain optimistic about the future. We will continue to focus on improving operational efficiency, expanding distribution, accelerating export growth, investing in innovation, and strengthening our market leading brands in the market. While economic and geopolitical uncertainties remain, we believe LASCO Distributors Limited is well positioned to capitalize on future opportunities and deliver sustainable long-term value for our shareholders.

On behalf of the Board of Directors and Management, we thank our shareholders, customers, suppliers, business partners, and employees for their continued trust, support, and commitment. We look forward to building on the strong foundation we have established and advancing the Company's growth agenda in the years ahead.



James Rawle

Chairman



John De Silva

Managing Director



James E. D. Rawle, CD

Executive Chairman
LASCO Distributors Limited

Mr. James E.D. Rawle is the Executive Chairman of LASCO Manufacturing Limited, LASCO Financial Services Limited and LASCO Distributors Limited. He is also the Managing Director of LASCO Manufacturing Limited. He did undergraduate studies in Natural Sciences at the University of the West Indies, from which he also holds the Master of Science degree in Organic Chemistry.

He brings to the Board a wealth of knowledge and experience, having served in various senior managerial positions, at one of the leading multinational food companies in the world for over 41 years. His extensive training in Organic Chemistry has been the base for his far-reaching work in manufacturing, new product research and development, as well as production and plant management. He also has extensive functional experience in brand management, sales, marketing, finance and strategy formulation and execution.

Mr. Rawle has been past Chairman of several Public entities, including The Board of the Bureau of Standards, The Scientific Research Council, The Natural Resources Conservation Authority, The Environmental Foundation of Jamaica, Nutrition Products Limited and The Cocoa Industry Board.

John De Silva

Managing Director
LASCO Distributors Limited

Mr. John De Silva, a Trinidadian national, was appointed Managing Director on 1st March 2021. Mr. De Silva has over 25 years' experience in the Food, Beverage, Nutrition, Homecare and Personal Care industries and has worked in Trinidad, Jamaica, Switzerland, The Dominican Republic, and Mexico. He has led Caribbean subsidiaries of two of the world's leading multinational companies as Managing Director. Namely, Unilever Caribbean Limited and Nestlé Caribbean Inc. as Country Manager.

He has delivered sustainable, profitable growth through competitive strategies focused on Innovation, Consumer Insights, Talent Development and Operational Excellence, all within a framework of sound Corporate Governance. He also has extensive experience in Finance and Supply Chain Management. Mr. De Silva is a Fellow of the Association of Chartered Certified Accountants of the UK and an alumnus of the IMD Business School in Switzerland.

Mr. John De Silva resigned as Managing Director from the Board on March 13, 2026.



02

BOARD OF DIRECTORS

Dr. Eileen A. Chin, MBA

Non-Executive Director
LASCO Distributors Limited

Dr. Eileen A. Chin is a Non-Executive Director of the Company. Born in Havana City, Cuba, Dr. Chin holds a post graduate degree in medicine from the Havana University School of Medicine.

Dr. Chin also holds an MBA in Global Management and has received knowledge and skills development training in Advanced Negotiation, Risk Management and Lean Six Sigma. She specialized in, and taught histology from 1993 to 1998 at the Girón School of Medicine, and migrated to Jamaica in 1998.

Dr. Chin joined the LASCO Affiliated Companies in 1999 serving in several positions such as marketing, product and label development and international business development for Central and South American markets. She was appointed General Manager of LASCO Foods, LASCO Food (Successors) Limited and LASCO Properties in 2008. Two years following, she was appointed Managing Director of LASCO Manufacturing Limited where she implemented US\$18M expansion of the Manufacturing facility. She held this position until 2015.

Dr Chin currently serves as a member of the Board of Directors of LASCO Financial Services Limited and LASCO Manufacturing Limited. She is a former member of the Board of the American International School of Kingston (AISK) and also the former chairman of the Portia Simpson Miller Foundation.



Vincent A. Chen

Non-Executive Director & Company
Secretary, LASCO Distributors Limited

Mr. Vincent Anthony Chen holds the position of Director and Company Secretary for LASCO Distributors Limited. Mr. Chen's duties include ensuring that the Company abides by the standard legal and financial practices along with maintaining Corporate Governance.

Mr. Chen has over 55 years of experience in the field of law having successfully passed the solicitors qualifying examinations set by the LAW Society in England and having passed the common law examinations administered by Osgoode Hall Law School in Canada. He is a partner at the law firm Chen, Green & Co. as well as a Notary Public for Jamaica. He qualified as a Barrister and Solicitor in British Colombia, Canada and as a Solicitor of the Supreme Court in England. He appears regularly in the Supreme Court, The Court of Appeal and the Privy Council in civil litigation involving commercial matters.

Mr. Chen is a member of the Board of Directors for LASCO Manufacturing Limited, LASCO Financial Services Limited, the Level Bottom Farms and Supplies Limited, and Vanda Limited. He formerly served as the Chairman of Salada Foods Jamaica Limited. His hobbies include boating and playing cricket, being a proud member of both the Kingston Cricket Club and The Royal Jamaica Yacht Club. He is a member of St. Luke's Church and serves as a member of the Diocesan Council - Diocese of Jamaica and the Cayman Islands and a member of that Council's Finance Board. He is married to Helen and has two daughters.



Jacinth Hall-Tracey MBA, BA, (Hons)

Non-Executive Director
LASCO Distributors Limited

Mrs. Jacinth Hall-Tracey has led the growth, expansion and transformation of the LASCO Financial Services Group for over 18 years. The company is a key industry player in the Remittance, Cambio and Micro loans industries and is now embarking on making a significant mark in electronic retail payment services, providing access to more financial services for the Company's main customer base, the unbanked.

With over 31 years' experience in leading teams including over 21 years developing companies in the financial services sector, Mrs. Hall-Tracey has acquired the insight and expertise to guide the strategic direction of the LASCO Financial Services Group.

Her other Board positions include LASCO Manufacturing Limited, LASCO Distributors Limited and LASCO Microfinance Limited. She holds an MBA from Herriot Watt University, Edinburgh Business School, a certificate in Director's Strategic Guide to Corporate Governance and Leadership and in 2020 completed the Frankfurt Business School's Certified Expert in Microfinance course and the Digital Shift Compliance Course from the Platinum Network.

Mrs. Jacinth Hall-Tracey resigned as a Director from the Board on July 30, 2025.



Mr. Gary Peart MBA

Independent Non-Executive Director
LASCO Distributors Limited

Gary Peart joined Mayberry Investments Limited in May 2005 as Chief Executive Officer after developing his management techniques throughout the financial industry over the course of about 20 years. During this time, he gained experience in almost every business line, including Corporate Finance, Equity, Fixed Income and Treasury Management, all of which prepared him for his current role as CEO.

After being appointed to the Board of Directors, he has since served as a Director at Mayberry Investments Limited and at several other well-known Jamaican entities. Currently, he sits on the Board of LASCO Distributors Limited; Ironrock Insurance Brokers Limited; Jamaica Stock Exchange; Cherry Hill Developments; Chalmers Commercial and Chalmers Oasis.

He was elected to the Supreme Ventures Limited Board in October 2017 and was made Chairman in June 2019. He then assumed the role of Executive Chairman in March 2020.

Mr. Peart has a B.Sc. in Economics from the University of the West Indies (Hons.) and an MBA from Florida International University.

Beyond the business world, Mr. Peart is a member of the Rotary Club of St. Andrew North. He is husband to Cheryl and is the proud father of son Aaron.



Mr. Colin Maxwell FCCA, FCA

Independent Non-Executive Director LASCO Distributors Limited

Mr. Colin Maxwell was appointed Non-Executive Director to the Board of Directors of LASCO Distributors Limited effective from January 26, 2018 to present. He is also the Lead Independent Director and Chairs the Audit and Risk Committee as well as the Corporate Governance Committee.

Mr. Maxwell brings a wealth of knowledge and experience to the Board with over 37 years' experience in Public Accounting. He is a graduate of the College of Arts, Science and Technology (now University of Technology) where he received a Diploma in Accounting (Hons.). Continuing his studies, he became a Fellow of the Association of Chartered Certified Accountants based in the United Kingdom, and the Institute of Chartered Accountant in Jamaica.

Mr. Maxwell was a pioneer in computer audit in Jamaica, having been trained as a computer audit specialist in Canada and the United Kingdom, early in his career. He had also done a short tour of duty in Canada. He is a former member of the Company's Law Reform Committee of the Institute of Chartered Accountants of Jamaica. He has presented papers at seminars on topics such as computer assisted auditing techniques and the audit implications of new banking regulations. He has had extensive experience in leading audit engagements for a wide range of clients across varying industries.

Additionally, having joined the firm in 1978 he has worked with PricewaterhouseCoopers for an extended period of time and was admitted partnership in 1991. Mr. Maxwell served as the firm's Managing Partner, Assurance Leader, Risk Management Partner and Learning and Education Partner. On the 1st of July 2011, he became Jamaica's Territory Senior Partner until his retirement on June 30, 2015.

Mr. Maxwell currently serves as a Non-Executive Director of the following entities:

- LASCO Financial Services Limited
- CUNA Caribbean Insurance Jamaica Limited
- CUNA Caribbean Insurance Society Limited
- CUNA Caribbean Insurance OECS Limited
- Broadcasting Commission of Jamaica
- Public Accountancy Board (President)



The Honourable Mr Justice (Retired)

Seymour Panton OJ,CD, JP

Independent Non-Executive Director LASCO Distributors Limited

Justice Seymour Panton was born in Blenheim, Hanover, Jamaica, and attended Rusea's High School in Lucea, Hanover. He was called to the Bar at Lincoln's Inn, London, England, on 26 November 1968 and trained as a Legislative Draftsman in 1976. His distinguished legal career includes service as a former President of the Court of Appeal of Jamaica and as an Acting Magistrate and Acting Judge of the Grand Court of the Cayman Islands.

Justice Panton currently serves as Chairman of the Firearms Review Panel and Chairman of the Integrity Commission of Jamaica. He also served as Chairman of the Integrity Commission of the Turks and Caicos Islands from 2018 to 2021 and was a member of the Commonwealth Secretariat Arbitral Tribunal from 2008 to 2017. He was first appointed in 2016 as a Judge of the International Residual Mechanism for Criminal Tribunals and was recently reappointed to that position by the Secretary-General of the United Nations.

Beyond his legal career, he has been a local preacher in the Methodist Church in the Caribbean and the Americas since 1981. Justice Panton is married to Carla Maxine Panton, and they have two adult children.



FOR YOUR Well-Bean!



HIGH IN FIBRE, RICH IN PROTEIN!



SCAN
ME

Unlock the **Power** of Nutrition



03

Directors' Report

The Directors of LASCO Distributors Limited ("The Company") are pleased to present their report for the financial year ended March 31, 2026.

FINANCIAL RESULTS

\$'000

Profit before Taxation	1,328,326
Taxation	(264,868)
Net Profit	1,063,458
Basic earnings per ordinary stock unit (Cents per share)	30.05 cents

Basic earnings per ordinary stock unit (Cents per share) 30.05 cents

The results for the year were approved by the Board on May 26, 2026, and a comparison with the previous year is set out in the Consolidated Statement of Profit or Loss and other Comprehensive Income on Page 85.

DIRECTORS

The Directors of the Company as at March 31, 2026 are James Rawle, Gary Peart, Eileen Chin, Seymour Panton, Vincent Chen and Colin Maxwell.

Articles 97 and 98 of the Articles of Incorporation of the Company, provides for the rotation of directors at the Annual General Meeting. The Director retiring under these Articles are Dr. Eileen Chin and Mr. Colin Maxwell and being eligible offer themselves for re-election.

During the year under review the following resignations from the Board of Directors occurred:

- Mrs. Jacinth Hall-Tracey resigned as Director from the Board on July 30, 2025
- Mr. John De Silva resigned as Managing Director from the Board on March 13, 2026.

SUBSEQUENT TO THE YEAR-END

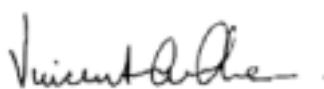
Dr. Eileen Chin was appointed Deputy Executive Chairman of LASCO Distributors Limited on May 26, 2026.

DIVIDENDS

On July 24, 2025, the Company paid an interim dividend of \$0.12 cents per stock to all Shareholders on record at July 1, 2025. No further dividend was paid in respect of the year under review.

The Directors expressed thanks and appreciation to the Management and Staff for their commitment and loyalty to the Company, and to our loyal customers, distributors, suppliers, and other stakeholders; we also express heartfelt thanks for your continued support throughout the year. To all our stockholders, we say thank you for the confidence you have placed in the management of this Company over the years as we look forward to another fruitful and productive year.

Dated this 18th day of June, 2026
BY ORDER OF THE BOARD



Vincent A. Chen
COMPANY SECRETARY



TOPPERS SNACKS



Great Taste, Great Times!



04

Corporate Governance Statement

(As at March 31, 2026)

The Directors of LASCO Distributors Limited (LASD) ("The Board") have a fiduciary responsibility in ensuring that good Corporate Governance and effective management of the Company is maintained, for the long-term success of the Company, and the continuation of a good governance structure in the interest of its shareholders.

MISSION OF THE BOARD

The Mission of the Board is to set the strategic and operational direction of the Company and hold management accountable in implementing the required infrastructure to ensure the company's success. The authority vested in the Audit & Risk Management Committee will also ensure that the company utilizes the tools available to manage and control risks and to enforce measures in its internal governance in a manner consistent with corporate objectives.

The underlying principles of the corporate governance framework is to make LASCO a global corporate leader in innovation and entrepreneurship, a world name synonymous with integrity, objectivity, professional competence, accountability fairness, transparency, effective control, legitimacy, ethical culture, and good financial performance.

The Company incorporates guidelines and standards provided by regulators such as the Jamaica Stock Exchange (JSE) and the Private Sector Organisation of Jamaica (PSOJ) which share in the mission of enhancing Corporate Governance and best practices. The Company's Articles of Incorporation, Policies, Charters, and Terms of Reference, and the Principles of the Jamaica Corporate Governance Code 2021 adopted by The Board of Directors, are to maintain and promote high standards of corporate governance and best practices. The Company's Policies and Charters and Terms of Reference are updated periodically to remain current.

DATA PRIVACY COMPLIANCE

LASD was formally registered as Data Controllers with the Office of the Information Commissioner (OIC), satisfying an important regulatory requirement under the Jamaica Data Protection Act and marking a significant milestone in the companies' data protection journey.

Since 2024, the organisation has made meaningful progress in establishing a structured data protection programme. Key governance arrangements, privacy processes and supporting controls have been developed to strengthen the responsible management of personal data and support compliance with the Act.

This progress has also contributed to growing organisational awareness of data protection responsibilities and has provided a solid foundation for continued programme maturity. As implementation continues, focus will remain on embedding these practices across the organisation and further strengthening the overall privacy framework.





BOARD COMPOSITON

On March 31, 2026, the composition of the Board of LASD was six (6) Directors. The breakdown is as follows: One (1) Executive Director, two (2) Non-Executive Directors and three Independent Non-Executive Directors – Mr. Colin Maxwell, Mr. Gary Peart and Hon. Seymour Panton.

BOARD MEETINGS AND AGENDA

The Board of Directors meet on a quarterly basis, and also as required. Special meetings are held to deal with (or address) pertinent matters as they arise.

The Agendas for Meetings are approved by the Chairman.

FUNCTIONS AND RESPONSIBILITIES OF THE BOARD

The role and responsibilities of The Board are governed by its Charter. One key responsibility of the Board is to ensure that Management can execute its responsibilities and that there is a successful promotion and growth of the business.

The Board has delegated responsibility for overall management of LASCO Distributors Limited to the Managing Director.

The Board is responsible:

- to set and approve policies
- to make decisions on the strategies including annual operating plans and budgets
- for business development initiatives
- for major acquisitions and disposal
- for corporate financing, and related treasury activities
- for risk management and internal controls
- for compliance with laws, regulations and code of ethical business conduct
- for shareholders and other internal and external communication
- to ensure that shareholders' value is protected.

The Board strives to balance the interests of the Company's diverse constituencies, including its shareholders, customers, suppliers, employees, creditors, and the communities in which it operates. The Company aims to be transparent in its activities, to increase shareholders' confidence and maximize their value. In carrying out its functions, the Board also ensures that the Company, maintains its Corporate Social Responsibility (CSR) activities and Sustainable Environmental Practices. The Board relies on the advice and reports of its Executive Management and the Company Secretary.



Lyrix Dark & Stormy



NOMINATION, SELECTION AND APPOINTMENT OF DIRECTORS

The Corporate Governance & Nomination Committee is responsible for identifying potential candidates who are qualified professionals with diverse skills and experience to promote the qualities and characteristics needed by LASD to effectively execute its corporate governance responsibilities especially when recommending Board changes to directorships and the Boards sub-committees. These will include but are not limited to:

- a) Maturity of judgment
- b) Experience
- c) Range of professional skills
- d) Accountability
- e) Integrity
- f) Financial literacy
- g) Time available to LDL
- h) Degree of independence
- i) Governance knowledge

From this pool of professionals, a selection may be made to nominate the potential individual. The Committee is responsible to arrange interviews and make recommendations to the Board who grants approval for board appointment. The reference for this decision is outlined in LASD's Corporate Governance Policy and Terms of reference which may be viewed on the Company's website at: <http://consumer.lascojamaica.com/corporate-governance/>

APPOINTMENT OF COMPANY SECRETARY

The Company Secretary is appointed by the Board and is required to function as follows:

- a)** As a key advisor to the board and management on compliance, corporate governance and shareholders matters.
- b)** To provide new directors with information about the Company and to assist them in their orientation.
- c)** To assign the Secretariat and ensure that all notices, minutes, agendas and documents for meetings of the Board and Committees are circulated 5 days in advance of meetings for consideration.
- d)** To ensure that directors and management shall have access to the Company Secretary's advice and services in respect of the administration of the functions of the Board.

During the year the Company Secretary briefed the Board on the Jamaica Stock Exchange (JSE) Corporate Governance Index which has been established to supplement the legal and regulatory Corporate Governance framework and raise the overall standard of Corporate Governance for companies listed on the JSE. The rating 2024/2025 was "A"

LEAD INDEPENDENT DIRECTOR'S ROLE AND RESPONSIBILITIES

The term independent director means (i) a director who is not related to the Company by virtue of not being an employee of any LASCO Affiliated Company within the last three years; (ii) is not an immediate family member of any director or senior officer of any LASCO Affiliated company; (iii) does not represent a Shareholder owning more than 10% of the voting shares of the Company.

The Lead Independent Director in his capacity should be able to bring an independent judgement to bear on issues before the Board and to act in the best interest of the company and its shareholders.

The Lead Independent Director of LASD is Mr. Colin Maxwell. His responsibilities shall among other duties as outlined below; co-ordinate the activities of the Non-Executive Directors and perform other duties and responsibilities as the Board may direct.

The Lead Independent Director shall:

- (i)** ensure that Non-Executive Directors have adequate opportunities to meet and discuss issues in sessions of the Independent Directors, without the management of the company present and serve as chairman of such meetings;
- (ii)** meet with the external auditors, in camera, to discuss any findings/difficulties experienced during the audit and
- (iii)** in conjunction with the Executive Chairman, ensures that resources and expertise are available to the Board so that it may function effectively and efficiently and
- (iv)** co-ordinate the activities of the Non-Executive Directors and perform such other duties and responsibilities as the Board may direct.

The Lead Independent Director, may as is necessary, be available to shareholders if they have concerns which have not been resolved through the normal channels of the Executive Chairman or other senior executives.



COMMITTEES OF THE BOARD

The Board has three committees: Audit & Risk Management, Compensation and Human Resources and Corporate Governance. The members of these Committees are appointed by the Board of Directors.

The decisions of the Board are made through its established Committees. Each Committee has its Charter/Terms of Reference which were approved by the Board. The key responsibilities of each committee are outlined in its Policy/Charter and Terms of Reference, which may be viewed on the Company's website at: <https://consumer.lascojamaica.com/corporate-governance/>

AUDIT AND RISK MANAGEMENT COMMITTEE (ARMC)

The composition of this Committee is four (4) members. The Committee is chaired by Mr. Colin Maxwell, who is the Lead Independent Director. The other appointed Independent Non-Executive Directors are Mr. Gary Peart, and Justice Seymour Panton and Dr. Eileen Chin, Non-Executive Director.

Other attendees at the ARMC meetings are customarily the Managing Director, the Internal Auditors, and the Chief Financial Officer. For this period the Executive Chairman attended the meeting, as the Managing Director resigned on March 13, 2026.

The Committee meets on a quarterly basis. During the year five (5) meetings were held. The ARMC Policy is reviewed and revised biennially by the Corporate Governance & Nomination Committee and are approved by the Board.

Role of the ARMC

At the ARMC meetings (i) the integrity of the financial reporting which is in accordance with established standards as outlined in the Charter (see Company's website for full details) (ii) timely disclosures are made to the JSE and (iii) Key risks identified are managed and controlled.

These guidelines were complied with during

the financial year.

The Committee is guided by its established Charter to provide oversight of:

- The effectiveness of the Company's risk management and internal control systems.
- The internal audit activities and reports.
- The external auditor's appointment, remuneration, evaluation, and reappointment.
- The financial reporting by the Company includes unaudited and audited financial statements.
- To monitor related party transactions of the Company and make the necessary proposals to the Board in accordance with the Board's Charter.

Internal Auditors

For the financial period under review, Ernst & Young, Internal Auditors, provided internal audit services to the Company. The Committee reviewed and approved the audit plan for the financial year. The Internal Auditors work closely with the management team to establish, review, and improve processes for effective risk management. The Internal Auditors report to the Audit Committee at its quarterly meetings.

During these meetings members of the Committee analysed the quarterly unaudited and audited financial statements to ensure that they are prepared in accordance with the International Financial Reporting Standards and the Main Market rules of the Jamaica Stock Exchange. These financial statements were approved by the Board of Directors for publication and may be viewed on the Company's website: <https://consumer.lascojamaica.com/investor-relations/>

The Audit Committee Chairman reports to the Board quarterly on matters discussed at its quarterly meetings.



COMPENSATION & HUMAN RESOURCES COMMITTEE

The Board has established a Compensation & Human Resources (HR) Committee to assist with establishing a fair and competitive compensation structure for Directors and senior executives, as well as providing oversight for the general administration of material employee benefits, compensation plans, programmes and other HR related policies and activities.

Composition of Committee

The composition of this Committee is three (3) members: Justice Seymour Panton, an independent, non-executive director, who is the Chairman, and Mr. Colin Maxwell, also an independent, non-executive director and Dr. Eileen Chin and Mr. Vincent Chen Non-executive members. Executive Directors are expressly excluded from serving on this Committee but may attend by invitation as well as the Human Resources Manager, when necessary.

Responsibilities

The key responsibility of the Committee is to advise the Board on all matters relating to the compensation of the Executive Chairman, the Managing Director, and the Non-Executive Directors. The Committee also recommends to the Board the overall structure of employees' compensation, review HR policies and practices to attract, retain and develop talent, ensuring a skilled and highly motivated workforce.

The Committee Charter requires that the Committee meets at least once per year to review the remuneration of the Executive and Non-Executive Directors. For the financial year under review, the Committee met as mandated and made its recommendations to the Board of Directors.

The Board seeks to ensure that the remuneration for directors is sufficient to attract, retain and motivate them.

The annual fees for Non-Executive Directors range from a low of \$1.3M to \$5.8M. These fees paid to members include Board, Audit, Compensation and Corporate Governance in the aggregate. These fees are paid per quarter.

Reference on directors fees can be found on page 116 in the financial statements of this Annual Report. The fees paid for the year ended March 2026 totalled \$21.4M.



HR ACTIVITIES

During the year, the company collaborated with LASCO Manufacturing Limited to host its fourth Annual Blood Drive and Health Day held on the Company's premises. Full details of our Human Resources activities are highlighted on page 51 of this Annual report.

CORPORATE GOVERNANCE COMMITTEE

The Committee exercises an independent review function to assist LASD in fulfilling its Corporate Governance oversight responsibilities to enhance the effectiveness of the Board by overseeing matters related to Directors Nomination, Corporate Governance (CG) and Board Performance.

Composition of Committee

The composition of this committee is three members: Mr. Colin Maxwell Chairman, Dr. Eileen Chin and Mr. Vincent Chen. The Committee meets twice per year to give oversight in respect of the structure, composition and functioning of the Board and its Committees.

During the year under review the following Policies were reviewed Whistleblowing and Sexual Harassment. These are pending Board approval.

The list below are some key functions of the committee:

To recommend and monitor the implementation of a governance structure.

To oversee the selection, induction, training, and succession planning process for Directors.

To assist the Board to determine, understand and work within the legal cultural and institutional framework that affects the goals and direction of the Company.

To advise the board and management on matters of Corporate Governance.

To develop Policies as are required for the effective governance of the Company.

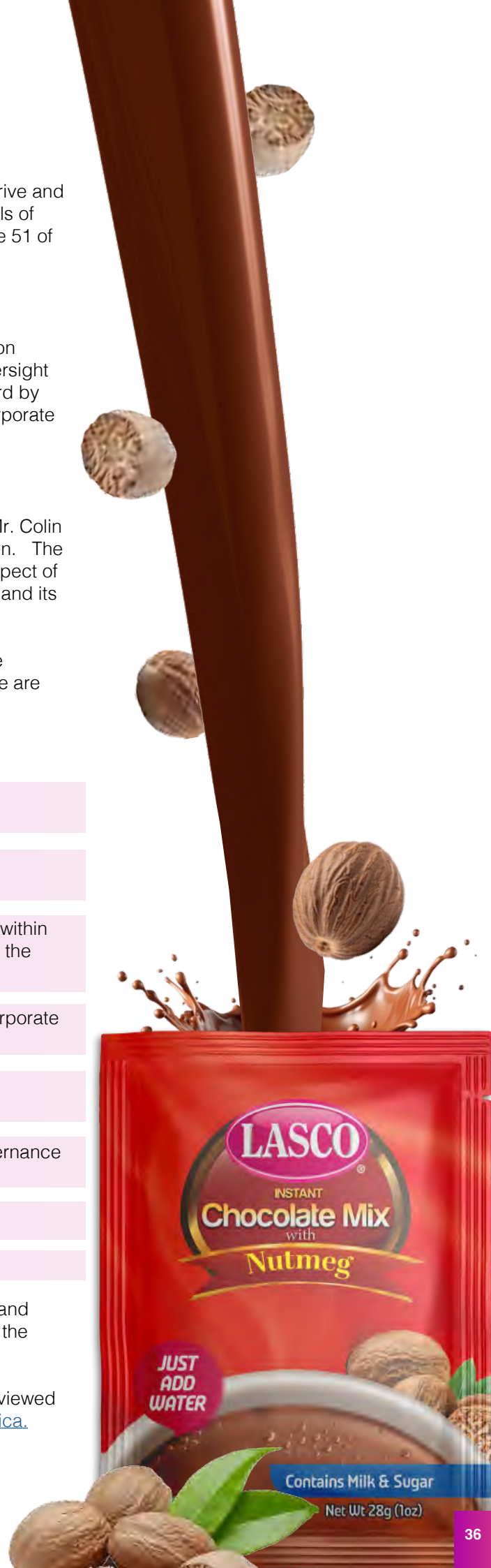
To monitor trends and best practices in Corporate Governance and update the Board on governance issues.

To consider possible conflict of interest of Directors.

To investigate reports regarding breach of Charter.

Make recommendations to the Board about the criteria and qualifications that they deem appropriate for election to the Board.

The Corporate Governance Policy and Charter may be viewed on the Company's website: <https://consumer.lascojamaica.com/corporate-governance/>



BOARD PERFORMANCE EVALUATION

The Board performance evaluation for 2025/2026 is still under review. The evaluation was facilitated by an external Corporate Governance Consultant, Mr. Richard Downer. The areas covered were Directors' Peer review, Board Committees, Board Chairman and Committee Chairman.

Induction/Orientation: A new director who has been appointed to serve on the Board of the Company participates in an induction programme arranged by the Company Secretary. This induction/orientation includes sharing the vision and mission and core values of the Company, ensuring that the new director is updated with past Board Meeting and past Audit & Risk Management Committee Meeting, Minutes and Policies.

Incoming Directors are introduced to incumbent Board Members along with the Executive Management team. The orientation program also includes a tour of the company's facilities.

On- Going Training Programmes: The Board recognises the importance of continuous training for its directors. Each Director is required to complete a minimum of 14 hours each year relating to his/her profession or seminars/workshops attended. All Directors fulfilled this requirement over and above the hours stipulated in accordance with their profession and other external workshops attended during the year under review, including those mentioned below, taking into consideration the impact of Cyber Security on the company, several workshops and awareness programmes were held:

TOPICS

% ATTENDANCE

Discussion Paper on Board Communication practices to enlighten Board members on concerns regarding governance oversight and unacceptable conduct (facilitated by Richard Downer).	100%
---	------

Anti-Money Laundering & Countering the Financing of Terrorism - Georgia Munroe, Jamaica Institute of Financial Services (annual training for directors)	100%
---	------

Data Privacy Training - Justin Morin, Ernst & Young	100%
---	------



ATTENDANCE REGISTERS

Below is a summary of the attendance register in respect of the meetings for the financial year ended March 31, 2026.

MEETINGS	LASD Annual General Meeting	LASD Board of Directors	LASD Compensation & HR Committee	LASD Audit & Risk Management Committee	LASD Corp. Governance Committee
No. of Meetings	1	5	1	5	1
James Rawle	-	4	-	-	-
Eileen Chin	1	5	-	2	1
Vincent Chen	1	5	1	-	1
Colin Maxwell	1	5	1	5	1
Justice Seymour Panton	1	4	-	5	-
Jacinth Hall-Tracey	1	1	-	-	-
Gary Peart	-	4	-	5	-

The following table outlines the composition of each Committee.

MEETINGS	LASD Compensation & HR Committee	LASD Audit & Risk Management Committee	LASD Corporate Governance Committee
Vincent Chen	✓		✓
Gary Peart		✓	
Colin Maxwell*	✓	✓	✓
Eileen Chin	✓	✓	✓
Justice Seymour Panton**	✓	✓	

* Colin Maxwell - LASCO Audit and Risk Management Chair & LASCO Corporate Governance Chair

** Seymour Panton - LASCO Compensation & HR Committee Chair

RELATIONSHIP WITH SHAREHOLDERS

It is important that our stakeholders understand our vision and thereby continue to support our programmes. Equally important is the opportunity to receive feedback.

One of the key channels used to disseminate information to our Shareholders is (i) the Annual General Meeting (AGM) questions and answer sessions, which is made available to shareholders. During the sessions, management addresses comments and questions raised and elaborate on company plans.

Another channel used is (ii) via the “Management Discussion and Analysis” section in the Annual Report which provides detailed information on the Company’s plans and performances.

During the year the company made (iii) press releases relating to marketing activities and (iv) corporate social responsibility activities and (v) the Company’s website.

MINUTES OF AGM

Shareholders may request a copy of the AGM minutes from the Company Secretary’s Office by contacting us via telephone at 876-749-5272.

CORPORATE SOCIAL RESPONSIBILITY

LASCO Distributors Limited continues its commitment to Corporate Social Responsibility (CSR) through Education, Health, National Security, Community Development, Environment and Sports.

The past 26 years have seen LASCO and the Jamaica Constabulary Force stage the Police Officer of the year Programme, which recognises the exemplary efforts of Police Officers. LASCO also acknowledges the Nurses Association of Jamaica where it recognises the unfailing contribution of the Nurses to healthcare in Jamaica. The Company is also an active partner of the Recycling Partners of Jamaica.

During the year, these programmes among others are highlighted and may be viewed in this Annual Report.

LASCO CHIN FOUNDATION

LASD is a contributor and supporter in the activities/programmes of the LASCO Chin Foundation.

During the year, these programmes among others are highlighted and can be viewed in this Annual Report.





05

Management Team

John De Silva

Managing Director
[Resigned on March 13, 2026]

SHARED SERVICES MANAGEMENT TEAM



Peter Hylton

Chief Information Officer



Ruel Thompson

Safety/Security & Community
Relations Manager



Joel Gonzalez

Property Manager



Shellyann Jackson

Chief Financial Officer



Kerri Dunn

Human Resources Manager



John Steele

Sales Manager, Consumer Division



Linton Johnson

Logistics Manager, Consumer and
Pharmaceutical Divisions



Carolyn Llewellyn

Key Account Manager, Consumer Division



Danielle Cunningham

Beverages & Snacks Marketing Manager /
Corporate Communications Manager



Althea Pandohie

Salada Business Manager



Latoya Heywood

Purchasing Manager

06

Management Discussion and Analysis

COMPANY OVERVIEW

LASCO Distributors Limited is a leading distributor of consumer and pharmaceutical products, serving the nutrition, hygiene, and healthcare needs of consumers in Jamaica and selected international markets.

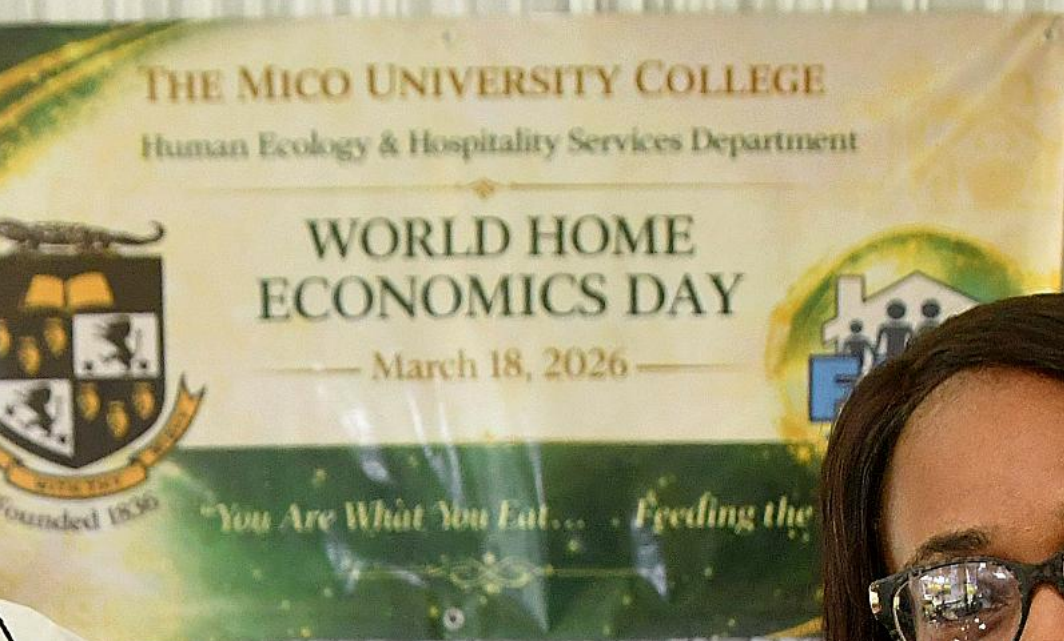
Established in 1988 by the Honourable Lascelles Chin, the Company has built a strong reputation for delivering quality products at affordable prices while remaining focused on meeting the evolving needs of consumers. This customer-centric approach has enabled LASCO to establish market-leading positions across several key categories and has been fundamental to the Company's long-term growth and success.

Innovation remains a cornerstone of the LASCO brand. The introduction of LASCO Food Drink created an entirely new product category within the Jamaican market, while LASCO LaSoy pioneered the flavoured lactose-free soy beverage segment. Other successful brands, including Curves and the iCool beverage portfolio, continue to offer consumers differentiated product choices.

LASCO Distributors Limited was listed on the Jamaica Stock Exchange in October 2010 and operates through two distinct business segments: the Consumer Division and the Pharmaceutical Division. This structure enables greater operational focus, enhanced customer service, and specialised market execution across each business area.

The Consumer Division focuses on the nutrition, food, beverage, home care, and personal care categories, while the Pharmaceutical Division distributes a broad portfolio of international brands spanning prescription pharmaceuticals, diagnostics, medical devices, and over-the-counter healthcare products.

The Company's extensive route-to-market network provides nationwide coverage across all major trade channels, including supermarkets, wholesalers, pharmacies, independent retailers, educational institutions, government entities, and healthcare facilities. This broad distribution platform remains a key competitive advantage, supporting product availability, market penetration, and customer service excellence across Jamaica.



STRATEGIC FRAMEWORK

LASCO Distributors Limited remains committed to delivering sustainable and profitable growth through the execution of its strategic priorities:



01

Meeting the evolving nutrition, hygiene, and healthcare needs of consumers.



03

Accelerating growth in regional and international markets.



02

Expanding the availability, accessibility, and visibility of our brands and products.



04

Strengthening and transforming our portfolio through innovation and brand development.

These priorities are supported by disciplined execution, continued investment in our people and infrastructure, and a commitment to operational excellence, enabling the Company to create long-term value for shareholders, customers, and other stakeholders.

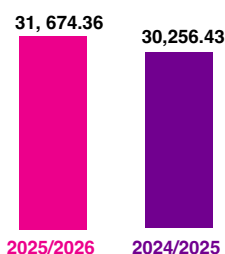
BUSINESS PERFORMANCE

REVENUE

Revenue increased by **4.7%** to **\$31.67** billion, representing growth of **\$1.42** billion over the prior year. This performance was driven largely by a stronger fourth quarter and continued growth across several key product categories and markets. The Company also maintained strong operating cash flows of \$1.65 billion, reflecting the resilience of its business model and disciplined working capital management.

Our growth strategy remains focused on expanding consumer reach and strengthening distribution effectiveness across all channels. By increasing product availability at key points of purchase, enhancing market execution, and implementing measured pricing actions where appropriate, we continue to drive sustainable volume growth and reinforce our market position.

Totally Company Revenue 2026 vs. 2025 (\$M)

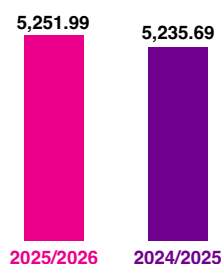


GROSS PROFIT

Gross Profit increased marginally by **0.3%**, or **\$16** million, to **\$5.25** billion. This was primarily attributable to the absorption of higher product supply costs and changes in the sales mix during the year. Despite these challenges, the Company continued to prioritize market competitiveness and consumer value while maintaining healthy gross profit levels.

The ongoing warehouse expansion project, which is expected to be completed in the coming financial year, is anticipated to improve operational efficiencies, enhance service levels, and contribute to future cost optimization.

Total Company Gross Profit 2026 vs. 2025 (\$M)

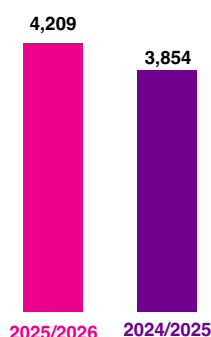


OPERATING EXPENSES

Operating Expenses increased by **9.2% to \$4.21** billion. The increase was primarily driven by higher investments in sales and promotional activities, marketing initiatives, and security costs, all of which support the Company's long-term growth strategy.

Interest expense increased to \$46 million from **\$17** million in the prior year, reflecting additional borrowings undertaken to finance the warehouse expansion project.

Total Administrative, Selling & Other Expenses 2026 vs. 2025 (\$M)



FINANCIAL POSITION

Total Assets at 31 March 2026 stood at **\$18.26** billion, an increase of **15.1%** compared to the previous year. Inventories increased by **\$716** million, or **13.5%**, to **\$6.0** billion, reflecting growth in business activity and strategic inventory holdings. Receivables increased by **2.1%** to **\$4.8** billion.

Cash and short-term investments closed the year at **\$3.56** billion, an increase of **50.0%** over the prior year, while operating cash flows remained strong at **\$1.65** billion.

Payables increased by **28.3%** to **\$6.0** billion, while debt increased by **\$440** million to **\$806** million, primarily to support the warehouse expansion project.

Shareholders' Equity increased by **\$625** million, or **6.0%**, to **\$11.1** billion, reflecting the continued strength of the Company's financial position.

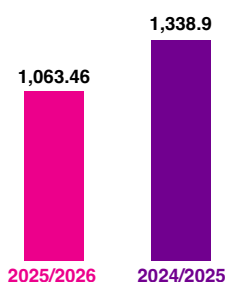
During the year, the Company paid dividends of **\$423** million, an increase of **9.1%** over the prior year, demonstrating its ongoing commitment to delivering value to shareholders.

NET PROFIT

Profit Before Tax was **\$1.33** billion, representing a decline of 20.8% compared to the prior year, while Net Profit closed at \$1.06 billion, down 20.6% year-over-year.

The reduction in profitability reflects the combined impact of higher operating costs, increased interest expense associated with strategic capital investments, and pressure on gross margins arising from product cost increases. Notwithstanding these challenges, the Company remained profitable, generated strong cash flows, and continued to invest in initiatives that support future growth.

Total Company Net Profit 2026 vs. 2025 (\$M)

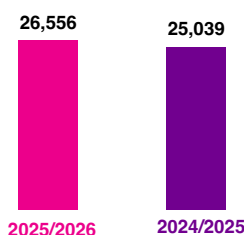


BUSINESS SEGMENT PERFORMANCE

Consumer Division

The Consumer Division generated revenue of **\$26.56** billion, an increase of **6.1%** over the prior year. Performance was driven primarily by the Nutrition and Food categories, both of which delivered strong double-digit growth supported by targeted marketing initiatives, increased consumer engagement, and effective promotional activities.

Consumer Revenue 2026 vs. 2025 (\$M)



The Hygiene category, which includes Home Care and Personal Care products, was impacted by supply disruptions during the early part of the year. However, corrective actions implemented by management contributed to improved performance during the latter half of the year. We continue to invest in the division's core brands, including the successful packaging renovation of our skin cleansing portfolio, which was well received by consumers. In addition, ongoing portfolio rationalization efforts are allowing the Company to focus resources and investments on higher-growth segments and brands.

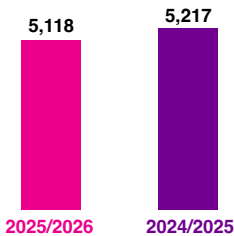
Exports, which form part of the Consumer Division, increased by **9.5%** to **\$1.35** billion. Growth was driven by strong performances across North America and key CARICOM markets, supported by enhanced distributor management capabilities, improved market visibility, and deeper local market insights.

Pharmaceutical Division

The Pharmaceutical Division generated revenue of **\$5.12** billion compared to \$5.22 billion in the prior year, representing a decline of **1.9%**.

Performance during the year was impacted by disruptions within the pharmacy trade following Hurricane Melissa, which affected customer operations and demand levels across certain channels. Despite these challenges, the Division maintained its focus on customer service, product availability, and strengthening relationships with key healthcare stakeholders, positioning it for improved performance as market conditions continue to normalize.

Pharmaceutical Revenue
2026 vs. 2025 (\$M)



LASCO Instant
Chocolate Cake

Risk Management

LASCO Distributors Limited ("LDL") operates in a dynamic and increasingly complex business environment and is exposed to a broad range of strategic, operational, financial, regulatory, technological, and environmental risks. Effective risk management is therefore fundamental to the Company's ability to achieve its strategic objectives, protect stakeholder value, and support long-term sustainability.

The Company continues to strengthen and embed its Enterprise Risk Management ("ERM") Framework across all levels of the organization. The framework provides a structured approach to identifying, assessing, monitoring, and managing risks, while ensuring that risk considerations are integrated into strategic planning, operational decision-making, and performance management.

Our risk management activities are aligned with the principles of ISO 31000:2018 and are supported by strong governance practices designed to promote accountability, transparency, and continuous improvement. The framework incorporates the Three Lines Model, which clearly defines roles and responsibilities for risk ownership, oversight, and independent assurance.

Key benefits of the Company's risk management approach include:

- Enhanced transparency and accountability through clearly defined roles and responsibilities.
- Improved collaboration across business functions in the identification, monitoring, and management of risk.
- Integration of risk considerations into strategic planning, decision-making, and performance management processes.
- Continuous assessment of emerging risks and changes in the external operating environment.

The Board of Directors has ultimate responsibility for risk oversight and works closely with management to ensure that appropriate policies, controls, and mitigation strategies are in place. Through the Audit and Risk Management Committee, the Board regularly reviews the Company's principal risks, risk appetite, and the effectiveness of the risk management framework.

The Company's ERM framework is supported by ongoing risk assessments, monitoring activities, and reporting processes that enable management and the Board to focus resources on the risks most critical to the achievement of the Company's strategic objectives.

PRINCIPAL RISKS AND MITIGATION MEASURES

Product Quality and Safety

The quality and safety of our products are fundamental to maintaining consumer trust, protecting our brands, and preserving our reputation. Any failure in product quality or safety could adversely impact consumers and result in reputational or financial consequences.

Mitigation measures include comprehensive quality assurance programmes, supplier quality management processes, product testing protocols, regulatory compliance monitoring, and ongoing performance measurement to ensure adherence to established standards.

Supply Chain and Business Operations

The Company's success depends on the efficient sourcing, storage, and distribution of products. Disruptions in the supply chain, including supplier constraints, transportation challenges, geopolitical developments, or natural disasters, may impact product availability and customer service levels.

Mitigation measures include maintaining strong supplier relationships, diversifying sourcing options where possible, actively managing inventory levels, enhancing logistics capabilities, and continuously monitoring operational performance indicators.

Product Innovation, Consumer Trends and Packaging

Consumer preferences, health considerations, environmental concerns, and regulatory requirements continue to evolve. Failure to respond effectively to these changes may affect the relevance and competitiveness of the Company's product portfolio. The Company continues to invest in, renovation, market research, and consumer insights to ensure its products remain relevant, compliant, and aligned with evolving consumer expectations.

Talent Management and Employee Engagement

The Company's ability to attract, develop, engage, and retain talented employees is critical to achieving its strategic objectives. Increased competition for skilled talent and evolving workforce expectations may impact organizational performance.

Mitigation measures include review compensation and benefits programmes, succession planning, leadership development initiatives, employee engagement activities, training programmes, and ongoing investment in workforce capability development.

Technology, Cybersecurity and Data Privacy

The Company's operations are increasingly dependent on information technology systems, digital infrastructure, and data management processes. Cybersecurity incidents, system failures, data breaches, or unauthorized access could disrupt operations, compromise sensitive information, and result in financial or reputational damage.

Mitigation measures include cybersecurity policies and controls, disaster recovery and business continuity planning, employee awareness training, system access controls, ongoing monitoring of technology risks, and compliance with applicable data protection requirements.

Climate Change and Environmental Sustainability

The increasing frequency and severity of climate related events, changing environmental regulations, and stakeholder expectations may impact operations, supply chains, distribution networks, and overall business continuity.

The Company continues to monitor its environmental impact and implement initiatives designed to improve sustainability. These include investments in renewable energy solutions, energy efficiency projects, waste reduction initiatives, and business continuity planning to improve resilience to climate related disruptions.

Strategic Investments and Business Transformation

The Company continues to invest in strategic initiatives, including infrastructure expansion, technology enhancements, operational improvements, and portfolio development opportunities. Failure to effectively execute these initiatives may impact expected returns and strategic objectives.

Robust governance structures, project management disciplines, investment appraisal processes, and ongoing monitoring mechanisms are employed to ensure investments remain aligned with the Company's strategic priorities and deliver long-term value.

Health and Safety

Failure to maintain safe working environments could result in injuries, operational disruptions, legal liabilities, and reputational damage.

The Company maintains comprehensive health and safety policies and procedures, supported by employee training, ongoing monitoring, and compliance with applicable regulatory requirements.

Legal, Regulatory and Compliance

Failure to comply with applicable laws, regulations, industry standards, and ethical business practices may result in litigation, regulatory sanctions, financial penalties, and reputational damage.

The Company maintains a strong governance framework supported by policies relating to ethics, business conduct, compliance, anti-fraud measures, and regulatory obligations. Compliance programmes are regularly reviewed and monitored to ensure continued effectiveness.

In addition, a broad range of operational and financial performance indicators are monitored throughout the year to ensure adherence to established policies, procedures, and performance targets. Any identified variances are investigated and addressed through appropriate corrective actions.

INTERNAL AUDIT

The Company recognizes the importance of maintaining a strong internal control environment and robust governance processes. The internal audit function is outsourced to Ernst & Young Services Limited, an independent professional services firm with the requisite expertise and experience.

The internal audit programme provides independent assurance regarding the effectiveness of the Company's governance, risk management, and internal control processes. Audit reviews encompass operational, financial, compliance, information technology, and risk management activities.

The internal audit function reports directly to the Audit and Risk Management Committee of the Board on a quarterly basis, providing independent assessments and recommendations aimed at strengthening controls and supporting continuous improvement across the organization.



07

Company Activities

Our People

The Human Resources Department maintained a strategic focus on strengthening organizational capability through integrated talent management, structured learning and development, and employee-centric initiatives aligned with broader corporate objectives. The Department continued to position people as a critical driver of performance, resilience, and long-term sustainability.

People Development and Training

A key priority during the reporting period was the continued investment in employee development through structured and targeted learning interventions. Consistent with the organization's commitment to fostering a learning-oriented culture, training programmes were designed in alignment with identified business needs, competency gaps, and operational priorities, with active input from department heads and employees.

Efforts were directed toward strengthening both technical proficiency and interpersonal competencies across all levels of the organization. Training needs assessments and planning exercises were supported through ongoing engagement with leadership teams to ensure development priorities remained relevant, practical, and aligned to evolving business demands. In addition, the Department continued to broaden employee exposure to emerging areas such as digital transformation tools and artificial intelligence applications, reinforcing a forward-looking approach to capability development and workforce modernization.

Talent Management and Workforce Development

The Department continued to enhance its strategic approach to talent acquisition, development, and retention, with emphasis placed on building a resilient and high-performing workforce. Focus was given to identifying high-potential employees and aligning structured development opportunities with succession planning frameworks, thereby strengthening internal mobility and leadership continuity.

Recruitment activities were guided by operational requirements and workforce planning considerations, while employee engagement and retention initiatives were sustained in response to competitive labour market conditions.



Youth Engagement and Early Talent Initiatives

The Summer Workers Programme remained a key component of the organization's early talent strategy. During the reporting period, seventeen (17) students were successfully placed across various functional areas, gaining practical exposure and workplace experience.

This initiative continues to serve a dual purpose: contributing to youth development within the wider community while also strengthening the organization's employer brand and future talent pipeline.

HR Technology and Process Improvement

During the period under review, exploratory work continued toward the implementation of a Human Resource Information System (HRIS). This initiative is intended to modernize HR operations, improve process efficiency, and enhance the integrity and accessibility of employee data.

In advancing the broader digital transformation agenda, emphasis was placed on strengthening core HR processes through the progressive review and redesign of existing manual workflows, with a view to future automation and system integration. Key focus areas include the digitization of leave management processes, intended to improve tracking accuracy, reduce administrative delays, and enhance employee convenience once system capabilities are fully implemented.

Consideration has also been given to payroll integration, where applicable, to improve alignment between HR records and compensation processing, thereby reducing duplication and improving data consistency across platforms in a future system environment.

In addition, the introduction of employee self-service functionality remains a strategic objective under the proposed HRIS framework. This capability is expected to empower employees with direct access to personal information, leave balances, and HR-related requests, while improving operational efficiency within the Department once deployed.

Further strengthening of data privacy and records management practices was also emphasized during the period, with focus on improving the secure handling, storage, and access control of employee information in line with best practice standards and organizational compliance requirements within the current manual system environment.

While full HRIS implementation remains in progress, these preparatory and foundational improvements continue to position the organization for a more integrated, efficient, and digitally enabled HR service delivery model in the future.









Employee Welfare, Engagement, and Health & Wellness

Employee welfare remained a core pillar of the Department's people strategy, with continued emphasis on initiatives designed to support employees and their families. The Back-to-School Grant Programme continued to provide meaningful financial assistance, reinforcing the organization's commitment to work-life support and employee well-being.

LASCO's Health Day and Annual Blood Drive, held on October 10, 2025, provided employees with access to HIV, syphilis, blood sugar, blood pressure, cholesterol, and HbA1c testing. A total of 80 individuals successfully completed the health screening programme.

In addition, employee engagement and internal communication initiatives were sustained to promote transparency, connection, and a positive organizational climate.

Health & Wellness Initiative – Gym Membership Programme

A significant enhancement to the organization's employee welfare framework during the reporting period was the introduction and continued subsidization of a structured gym membership programme. This initiative reflects a proactive approach to employee health and is designed to support both physical and mental well-being.

The programme is primarily geared towards:

- Promoting regular physical activity and healthier lifestyle choices
- Supporting weight management and chronic disease risk reduction
- Enhancing mental resilience, stress management, and overall emotional well-being
- Reducing absenteeism and improving energy levels and workplace productivity

By subsidizing access to fitness facilities, the organization reinforces its commitment to preventative health care and long-term employee wellness, recognizing the direct

correlation between healthy lifestyles and sustained performance outcomes.

Operational Challenges and Focus Areas

The reporting period highlighted several key areas requiring continued strategic focus:

Strengthening performance management systems and supporting tools

Enhancing the structure, measurement, and tracking of training and development KPIs

Addressing talent attraction and retention challenges in a competitive labour environment

Advancing HR systems implementation to improve operational efficiency and data-driven decision-making

These priorities continue to inform the Department's roadmap for the upcoming period.

Overall, the Human Resources Department made steady and meaningful progress in advancing its strategic mandate through targeted investments in people development, talent management, employee engagement, and operational improvement. While challenges remain particularly in systems modernization and performance management the Department is well positioned to build on these foundations and further enhance both organizational effectiveness and the overall employee experience in the year ahead.

Following the impact of Hurricane Melissa on October 28, 2025, LASCO demonstrated its unwavering commitment to the wellbeing of its team members, many of whom experienced significant storm-related damage that disrupted their homes and daily lives. The Company responded immediately by providing essential nutritional support and clean water, addressing critical needs at a time when access to safe water was severely limited in many communities. Financial assistance was also extended to employees whose homes and property were affected, reinforcing LASCO's commitment to standing with its people during times of crisis and helping them recover with dignity and care.

08

LASCO Chin Foundation

Report (2025-2026)



SSI Schooling Support Programme (SSP)

The SSI Schooling Support Programme (SSP) at Clan Carthy High School (CCHS) provided targeted academic support to close learning gaps and prepare students for CSEC and vocational examinations. Alongside academic assistance, the programme offered psychosocial support and care packages, helping students strengthen their readiness for exit exams.

Post-exam focus groups with students and parents confirmed the programme's positive impact and highlighted future needs. These insights guided the start of the Student Support Empowerment Programme (SSEP), designed to build on SSP's achievements and expand support for student success.



Student Support Empowerment Programme (SSEP)

Established after the conclusion of SSI SSP in CCHS, SSEP extends assistance to graduates, particularly those pursuing higher education.

- Student Interest: Five students expressed interest in tertiary studies.
- Support Strategy: Each applied to at least three universities/institutions aligned with their chosen field.
- Programme Support: Tuition assistance, school supplies, and stationery provided.

Students are being successfully supported in their tertiary education journey and are progressing in diverse ways, as outlined below.

Student	Institution	Programme of Study
#1. S.H	Edna Manley College of the Visual & Performing Arts	BA in Arts Management & Humanities
#2. K.B	Total Health Nursing Institute	Practical Nursing & Phlebotomy
#3. M.T	Excelsior Community College	Sixth Form Pathway Programme to pursue Tourism and Hospitality Studies
#4. J.W	Distinction College	Food Management
#5. K.R	Excelsior Community College	Pre-Law Courses

SSI Entrepreneurship Support Programme

During 2025/2026, the LCF Entrepreneurship Programme in partnership with the Institute of Law & Economics and the Environmental Health Foundation continued to strengthen and empower

micro and small enterprises (MSEs) and youths through training, mentorship, funding support, and business development initiatives. The programme further focused on fostering innovation, resilience, and sustainable growth, particularly among youth, women, and community-based entrepreneurs.

ACTIVITY	NUMBER OF BENEFICIARIES	PROGRESS	GENDER	AGE RANGE
Youths Sensitized	200	200/250 or 80 %	145 Females 55 Males	18-35 years old
Youths Trained	126	126/150 or 84%	97 Females 29 Males	18-35 years old
SMEs Sensitized	115	115/50 (130% above target)	80 Females 35 Males	20-73 years old
SMEs Trained	57	57/50 or (14% above target)	40 Females 17 Males	20-73 years old
Indirect Beneficiaries	356/200 or 78% above target (based on 57 Trained Participants and 32 Melisa Beneficiaries)			

In 2025, LCF incorporated the Cultural Entrepreneurship Programme (CEP) into the SSI Entrepreneurship Support Programme, leveraging Jamaica's rich history, storytelling, and cultural traditions to promote positive values and strengthen social and economic resilience. Through the CEP, support was provided for the following initiatives:

- Commissioned script for a theatrical performance- LCF commissioned David Tulloch's theatrical script *Fire* in December, which has been selected for full development. On September 8, 2025, a press conference officially announced the winning proposal and launched the Cultural Entrepreneurship Programme, set to host the annual scriptwriting competition.
- Unscripted Sundays - Support was provided through monthly product sponsorships, cash contributions, and a live table reading of *Fire* in December, sponsored by LASCO Chin Foundation on December 28, 2025.



- Old Harbour Culture Camp- An interactive cultural camp was hosted to empower youth ages 7–15 through workshops, field trips, and cultural activities focused on leadership and personal development. LCF provided in-kind product support for the initiative.
- Marcus Garvey in Schools Foundation Creative Arts School Competition- Participating schools students showcased their understanding of Marcus Garvey over a two-day competition. Dunrobin Primary School emerged as winning school.



Care Package Programme

Throughout 2025 and into the first quarter of 2026, the LCF provided 2,250 care packages in collaboration with our valued partners to assist vulnerable Jamaicans across the island. This support helped to alleviate hardship while reaffirming its commitment to delivering meaningful and timely assistance to individuals and families in need.



Hurricane Melissa Response

In response to the devastating impact of Hurricane Melissa, which made landfall on October 28, 2025, the LASCO Chin Foundation rapidly mobilized relief efforts to support affected communities across western Jamaica. Guided by lessons learned from previous disasters, LCF's support for affected individuals, families, and MSEs is anchored in a strategic three phase recovery framework:

Phase 1

Rapid Relief and Assessment

With the support of more than 60 partners and individual donors, the Foundation distributed 18,019 care packages containing essential food and hygiene supplies to affected individuals, families, and micro and small entrepreneurs across Manchester, St. Elizabeth, Westmoreland, Hanover, St. James, Trelawny, and St. Ann. Immediate assessments were also conducted to identify the most urgent needs within impacted communities.

Phase 2

Restore and Rebuild Livelihoods

Recognizing the severe disruption to livelihoods and small businesses, particularly among vulnerable entrepreneurs, the Foundation partnered with the Institute of Law and

Economics (ILE), Sandals Foundation, and the Stavros Niarchos Foundation to implement a "Restore, Rebuild, and Restart" initiative targeting micro and small enterprises (MSEs) in communities across Westmoreland, Hanover, Trelawny and St. James.

Through this initiative, support was provided for business reopening through needs assessments, restoration of income-generating activities and reactivation of community hubs. To date, 132 MSEs have been engaged, 91 businesses approved for assistance, and 54 businesses supported with LASCO Corner Shop Bundles, LASCO Cook Shop Bundles, Cook Shop Utensil Bundles, and "Build Back" Material Bundles. Additionally, four (4) community hubs have been identified to strengthen local recovery efforts. Further support was provided through the donation of six generators by the Sandals Foundation and gift cards for essential supplies from the Digicel Foundation.

Phase 3

Support Sustainable Growth

The final phase will focus on long-term community-based recovery initiatives to strengthen resilience-building, economic empowerment, and disaster preparedness for the future.





09

Corporate Social Responsibility

LASCO Corporate Social Responsibility – Delivering Impact Across Jamaica

Throughout the 2025/2026 financial year, LASCO Distributors Limited continued to demonstrate its unwavering commitment to national development through a diverse range of Corporate Social Responsibility (CSR) initiatives. Guided by the mission of the LASCO Chin Foundation, the Company delivered meaningful interventions across healthcare, law enforcement, environmental sustainability, community development, and disaster relief, reinforcing its role as a responsible corporate citizen.



Championing Healthcare: Nurses and Community Outreach

Healthcare remained a central pillar of LASCO's CSR strategy, with sustained investment in recognizing and empowering Jamaica's nursing community. The Company proudly supported the Annual Nurses Week celebrations in partnership with the Nurses Association of Jamaica, culminating in the prestigious Nurse of the Year and Nursing Student of the Year Awards, which celebrate excellence and dedication within the profession. Fione Joy Collins, Deputy Director of Nursing Services at Percy Junor Hospital, was named Nurse of the Year 2025–2026 and Colie Lyn, a third-year student at Brown's Town Community College, was crowned Nursing Student of the Year 2025–2026. Beyond recognition, award recipients actively extended their impact into communities through outreach initiatives supported by the LASCO Chin Foundation. These included an Orange Day Walk for Violence Against Women and Children, promoting awareness and advocacy, as well as engagement activities such as Easter outreach events at primary schools where students received meals, beverages, and care packages.

Additional healthcare-focused initiatives included the celebration of International Nurses Day, where hundreds of nurses were honored for their invaluable contributions to the healthcare system.

Collectively, these efforts reflect LASCO's commitment not only to celebrating healthcare professionals but also to enabling them to extend care and compassion beyond clinical spaces into the wider community.

Driving Environmental Stewardship: REAP Programme

Sustainability continued to be a key focus through the Re-leaf Environmental Awareness Programme (REAP). LASCO supported the launch and expansion of the programme across multiple primary schools, promoting environmental education and responsible waste management practices among students.

Following weather-related delays, the programme resumed with activations at several schools, reinforcing its commitment to cultivating environmental consciousness at an early age.

Through incentives including cash prizes and educational tools such as laptops, REAP encourages active student participation and fosters a culture of sustainability within school communities.



Saluting Service: Police and Community Empowerment

LASCO continued to recognize and support national security through its longstanding partnership with the Jamaica Constabulary Force (JCF). The annual Saluting Our Heroes Chairman's Award Ceremony honored outstanding service within the police force, reinforcing the Company's respect for individuals who contribute to national safety and order. Constable Shantel Powell (Area 5), was selected as the winner of the LASCO/JCF Chairman's Award 2025/2026, earning the distinguished title of 'Police of the Year' and taking over from last year's honouree, Corporal Junior Thompson, also of Area 5.

Beyond recognition, impact was realized through community-driven initiatives led by award recipients. Notably, the Police of the Year community project supported the revitalization of the Casava Piece Community Empowerment Centre, enhancing the facility to better serve residents through improvements such as cleaning and refurbishment.

These initiatives underscore LASCO's belief in empowering leaders who serve communities and fostering safer, stronger environments across Jamaica.





Community Development and National Impact Initiatives

LASCO's broader CSR engagement extended into several impactful initiatives aimed at uplifting communities and supporting national causes. Through scholarship programmes under its product brands, the Company provided financial assistance to high-performing students, reinforcing its investment in education and youth development.

The Company also demonstrated strong social responsibility through Labour Day activities, where volunteers supported vulnerable populations by providing meals and essential care items to residents of the Spanish Town Infirmary.

LASCO's commitment to wellness and national development was further demonstrated through participation in major fundraising events, including the SIGMA Corporate Run and the Pink Run, supporting persons affected by disasters and health challenges such as cancer.

In the cultural space, the Company continued to support initiatives such as Unscripted Sundays, contributing to the development and promotion of Jamaican creative talent.

Investing in Education: Gwen Neil Basic School

LASCO's relationship with its adopted institution, Gwen Neil Basic School, remained a cornerstone of its CSR portfolio. Throughout the year, the Company provided consistent nutritional support through its quarterly breakfast programme, ensuring that students were nourished and ready to learn.

Support extended beyond nutrition, with targeted infrastructural and developmental interventions, including the donation of an industrial gas stove to enhance meal preparation for students.

LASCO also actively engaged with the school community through initiatives such as Read Across Jamaica Day, fostering literacy and meaningful interaction with students.

Seasonal activities, including Christmas celebrations and school events such as Sports Day and health fairs, further enriched the student experience by providing gifts, treats, and essential support.

These ongoing interventions highlight LASCO's deep commitment to nurturing the next generation through education and holistic development.

Disaster Relief and Employee Support

In response to Hurricane Melissa, LASCO mobilized quickly to support affected communities, delivering over 18,000 care packages containing essential supplies.

Recognizing the importance of internal support, the Company also extended assistance to its employees, ensuring that their families received food, water, and personal care items during the crisis.

This dual focus on external and internal stakeholders reflects LASCO's holistic approach to corporate responsibility.

Scholarships

iCool Reduced Sugar Rewards Academic Excellence Through PEP Scholarship Initiative

As part of its commitment to education and youth development, iCool Reduced Sugar proudly sponsored a scholarship for the top-performing boy in the 2025 Primary Exit Profile (PEP) examinations from among the children of employees across the LASCO Group.

The scholarship recognizes exceptional academic achievement and celebrates the dedication, discipline, and hard work demonstrated by the student throughout his educational journey.

The initiative forms part of iCool Reduced Sugar's ongoing efforts to support the development of young Jamaicans and encourage a culture of excellence both within the organization and the wider community. By investing in the educational aspirations of the next generation, the brand continues to reinforce its commitment to creating meaningful opportunities for growth and success. "At LASCO, we believe that recognizing academic achievement is an investment in Jamaica's future. We are honoured to support and celebrate young scholars who exemplify excellence, determination, and the limitless potential of our nation's youth," Ayawna Morgan, Category Manager.

Curves PEP Scholarship Initiative

Curves continues to serve as a regional sponsor of the top-performing female students in the 2025 Primary Exit Profile (PEP) Examination across Jamaica. Through this initiative, Curves encourages young women to be confident, courageous, and academically driven.

On September 6, 2025, at LASCO Distributors Limited in White Marl, St. Catherine, scholarships valued at J\$400,000 were awarded to top-performing female students to assist with educational expenses as they transitioned into high school.





READ ACROSS JAMAICA DAY

In recognition of Read Across Jamaica Day, the LASCO paid a meaningful visit to Gwen Neil Basic School to support and encourage early childhood literacy and development.

The initiative highlighted the importance of learning, imagination, and education in shaping the future of our children. Through engaging with students and participating in reading activities, the team reinforced that some of the most important growth happens beyond the plate and extends into the future of every child.

Conclusion

The 2025/2026 financial year reflects LASCO Distributors Limited's continued dedication to creating meaningful and sustainable impact across Jamaica. Through strategic partnerships, targeted programmes, and employee-driven initiatives, the Company has strengthened communities, empowered individuals, and contributed to national development.

By maintaining a balanced focus on healthcare, education, environmental sustainability, community engagement, and disaster response, LASCO reaffirms its commitment to improving lives and building a stronger, more resilient Jamaica.



10

Marketing Highlights



Denbigh and FunFest Participation

LASCO Food Drink continued to strengthen its brand presence through strategic participation in two of Jamaica's most prominent cultural and consumer events—the Denbigh Agricultural, Industrial and Food Show and FunFest 2025. These platforms provided valuable opportunities to enhance visibility, deepen community engagement, and reinforce the brand's commitment to delivering affordable, accessible nutrition to Jamaican families.

At the Denbigh Agricultural, Industrial and Food Show, held from August 1–3, 2025, LASCO Food Drink aligned with the event's focus on food security, local manufacturing, and national development. As Jamaica's premier agro-industrial showcase, Denbigh attracted a wide cross-section of stakeholders including farmers, distributors, retailers, and policymakers. The brand leveraged this extensive reach to highlight its locally manufactured nutritional products, while actively supporting dialogue around food accessibility and resilience. High-impact booth displays, product sampling, live demonstrations, and promotional offers drove strong consumer engagement and encouraged both product trial and repeat purchase. Importantly, the activation also facilitated meaningful connections with families, youth, and members of the agricultural sector, reinforcing LASCO's role in national development and sustainable nutrition.

In contrast, FunFest 2025, held on August 1 at Hope Gardens, provided a vibrant, entertainment-driven environment that enabled LASCO Food Drink to connect with urban consumers and younger audiences. Within the celebratory Emancipation Day atmosphere, the brand created engaging and interactive experiences, including product sampling and appearances by its mascot, Nutriman, which resonated strongly with families and children. Supported by strong above-the-line visibility across Kingston and St. Andrew, the activation successfully generated excitement around the brand, increased product trial, and strengthened positive brand associations in a relaxed, lifestyle-focused setting.

Collectively, participation in both Denbigh and FunFest demonstrated LASCO Food Drink's ability to effectively execute a dual engagement strategy across diverse platforms. By delivering high levels of face-to-face interaction, driving product sampling, and strengthening consumer trust, the brand reinforced its positioning as a trusted and community-oriented Jamaican brand. These initiatives underscore LASCO Food Drink's ongoing commitment to promoting accessible nutrition, supporting cultural celebration, encouraging active lifestyles, and building lasting connections with consumers across Jamaica.





iCool Water proudly served as the Official Hydration Sponsor of the 2025 SW ISSAC Henry Invitational Track Meet at the National Stadium. The annual event, which honours the legacy of the late ISSAC Henry, former Principal of St. Andrew Technical High School (STATHS), continues to provide a platform for young athletes to showcase their talent and pursue excellence in track and field. As the designated hydration partner, iCool Water supplied athletes with crisp, light, and refreshing bottled water throughout the competition, with hydration stations strategically positioned around the venue to ensure easy access.

In addition to supporting athlete wellbeing and performance, iCool Water contributed sectional prizes to recognize outstanding achievements and encourage healthy competition. The partnership reinforced the brand's commitment to youth development, health and wellness, and community engagement through sport. By supporting initiatives that promote discipline, resilience, and achievement, iCool Water continues to invest in programmes that positively impact Jamaica's next generation of athletes.



POWDERED BEVERAGE & CEREALS

Sun City Read and Win School Tour

In celebration of Child's Month in May, LASCO renewed its partnership with Sun City Radio for their annual Read and Win School Tour. LASCO's sponsorship took the form of Title Sponsorship with different categories inclusive of Breakfast Cereals. The aim of the promotion was to engage students at eight selected primary and preparatory schools across the parishes of St. Catherine and St. Andrew. The initiative emphasized the importance of literacy in an engaging and entertaining way, while also highlighting the value of a nutritious breakfast. As part of the promotion, LASCO provided samples from its cereal line to students, teachers, and parents, encouraging healthy habits alongside learning.



Ladies Expo – July 5

On July 5, LASCO participated in the 2025 Ladies Expo held at the National Arena, providing a valuable platform to showcase products from our Powdered Beverages and Breakfast Cereals category. Featured products included the line of LASCO Oats, Breakfast Cereals, Vitalisimo and LASCO Instant Chocolate. Patrons had the opportunity to sample the products and received detailed information on how they can be incorporated into their daily routines for balanced and enjoyable nutrition.

Fitfest Summer Exercise Party

LASCO participated in the Fitfest Summer 2025 Exercise Party with the line of Oats. The day entailed sampling of the Rolled Oats and Oats Porridge Mix to showcase the versatility of the product to gym enthused patrons. The day also entailed engaging in radio interviews and sponsorship of the Plank Challenge.

Sun City Back to School Pikney Fest - August 23rd

On Saturday, August 23, LASCO's Powdered Beverages and Breakfast Cereals category participated in the annual "Sun City Back to School Pikney Fest" at the Portmore Mall grounds in St. Catherine. The event served as an ideal opportunity to showcase and sample our cereals and oats porridge, promoting nutritious meal options for the back-to-school season. Patrons were treated to sampling of LASCO Instant Chocolate Mix, and LASCO line of Cereals. Patrons were also educated on the nutritional benefits of the products, reinforcing LASCO's commitment to supporting healthy lifestyles through accessible and informative community engagement.

LASCO Rolled Oats at Pinktober

On Saturday, November 21, 2025, LASCO partnered with Alphkriss Fitness with LASCO Rolled Oats, for the staging of their Pinktober Fitness Fiesta to raise awareness and support for breast cancer. The event saw the brand engaging with patrons on the benefits of consuming oats as well as sampling the delicious blends of LASCO Rolled Oats.

LASCO's support of National Basketball League

July 20th NBL Awards and Presentation

LASCO continued its support and partnership of the National Basketball League, which took the form of sampling at the respective matches for the different clubs. The partnership culminated with the provision of gift baskets for the Awards and presentation ceremony, held at the Jamaica Pegasus Hotel on Sunday, July 20, with Urban Knights copping the 2025 Championship Title.



LASCO Instant Chocolate Mix at Women Ignite Success Summit (WISS)

LASCO participated at the 5th staging of Women Ignite Success Summit (WISS) with a Silver Sponsorship. The partnership saw the participation of LASCO Instant Chocolate amongst other LASCO categories which included engaging with patrons and sampling of LASCO Instant Chocolate. The events' aim is to empower and inspire women through forums with focus on career, faith building, entrepreneurship, finance and wealth, family, relationships, mental health and wellness. Rolled Oats.

LASCO Basketball Qualifying Match

LASCO continued its support of Jamaica basketball by participating in the FIBA World Cup Qualifiers held on February 26 and March 1, 2026 at the Indoor Sports Centre. The involvement included booth display and sampling of LASCO Rolled Oats and Oats Porridge Mix smoothies. This participation showcased the versatility of the line of Oats outside the traditional oatmeal hot consumption to patrons.

LASCO MEAL SOLUTIONS

As part of its commitment to nutrition and wellness, LASCO Meal Solutions partnered with The Mico University College for the observance of World Home Economics Day on March 18, 2026. The initiative provided an opportunity to engage students and educators while highlighting the importance of nutrition, healthy living, and consumer education.



SUNCITY SCHOOL TOUR

FreeJoy: Proud Sponsors of the Suncity School Tour

As sponsors of the Suncity School Tour, FreeJoy proudly partnered with schools to engage directly with children across multiple communities. The tour provided an excellent platform to build awareness for the FreeJoy brand while encouraging healthy and convenient nutrition choices among students. Throughout the initiative, we successfully sampled FreeJoy products to over 1,000 children across 9 schools, giving students the opportunity to experience the great taste and convenience of the brand firsthand. The activation also allowed us to reinforce the importance of fruit intake by positioning FreeJoy as an easy and enjoyable option for children on the go.

This initiative reflects our ongoing commitment to supporting healthier lifestyles for children through accessible and convenient nutrition solutions.



WORLD MILK WEEK

LASCO Baby: Supporting Mothers and Toddlers During World Milk Week

In recognition of World Milk Week, Daneil Lee, Category Manager – Children's Nutrition, visited the Brown's Town Health Clinic in St. Ann to engage with mothers-to-be on the importance of proper nutrition for toddler growth and development.

During the visit, mothers were educated on the nutritional benefits of LASCO One & Up Milk and how it supports healthy development during the early years. The session also provided an opportunity to introduce attendees to other products within the LASCO Children's Nutrition portfolio, including LASCO One & Up Food, FreeJoy, and LASCO Baby Yum.

As part of the initiative, 8 mothers received specially curated LASCO Baby gift baskets, helping to further reinforce our commitment to supporting families through education, nutrition, and care. This initiative highlights LASCO Baby's ongoing dedication to promoting healthy lifestyles and providing accessible nutrition solutions for Jamaican families.

HURRICANE MELISSA RELIEF

LASCO Baby: Supporting Families Affected by Hurricane Melissa

In response to the impact of Hurricane Melissa, LASCO Baby proudly extended support to displaced mothers and families through the donation of essential nutrition and baby care products.

As part of the relief initiative, families received LASCO One & Up Food, FreeJoy, LASCO Baby Yum, Jack and Jill Diapers, and Jack and Jill Wipes to assist with their immediate needs during this challenging time. Through these contributions, LASCO Baby aimed to provide comfort, nourishment, and care to affected families while supporting the wellbeing of infants and toddlers.



CHRISTMAS GIFT GIVING

LASCO Baby: Spreading Joy Through Our Christmas Gift Giving

Through the LASCO Baby Christmas Gift Giving Activation, we were proud to bring smiles, joy, and holiday cheer to more than 52 children from two communities affected by Hurricane Melissa.

Our journey began in Copse, Hanover, where children and families experienced a memorable day filled with laughter, excitement, and the spirit of Christmas and then we made our way to St. Elizabeth. The initiative was made even more meaningful through the support and generosity of our LASCO Baby team.

The activation was coordinated through our White Marl location, where staff members personally selected and purchased gifts for children of their choice, ensuring that every gift carried a heartfelt and personal touch.

At LASCO Baby, giving back extends beyond the holiday season. We remain committed to supporting our communities, uplifting families, and creating meaningful moments for our little ones across Jamaica.

WOMEN IGNITE – WISS JAMAICA

LASCO Baby: Creating Meaningful Connections at WISS Jamaica

The LASCO Baby team participated alongside Women Ignite Jamaica. The event provided a wonderful opportunity for us to connect with parents, families, and patrons in a vibrant and engaging atmosphere.

We were delighted to share FREE product samples with attendees and introduce families to the LASCO Baby range while spreading joy to little ones throughout the event. The positive energy, warm interactions, and smiling faces made the activation truly memorable for our team.

At LASCO Baby, nothing brings us greater joy than supporting growing babies and happy tummies while building meaningful relationships with the communities we serve.

MOTHER'S DAY PILATES SESSION

LASCO Baby: Celebrating Strong Moms Through Wellness and Movement

In celebration of Mother's Day, LASCO Baby sponsored a Mother's Day special Pilates session with The Ab Lab JA creating a memorable experience focused on wellness, strength, and self-care for mothers.

The session brought together an incredible group of moms for an energizing morning filled with movement, motivation, laughter, and meaningful connection. It was inspiring to see mothers take time to prioritize their wellbeing while supporting and encouraging one another throughout the class.





Curves was proud to participate as an exhibitor at both the Ladies Expo and the Health, Hair & Beauty Expo, events specifically designed to celebrate and support women. These expos brought together hundreds of women from diverse backgrounds and showcased products and services focused on women's health, wellness, and lifestyle. With the enthusiastic support of our Brand Ambassadors, Curves successfully engaged attendees, inspiring them to embrace their full potential and prioritize their personal care and well-being through a trusted brand dedicated to their wellness journey.

The Health, Hair & Beauty Expo took place on May 31 to June 1, 2025, at the National Arena and attracted over 700 patrons. Curves' visually appealing booth generated considerable attention and encouraged meaningful interactions with attendees, contributing to a highly successful and memorable event.

The Ladies Expo was held on July 5, 2025, at the National Arena and welcomed more than 1,000 attendees. The Curves booth attracted significant interest, with visitors demonstrating strong engagement with the products on display. The event provided a valuable opportunity to connect with consumers and reinforce the brand's commitment to women's personal care needs.

Curves proudly sponsors beauty and talent pageants that promote the empowerment of women through personal development, talent cultivation, and leadership. As a sponsor of the Miss and Mrs. Universe Jamaica competition, Curves remains committed to encouraging women to recognize their strengths, build confidence, and pursue their aspirations. Through the #BeTheWoman campaign, the brand continues to champion women who are smart, bold, resilient, and beautiful.

Curves is a proud sponsor of Mrs. Universe Jamaica, held on July 5, 2025, at the AC Hotel. The pageant celebrates leadership, advocacy, and legacy-building among Jamaican women while highlighting the positive contributions they make to their communities and the nation.

Curves proudly continued its role as the title sponsor of the Jamaica Cultural Development Commission (JCDC) Miss St. Catherine Festival Queen Pageant. The coronation ceremony was held on August 1, 2025, at the grounds of Eltham High School. The pageant is designed to encourage young women to actively engage in and champion cultural and community development activities at the parish and national levels.

The Miss Universe Jamaica Beauty, Fashion and Wellness Pageant Official Sashing Showcase, was held on Sunday, May 18, 2025 at the AC Hotel. Curves empowers young ladies to unlock their fullest potential and be their best selves everyday.

The Miss Universe Jamaica Beauty, Fashion and Wellness Pageant was held on August 10, 2025, at the AC Hotel. In support of women's wellness, all contestants received Curves personal care packages. Additionally, the winner and runners-up were presented with gift baskets and a one-year supply of sanitary products.

Over the years, Curves has partnered with the HerFlow Foundation to recognize and honor unsung female heroes who have made exceptional contributions to their communities and the nation.

On March 29, 2026, at the Jamaica Pegasus Hotel, Curves in partnership with HerFlow Foundation's Celebrate Her initiative recognized some of the incredible women who stepped up for the various communities affected by Hurricane Melissa. When their country needed them most, they showed up with courage, compassion and action.

LASCO PHARMACEUTICAL DIVISION

Medical Association of Jamaica Symposium and Annual General Meeting

LASCO Distributors Limited Pharmaceutical Division proudly participated in the Medical Association of Jamaica (MAJ) Symposium and Annual General Meeting, held at the Jamaica Pegasus Hotel from May 29 to June 1, 2025. This premier industry event brought together a wide cross-section of General Practitioners from Jamaica and across the Caribbean, providing an important platform for engagement, knowledge sharing, and collaboration within the medical community. Our presence at the symposium underscored LASCO's ongoing commitment to supporting healthcare professionals and advancing patient care through access to high-quality pharmaceutical products.

Throughout the event, the LASCO team actively engaged with attendees, showcasing key products within our pharmaceutical portfolio and highlighting their therapeutic benefits and relevance to everyday clinical practice. The team facilitated product demonstrations, one-on-one consultations, and interactive discussions aimed at strengthening relationships with physicians while reinforcing brand trust and credibility. Additionally, the symposium offered valuable insights into emerging healthcare trends, treatment protocols, and practitioner needs, allowing the Division to further align its offerings with the evolving demands of the regional medical landscape.





79th Annual General Meeting and Conference for Nurses

LASCO Distributors Limited Pharmaceutical Division participated in the 79th Annual General Meeting and Conference for Nurses, held from October 9 to 11, 2025. This highly regarded event brought together more than 200 nursing professionals from across various healthcare settings, including hospitals, clinics, community health services, and specialized care institutions. The conference provided an important forum for knowledge exchange, professional development, and dialogue on key issues impacting patient care and the nursing profession across Jamaica.

During the conference, the LASCO Pharmaceutical Division team actively engaged with attendees through product showcases, educational discussions, and direct interactions aimed at strengthening relationships with this critical healthcare segment. The team highlighted key products within the portfolio, emphasizing their role in supporting patient outcomes and improving quality of care. Through these engagements, the Division not only reinforced brand visibility and trust among frontline healthcare providers but also gained meaningful insights into the evolving needs and challenges faced by nurses. This feedback continues to inform product positioning, customer engagement strategies, and the Division's broader commitment to supporting healthcare delivery across the island.



PHARMACEUTICAL SOCIETY OF JAMAICA

LASCO Distributors Limited's Pharmaceutical Division proudly participated in the Pharmaceutical Society of Jamaica's 40th Annual Conference, held at the Princess Grande Hotel in Negril from September 4 to 7, 2025. The conference, a key event on the local healthcare calendar, brought together industry professionals, pharmacists, and key stakeholders to explore emerging trends, innovations, and best practices within the pharmaceutical sector. LASCO's presence underscored its continued commitment to supporting the development of the profession and strengthening partnerships across the healthcare ecosystem. The team engaged meaningfully with attendees through knowledge sharing, networking opportunities, and the promotion of its expanding portfolio of products and services, reinforcing the company's role as a trusted partner in advancing healthcare delivery across Jamaica.





11

Audited Financials



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INDEPENDENT AUDITORS' REPORT

To the Members of
Lasco Distributors Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of Lasco Distributors Limited set out on pages 85 to 129, which comprise the statement of financial position at 31 March 2026, and the 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 financial statements give a true and fair view of the financial position of the company as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Jamaican Companies Act.

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 company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. No key audit matter was determined.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the 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.

Partners: S. M. McFarlane, J. Hibbert, D. Hobson, B. Vanriel, K. Heron
Associate Partner: D. Brown

Offices in Montego Bay, Mandeville and Ocho Rios

BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Lasco Distributors Limited

Other Information (cont'd)

In connection with our audit of the 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 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 of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of 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 company'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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Lasco Distributors Limited

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also (cont'd):

- 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 company'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.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 matter 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.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Lasco Distributors Limited

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

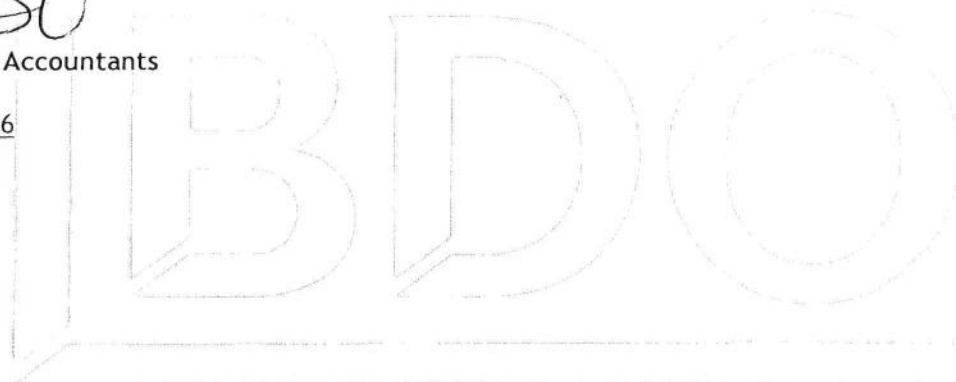
In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Balvin Vanriel.

A handwritten signature in black ink that reads 'BDO'.

Chartered Accountants

29 May 2026



LASCO DISTRIBUTORS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
REVENUE	7	31,674,360	30,256,427
COST OF SALES		(26,422,370)	(25,020,741)
GROSS PROFIT		5,251,990	5,235,686
Other income	8	344,287	322,297
Impairment losses on financial assets	9	(13,276)	(9,648)
		<u>5,583,001</u>	<u>5,548,335</u>
EXPENSES:			
Administrative and other expenses		(3,291,794)	(3,053,212)
Selling and promotion expenses		(916,965)	(800,533)
	9	(4,208,759)	(3,853,745)
OPERATING PROFIT		1,374,242	1,694,590
Finance costs	11	(45,916)	(16,755)
PROFIT BEFORE TAXATION		1,328,326	1,677,835
Taxation	12	(264,868)	(338,967)
NET PROFIT FOR THE YEAR		<u>1,063,458</u>	<u>1,338,868</u>
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss -			
Unrealised (losses)/gains on financial instruments	23(b)	(34,032)	3,512
TOTAL COMPREHENSIVE INCOME		<u>1,029,426</u>	<u>1,342,380</u>
EARNINGS PER STOCK UNIT	13		
Basic		<u>30.05¢</u>	<u>37.97¢</u>
Diluted		<u>30.02¢</u>	<u>37.97¢</u>

LASCO DISTRIBUTORS LIMITED
STATEMENT OF FINANCIAL POSITION

31 MARCH 2026

	<u>Note</u>	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
<u>ASSETS</u>			
NON-CURRENT ASSETS:			
Property, plant and equipment	14	2,589,563	2,231,340
Intangible assets	15	84,537	119,208
Right-of-use asset	16(a)	4,549	10,615
Investment property	17	555,000	478,268
Investments	18	<u>411,160</u>	<u>444,736</u>
		<u>3,644,809</u>	<u>3,284,167</u>
CURRENT ASSETS:			
Inventories	19	6,035,742	5,319,697
Receivables	20	4,843,096	4,745,459
Related companies	21	125,980	94,647
Directors' current account	21	12,150	12,150
Taxation recoverable		37,487	33,999
Short term investments	22	983,219	780,967
Cash and bank balances	23	<u>2,575,876</u>	<u>1,592,460</u>
		<u>14,613,550</u>	<u>12,579,379</u>
		<u>18,258,359</u>	<u>15,863,546</u>
<u>EQUITY AND LIABILITIES</u>			
<u>EQUITY:</u>			
Share capital	24	531,686	513,186
Revaluation reserve	25	75,387	75,387
Fair value reserve	26	42,298	76,330
Retained earnings		<u>10,449,945</u>	<u>9,809,571</u>
		<u>11,099,316</u>	<u>10,474,474</u>
NON-CURRENT LIABILITIES:			
Deferred tax liability	29	160,922	108,164
Long-term loans	28	774,269	333,795
Lease liability	16(b)	<u>6,771</u>	<u>9,623</u>
		<u>941,962</u>	<u>451,582</u>
CURRENT LIABILITIES:			
Payables	30	6,047,594	4,713,405
Current portion of lease liability	16(b)	2,852	2,851
Current portion of long-term loans	28	31,790	31,790
Taxation		<u>134,845</u>	<u>189,444</u>
		<u>6,217,081</u>	<u>4,937,490</u>
		<u>18,258,359</u>	<u>15,863,546</u>

Approved for issue by the Board of Directors on 26 May 2026 and signed on its behalf by:



James E. D. Rawle, CD
Executive Chairman



Colin D. W. Maxwell, FCCA, FCA
Director

LASCO DISTRIBUTORS LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>Share Capital \$'000</u>	<u>Revaluation Reserve \$'000</u>	<u>Fair Value Reserve \$'000</u>	<u>Retained Earnings \$'000</u>	<u>Total \$'000</u>
BALANCE AT 1 APRIL 2024		<u>513,186</u>	<u>75,387</u>	<u>72,818</u>	<u>8,858,530</u>	<u>9,519,921</u>
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	1,338,868	1,338,868
Other comprehensive income		<u>-</u>	<u>-</u>	<u>3,512</u>	<u>-</u>	<u>3,512</u>
		<u>-</u>	<u>-</u>	<u>3,512</u>	<u>1,338,868</u>	<u>1,342,380</u>
TRANSACTION WITH OWNERS						
Dividends paid	31	<u>-</u>	<u>-</u>	<u>-</u>	<u>(387,827)</u>	<u>(387,827)</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>(387,827)</u>	<u>(387,827)</u>
BALANCE AT 31 MARCH 2025		<u>513,186</u>	<u>75,387</u>	<u>76,330</u>	<u>9,809,571</u>	<u>10,474,474</u>
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	1,063,458	1,063,458
Other comprehensive income		<u>-</u>	<u>-</u>	<u>(34,032)</u>	<u>-</u>	<u>(34,032)</u>
		<u>-</u>	<u>-</u>	<u>(34,032)</u>	<u>1,063,458</u>	<u>1,029,426</u>
TRANSACTIONS WITH OWNERS						
Issue of share capital		18,500	-	-	-	18,500
Dividends paid	31	<u>-</u>	<u>-</u>	<u>-</u>	<u>(423,084)</u>	<u>(423,084)</u>
		<u>18,500</u>	<u>-</u>	<u>-</u>	<u>(423,084)</u>	<u>(404,584)</u>
BALANCE AT 31 MARCH 2026		<u>531,686</u>	<u>75,387</u>	<u>42,298</u>	<u>10,449,945</u>	<u>11,099,316</u>

LASCO DISTRIBUTORS LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2026

	<u>Note</u>	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit		1,063,458	1,338,868
Items not affecting cash resources:			
Unrealised exchange loss on foreign balances		60,853	6,777
Gain on disposal of property, plant and equipment		-	(300)
Depreciation	14	127,088	113,324
Amortisation	15	34,671	54,735
Right-of-use asset amortisation	16	6,066	4,550
Interest income		(66,527)	(68,335)
Dividend income	8	(7,019)	(6,166)
Impairment losses on financial assets		13,276	9,648
Gain on revaluation of Investment Property	8	(76,732)	-
Interest expense	11	45,916	16,755
Taxation expense		<u>264,868</u>	<u>338,967</u>
		1,465,918	1,808,823
Changes in operating assets and liabilities:			
Inventories		(716,045)	(758,302)
Receivables		(121,940)	(428,298)
Directors' current account		-	3,043
Payables		1,325,918	321,706
Related companies		<u>(31,333)</u>	<u>(6,467)</u>
		1,922,518	940,505
Taxation paid		<u>(270,197)</u>	<u>(342,346)</u>
Cash provided by operating activities		<u>1,652,321</u>	<u>598,159</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Short term investments (net)	23(c)	(202,252)	(234,598)
Interest received		69,313	68,335
Dividend received		7,019	6,166
Proceeds from disposal of property plant and equipment		-	300
Purchase of investment property	17	-	(478,268)
Purchase of property, plant and equipment	14	(485,311)	(506,306)
Purchase of intangible assets		<u>-</u>	<u>(735)</u>
Cash used in investing activities		<u>(611,231)</u>	<u>(1,145,106)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Loan proceeds	28	472,264	381,480
Loan payments	28	(31,790)	(15,895)
Interest paid		(45,168)	(15,846)
Dividends paid	31	(423,084)	(387,827)
Issue of share capital		18,500	-
Lease payment		<u>(3,600)</u>	<u>(3,600)</u>
Cash used in financing activities		<u>(12,878)</u>	<u>(41,688)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,028,212	(588,635)
Exchange effect on foreign cash balances		(44,796)	(6,755)
Cash and cash equivalents at beginning of year		<u>1,592,460</u>	<u>2,187,850</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	23	<u>2,575,876</u>	<u>1,592,460</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) Lasco Distributors Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 27 Red Hills Road, Kingston 10. The company is listed on the Main Market of the Jamaica Stock Exchange.
- (b) The principal activity of the company is the distribution of pharmaceuticals and consumable items. The company also exports some of its consumable items.

2. REPORTING CURRENCY:

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the company's functional and presentation currency.

3. MATERIAL ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented. Amounts are rounded to the nearest thousand, unless otherwise stated. Where necessary, amounts have been reclassified to conform to current year presentation.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), and have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings. They are also prepared in accordance with requirements of the Jamaican Companies Act.

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

New, revised and amended standards and interpretations that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The company has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following amendments are relevant to its operations:

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New, revised and amended standards and interpretations that became effective during the year (cont'd)

Amendments to IAS 21, 'Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability, (effective for accounting periods beginning on or after 1 January 2025). The amendments specify when a currency is exchangeable into another currency and when it is not as well as how an entity determines the exchange rate to apply when a currency is not exchangeable. A currency is exchangeable when there is an ability to obtain the other currency and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The amendments also require the disclosure of additional information that would enable users of the financial statements of an entity to evaluate how a currency's lack of exchangeability affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The adoption of the amendments to the above standards and interpretations did not have a material impact on the company's financial statements.

New standards, amendments and interpretations not yet effective and not early adopted

At the date of authorization of these financial statements, there were certain new standards, amendments and interpretations to existing standards which were in issue but not yet effective and which the company has not early adopted.

The standards which management considered may be relevant to the company are as follows:

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7, (effective for accounting periods beginning on or after 1 January 2026). These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The adoption of these amendments is not expected to have a material impact on the company.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New standards, amendments and interpretations not yet effective and not early adopted (cont'd)

IFRS 18, 'Presentation and Disclosures in Financial Statements', (effective for accounting periods beginning on or after 1 January 2027). The International Accounting Standards Board (IASB) has published its new standard, IFRS 18 that will replace IAS 1 'Presentation of Financial Statements'. The new standard is the result of the primary financial statements project and aims at improving how entities communicate in their financial statements. The new standard introduces defined categories (Operating, Investing, Financing, Income Tax and Discontinued Operations) and mandatory subtotals in the statement of profit or loss to enhance comparability and structure, along with stricter rules on aggregation, disaggregation, and the presentation of operating expenses. It also requires detailed disclosures on Management-defined Performance Measures (MPMs), including their calculation, purpose, and reconciliation to IFRS totals, to improve transparency and consistency. The company is still assessing the impact the adoption of this new standard will have on its financial statements.

Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates', (effective for accounting reporting periods beginning on or after 1 January 2027). The amendments in Translation to a Hyperinflationary Presentation Currency are; When an entity translates amounts from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy, the entity translates those amounts, including comparative amounts, using the closing rate at the date of the most recent statement of financial position; when the entity's presentation currency ceases to be the currency of a hyperinflationary economy and its functional currency continues to be the currency of a non-hyperinflationary economy, the entity applies prospectively (without restatement of the comparative amounts) the method currently applicable in IAS 21 to such situations; and the entity would have to disclose that it has applied the method, including summarised financial information about its foreign operations translated applying the proposed translation method; it would also have to disclose if the economy concerned ceased to be hyperinflationary.

Amendments to IAS 7, 'Statement of Cash Flows', (effective for accounting periods beginning on or after 1 January 2027). The amendments require all companies to use the operating profit subtotal as defined in IFRS 18 as the starting point for the indirect method of reporting cash flows from operating activities. Additionally, the presentation alternatives for cash flows related to interest and dividends paid and received will be removed.

The company does not expect any other standards or interpretations issued by the IASB but not yet effective, to have a material effect on its financial statements.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(b) Foreign currency translation

Foreign currency translations are accounted for at the exchange rates prevailing at the dates the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognised in profit or loss.

(c) Property, plant and equipment

Items of property, plant and equipment are recorded at historical cost or deemed cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation on all other items of property, plant and equipment is calculated on the straight-line method to write off the cost of assets or the revalued amounts, to their residual values over their estimated useful lives. Land is not depreciated as it is deemed to have an indefinite life. The expected useful lives of the other property, plant and equipment are as follows:

Buildings	40 years
Furniture and fixtures	10 years
Equipment	5 years
Motor vehicles	5 years
Computer	5 years

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in profit or loss. On disposal of revalued assets, amounts in revaluation reserve relating to those assets are transferred to retained earnings.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(d) Intangible assets

Intangible assets represent computer software and distribution rights of CIPLA products. Computer software is deemed to have a finite useful life of five years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. Distribution rights are deemed to have an indefinite life, are initially recognized at cost and reviewed annually for impairment losses.

(e) Investment property

Investment property, comprising principally land and building, is held for rental yields and capital appreciation and is treated as a long term investment. It is measured initially at cost, including related transaction costs, and subsequently measured at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

The fair value reflects on a similar basis, expected cash outflows in respect of the property. Fair value is determined by an independent registered valuer. Fair value is based on current prices in an active market for similar properties in the same location and condition. Any gain or loss arising from a change in fair value is recognized in profit or loss.

(f) Inventories

Inventories are stated at the lower of cost and fair value less costs to sell, cost being determined on the first-in, first-out basis. Fair value less costs to sell is the estimated selling price in the ordinary course of business, less selling expenses.

(g) Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(h) Revenue recognition

Sale of goods

Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the company for goods supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled, and control of goods passes to the customer. Revenue is decreased by any trade discounts granted to customers.

For contracts that permit return of goods, revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

The right to recover returned goods is measured at the former carrying amount of inventory less any expected cost to recover.

Interest income

Interest income 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 receipts through the expected life of the financial instruments to its gross carrying amount.

When calculating the effective interest rate for financial instruments, the company estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses.

Commission income

Commission income is recognised on an accrual basis when the service has been provided. Commission arising from negotiating or participating in a negotiation of transaction for a third party is recognised on completion of the underlying transaction.

Dividend income

Dividends are recognised when the right to receive payments is established.

(i) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(j) Current and deferred income taxes

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because taxable profits exclude items that are taxable or deductible in other years, and items that are never taxable or deductible. The company's liability for current tax is calculated at tax rates that have been enacted at the reporting date.

Deferred tax is the tax that is expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income or equity, in which case deferred tax is also dealt with in other comprehensive income or equity.

(k) Employee benefits

(i) Defined contribution plan

The company operates a defined contribution pension plan which is funded by employees' contribution of 5% of salary and employer's contribution of 5%. Once the contributions have been paid, the company has no further obligations. Contributions are charged to the statement of profit or loss, in the year to which they relate.

(ii) Profit-sharing and bonus plan

The company recognizes a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's stockholders after certain adjustments. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(k) Employee benefits (cont'd)

(iii) Annual vacation leave and other benefits

Employee entitlement to annual vacation leave and other benefits are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and other benefits as a result of services rendered by employees up to the end of the reporting period.

(iv) Restricted stock units plan

The restricted stock units plan is an equity-settled share-based compensation plan. The fair value of the employees' past services received in exchange for the grant shares is recognized as an expense with the corresponding increase in equity. The total expensed is determined by reference to the fair value of the shares at the vested date.

(l) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

(i) Recognition and derecognition

Financial assets are initially recognized on the settlement date, which is the date that an asset is delivered to the company. This includes regular purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Translation differences and changes in fair value of non-monetary securities classified as fair value through other comprehensive income (FVOCI) are recognized in other comprehensive income.

Dividends on FVOCI equity instruments are recognized in profit or loss as part of other operating income when the company's right to receive payment is established.

The company derecognizes 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 in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains all or substantially all the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that are created or retained by the company is recognized as a separate asset or liability.

When securities classified as FVOCI are sold or impaired, the accumulated fair value adjustments previously recognized as other comprehensive income are not recycled to the profit or loss but instead are transferred within reserves to retained earnings.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(l) Financial instruments (cont'd)

Financial assets (cont'd)

(ii) Classification

The company classifies all its of financial instruments at initial recognition based on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets recorded at Fair Value through Profit or Loss, transaction costs are added to, or subtracted from, this amount.

The company classifies its financial assets as those measured at amortised cost and fair value through other comprehensive income.

(iii) Measurement categories

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI). They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The company's financial assets measured at amortised cost comprise trade and other receivables, related company balances, short term investments and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents are carried in the statement of financial position at fair value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand and short term deposits with original maturities of three months or less.

Fair value through other comprehensive income (FVOCI)

The company has made an irrevocable election to classify its investments at fair value through other comprehensive income rather than through profit or loss as the company considers this measurement to be the most representative of the business model for those assets. They are carried at fair value with changes in fair value recognized in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

The company's financial assets measured at FVOCI are its investments securities which includes equity instruments in the statement of financial position.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(l) Financial instruments (cont'd)

(iv) Impairment

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses (ECL).

During this process the probability of the non-payment of the trade receivables is assessed by taking into consideration historical rates of default for each segment of trade receivables as well as the estimated impact of forward looking information. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within the statement of profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The company's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: trade and other payables, loan and lease liability.

The company derecognises a financial liability when its contractual obligations expire or are discharged or cancelled.

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributed to the issue of ordinary shares are recognized as a deduction from equity.

(n) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. Operating segments are reported in a manner consistent with internal reporting to the company's chief operating decision maker.

(o) Dividend distribution

Dividend distribution to the company's shareholders is recognized as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders. In the case of interim dividends, this is recognized when declared by the directors.

Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(p) Borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any differences between proceeds, net of transaction costs and the redemption yield is recognized in profit or loss over the period of the borrowings.

(q) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability for all leases with a term greater than 12 months.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee, the exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option, any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease, initial direct costs incurred and the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset, whichever is shorter.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining lease term.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(r) Related party balances and transactions

Parties are considered to be related if directly, or indirectly through one or more intermediaries, the party controls, is controlled by or is under common control with the entity (this includes parents, subsidiaries and fellow subsidiaries), has significant influence over the entity or has joint control over the entity. Related party balances and transactions are disclosed for the following:

- (i) Enterprises and individuals owning, directly or indirectly, a significant interest in voting power of the company and /or having significant influence over the company's affairs and close members of the family of these individuals.
- (ii) Key management personnel, that is, those persons having authority and responsibility for planning directing and controlling the activities of the company, including directors, officers and close members of the families of these individuals.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES:

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the company's accounting policies

In the process of applying the company's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amounts recognized in the financial statements.

(b) Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Fair value estimation

A number of assets and liabilities included in the company's financial statements require measurement at, and/or disclosure of, fair value.

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.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES: (CONT'D)

(b) Key sources of estimation uncertainty (cont'd)

(i) Fair value estimation (cont'd)

The fair value measurement of the company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are; the 'fair value hierarchy:

- | | |
|---------|--|
| Level 1 | Quoted prices in active markets for identical assets or liabilities. (unadjusted). |
| Level 2 | Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). |
| Level 3 | Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). |

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item.

The fair value of financial instruments traded in active markets, such as investments fair value either through OCI or through profit or loss, is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1 and comprise equity instruments traded on the JSE.

The fair values of financial instruments that are not traded in an active market are deemed to be or determined as follows:

The carrying values less any impairment provision of financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values due to the short term maturity of these instruments. These financial assets and liabilities are cash and cash equivalents, trade receivables, trade payables, related company balances and unquoted investments.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):

(b) Key sources of estimation uncertainty (cont'd)

(ii) Income taxes

Estimates are required in determining the provision for income tax. There are some transactions and calculations for which the ultimate tax determination is uncertain. The company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iii) Allowance for impairment losses on trade receivables

Allowances for doubtful accounts were established using the total credit sales for the financial year, excluding Government receivables and cash on delivery invoices. For all other credit sales, a payment pattern was determined for customers within this segment. Based on the incurred loss analyses over delinquent accounts, the credit history, risk profile of each customer and aging of receivables, customers were placed in aging buckets and a default risk percentage calculated for each bucket. Allowances are determined upon origination of the trade receivable based on a model that calculates the expected credit loss (ECL) of the trade receivables.

Under this ECL model, the company segments its trade receivables in a matrix by days past due and determined for each age bracket an average rate of ECL, considering actual credit loss experience over the last 12 months and analysis of future delinquency, that is applied to the balance of the trade receivables.

The historical loss rates were adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The company has also identified and assessed the change in the industry in which it sells its goods and has included its impact on historical loss rate percentage. The average ECL rate increases in each segment of days past due until the rate is 100% for the segment of 365 days or more past due. The use of assumptions make uncertainty inherent in such estimates.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):

(b) Key sources of estimation uncertainty (cont'd)

(iv) Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The company applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in the statement of income through impairment or adjusted depreciation provisions.

(v) Net realizable value of inventories

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. The estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realizable value also take into consideration the purpose for which the inventory is held.

(vi) Fair value of investment property

Investment property is carried at fair value based on valuations performed by independent valuers using recognized valuation methodologies. The valuation process involves significant judgment and estimation, particularly in relation to capitalization rates, projected rental income, occupancy levels, discount rates, and comparable market data.

Due to the subjective nature of these assumptions and limited observable market inputs, changes in assumptions could materially affect the fair value of investment property reported in the financial statements.

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LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT:

The company is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price, and
- Liquidity risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(a) Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and bank balances
- Trade and other payables
- Short term investments
- Due from related companies
- Investments
- Lease liability
- Long term loans

(b) Financial instruments by category

Financial assets

	<u>Fair value through other comprehensive income</u>		<u>Amortised cost</u>	
	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Investments	411,160	444,736	-	-
Short term investments	-	-	983,219	780,967
Cash and cash equivalents	-	-	2,575,876	1,592,460
Due from related companies	-	-	125,980	94,647
Receivables	-	-	3,673,067	3,879,664
Total financial assets	<u>411,160</u>	<u>444,736</u>	<u>7,358,142</u>	<u>6,347,738</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(b) Financial instruments by category (cont'd)

Financial liabilities

	<u>Amortised cost</u>	
	<u>2026</u>	<u>2025</u>
	<u>\$'000</u>	<u>\$'000</u>
Lease liability	9,623	12,474
Payables	5,521,062	4,275,707
Long term loans	<u>806,059</u>	<u>365,585</u>
Total financial liabilities	<u>6,336,744</u>	<u>4,653,766</u>

(c) Financial risk factors

The Board has overall responsibility for the determination of the company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's finance function. The Board receives quarterly reports from the Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The company's internal auditors also review the risk management policies and processes and report their findings to the Audit and Risk Management Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the company's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Market risk

Market risk arises from the company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from transactions for sales, purchases and US dollar cash and bank balances. The company manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The company further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Concentration of currency risk

The company is exposed to foreign currency risk in respect of US dollar as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Investments	190,440	185,735
Cash and cash equivalents	658,642	439,826
Trade receivables	1,375,266	1,495,068
Other receivables	153,922	200,302
Trade payables	(1,299,348)	(581,645)
	<u>1,078,922</u>	<u>1,739,286</u>

Foreign currency sensitivity

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 exchange rates. The sensitivity analysis represents outstanding foreign currency denominated cash and bank balances, accounts receivable, investments and payable balances, and adjusts their translation at the year-end for 1.5% (2025 - 4%) depreciation and a 1% (2025 - 1%) appreciation of the Jamaican dollar against the US dollar. The changes below would have no impact on other components of equity.

	% Change in Currency Rate <u>2026</u>	Effect on Profit before taxation <u>2026</u> <u>\$'000</u>	% Change in Currency Rate <u>2025</u>	Effect on Profit before taxation <u>2025</u> <u>\$'000</u>
Currency:				
USD	-1.5	16,184	-4	69,571
USD	<u>+1.0</u>	<u>(10,789)</u>	<u>+1</u>	<u>(17,392)</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Price risk

Price risk is the risk that the value 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 instrument or its issuer or factors affecting all instruments traded in the market. The company is exposed to market price fluctuations arising from equity securities held. A 1.5% increase/2% decrease (2025 - 6% increase/2% decrease) in the price of equity stocks will result in a \$3,311,000 increase/\$4,414,000 decrease (2025 - \$15,540,000 increase/\$5,180,000 decrease) in net results or stockholders equity.

Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Floating rate instruments expose the company to cash flow interest rate risk, whereas fixed rate instruments expose the company to fair value interest rate risk.

The company is primarily exposed to cash flow interest rate risk on its short term investments.

Short term investments and investment securities are the only interest bearing assets within the company. The company's short term investments are due to mature within a year of the reporting date.

Interest rate sensitivity

There is no significant exposure to interest rate risk on short term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates.

There is no significant exposure to interest rate risk, as loan notes and investments securities are at a fixed interest rate.

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from trade receivables, related company balances and cash and bank balances.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

Trade receivables

Revenue transactions in respect of the company's primary operations are done on a cash or credit basis. The company has policies in place to ensure that sales are made to customers with an appropriate credit history.

Cash and bank balances

Cash transactions are limited to high credit quality financial institutions. The company has policies that limit the amount of credit exposure to any one financial institution.

Maximum exposure to credit risk

The maximum exposure to credit risk is equal to the carrying amount of trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables expected credit losses

The impairment requirements of IFRS 9 are based on the Expected Credit Loss (ECL) model. The guiding principle of the ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments.

For trade receivables and contract assets that do not have a financing component, it is a requirement of IFRS 9 to recognize a lifetime expected credit loss. This was achieved in the current year by the development and application of historical data relating to trade receivables and write-offs, as well as forecasting payment probabilities based on historical payment pattern.

The company estimates expected credit losses (ECL) on trade receivables using a provision matrix based on historical credit loss experience. Based on the incurred loss analyses over delinquent accounts, the credit history, risk profile of each customer and aging of receivables, customers were placed in aging buckets and a default risk percentage calculated for each bucket of customers. The following table provides information about the ECLs for trade receivables as at 31 March.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

Trade receivables impairment provision

<u>Aging</u>	<u>Gross Carrying Amount</u> <u>\$'000</u>	<u>2026</u>	<u>Lifetime ECL Allowance</u> <u>\$'000</u>
		<u>Default Rate</u> <u>%</u>	
Government			
0 - 30 days	530,252	-	-
31 - 60 days	91,411	-	-
61 - 90 days	33,574	-	-
Over 90 days	<u>445,833</u>	-	<u>-</u>
	<u>1,101,070</u>		<u>-</u>
Other trade receivables -			
0 - 30 days	1,691,794	0.21	3,574
31 - 60 days	439,374	0.30	1,318
61 - 90 days	63,963	1.46	933
Over 90 days	<u>101,965</u>	<u>76.47</u>	<u>77,970</u>
	<u>2,297,096</u>		<u>83,795</u>
Total	<u>3,398,166</u>		<u>83,795</u>

<u>Aging</u>	<u>Gross Carrying Amount</u> <u>\$'000</u>	<u>2025</u>	<u>Lifetime ECL Allowance</u> <u>\$'000</u>
		<u>Default Rate</u> <u>%</u>	
Government			
0 - 30 days	609,842	-	-
31 - 60 days	96,580	-	-
61 - 90 days	65,962	-	-
Over 90 days	<u>469,239</u>	-	<u>-</u>
	<u>1,241,623</u>		<u>-</u>
Other trade receivables -			
0 - 30 days	1,626,952	0.21	3,417
31 - 60 days	501,769	0.30	1,505
61 - 90 days	88,897	1.46	1,298
Over 90 days	<u>115,430</u>	<u>56.26</u>	<u>64,938</u>
	<u>2,333,048</u>		<u>71,158</u>
Total	<u>3,574,671</u>		<u>71,158</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

The aging of trade receivables is:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
0-30 days	2,222,046	2,236,794
31-60 days	530,785	598,349
61-90 days	97,537	154,859
Over 90 days	<u>547,798</u>	<u>584,669</u>
	<u>3,398,166</u>	<u>3,574,671</u>

Movements in the provision for expected credit losses are as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
At 1 April	71,158	63,206
Provision for expected credit losses	13,276	9,648
Write off	(639)	(1,696)
At 31 March	<u>83,795</u>	<u>71,158</u>

The creation and release of provision for expected credit losses have been included in profit or loss. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

(iii) Liquidity risk

Liquidity risk is the risk that the company will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and the availability of funding through an adequate amount of committed credit facilities.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(iii) Liquidity risk (cont'd)

Liquidity risk management process

The company's liquidity risk management process, as carried out within the company and monitored by the Finance Department, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis.
- (ii) Maintaining a portfolio of short term investment balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
- (iii) Maintaining committed lines of credit.
- (iv) Optimising cash returns on investments.

Cash flows of financial liabilities

The maturity profile of the company's financial liabilities, based on contractual undiscounted payments, is as follows:

	Within 1 Year \$'000	1 to 2 Years \$'000	3 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
31 March 2026					
Payables	5,521,062	-	-	-	5,521,062
Lease liability	3,600	3,600	3,600	-	10,800
Long term loans	<u>94,734</u>	<u>237,448</u>	<u>338,450</u>	<u>550,553</u>	<u>1,221,185</u>
Total financial liabilities (contractual maturity dates)	<u>5,619,396</u>	<u>241,048</u>	<u>342,050</u>	<u>550,553</u>	<u>6,753,047</u>
	Within 1 Year \$'000	1 to 2 Years \$'000	3 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
31 March 2025					
Payables	4,275,707	-	-	-	4,275,707
Lease liability	3,600	3,600	7,200	-	14,400
Long term loan	<u>60,756</u>	<u>113,706</u>	<u>150,796</u>	<u>209,730</u>	<u>534,988</u>
Total financial liabilities (contractual maturity dates)	<u>4,340,063</u>	<u>117,306</u>	<u>157,996</u>	<u>209,730</u>	<u>4,825,095</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the company defines as net operating income, excluding non-recurring items, divided by total stockholders' equity. The Board of Directors also monitors the level of dividends to stockholders.

There are no particular strategies to determine the optimal capital structure. There are also no external capital maintenance requirements to which the company is subject.

(e) Fair values of financial instruments

The following table presents the company's investments that are measured at fair value. There are no liabilities that are measured at fair value at the year end and the company has no instruments classified in Level 3 during the year. There were no transfers between levels during the year.

	2026		
	Level 1	Level 2	Total
	\$'000	\$'000	\$'000
Investment securities fair value through other comprehensive income	<u>220,720</u>	<u>190,440</u>	<u>411,160</u>
Equity securities			
	2025		
	Level 1	Level 2	Total
	\$'000	\$'000	\$'000
Investment securities fair value through other comprehensive income	<u>259,001</u>	<u>185,735</u>	<u>444,736</u>
Equity securities			

The fair value of financial instruments that are traded in an active market for which there are no quoted market prices, is determined by using valuation techniques. When using valuation techniques, the company uses a variety of methods and makes assumptions that are based on market conditions existing at year end. The following methods and assumptions have been used.

- (i) Investment securities classified as fair value through profit or loss and fair value through other comprehensive income are measured at fair value by reference to quoted market prices when available. If quoted prices are not available, then fair values are estimated on the basis of pricing models or other recognized valuation techniques.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(e) Fair values of financial instruments (cont'd)

- (ii) The fair value of liquid assets and other assets maturing within three months is assumed to approximate their carrying amount. The assumption is applied to liquid assets and the short term elements of all other financial instruments.
- (iii) The fair value of variable rate financial instruments is assumed to approximate their carrying value.

6. SEGMENT REPORTING:

The company has two reportable segments which are based on the different types of products that it offers. These products are described in its principal activities (Note 1). The identification of business segments, is based on the management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

Information regarding results of each reportable segment is included below. Performance is measured on segment profit before taxation as included in the management reports. Segment profit before taxation is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

	2026		
	Consumer Division \$'000	Pharmaceutical Division \$'000	Total \$'000
Revenue -			
Total revenue	<u>26,556,279</u>	<u>5,118,081</u>	<u>31,674,360</u>
Segment result	<u>1,062,661</u>	<u>265,665</u>	<u>1,328,326</u>
Segment assets⁽¹⁾	<u>6,201,172</u>	<u>3,449,790</u>	<u>9,650,962</u>
Unallocated assets			<u>8,607,397</u>
Total assets			<u>18,258,359</u>
Segment liabilities⁽²⁾	<u>4,533,393</u>	<u>933,495</u>	<u>5,466,888</u>
Unallocated liabilities			<u>1,692,155</u>
Total liabilities			<u>7,159,043</u>
Other items -			
Finance income	<u>66,527</u>	<u>-</u>	<u>66,527</u>
Finance costs	<u>45,916</u>	<u>-</u>	<u>45,916</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

6. SEGMENT REPORTING (CONT'D):

	2025		
	Consumer Division \$'000	Pharmaceutical Division \$'000	Total \$'000
Revenue -			
Total revenue	<u>25,039,355</u>	<u>5,217,072</u>	<u>30,256,427</u>
Segment result	<u>1,258,376</u>	<u>419,459</u>	<u>1,677,835</u>
Segment assets⁽¹⁾	<u>5,988,807</u>	<u>3,168,320</u>	<u>9,157,127</u>
Unallocated assets			<u>6,706,419</u>
Total assets			<u>15,863,546</u>
Segment liabilities⁽²⁾	<u>3,774,769</u>	<u>451,624</u>	<u>4,226,393</u>
Unallocated liabilities			<u>1,162,679</u>
Total liabilities			<u>5,389,072</u>
Other items -			
Finance income	<u>68,335</u>	<u>-</u>	<u>68,335</u>
Finance costs	<u>16,755</u>	<u>-</u>	<u>16,755</u>

(¹) Reportable segments' assets are reconciled to the company's total assets as follows:

	<u>2026</u> \$'000	<u>2025</u> \$'000
Segment assets from reportable segments	9,650,962	9,157,127
Unallocated assets -		
Property, plant and equipment	2,589,563	2,231,340
Intangible assets	84,537	119,208
Right-of-use assets	4,549	10,615
Investment Property	555,000	478,268
Investments	411,160	444,736
Taxation recoverable	37,487	33,999
Related companies	125,980	94,647
Other receivables	1,227,876	908,029
Directors' current account	12,150	12,150
Short term investments	983,219	780,967
Cash and bank balances	<u>2,575,876</u>	<u>1,592,460</u>
	<u>18,258,359</u>	<u>15,863,546</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

6. SEGMENT REPORTING (CONT'D):

(²) Reportable segments' liabilities are reconciled to the company's total liabilities as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Segment liabilities from reportable segments	5,466,888	4,226,393
Unallocated liabilities -		
Payables	580,707	487,012
Deferred tax liability	160,922	108,164
Taxation	134,845	189,444
Long term loan	806,059	365,585
Lease liability	<u>9,622</u>	<u>12,474</u>
	<u>7,159,043</u>	<u>5,389,072</u>

7. REVENUE:

Revenue represents the price of goods sold and transferred to customers at a point in time, after discounts and allowances.

The company's revenue is disaggregated as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Consumer division	26,556,279	25,039,355
Pharmaceutical division	<u>5,118,081</u>	<u>5,217,072</u>
	<u>31,674,360</u>	<u>30,256,427</u>

8. OTHER OPERATING INCOME:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Dividend income	7,019	6,166
Commission - Roche	163,435	151,827
Interest income	66,527	68,335
Fair value gain on investment property	76,732	-
Gain on disposal of property, plant and equipment	-	300
Miscellaneous income	18,481	8,960
Rental income	12,093	10,077
Insurance income (Keyman insurance)	<u>-</u>	<u>76,632</u>
	<u>344,287</u>	<u>322,297</u>

The company has a non-exclusive distribution agreement with Productos Roche Interamericana S.A. - Diagnostics Division (Roche) to distribute its products in Jamaica. Commission is earned on sales and collection of receivables.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

9. EXPENSES BY NATURE:

Total administrative, selling and other expenses:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Staff costs (note 10)	2,241,030	2,167,497
Directors' fees	21,453	23,186
Property expenses	109,812	105,849
Transportation and communication	14,017	22,491
Advertising and promotion	475,494	372,616
Management and consultancy fees	82,554	71,049
Legal and professional fees	6,385	4,957
Insurance	165,857	157,794
Stationery	23,389	22,497
Utilities and postage	123,507	116,058
Security	235,487	195,743
Donations and subscriptions	240,669	196,664
Bank charges	151,438	135,442
Auditors' remuneration	12,375	11,250
Foreign exchange loss	82,178	27,028
GCT irrecoverable	46,870	44,317
Computer repairs expense	2,369	1,587
Depreciation and amortisation	161,759	168,059
Right-of-use-asset amortisation	6,066	4,550
Other expenses	<u>6,050</u>	<u>5,111</u>
	<u>4,208,759</u>	<u>3,853,745</u>
Impairment losses:		
Credit sales	<u>13,276</u>	<u>9,648</u>

10. STAFF COSTS:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Salaries and wages	1,490,605	1,364,776
Directors' remuneration	65,366	65,668
Statutory contributions	161,809	153,181
Pension costs	45,615	41,581
Share options - employees	(1,240)	47,150
Commission and incentive	222,311	247,907
Accommodation	9,018	11,622
Other	<u>247,546</u>	<u>235,612</u>
	<u>2,241,030</u>	<u>2,167,497</u>

The average number of persons employed by the company during the year was 493, (2025: 476).

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

11. FINANCE COSTS:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Interest expense -		
Loan interest	44,838	15,339
Lease interest	<u>1,078</u>	<u>1,416</u>
	<u>45,916</u>	<u>16,755</u>

12. TAXATION EXPENSE:

- (a) Taxation is computed on the profit for the year, adjusted for tax purposes, and comprises income tax at 25%.

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Current taxation	219,207	282,238
Prior year (over)/under provision	(7,097)	4,696
Deferred taxation (note 29)	<u>52,758</u>	<u>52,033</u>
	<u>264,868</u>	<u>338,967</u>

- (b) The tax on the profit before taxation differs from the theoretical amount that would arise using the applicable tax rate as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Profit before taxation	<u>1,328,326</u>	<u>1,677,835</u>
Taxation calculated @ 25%	332,082	419,459
Adjusted for the effects of:		
Expenses not deducted for tax purposes	140,202	66,775
Unrealized foreign exchange loss	(60,853)	(230)
Income not subject to tax	(83,529)	(19,233)
Capital allowances	(79,747)	(63,624)
Deferred taxation	52,758	52,033
Other	(5,461)	(3,889)
Prior year under provision	(7,097)	4,696
Employment tax credit	<u>(23,487)</u>	<u>(117,020)</u>
	<u>264,868</u>	<u>338,967</u>

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

13. EARNINGS PER STOCK UNIT:

Basic earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue at year end.

	<u>2026</u>	<u>2025</u>
Net profit attributable to stockholders (\$'000)	1,063,458	1,338,868
Weighted Average Number of ordinary stocks units ('000)	<u>3,538,576</u>	<u>3,525,703</u>
Basic earnings per stock unit (¢ per share)	<u>30.05</u>	<u>37.97</u>

The diluted earnings per stock unit is calculated by adjusting the weighted average number of ordinary stock units in issue at the year end to assume conversion of all dilutive potential ordinary stock units.

	<u>2026</u>	<u>2025</u>
Net profit attributable to stockholders (\$'000)	<u>1,063,458</u>	-
Weighted Average Number of ordinary stocks units ('000)	3,538,576	-
Adjusted for share options ('000)	<u>3,427</u>	<u>-</u>
	<u>3,542,003</u>	<u>-</u>
Diluted earnings per stock unit (¢ per share)	<u>30.02</u>	<u>-</u>

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

14. PROPERTY, PLANT AND EQUIPMENT:

	<u>Freehold Land & Buildings</u> \$'000	<u>Computer</u> \$'000	<u>Furniture, Fixtures & Equipment</u> \$'000	<u>Assets Under Construction</u> \$'000	<u>Motor Vehicles</u> \$'000	<u>Total</u> \$'000
Cost/deemed cost -						
1 April 2024	1,780,863	197,673	854,395	44,278	106,021	2,983,230
Additions	7,083	5,031	92,337	401,855	-	506,306
Transfer	23,725	-	1,617	(25,342)	-	-
Disposal	-	-	-	-	(4,374)	(4,374)
31 March 2025	1,811,671	202,704	948,349	420,791	101,647	3,485,162
Additions	-	186,042	41,118	258,151	-	485,311
31 March 2026	1,811,671	388,746	989,467	678,942	101,647	3,970,473
Depreciation -						
1 April 2024	250,113	176,616	622,546	-	95,597	1,144,872
Charge for the year	39,172	6,917	62,834	-	4,401	113,324
Disposal	-	-	-	-	(4,374)	(4,374)
31 March 2025	289,285	183,533	685,380	-	95,624	1,253,822
Charge for the year	38,046	27,080	57,999	-	3,963	127,088
31 March 2026	327,331	210,613	743,379	-	99,587	1,380,910
Net book value -						
31 March 2026	1,484,340	178,133	246,088	678,942	2,060	2,589,563
31 March 2025	1,522,386	19,171	262,969	420,791	6,023	2,231,340

The net book value of property, plant and equipment includes assets under construction amounting to \$678,942,000 (2025 - \$420,791,000) relating to warehouse expansion at White Marl location.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

15. INTANGIBLE ASSETS:

	<u>\$'000</u>
Cost:	
1 April 2024	335,633
Transfer from property, plant and equipment	<u>735</u>
31 March 2025 and 31 March 2026	<u>336,368</u>
Amortisation -	
1 April 2024	162,425
Charge for the year	<u>54,735</u>
31 March 2025	217,160
Charge for the year	<u>34,671</u>
31 March 2026	<u>251,831</u>
Net book value -	
31 March 2026	<u>84,537</u>
31 March 2025	<u>119,208</u>

16. RIGHT-OF-USE ASSET:

(a) Right-of-use asset

	<u>Building</u>	
	<u>2026</u>	<u>2025</u>
	<u>\$'000</u>	<u>\$'000</u>
At 1 April	10,615	15,165
Amortisation	<u>(6,066)</u>	<u>(4,550)</u>
At 31 March	<u>4,549</u>	<u>10,615</u>

(b) Lease liability

At 1 April	12,474	15,165
Interest expense	749	909
Lease payments	<u>(3,600)</u>	<u>(3,600)</u>
31 March	9,623	12,474
Less: current portion	<u>(2,852)</u>	<u>(2,851)</u>
	<u>6,771</u>	<u>9,623</u>

The company leases property located at 29 Red Hills Road, Kingston 10. The five year lease contract ended on 31 March 2024 and was renewed as at 1 April 2024.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

17. INVESTMENT PROPERTY:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Opening Balance	478,268	-
Acquisition of investment property	-	478,268
Revaluation gain	<u>76,732</u>	<u>-</u>
	<u>555,000</u>	<u>478,268</u>

On 1 May 2024, the company acquired property located at 38½ and 40 Red Hills Road, Kingston Jamaica. The property is held to earn rental income and for capital appreciation. The property was valued on 24 March 2026 by independent valuers, DC Tavares & Finson Realty.

Rental income recognized in the statement of comprehensive income for the year amounted to \$12,093,000 (2025 - \$10,077,000).

The fair value of the company's investment property is categorized as Level 3 in the fair value hierarchy.

The technique used to determined the fair value of investment property is as follows:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Cost Approach, Income Approach and Comparison Approach. These models take into account the nature and use of the property: - The assumed estimate of the current replacement cost less deductions for physical deterioration and obsolescence. - The estimated or actual cash benefits generated by an income property to arrive at the current present value. - The fair value estimate for subject property by comparing similar properties recently sold, with adjustments made for differences.	- Estimates of physical, functional and external depreciation and estimated cost to replace or reproduce the asset. - The projected rental income and expected future growth rate, discount rate and forecast of operating expenses. - The adjustment factors for comparable sales to account for property condition, location, size and time adjustments reflecting changes in market condition. range of potential uses.	The estimated fair value would increase/(decrease) if: - Higher depreciation or obsolescence assumptions decrease fair value. - Higher discount or capitalization rates decrease fair value; higher income growth increases fair value. - Higher positive adjustments increase fair value; negative adjustments reduce it.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

18. INVESTMENTS:

At fair value through other comprehensive income:

	<u>2026</u> Units	<u>2025</u> Units	<u>2026</u> \$'000	<u>2025</u> \$'000
Sigma USD Principal Protector	1,007,521	1,007,521	190,440	185,735
Equities (JMD)	<u>25,919,271</u>	<u>25,919,271</u>	<u>220,720</u>	<u>259,001</u>
			<u>411,160</u>	<u>444,736</u>

Investments at fair value through other comprehensive income represent investments in quoted equities and Sigma Funds.

19. INVENTORIES:

	<u>2026</u> \$'000	<u>2025</u> \$'000
Goods for resale -		
Roche	467,837	375,037
Regular trade	4,683,300	4,140,998
Goods-in-transit	<u>884,605</u>	<u>803,662</u>
	<u>6,035,742</u>	<u>5,319,697</u>

20. RECEIVABLES:

	<u>2026</u> \$'000	<u>2025</u> \$'000
Trade receivables -		
Roche (see below)	870,927	826,318
Regular trade	<u>2,527,239</u>	<u>2,748,353</u>
	3,398,166	3,574,671
Less: Provision for expected credit losses	(83,795)	(71,158)
	3,314,371	3,503,513
Other receivables	<u>1,528,725</u>	<u>1,241,946</u>
	<u>4,843,096</u>	<u>4,745,459</u>

Included in trade receivables for Roche are items on which Roche bears the credit risk solely. The corresponding liability is included in trade payables (note 30).

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

21. RELATED PARTY TRANSACTIONS AND BALANCES:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
(a) Transactions between the company and its related parties -		
Purchases of goods and services:		
Lasco Manufacturing Limited -		
Goods	12,677,871	12,249,419
Lasco Financial Services Limited -		
Rental income	12,093	10,077
Foreign currency	6,692,448	6,412,839
Lascelles Chin Estate -		
Investment property	<u>-</u>	<u>478,268</u>
(b) Key management compensation (included in staff costs - Note 10):		
Key management includes directors and senior managers -		
Salaries and other short-term employee benefits	<u>297,851</u>	<u>333,210</u>
Directors' emoluments -		
Fees	21,453	23,186
Management remuneration (included above)	65,366	65,668
Share based payments	<u>(1,240)</u>	<u>47,150</u>
(c) Year end balances arising from transactions with related parties		
With related companies:		
Due from -		
Lasco Manufacturing Limited	59,955	50,223
Lasco Financial Services Limited	65,921	44,204
Lasco Chin Foundation	<u>104</u>	<u>220</u>
	<u>125,980</u>	<u>94,647</u>

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

21. RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D):

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
(c) Year end balances arising from transactions with related parties (cont'd)		
Due to -		
Lasco Manufacturing Limited (included in trade payables)	<u>2,664,352</u>	<u>2,052,910</u>
These balances are due and payable within forty-five (45) days which is the company's normal credit term.		
Due from -		
Directors	<u>12,150</u>	<u>12,150</u>

22. SHORT TERM INVESTMENTS:

These represent interest bearing amounts which have been invested with various financial institutions for a period greater than three (3) months but up to one (1) year. The weighted average interest rate for the investments is 5.9% (2025 - 6.6%).

23. CASH AND CASH EQUIVALENTS:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Cash and bank balances -		
Short terms deposits	26,741	40,980
Jamaican currency current account	1,351,881	1,078,705
Jamaican currency savings account	535,992	29,915
Foreign currency accounts	658,642	439,826
Cash in hand	<u>2,620</u>	<u>3,034</u>
	<u>2,575,876</u>	<u>1,592,460</u>

(a) The weighted average interest rate on short term deposits is 2.87% (2025 - 2.88%)

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

23. CASH AND CASH EQUIVALENTS (CONT'D):

- (b) Reconciliation of movements of investments to cash flows from investing activities. Amounts represent investments at fair value through other comprehensive income and amortised cost.

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
1 April	444,736	436,121
Non cash -		
Fair value movements	(34,032)	3,512
Foreign exchange gain	<u>456</u>	<u>5,103</u>
	<u>411,160</u>	<u>444,736</u>

- (c) Amounts represent short term investments:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
1 April	<u>780,967</u>	<u>546,369</u>
Investments acquired	938,067	200,000
Investment matured	(780,967)	-
Interest	60,197	46,131
Withholding tax	<u>(15,045)</u>	<u>(11,533)</u>
	<u>202,252</u>	<u>234,598</u>
	<u>983,219</u>	<u>780,967</u>

24. SHARE CAPITAL:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Authorised -		
3,630,000,000 Ordinary shares of no par value		
Stated capital -		
Issued and fully paid -		
3,530,703,000 (2025: 3,525,703,000) ordinary shares of		
no par value	<u>531,686</u>	<u>513,186</u>

During the year, 5,000,000 units of shares at a cost of \$18,500,000 were granted and exercised under the Restricted Stock Units Plan for employees and Directors of Lasco Distributors Limited.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

25. REVALUATION RESERVE:

This represents unrealized surplus on revaluation of property, plant and equipment.

26. FAIR VALUE RESERVE:

This represents the net unrealised surplus on revaluation of equity investments at fair value through other comprehensive income.

27. OTHER RESERVE:

Restricted Stock Units:

On 29 December 2022, the Board of Directors approved the Restricted Stock Units Plan (RSU) to replace the Employee Stock Option Plan (ESOP) that expired on 30 May 2021. At the expiration of the Employee Share Option Plan (ESOP) the total number of unissued shares amounted to 24,050,000 units. These remaining units were transferred to the Restricted Stock Units Plan.

Under the Restricted Stock Option Plan (RSU), the company granted 15,000,000 units to eligible employees in March 2023. During the year, an additional 5,000,000 units were granted.

Movement on stock option

	<u>2026</u> No. of shares '000	<u>2025</u> No. of shares '000
Opening unit	9,050	9,050
Units vested during the year	(5,000)	-
31 March	<u>4,050</u>	<u>9,050</u>

28. LONG TERM LOANS:

	<u>2026</u> \$'000	<u>2025</u> \$'000
First Caribbean International Bank		
Opening Balance	365,585	-
Loan acquired	472,264	381,480
Less: Principal payments	(31,790)	(15,895)
	806,059	365,585
Less: Current portion	(31,790)	(31,790)
	<u>774,269</u>	<u>333,795</u>

The loan balance comprises two facilities obtained from CIBC First Caribbean International Bank.

The first loan was obtained on 20 September 2024 and bears interest at 8.25% per annum. The facility is repayable on 20 September 2034 and is secured by a mortgage over the real estate property located at 38½ and 40 Red Hills Road, Kingston, Jamaica, together with fire and perils insurance over the mortgaged property and related assets.

LASCO DISTRIBUTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

28. LONG TERM LOANS (CONT'D):

The second loan was obtained on 7 April 2025 and bears interest at 7.75% per annum. The facility is repayable on 13 August 2037 and was established to finance the Company's warehouse expansion project.

Under the terms of the agreement, financing is provided on a drawdown basis whereby the Company initially incurs and settles qualifying project expenditures using its own resources. The lender subsequently reimburses approved expenditures upon submission of the required supporting documentation. The facility has a maximum limit of \$560,000,000, of which \$472,264,000 had been drawn down as at the reporting date. Amounts reimbursed by the lender are recognized as financial liabilities upon receipt of funds.

29. DEFERRED TAXES:

Deferred taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 25%.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities. The amounts determined after appropriate offsetting are as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Deferred tax liability	(160,922)	(108,164)

The movement in deferred tax is as follows:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Balance at beginning of year	(108,164)	(56,131)
Charge for the year (note 12)	(52,758)	(52,033)
Balance at end of year	(160,922)	(108,164)

Deferred tax is due to the following temporary differences:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Accelerated capital allowances	(205,798)	(150,624)
Bad debt provision	20,949	17,790
Interest receivable	(6,128)	(6,825)
Accrued vacation leave	41,136	32,724
Foreign exchange gain	(15,213)	(1,694)
Other	4,132	465
	(160,922)	(108,164)

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2026

29. DEFERRED TAXES (CONT'D):

Deferred tax charged to profit or loss comprises the following temporary differences:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Accelerated capital allowances	(55,174)	(53,576)
Bad debt provision	3,159	3,728
Interest receivable	697	(3,133)
Accrued vacation leave	8,412	4,082
Foreign exchange loss	(13,519)	(3,547)
Other	<u>3,667</u>	<u>413</u>
	<u>(52,758)</u>	<u>(52,033)</u>

30. PAYABLES:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
Trade payables -		
Roche (see note 20)	848,821	604,473
Regular trade	<u>4,618,068</u>	<u>3,621,920</u>
	5,466,889	4,226,393
Other payables and accruals	<u>580,705</u>	<u>487,012</u>
	<u>6,047,594</u>	<u>4,713,405</u>

31. DIVIDENDS:

	<u>2026</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>
In respect of 31 March 2025 (11¢ per share)	-	387,827
In respect of 31 March 2026 (12¢ per share)	<u>423,084</u>	<u>-</u>
	<u>423,084</u>	<u>387,827</u>

An interim dividend of 12¢ per share was approved by the Board of Directors on 17 June 2025 for payment on 24 July 2025, based on shareholders on record at 1 July 2025.

On 17 June 2024, an interim dividend of 11¢ per share was approved by the Board of Directors for payment on 24 July 2024, based on shareholders on record at 1 July 2024.

LASCO DISTRIBUTORS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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32. PENSION PLAN:

The company operates a defined contribution pension plan which is administered by Sagicor Life Jamaica Limited and is open to all permanent employees.

The plan is funded by the company's and employees' contributions. The company's contributions to the scheme are expensed and amounted to \$45,615,000 for the year (2025 - \$41,581,000).

33. CONTINGENCIES:

The company had guarantees with a financial institution totalling \$12 million which occurred during the normal course of business.

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Proxy Form



Everyday Family Values

I/We _____

of _____

being a Member/Members of the above-named Company, hereby appoint _____

of _____

or failing him/her, _____

of _____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on **Friday, October 9, 2026** and at any adjournment thereof.

Signed this _____ day of _____ 2026

Signature: _____

NOTES:

1. *When completed, this form must be received by the Registrar of the Company at the address given below, not less than forty-eight (48) hours before the time for holding the meeting.*
2. *The Proxy Form should bear stamp duty of \$100.00 which may be adhesive and duly cancelled by the person signing the proxy form.*
3. *If the appointer is a Corporation, this Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorized in writing.*

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