



**20  
25**

**ANNUAL REPORT**

**CONSOLIDATED  
BAKERIES  
(JAMAICA)  
LIMITED**





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# About Us

**Consolidated Bakeries (Jamaica) Limited emerged when three bakeries, Valentine Bakery, Powell's Bakery, and Huntington Bakery, came together in 1957 to form one entity. The Company's integration into the Jamaica Stock Market signifies its strategic expansion and dedication to product excellence, while remaining committed to the same values that have always driven its success. The Company's focus has always been on providing Jamaicans with nutritious baked goods made from only the freshest ingredients, producing foods that they would be happy feeding to their families.**

For almost 70 years, Consolidated Bakeries (Jamaica) Limited has been offering their time-honoured baked goods. Family recipes that have proven irreplaceable include their line of Easter Buns - Purity Boxed Bun, Miss Birdie Boxed Bun, Purity Hearty Goodness Whole Wheat Bun, and Purity Hearty Goodness 'No Sugar Added' Bun. The popular Miss Birdie branded line of crackers is another family favourite along with a variety of buns and pastry offerings.

Operating under the brands of Purity and Miss Birdie, the Company has been supportive of Jamaicans, not just as consumers, but also as our valued employees and those within the neighbouring community. Ensuring

that our staff has the opportunities to develop their abilities is a priority for the Company.

With 69 years of experience, Consolidated Bakeries (Jamaica) Ltd. has continued the tradition of innovation and growth and has been listed on the Jamaica Junior Stock Exchange for over ten years. Innovation, improvement, and expansion are among the primary areas of focus going forward. We realize the value of having the best available advice, and as such, regularly bring in experts to help the Company achieve its optimal efficiency. This includes looking at plans for expansion, improving the local distribution network and exploring new export markets.



1960



2025

With 69 years of experience, Consolidated Bakeries (Jamaica) Ltd. has continued the tradition of innovation and growth.

In exploring ways to help the surrounding community, Consolidated Bakeries (Jamaica) Ltd. continues to be deeply involved with the local residents and organisations and also provides funding for education.





# Our Vision & Mission

## Vision

**We envision a future where...**

Consolidated Bakeries is recognised for our high-quality, world-class brands and has an expanded presence in both domestic and global markets, sharing a taste of Jamaica.

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## Mission

We provide high-quality, great-tasting products that are made with wholesome goodness and the heart of Jamaica.



# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2026 Annual General Meeting of Consolidated Bakeries (Jamaica) Limited will be held at The Liguanea Club, 80 Knutsford Boulevard, New Kingston, Kingston 5, Jamaica, W.I, on August 26, 2026, at 10:00 a.m. to 1:00 p.m. to transact the following business:

1. To receive the Audited Accounts for the year ended December 31, 2025, together with the reports of the Directors and Auditors thereon,

The Company is asked to consider, and if thought fit, pass the following resolution:

**Resolution No. 1**

“That the Audited Accounts for the year ended December 31, 2025, together with the reports of the Directors and Auditors thereon, be and are hereby adopted.”

2. To elect Directors.

(i) The Directors retiring by rotation in accordance with Regulation 105 of the Company’s Articles of Incorporation are Noel daCosta and Lamar Harris, who, being eligible for re-election, offer themselves for re-election.

The Company is being asked to consider, and if thought fit, pass the following resolutions:

**Resolution No. 2**

“That the Directors, retiring by rotation, be re-elected by a Single Resolution.”

**Resolution No. 3**

“That Noel daCosta and Lamar Harris, who are retiring by rotation in accordance with Regulation 105 of the Articles of Incorporation, be and are hereby re-elected as Directors of the Company.”

3. To approve the Remuneration of the Directors.

The Company is asked to consider, and if thought fit, pass the following resolution:

**Resolution No. 4**

“That the amount shown in the Audited Accounts of the Company for the year ended December 31, 2025, as fees of the Directors for their services as Directors, be and are hereby approved.”

4. To appoint Auditors and to authorise the Directors to fix the remuneration of the Auditors.

The Company is asked to consider, and if thought fit, pass the following resolution:

**Resolution No. 5**

“That the remuneration of the Auditors, Bogle and Company, who have signified their willingness to continue in office, be such as may be agreed between the Directors of the Company and the Auditors.”

Dated the 10th day of May 2026

By Order of the Board



**Victor Salazar**

Company Secretary

**Registered Office**

2F Valentine Drive, Kingston 19

**NOTE:**

1. A member entitled to attend and vote at the meeting may appoint a proxy, who need not also be a member, to attend and, on a poll, vote on his/her behalf. A suitable form of proxy is enclosed. Forms of proxy must be lodged with the Registrar of the Company, Jamaica Central Securities Depository, 40 Harbour Street, Kingston, not less than 48 hours before the time of the meeting.
2. A Corporate shareholder may (instead of appointing a proxy) appoint a representative in accordance with Regulation 75 of the Company's Articles of Incorporation. A copy of Regulation 75 is set out on the enclosed detachable proxy form.

# Directors' Report

The Board of Directors of Consolidated Bakeries (Jamaica) Limited is pleased to present the Annual Report for the financial year ended 31 December 2025. Included are the audited financial statements, which outline the Statements of Financial Position, Profit or Loss and Other Comprehensive Income, Changes in Equity, and Cash Flows for the year under review.

The 2025 financial year was an important one for Consolidated Bakeries, marked by improved financial performance, strengthened operating discipline, and continued progress against the Company's long-term strategic priorities. In a year shaped by both market opportunities and external pressures, including the impact of Hurricane Melissa in the final quarter, the Company demonstrated resilience and adaptability while continuing to invest in the foundations required for sustainable growth.

The Board is encouraged by the Company's return to profitability, the improvement in operating performance, and the strengthening of its liquidity position. These outcomes reflect the focus placed on margin management, disciplined procurement, operational efficiency, and the continued evolution of the product portfolio.

## Financial Overview

For the year ending 31 December 2025, revenue increased to \$1.65 billion, representing growth of 3.2% over the \$1.60 billion recorded in 2024. This performance reflects continued demand across the Company's core baked goods portfolio and the ongoing relevance of our brands in the Jamaican market. Gross profit increased by 10.5% to \$643.9 million, while gross margin improved to 39.0%, compared with 36.5% in the prior year. This margin improvement is particularly noteworthy as it reflects the early benefits of stronger procurement discipline, improved supplier engagement, and a continued focus on cost management.

Operating performance improved significantly during the year. The Company recorded an operating profit of \$23.7 million, compared with an operating loss in 2024, while EBITDA increased to \$78.2 million, up from \$41.3 million in the prior year. Net profit after tax was \$6.5 million, compared with a net loss of \$12.0 million in 2024. This return to

**\$1.65B**

Revenue

profitability represents a meaningful step forward and confirms that the Company's operational and strategic priorities are beginning to translate into measurable financial gains.

The balance sheet remained strong, supported by total equity of \$1.60 billion at year end. Cash and cash equivalents increased to \$96.9 million, up from \$53.7 million in 2024, and the current ratio improved to 2.11, compared with 1.60 in the previous year.

These results reflect a materially stronger working capital position and provide the Company with greater flexibility to manage near-term obligations and pursue its strategic priorities.

A significant milestone during the year was the refinancing of the Company's debt portfolio through a new \$600 million term loan facility with Sagicor Bank Jamaica Limited, of which \$300 million had been drawn at year end. This refinancing allowed the Company to retire existing facilities, extend its maturity profile, reduce near-term principal repayment pressure, and improve financial planning certainty. The Board views this as an important step in strengthening the Company's capital structure and positioning the business for future investment.

## Strategic Execution

Throughout 2025, Consolidated Bakeries continued to advance its strategic focus on product innovation, portfolio diversification, operational efficiency, and market expansion. The Company's ongoing shift towards higher-performing product categories remains central to its long-term growth plan, as consumer preferences continue to favour convenient, high-quality baked goods and snack options.

# \$33.5M

## Capital Expenditure

The Company continued to build on the strength of its established brands, including Purity and Miss Birdie, while supporting the growth of product lines that align with evolving customer needs. Products introduced or targeted in recent years continue to contribute meaningfully to the Company's revenue profile, demonstrating our ability to respond to consumer trends and maintain relevance in a competitive marketplace.

Capital expenditure of approximately \$33.5 million was directed toward machinery upgrades, equipment modernisation, and production infrastructure improvements. These investments support the Company's higher-performing product lines and are consistent with our disciplined approach to capital allocation.

Export market development also remained an important strategic priority. While Jamaica continues to serve as the foundation of the business, the Company recognises the long-term opportunity to deepen its presence among diaspora communities and broader consumer segments in international markets. Management continues to evaluate strategic partnerships and co-manufacturing opportunities that may support more efficient distribution, reduce shipping costs, shorten lead times, and strengthen the Company's ability to serve overseas demand.

### **Operating Environment**

The operating environment in 2025 required careful management. Locally, the Company continued to navigate inflationary pressures, energy costs, raw material costs, foreign exchange exposure, and evolving consumer spending patterns. Internationally, global market instability and supply chain dynamics remained important considerations, particularly as the Company continued to assess opportunities in export markets.

The fourth quarter was significantly affected by Hurricane Melissa, which caused major disruption across Jamaica and had a particularly strong impact on the western region of the island. The storm resulted in temporary store closures, operational disruptions, and reduced sales opportunities in affected areas. In response to increased demand for essential food items, the Company made the deliberate decision to increase

production of bread products, which carry lower margins than pastries and single-serve items. While this product mix shift affected fourth-quarter gross profit and margin, it reflected the Company's commitment to supporting customers and communities during a period of national disruption.

Despite these challenges, the Company's full-year performance demonstrates the strength of the progress achieved during the reporting period. The return to profitability, improvement in operating results, and stronger liquidity position provide a sound basis for continued strategic execution.

### **Governance, Culture and People**

The Board continued to provide oversight of the Company's strategic direction, financial performance, risk management, and governance responsibilities throughout the year. The Board worked closely with management to monitor performance against strategic priorities and ensure that the Company remained focused on sustainable value creation, responsible financial management, and long-term resilience.

The development of the Company's organisational culture remained an important area of focus. During the year, Consolidated Bakeries continued its transition towards a more agile, performance-driven, and accountable organisation. Investments in staff development, management processes,

facilities, and operational systems supported improved engagement and productivity.

The Board recognises that people are central to the Company's ability to execute its strategy.

We, therefore, commend management and staff for their continued commitment, particularly during the operational pressures experienced in the final quarter of the year.

### Looking Ahead

As we look towards 2026 and beyond, the Board remains confident in the Company's strategic direction. The progress made in 2025 provides a stronger platform for the next phase of growth, supported by improved profitability, stronger liquidity, a more stable capital structure, and continued focus on operational excellence.

The Company will continue to prioritise margin management, cost discipline, product innovation, production efficiency, and market expansion. We will also continue to increase the use of technology, data, and analytics to support better decision-making and improve execution across the business.

While the external environment is expected to remain challenging, Consolidated Bakeries is better positioned to respond with clarity, discipline, and resilience. Our focus

remains on strengthening our brands, deepening our customer relationships, improving operational performance, and building a business capable of delivering sustainable value over the long term.

On behalf of the Board, I extend sincere appreciation to our management team and staff for their dedication and hard work throughout the year. We also thank our shareholders, customers, suppliers, business partners, and other stakeholders for their continued trust and support.

Consolidated Bakeries (Jamaica) Limited remains proud of its Jamaican heritage and committed to building on that legacy through innovation, quality, operational excellence, and responsible growth.

For and on behalf of the Board,



**Mr. Anthony Chang**  
Chairman of the Board  
Consolidated Bakeries  
(Jamaica) Limited

May 20, 2026

# Board of Directors



**Anthony V. Chang CD.**  
**Executive Chairman & Managing Director**

Anthony V. Chang brings to the table his extensive professional experience, particularly in the consumer and packaged food businesses involving both domestic and international brands. He is a former president of the Jamaica Chamber of Commerce, has served on boards for both public and private sector firms, and was recently awarded an Order of Distinction (CD) for his years of service to the business community. He holds a degree in Business Administration from the University of Western Ontario in Canada and has completed several professional courses at reputable North American universities.



**Nicola Chang Murphy**  
**Non-Executive Board Member**

Nicola Chang Murphy serves on the Board of Directors of Consolidated Bakeries (Jamaica) Limited, bringing over two decades of experience in business strategy, operations, and brand development. She holds a Bachelor's degree in Business from the University of Western Ontario and an MBA from Nova Southeastern University.

Nicola joined the family business after completing her studies and has since contributed across key areas, including Sales, Marketing, and Operations. She played a pivotal role in the company's transition to a publicly listed entity in 2012 and continues to support strategic initiatives aimed at strengthening the company's market position and operational excellence.

In addition to her role at Consolidated Bakeries, Nicola is a certified personal development and leadership coach. She works with individuals and teams to foster clarity, confidence, and alignment in their professional and personal lives. Her coaching practice complements her corporate work, bringing a people-centred lens to leadership and growth.



**Noel daCosta CD.**  
**Non-Executive Board Member**

Noel daCosta has served on numerous boards in the private and public sectors and has been at the helm of several local and international organisations including the Jamaica Chamber of Commerce, the Jamaica Institution of Engineers, the Jamaica Debates Commission, the Master Brewers Association of the Americas, the National Building Code Committee, and the Caribbean Council of United Way Worldwide.

A consultant with over 15 years of experience in Corporate Relations, Noel also has over three decades of technical and engineering leadership in the petroleum and beverage industries.

He has postgraduate degrees in Engineering, Business Administration and Insurance, and is a Fellow of both the Jamaica Institution of Engineers and the Institution of Chemical Engineers (UK).

In 2012, he was awarded the Jamaican national honour of Commander of the Order of Distinction for his contribution to engineering and manufacturing. In 2019, he was conferred with the honorary degree of Doctor of Technology by the University of Technology for his contributions to nation building.



**Lamar Harris**  
Non-Executive Board Member

Lamar Harris is a mission-driven strategic thinker, an Executive Finance Leader, and a qualified Attorney at Law. Her career has been marked by innovation, perseverance, and transformative leadership. With a robust background in finance, global oversight, strategic planning, and policy innovation, she has consistently demonstrated her ability to position businesses for success.

Lamar holds a Juris Doctorate, a Master in Business Administration, and a Bachelor of Arts in Political Science and Criminal Justice. Her diverse educational background is complemented by certifications, including calls to The Jamaica and Florida Bars, as well as various qualifications in sales and marketing.

Throughout her career, she has been instrumental in navigating complex challenges and driving tangible results. Her strategic acumen and ability to align client and business goals with regulatory frameworks have earned accolades and industry recognition, such as the JSE Award for most listings on the Exchange and the JSE Award for the best Client Experience.

Lamar has written numerous articles, paying it forward by sharing her knowledge on Institutional and Retail Wealth Management. Her expertise extends beyond traditional

boundaries, as she has successfully performed on both the buy and sell sides of transactions, making her a leader in the dynamic landscape of finance.

Capitalising on her background in law and finance, she has successfully transitioned family businesses into public entities via Initial Public Offerings. On the sell side, she has led teams to the most successful fundraising of both debt and equity.

As an innovator, she has spearheaded initiatives around client segmentation and journey processes, leading to an increase in client satisfaction and assets under management. A staunch advocate for corporate governance, Lamar has championed compliance initiatives, ensuring the highest standards of integrity within organisations.



**Victor Salazar-Chang**  
Company Secretary & Business  
Development Manager

Victor Salazar-Chang is experienced in international business, having headed the Caribbean and Latin American Unit of Jamaica's Investment and Trade Promotion Agency (JAMPRO) and procured the largest investment influx in the country's history. He has also managed an industrial packaging and commodities unit at Grace Kennedy & Co. Ltd. and led the export foray into Latin America for Grace branded products. He has a Bachelor of Science in International Relations and a Master's degree in Government from the University of the West Indies.



**Marshall Ogle**  
**Non-Executive Board Member**

Marshall Ogle is the former Director, Strategy & Operations of Deloitte & Touche, Jamaica. He is a business process reengineering specialist in the financial services sector with over 25 years of experience in Jamaica, Barbados, and Trinidad. He led the firm's Strategy & Operations and IT Consulting service lines.

Marshall has led numerous consulting engagements in the private and public sectors in organisational audits, business process reengineering, change management, organisational structure reviews and design, strategic planning, IT selection and implementation, development of procedures manuals, and institutional strengthening.

He has assisted numerous entities to prepare business plans and financial projections, and facilitated strategic planning exercises for government agencies and companies in the financial, manufacturing, health, and education sectors. He has served on a number of local and regional boards. He holds a Bachelor of Science degree in Aeronautical Engineering, an MBA and an MSc in Information Systems.



**Lissant L. Mitchell**  
**Non-Executive Board Member & Mentor**

Lissant L. Mitchell is an experienced financial services executive with a successful career spanning over twenty-five years at the senior management and executive levels. With tenures at local institutions as well as regional and international financial groups, he has a proven track record in designing and executing long-term sustainable strategic priorities, change management, divestitures, mergers, acquisitions, and share ownership privatisation.

Lissant has a Master of Business Administration - Finance from the University of Manchester in the United Kingdom and a Bachelor of Science (Hons.) - Accounting with Economics from the University of the West Indies Mona, Jamaica.

A former Senior Vice President of Wealth Management at Scotiabank Group Jamaica Limited and former Chief Executive Officer at Scotia Investments Jamaica Limited (SIJL), Lissant currently serves as a director of the National Insurance Fund Advisory Board in the capacity of the Chair of its Investment and Real Estate Committee.

He also serves in the capacity of the Chair for the Audit and Finance Committees at Indies Pharma Jamaica Limited and JFP Limited, respectively. He is the Jamaica Stock Exchange Mentor for the two latter entities as well as Future Energy Source Company Limited (FESCO). He has held directorships with the Jamaica Stock Exchange, SIJL, and a number of companies within the Scotiabank Group locally and regionally.

# Corporate Data

## BOARD OF DIRECTORS

Anthony V. Chang

Nicola Chang Murphy

Noel daCosta

Lamar Harris

Marshall Ogle

Lissant L. Mitchell

## CORPORATE SECRETARY

Victor Salazar-Chang

## REGISTRAR AND TRANSFER AGENTS

**Jamaica Central Securities  
Depository Ltd.**

P.O. Box 1084  
40 Harbour Street  
Kingston

## AUDITOR

**Bogle & Company**

Chartered Accountants  
6 South Avenue  
Unit 6, Dragon Center  
Kingston 10

## BANKERS

**Bank of Nova Scotia**

**First Global Bank Ltd.**

**Jamaica Money Market Brokers (JMMB)**

**National Commercial Bank Ltd.**

**Sagicor Bank Jamaica Limited**

## ATTORNEYS-AT-LAW

**Myers Fletcher and Gordon**

21 East Street  
Kingston

**Foga Daley**

Patent & Trademark Agents  
7 Stanton Terrace  
Kingston 6

## REGISTERED OFFICE

2F Valentine Drive  
Kingston 19

# Corporate Governance

The Board of Directors of Consolidated Bakeries (Jamaica) Limited is responsible for the Company’s corporate governance system. Corporate governance is the framework that ensures the right questions are asked and that checks and balances are in place so the answers serve the goal of creating long-term, sustainable value. The Directors form a strong, independent, and knowledgeable Board that aims to make decisions in the best interests of the Company and its stakeholders. They also exercise their authority to ensure the Company and its employees adhere to legal and ethical standards.

## Board of Directors Composition

As of December 31, 2025, the Board of Directors comprises 4 independent directors, 1 non-executive director, and 1 executive director, all of whom are qualified, objective, and committed, and possess diverse skills and backgrounds to serve effectively on various board committees. The names of the directors and their qualifications are set out in the Directors’ Profile section of this report. The definitions of these directors are:

- An independent director is a member of the board of directors who does not participate in day-to-day management but may be involved in policymaking and planning. They have no relationships or financial ties with the company, its senior management, or any affiliate companies. Additionally, the independent director does not own more than 3% of the company’s voting shares.
- A non-executive director is a member of the board of directors who does not participate in day-to-day management but may be involved in policymaking and planning.
- An executive director is a member of the board of directors who is deeply involved in the company’s day-to-day management.

## The Board and its Committees

### Board of Directors

- Anthony Chang**  
Chairman/Managing Director
- Lamar Harris**  
Independent Director
- Nicola Chang Murphy**  
Non-Executive Director
- Marshall Ogle**  
Independent Director
- Noel daCosta**  
Independent Director
- Lissant L. Mitchell**  
Independent Director/Mentor

## Audit Committee

The Audit Committee is a working committee of the company's board of directors. It maintains direct communication with the company's financial controller. Its responsibilities include overseeing financial reporting, monitoring accounting policies, supervising external auditors, ensuring regulatory compliance, and discussing risk-management policies with management.

The Audit Committee comprises 4 directors:

### Marshall Ogle

Chairman

### Anthony Chang

Executive Director

### Noel daCosta

Independent Director

### Lamar Harris

Independent Director

## Compensation Committee

The Compensation Committee is a sub-committee of the company's

board of directors. It primarily sets pay levels for senior management. It also oversees all matters related to compensation for other staff and makes recommendations as needed to ensure fairness and equity across the organisation. Additionally, the Committee ensures that compensation levels remain competitive within the industry and environment to help the company attract and retain qualified, experienced, and skilled employees.

The Compensation Committee comprises 3 directors:

### Noel daCosta

Chairman

### Anthony Chang

Executive Director

### Lissant L. Mitchell

Non-Executive Board Member/Mentor

## Attendance at Meetings for the Year 2025

The Members of the Committee and their attendance at the respective meetings for the 2025 financial year are reflected in the Table below:

	Annual General Meeting	Board of Directors' Meeting	Audit Committee Meeting	Compensation Committee Meeting
Number of meetings	1	5	3	5
Anthony Chang	1	5	2	5
Nicola Chang Murphy	1	5	-	-
Noel daCosta	1	5	3	5
Marshall Ogle	1	4	3	-
Lamar Harris	-	4	2	-
Lissant L. Mitchell	1	5	-	5

## **Board and Committee Meeting Fees**

Chairman's fee for both the Audit and the Compensation/HR Committee is \$56,250, which is \$75,000 less the withholding tax of 25%. The Directors' fee is \$52,500, which is \$70,000 less the withholding tax of 25%.

## **Travel Expense Reimbursement**

All Directors will be reimbursed for reasonable travel expenses incurred in attending meetings of the Company's Board of Directors and its Committees.

## **Annual General Meetings**

Annual general meetings with shareholders are held each year to enable shareholders to provide input and have their questions addressed.

## **Articles of Incorporation**

The Company's Articles of Incorporation were not amended during the review period.

The Corporate Governance Guidelines can be found on the company's website at [www.purity.com.jm](http://www.purity.com.jm)



# Top 10 Shareholders

NAME	VOLUME
Chang Brothers Limited	125,565,956
Anthony V. Chang	20,476,368
General Accident Insurance Company Ja. Ltd.	11,863,631
Everton A. Smith	9,348,965
Everton J. Smith	7,750,000
Lissant L. Mitchell	4,083,598
QWI Investments Limited	3,484,100
David W.Y. Chang	3,216,000
Michael Subratie	2,452,590
National Supply Co. Ltd.	2,029,805

## Directors' Shareholdings

NAME	VOLUME
Anthony V. Chang*	20,476,368
Lissant L. Mitchell	4,083,598
Noel daCosta	800,000
Nicola Chang Murphy*	89,000
Victor Salazar Chang	4,392
Marshall Ogle	0
Lamar Harris	0

\*Directors are major shareholders in Chang Brothers Limited.

## Senior Managers' Shareholdings

NAME	VOLUME
Christopher Goodison	17,000
Javier Salazar-Chang	0
Rose Levy	0
Tamecia Reid	0

# Management Discussion & Analysis

## EXECUTIVE SUMMARY

Consolidated Bakeries (Jamaica) Limited (PURITY) delivered a meaningful performance improvement in its financial results for the year ended December 31, 2025. After navigating a challenging 2024 marked by elevated input costs and a net loss, the Company returned to profitability in 2025, recording a net profit of \$6.5 million compared with a net loss of \$12.0 million in 2024.

Total revenues reached \$1.65 billion, representing growth of 3.2% over the prior year. More significantly, operating efficiency improved substantially, with the Company improving from an operating loss of \$8.0 million in 2024 to an operating profit of \$23.7 million in 2025. Gross profit advanced 10.5% to \$643.9 million, with the gross margin expanding 2.4% to 39.0%, reflecting the early benefits of disciplined cost management and procurement initiatives.

The balance sheet remained robust, anchored by total equity of \$1.60 billion. The Company successfully refinanced its debt portfolio through a new \$600 million term loan facility with Sagicor Bank Jamaica Limited of which \$300 million had been drawn as at year-end, extending the maturity profile and improving liquidity. Cash

and cash equivalents increased 80.5% to \$96.9 million, and the current ratio improved to 2.11 from 1.60, underscoring a materially stronger working capital position.

Notwithstanding this strong full-year performance, the fourth quarter results were impacted by Hurricane Melissa, which affected the western region of the island. The storm caused temporary store closures and operational disruptions, including stores that remained closed for the remainder of the quarter, resulting in an estimated reduction in sales. In response to the situation and to meet heightened customer demand for essential items, the Company made a deliberate decision to increase production of bread products, which carry a smaller margin relative to pastries and single-serve items.

This strategic shift in product mix, combined with the operational disruption, contributed to a decline in fourth-quarter gross profit and margin.

Despite these challenges, the Company achieved a significant improvement in full-year operating performance compared with 2024, reflecting stronger operational execution throughout the year.

The Company expects additional cost pressure in the near term given the instability in the world market. It is therefore important that we focus on margin management.

Our strategic priorities, centred on margin recovery, product innovation, and operational efficiency, are yielding measurable results. Management remains confident in the long-term outlook and committed to delivering sustainable value for all stakeholders.

## FINANCIAL PERFORMANCE HIGHLIGHTS

### Key Performance Metrics

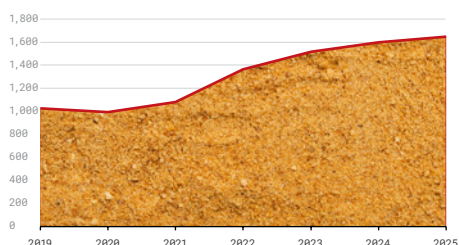
The following table summarises the Company’s principal financial metrics for the years ended December 31, 2025, and December 31, 2024:

Metric	2025 (J\$'000)	2024 (J\$'000)	Change
Total Revenue	1,649,734	1,598,777	+3.2%
Gross Profit	643,895	582,477	+10.5%
Gross Margin (%)	39.0%	36.5%	+2.4%
Operating Profit/(Loss)	23,673	(7,956)	+\$31,629
EBITDA	78,193	41,295	+89.3%
EBITDA Margin (%)	4.7%	2.6%	+2.1%
Net Profit/(Loss)	6,511	(12,007)	+\$18,518
Net Margin (%)	0.4%	(0.75%)	1.15%
Earnings Per Share (J\$)	0.03	(0.05)	0.08

### Revenue and Gross Profit

Total revenue for the year ended December 31, 2025, was \$1.65 billion, an increase of \$51.0 million or 3.2% over the \$1.60 billion recorded in 2024. This growth reflects steady demand for the Company’s core baked goods portfolio, continued market share gains in select categories.

### Revenue Growth Trend (\$Million)



Gross profit of \$643.9 million represents a year-on-year increase of \$61.4 million or 10.5%. The gross margin of 39.0% compares favourably to 36.5% in 2024, a 2.4% improvement reflecting disciplined procurement, better supplier terms, and a gradual easing of the raw material cost pressures that weighed on the 2024 result.

Cost of goods sold of \$1.006 billion grew at a slower rate than revenue, reflecting the impact of cost containment initiatives.

### **Operating Performance and EBITDA**

The swing from an operating loss of \$8.0 million in 2024 to an operating profit of \$23.7 million in 2025 is the most important operating milestone for the year. This turnaround was driven by the combination of higher gross margins and a more disciplined approach to controllable operating expenditures.

Selling and distribution expenses declined to \$257.0 million from \$281.6 million in 2024, a reduction of \$24.6 million or 8.7%, primarily reflecting savings in travelling and motor vehicle costs and a more focused promotional spend. Administrative expenses rose modestly to \$308.7 million from \$259.6 million, primarily reflecting higher salaries, elevated professional fees, and increased travelling and motor vehicle costs as the business invested in organisational capacity. Management continues to prioritise cost discipline within the administrative function.

EBITDA of \$78.2 million represents an 89.3% increase over the \$41.3 million reported in 2024, with the EBITDA margin expanding to 4.7% from 2.6%. Depreciation and amortisation of \$54.5 million (2024: \$49.3 million) reflects the ongoing investment in productive capacity.

### **Net Profit Performance**

Finance costs increased to \$27.2 million from \$19.7 million, reflecting the higher average borrowings associated with the Sagicor Bank refinancing completed during the year. This was partially offset by a substantial improvement in other revenue, which grew to \$14.4 million from \$8.1 million, driven principally by a \$12.8 million realised gain on foreign currency and investment valuation, and \$1.8 million in interest income.

Income tax expense of \$4.4 million was recognised in 2025 compared to a deferred tax benefit of \$7.6 million in 2024, reflecting the return to taxable profitability. The net profit after tax of \$6.5 million compares to a net loss of \$12.0 million in 2024, a turnaround of \$18.5 million. Earnings per share was \$0.03 compared to a loss per share of \$0.05 in 2024.

## **BALANCE SHEET AND FINANCIAL POSITION**

### **Balance Sheet Summary**

Total assets as at December 31, 2025 were \$2.086 billion, compared to \$2.105 billion in 2024. The marginal decrease reflects a reduction in inventory levels, the liquidation of

financial investments, and the natural depreciation of the property, plant and equipment base, partially offset by higher cash balances and trade receivables. The balance sheet remains well-capitalised and strategically sound.

<b>Balance Sheet (J\$'000)</b>	<b>Dec 2025</b>	<b>Dec 2024</b>
<b>NON-CURRENT ASSETS</b>		
Property, Plant & Equipment	1,716,076	1,743,762
<b>Total Non-Current Assets</b>	<b>1,716,076</b>	<b>1,743,762</b>
<b>CURRENT ASSETS</b>		
Inventories	108,387	128,437
Trade & Other Receivables	164,728	155,591
Financial Investments	-	23,762
Cash & Cash Equivalents	96,919	53,713
<b>Total Current Assets</b>	<b>370,034</b>	<b>361,503</b>
<b>TOTAL ASSETS</b>	<b>2,086,110</b>	<b>2,105,265</b>
<b>EQUITY</b>		
Share Capital	90,727	90,727
Capital Reserve	20,826	20,826
Revaluation Reserve	1,446,599	1,446,599
Retained Earnings	43,827	37,316
<b>Total Equity</b>	<b>1,601,978</b>	<b>1,607,104</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings (non-current)	306,971	272,493
Deferred Tax	1,566	2,098
<b>Total Non-Current Liabilities</b>	<b>308,537</b>	<b>274,591</b>
<b>CURRENT LIABILITIES</b>		
Borrowings (Current)	23,802	57,919
Trade Payables	125,062	138,911
Accruals	26,730	26,740
<b>Total Current Liabilities</b>	<b>175,594</b>	<b>223,570</b>
<b>TOTAL LIABILITIES</b>	<b>484,131</b>	<b>498,161</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,086,110</b>	<b>2,105,265</b>

## Key Balance Sheet Ratios

Ratio	2025	2024	Movement
<b>Current Ratio</b>	<b>2.11x</b>	<b>1.60x</b>	<b>+0.51x</b>
Total Debt / Total Assets	15.86%	15.69%	+17 bps
Equity Ratio (Equity/Total Assets)	76.8%	76.3%	+50 bps
Net Debt (J\$'000)	233,853	253,800	-7.9%
Return on Equity (%)	0.4%	(0.75%)	1.15%
Return on Assets (%)	0.3%	(0.57%)	0.87%
Book Value Per Share (J\$)	7.20	7.22	-0.3%

## Debt and Capital Structure

Total borrowings stood at \$330.8 million (2024: \$330.4 million). During the year, the Company executed a significant refinancing, entering into a \$600 million term loan facility with Sagicor Bank Jamaica Limited at a fixed interest rate of 10.25% per annum, maturing in 2035, of which \$300 million had been drawn at year-end. The proceeds were used to retire existing facilities with National Commercial Bank Jamaica Limited and Jamaica Money Market Brokers. This financing materially extended the Company's debt maturity profile, reduced near-term principal repayment obligations, and provided greater financial planning certainty.

Current borrowings declined substantially to \$23.8 million from \$57.9 million in 2024, reflecting the reclassification of debt to long-term following the refinancing. The equity ratio improved to 76.80% from 76.30%, and net debt reduced by \$20.0 million to \$233.9 million, providing increased headroom for future investment.

## Working Capital and Liquidity

Working capital strengthened considerably in 2025. The current ratio improved to 2.11 from 1.60 in 2024, and net operating cash inflow of \$60.5 million compares very favourably with an outflow of \$40.6 million in the prior year. This improvement was driven by a \$20.1 million reduction in inventories as management optimised stock levels, alongside disciplined receivables management.

Trade receivables increased to \$164.7 million from \$155.6 million, consistent with the higher revenue base. Cash and cash equivalents ended the year at \$96.9 million, an increase of \$43.2 million or 80.5% over the opening balance. The Company's liquidity position is the strongest it has been in recent years, providing a solid foundation for executing its strategic growth agenda.

# \$2.086B

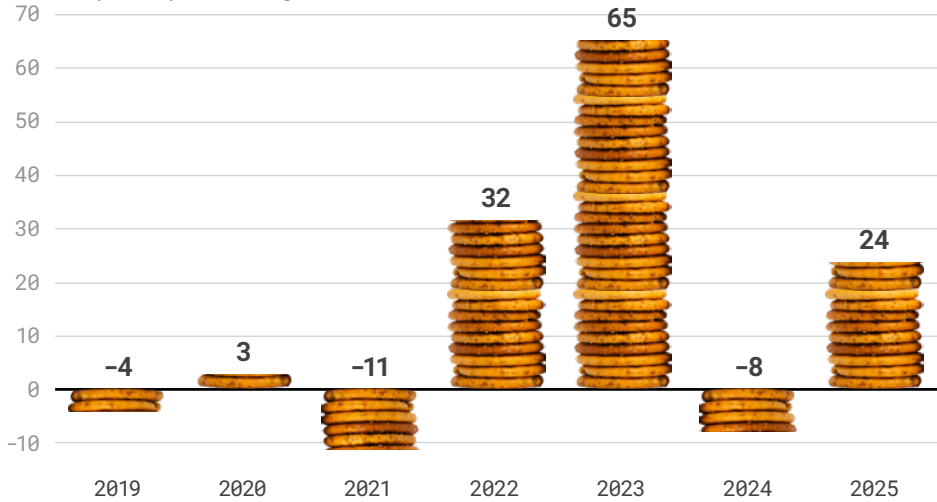
Total Assets

## CASH FLOW REVIEW

The Company’s cash generation in 2025 reflects a material normalisation following the working capital investments of 2024. The key movements are summarised below:

Cash Flow (J\$'000)	2025	2024
Net Cash from Operating Activities	60,491	(40,577)
Net Cash from Investing Activities	(3,154)	(27,479)
Net Cash from Financing Activities	(14,131)	76,975
Net Increase in Cash Held	43,207	8,919
Closing Cash & Cash Equivalents	96,919	53,713

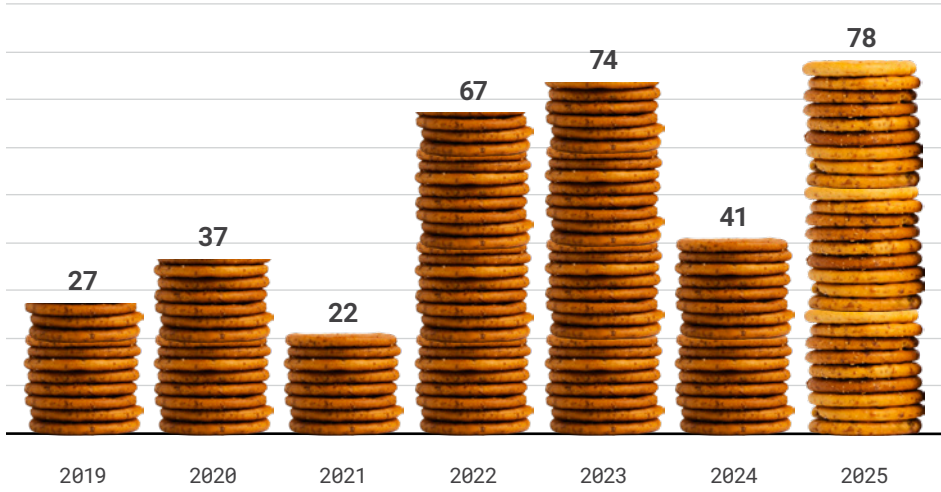
### Profit (Loss) from operations



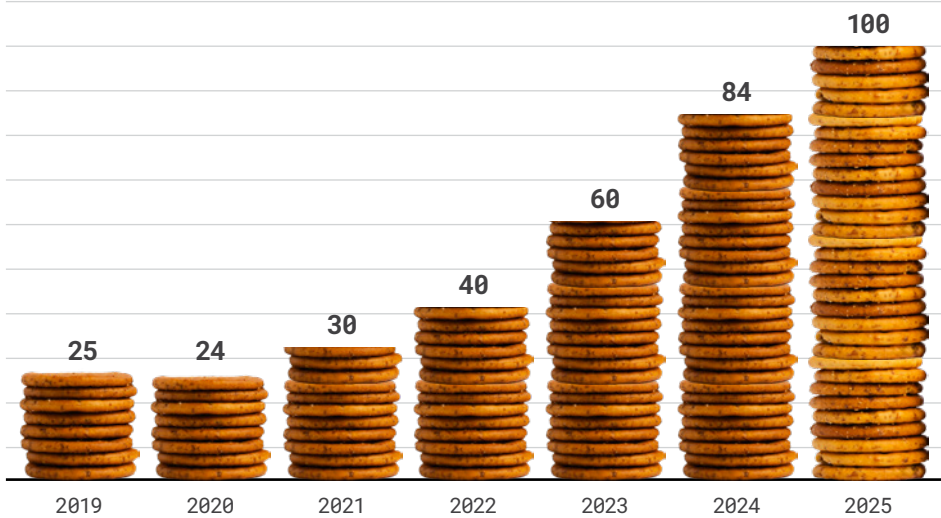
Operating cash generation of \$60.5 million was driven by the return to profitability, a \$20.1 million inventory reduction, and stable trade payables management. Capital expenditure of \$33.5 million (2024: \$33.6 million) remained consistent, reflecting the Company’s commitment to maintaining and upgrading productive capacity.

The net financing outflow of \$14.1 million reflects the draw-down of the new Sagicor facility of \$300 million, along with the \$314.1 million in loan repayments as legacy facilities were retired. Proceeds of \$6.6 million from the disposal of fixed assets and \$23.8 million from the liquidation of financial investments also contributed to the improved cash position.

## EBITDA Growth Trend (\$Million)



## Export Growth Trend (\$Million)



## RISK MANAGEMENT

The Company operates within a structured risk management framework that identifies and monitors key financial and operational exposures. The principal risks are summarised below:

### Credit Risk

The Company's maximum exposure to credit risk through trade receivables and cash instruments totalled \$261.6 million as at December 31, 2025. Trade receivables gross balance was \$61.6 million, against which an expected credit loss (ECL) allowance of \$8.2 million has been established. The overall ECL rate of 13.35% reflects historical collection patterns and forward-looking customer assessments. All trade receivable exposures are concentrated in Jamaica, primarily with wholesale customers who account for \$55.2 million or 89.6% of the gross balance.

### Liquidity Risk

Liquidity risk is actively managed through maintaining sufficient cash balances, available credit facilities, and alignment between asset and liability maturities. The current ratio of 2.11 and closing cash of \$96.9 million reflect a comfortable liquidity buffer. Contractual obligations are well-structured, with the majority of borrowings maturing beyond five years following the Sagicor refinancing.

**\$60.5M**  
Net Operating Cash Inflow

### Currency Risk

Foreign currency risk arises principally from the Company's USD-denominated cash balances and export-related transactions. As at December 31, 2025, USD cash holdings were \$22.4 million (JMD equivalent) and CAD holdings were negligible at \$48,126. A 3% appreciation of the USD against the JMD would reduce net profit by approximately \$0.7 million, while a 5% depreciation would increase net profit by approximately \$1.1 million. The Company's natural hedge through export revenues partially mitigates this exposure.

### Interest Rate Risk

The Company's borrowings are predominantly fixed-rate in nature. The Sagicor term loan carries a fixed rate of 10.25% per annum, and the Barita Investments facility carries 11.80%. The bank overdraft facility attracts a variable rate of 23.75%, though the balance is managed as a short-term instrument. Management monitors interest rate movements and will seek to refinance at favourable rates where opportunities arise.

## STRATEGIC PROGRESS AND OPERATIONAL REVIEW

### Export Growth and International Expansion

Export markets represent one of the Company's most compelling growth opportunities. Our brands have continued to build momentum with the diaspora communities and a

growing base of new consumers are responding positively to the PURITY product range.

To support this trajectory, management is actively evaluating strategic partnerships and co-manufacturing arrangements that would reduce shipping costs, shorten delivery lead times, and enable deeper market penetration. This is a deliberate and phased approach designed to scale international revenue without overextending the Company's capital or operational bandwidth.

### **Product Innovation and Portfolio Evolution**

The strategic diversification of the product portfolio that began in earnest several years ago continues to reshape the Company's revenue profile. Products introduced or targeted within the past five years now represent a significant and growing share of total revenue, demonstrating the Company's capacity to identify consumer trends and bring relevant products to market.

The shift away from a predominantly bread-centric revenue base toward pastries, snacks, and single-serve baked goods, segments that more closely align with evolving consumer preferences, has contributed to more stable revenue performance and improved margin composition. Management remains committed to seizing opportunities and strengthening its competitive position through continued investment in new product development as a core driver of long-term growth.

Products introduced or targeted within the past five years now represent a significant and growing share of total revenue

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### **Capital Investment**

Capital expenditure of \$33.5 million in 2025 (2024: \$33.6 million) was directed toward machinery upgrades, equipment modernisation, and production infrastructure improvements that directly support the Company's higher-performing product lines. These investments reflect a disciplined capital allocation philosophy, prioritising returns-accretive projects with clear strategic rationale.

The Company also disposed of motor vehicles with a net book value of approximately \$6.7 million, realising proceeds of \$6.6 million and rationalising the fixed asset base. Total property, plant and equipment net book value stood at \$1.716 billion as at December 31, 2025, with land valued at \$989.2 million.

### **Organisational Development and Human Capital**

The transformation of the Company's organisational culture from a legacy, production-focused environment to a more agile, performance-driven operation continued throughout 2025. Investment in staff development,

facilities improvements, and management process redesign has supported improved engagement and productivity.



■ Wholesale ■ End-User

### Customer Base and Market Penetration

The Company maintains a well-diversified domestic customer base serving both wholesale and end-user segments. As at December 31, 2025, wholesale customers accounted for \$55.2 million or 89.6% of the gross trade receivable balance, with end-user customers representing the remaining 10.4%. This ratio is generally in line with the Company’s distribution structure and reflects the strong wholesale distribution network and its ability to service large retail and institutional accounts consistently.

Domestically, PURITY retains an enviable position in the baked goods category in Jamaica. All trade receivable exposures are from domestic customers, reflecting the primacy of the home market even as international expansion accelerates.

## STRATEGIC PRIORITIES FOR 2026 AND BEYOND

Building on the operational and financial recovery achieved in 2025, management has identified the following strategic priorities for the period ahead:

We will strengthen our position by developing distinctly positioned brands that deliver convenient, high-quality food inspired by Jamaican and Caribbean flavours, with consistently superior sensory experiences.

Our focus remains clear: reinforce leadership in core categories while expanding into adjacent and higher-growth segments aligned with evolving consumer needs. We will extend our presence across both local and international markets, leveraging our brands and execution capabilities to ensure our products are widely available, consistently delivered, and relevant in each market we serve.

We will maintain a disciplined focus on delivering products that consistently meet consumer expectations for taste, texture, and overall eating experience, while progressively improving the nutritional profile of our offerings where appropriate. This will be supported by strong brand positioning and disciplined in-market execution, ensuring products reach consumers in optimal condition and with a reliable, high-quality experience.

We will continue to build on our existing platforms while developing new ones to broaden our category presence and enhance our product mix. Key brands within our portfolio, including Purity and Miss Birdie, demonstrate the strength of our positioning and our ability to connect with consumers both locally and in international markets.

We are deliberately increasing our use of technology, data, and analytics to strengthen decision-making and execution. This will enable greater operational precision and agility, reduce scale-related constraints, and support innovation as we pursue new avenues for sustainable growth.

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The growing diaspora market in North America represents a structural demand driver for authentic Jamaican baked goods that management is well-positioned to capitalise on.

## MARKET OUTLOOK

The macroeconomic environment in Jamaica and in key export markets is expected to present both opportunities and headwinds in the near term. Inflationary pressures on key inputs, particularly raw materials, and energy, remain a key consideration. Global supply chain dynamics and foreign exchange volatility also remain areas of focus.

Consumer demand for baked goods in Jamaica is relatively resilient, supported by population growth, urbanisation, and the enduring relevance of the category across all income segments. The growing diaspora market in North America represents a structural demand driver for authentic Jamaican baked goods that management is well-positioned to capitalise on.

Consolidated Bakeries enters 2026 from a position of financial strength and operational momentum. The fundamentals are sound: a leading domestic market position, a diversified and growing product portfolio, a strengthened balance sheet, and an experienced management team aligned on a clear strategic direction. The Board and management are confident in the Company's capacity to deliver sustainable, long-term value creation for shareholders.





## **CONCLUSION AND APPRECIATION**

The 2025 financial year represents a genuine inflection point for Consolidated Bakeries (Jamaica) Limited. The return to profitability, the substantial improvement in operating performance, the strengthening of the liquidity position, and the successful completion of a major debt refinancing collectively position the Company on a stronger footing for the next phase of its strategic journey.

We extend our sincere appreciation to our shareholders, customers, suppliers, employees, and all other stakeholders for their continued confidence and support. The dedication of our team, at every level of the organisation, has been integral to the progress achieved in 2025. As we look towards 2026, we remain focused on operational excellence, strategic discipline, and the creation of enduring value for all who have a stake in this business.

# Corporate Social Responsibility 2025



## Hurricane Melissa Relief Efforts: Delivering Care, Strengthening Communities

In November 2025, we had the opportunity to support communities most affected by the aftermath of Hurricane Melissa through the distribution of care packages and strategic partnerships with several organisations.

Through a partnership with FYI Consultancy, we distributed 200 care packages to residents in Southern Trelawny. This initiative was carried out in collaboration with other corporate

partners including the JN Foundation, Hyundai, Purewater, and St. John's Ambulance, with activities coordinated at Albert Town High School.

The outreach extended into North Central Clarendon, where we successfully distributed 200 care packages to residents in Mocho, Trout Hall, Woodhall, and New Ground. We were grateful to receive bottled water donations from Celebration Brands through their brand Crystal

Punch, which were included in the care packages to support affected residents.

Our outreach efforts continued with a return to Southern Trelawny, where we distributed an additional 250 care packages to residents in Albert Town, Spring Gardens, Rock Spring/

Ruthmel, Carter District, Craig Head, Warsop, Troy, and Christiana. During this phase, we partnered with Coldfield Manufacturing Limited through their brand BigJo, which generously provided box drinks, bottled beverages, bag juices, and bag water to further enhance the care packages.



## Honouring Everyday Heroes: A Celebration of Community, Service, and Impact

As part of our ongoing Corporate Social Responsibility, Consolidated Bakeries proudly extended heartfelt appreciation to some of Jamaica's true everyday heroes.

We paid a special visit to the brave firefighters at York Park Fire Station, honouring their courage and commitment with a gesture of gratitude.

The outreach also continued in Portmore, where Kingdom Covenant Family Church—a cornerstone in the Reid's Pen community—was recognised for its impactful work and dedication to uplifting lives.

We were also pleased to show our appreciation to the dedicated employees of HiLo Cross Roads, supporting their employee engagement activity as they requested.

As part of our broader branded initiatives, curated gift bags were also presented to select media professionals from TVJ and CVM, acknowledging their role in shaping our national conversations and keeping the Jamaican spirit strong.

**It's our way of saying thank you—because giving back is baked into who we are.**

## Spreading Summer Joy: Supporting Youth, Learning, and Community Growth

As the summer holidays approached, we showed our support to Jamaica's children in various ways, whether by donating to summer programmes or Vocational Bible Schools held by various churches. Our children are precious, and we wanted to play a part in helping them enjoy their summer holidays with some delicious treats that they deserved. The donations we've done are as follows:

- Clonmel Primary Graduation
- CLBL Foundation Summer Learning Session
- Our Lady of the Angels Catholic Church Summer Camp
- Cassava River Kids Treat
- Faith Apostolic Ministries Youth Camp

- UTECH Teach the Youth Sports Day Event
- Lauriston & Thompson Pen Community 4-H Club Annual Anniversary Event

We reinforced our commitment to supporting education by visiting summer camps in Nannyville and Mountain View Avenue, where we engaged with children who displayed a genuine enthusiasm for learning. Recognising that these communities are often affected by negative perceptions, we made a deliberate effort to ensure these students received the same level of recognition, encouragement, and support as children in any other community.

## Spreading Holiday Cheer: Giving Back to the Annie Dawson Children's Home



To close out the year, in December 2025, we proudly carried out a heartfelt holiday outreach initiative with a visit to the Annie Dawson Children's Home in St. Andrew. This engagement was designed not only to give, but to create a meaningful and uplifting experience for both the children and the dedicated staff who care for them.

During the visit, we presented thoughtfully curated gift bags tailored for both the children and staff, ensuring that everyone felt included and appreciated during the festive

season. Beyond the gifts, our team spent quality time connecting with the residents through lively interaction, singing, games, and entertainment, transforming the day into a warm and joyful celebration filled with laughter and shared moments.

Through initiatives like this, we continue to reaffirm our commitment to supporting vulnerable communities, strengthening meaningful partnerships, and giving back in impactful and heartfelt ways throughout the year.



## Sharing the Love

We were happy to come alongside Lodge St. John, who hosted their Annual Easter Treat for the children of Boys Town Infant School in Trench Town and North Street Primary. It was

such a great honour to share the love with the next generation, practising what we've always preached, "Love is the best ingredient."

# The Financials





## Independent Auditor's Report

To the Members of Consolidated Bakeries (Jamaica) Ltd.  
**Report on the Audit of the Financial Statements**

### Opinion

We have audited the financial statements of Consolidated Bakeries (Jamaica) Ltd. ("the Company") set out on pages 46 to 78, which comprise the statements of financial position as at December 31 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant 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 December 31 2025 and of financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and the Jamaican Companies Act.

### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 Code of Ethics for Professional Accountants (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 for the year ended December 31, 2025. 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.

During the current year audit there were two areas which we consider to be a key audit matters.

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## Independent Auditor's Report

To the Members of Consolidated Bakeries (Jamaica) Ltd.

### Borrowings – Refinancing, Classification and Completeness

During the year, the Company entered into a significant financing arrangement with Sagicor Bank Jamaica Limited and repaid existing loan facilities. As at December 31, 2025, total borrowings amounted to \$330.8 million and comprised term loans and bank overdraft facilities. Borrowings are material to the financial statements and involve judgment in determining completeness, the appropriate classification between current and non-current liabilities, and the accuracy of related disclosures. See Note 12 to the financial statements.

The refinancing activity during the year increased the risk of misstatement arising from incorrect recording, classification or cut-off of borrowings, as well as errors in interest expense recognition and cash flow presentation.

#### **Our procedures included:**

- Obtaining external loan confirmations and lender statements and agreeing balances to the general ledger.
- Inspecting loan agreements and repayment schedules to understand key terms, interest rates and maturity dates.
- Testing the classification of borrowings between current and non-current liabilities by reference to contractual repayment terms.
- Recalculating interest expense on a sample basis and agreeing finance costs to the statement of profit or loss.
- Testing cash movements relating to loan proceeds and repayments to supporting bank statements and the statement of cash flows.
- Assessing the adequacy and consistency of borrowings-related disclosures in the financial statements.

Independent Auditor's Report

To the Members of Consolidated Bakeries (Jamaica) Ltd.

Impairment of Trade Receivables – Expected Credit Losses (ECL)

As at December 31, 2025, the Company's trade receivables had a gross balance of \$61.6 million, with an expected credit loss allowance of \$8.2 million. The Company applies the simplified expected credit loss model under IFRS 9 to measure impairment of trade receivables. The determination of the allowance involves management judgment, including assumptions over customer default and recoverability based on ageing and historical loss experience. See Note 5(a) and Note 8 to the financial statements.

There is a risk of material misstatement as the allowance is sensitive to changes in assumptions applied to ageing categories and customer credit risk, and even small variations could have a material impact on profit or loss.

**Our procedures included:**

- Testing the accuracy of the trade receivables ageing by agreeing balances to the receivables sub-ledger and general ledger.
- Evaluating the appropriateness of the Company's ECL methodology, including the definition of default and loss rates applied.
- Assessing historical collection experience and considering whether it was consistent with loss rates used.
- Performing subsequent receipts testing on a sample of trade receivable balances to assess recoverability after year-end.
- Reviewing the adequacy of disclosures relating to trade receivables and expected credit losses in the financial statements.

**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 auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance or conclusion thereon.

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 with 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 the Board of Directors

**Responsibilities of Management and the Board of Directors for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and 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.

**The Board of Directors is responsible for overseeing the Company's financial reporting process.**

**Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix of this auditor's report. This description, which is located on page 5, forms part of our auditor's report.

Independent Auditor's Report

To The Members of Consolidated Bakeries (Jamaica) Ltd

**Report on additional matters as required by the Friendly Societies 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 maintained, 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 Friendly Societies Act, in the manner required.

The engagement partner on the audit resulting in this Independent auditor's report is Worrick Bogle.



BOGLE & COMPANY  
Chartered Accountants  
April 1, 2026

**Appendix to the Independent Auditor's report**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 auditor's 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 auditor's 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 presents a true and fair view.

We communicate with the Board of Directors 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 the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, 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 auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

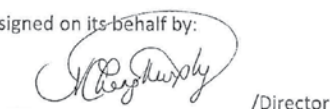
# Statement of Financial Position

As at December 31, 2025

	Note	2025 \$	2024 \$
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	6	1,716,075,778	1,743,761,842
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,716,075,778</u>	<u>1,743,761,842</u>
<b>CURRENT ASSETS</b>			
Inventories	7	108,386,956	128,437,102
Trade and other receivables	8	164,727,855	155,590,852
Financial Investments	9	-	23,762,275
Cash & cash equivalents	10	96,919,312	53,712,808
<b>TOTAL CURRENT ASSETS</b>		<u>370,034,123</u>	<u>361,503,037</u>
<b>TOTAL ASSETS</b>		<u>2,086,109,901</u>	<u>2,105,264,879</u>
<b>EQUITY</b>			
Share Capital	11	90,726,664	90,726,664
Capital Reserve		20,825,532	20,825,532
Revaluation Reserve		1,446,598,891	1,446,598,891
Fair value reserve		-	11,636,975
Retained Earnings		43,827,317	37,316,094
<b>TOTAL EQUITY</b>		<u>1,601,978,404</u>	<u>1,607,104,156</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	12	306,970,588	272,493,447
Deferred tax liabilities	13	1,566,445	2,097,694
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>308,537,033</u>	<u>274,591,141</u>
<b>CURRENT LIABILITIES</b>			
Borrowings	12	23,802,011	57,919,153
Trade Payables		125,062,299	138,910,752
Accruals		26,730,154	26,739,677
<b>TOTAL CURRENT LIABILITIES</b>		<u>175,594,464</u>	<u>223,569,582</u>
<b>TOTAL LIABILITIES</b>		<u>484,131,497</u>	<u>498,160,723</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>2,086,109,901</u>	<u>2,105,264,879</u>

Approved by the Board of Directors on April 1, 2026 and signed on its behalf by:

 / Director

 / Director

The accompanying notes form a part of these financial statements

# Statement of Profit or Loss and Comprehensive Income

For year ended December 31, 2025

	Note	2025 \$	2024 \$
Revenue		1,649,733,996	1,598,776,942
Cost of Goods Sold		(1,005,839,219)	(1,016,300,008)
<b>Gross Profit</b>		<u>643,894,777</u>	<u>582,476,934</u>
Administration Expenses	16	(308,686,333)	(259,554,355)
Selling and distribution	17	(257,015,717)	(281,627,891)
Depreciation & Amortisation	6	(54,519,897)	(49,250,972)
		<u>(620,221,947)</u>	<u>(590,433,218)</u>
<b>(Loss)/Profit from operations</b>		<u>23,672,830</u>	<u>(7,956,284)</u>
Finance Cost	19	(27,215,505)	(19,714,131)
Other Revenue	20	14,437,900	8,087,685
		<u>(12,777,605)</u>	<u>(11,626,446)</u>
<b>Profit/(Loss) before income tax</b>		10,895,225	(19,582,730)
Income tax benefit/(expense)	21(a)	(4,384,002)	7,575,309
<b>Profit/(Loss) after income tax</b>		<u>6,511,223</u>	<u>(12,007,421)</u>
<b>Other comprehensive income</b>			
<i>Those that might be reclassified to profit or loss in subsequent periods</i>			
Realised gain on investment reclassified to profit or loss		(11,636,975)	-
<i>Those that may not be reclassified to profit or loss in subsequent periods</i>			
Gain on revaluation of land and building		-	909,256,454
<b>Total comprehensive income/(expense) for the year</b>		<u>(5,125,752)</u>	<u>897,249,033</u>
Earnings per Share		0.03	(0.05)

The average number of shares in issue for the year is 222,709,171 (2024: 222,709,171)

The accompanying notes form a part of these financial statements

# Statement of Changes in Equity

For the Year Ended December 31, 2025

	Share Capital	Revaluation Reserve	Capital Reserve	Fair value Reserve	Retained Earnings	Total
	\$	\$	\$	\$	\$	\$
Balance as at 1 January 2024	90,726,664	537,342,437	20,825,532	11,636,975	49,323,515	709,855,123
<b>Comprehensive Income</b>						
Loss for the year					(12,007,421)	(12,007,421)
<b>Total comprehensive income for the year</b>						
	-	-	-	-	(12,007,421)	(12,007,421)
Revaluation on Land and Building	-	909,256,454	-	-	-	909,256,454
<b>Total other</b>	-	909,256,454	-	-	-	909,256,454
<b>Balance as at December 31 2024</b>	<u>90,726,664</u>	<u>1,446,598,891</u>	<u>20,825,532</u>	<u>11,636,975</u>	<u>37,316,094</u>	<u>1,607,104,156</u>
Balance as at 1 January 2025	90,726,664	1,446,598,891	20,825,532	11,636,975	37,316,094	1,607,104,156
<b>Comprehensive income</b>						
Profit for the year					6,511,223	6,511,223
Other comprehensive income for the year	-	-	-	-	(11,636,975)	(11,636,975)
<b>Total comprehensive income for the year</b>	-	-	-	-	(5,125,752)	(5,125,752)
Realised gain on investment	-	-	-	(11,636,975)	11,636,975	-
<b>Total other</b>	-	-	-	(11,636,975)	11,636,975	-
<b>Balance as at December 31 2025</b>	<u>90,726,664</u>	<u>1,446,598,891</u>	<u>20,825,532</u>	<u>-</u>	<u>43,827,317</u>	<u>1,601,978,404</u>

The accompanying notes form a part of these financial statements

# Statement of Cash Flow

For year ended December 31, 2025

	Note	2025 \$	2024 \$
<b>Cash flow from operating activities</b>			
(Loss)/Profit before income tax		10,895,225	(19,582,730)
Items not affecting cash resources:			
Depreciation retired		(607,822)	(7,016,481)
Loss on disposal of property, plant and equipment		82,178	-
Depreciation		54,519,897	49,250,972
		<u>64,889,478</u>	<u>22,651,761</u>
- (increase)/decrease in inventories		20,050,146	(32,314,708)
- (increase)/decrease in trade and other receivables		(9,137,003)	(42,084,071)
Taxes Paid		(1,453,305)	-
- increase/(decrease) in trade payables and accruals		(13,857,963)	11,170,088
		<u>60,491,353</u>	<u>(40,576,930)</u>
<b>Net cash inflow/(outflow) from operating activities</b>			
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(33,486,011)	(33,640,135)
Financial Investments		23,762,275	(2,152,203)
Proceeds from sale of fixed assets		6,570,000	8,313,665
		<u>(3,153,736)</u>	<u>(27,478,673)</u>
<b>Cash flow from financing activities</b>			
New Loan		300,000,000	115,456,656
Loan Repayment		(314,131,113)	(38,481,890)
		<u>(14,131,113)</u>	<u>76,974,766</u>
<b>Net cash inflow/(outflow) from financing activities</b>			
<b>Net increase in cash held</b>		<u>43,206,504</u>	<u>8,919,163</u>
Cash and cash equivalents at beginning of financial year		53,712,808	44,793,645
<b>Cash and cash equivalents at end of financial year</b>	10	<u>96,919,312</u>	<u>53,712,808</u>

The accompanying notes form a part of these financial statements

# Notes to the Financial Statements

December 31, 2025

## 1 Reporting Entity

Consolidated Bakeries (Jamaica) Ltd. (“the company”)

- a) The Company is incorporated under the Jamaican Companies Act and is a subsidiary of Chang Brothers Limited which is a Jamaican Company incorporated under the Jamaican Companies Act.
- b) Stock exchange listing  
The Company had its application to the Junior Stock Exchange approved after its successful public share offer of ordinary shares in December 2012.
- c) Activities  
The main activities of the Company are the manufacture and wholesale and retail sale of edible baked products.

## 2 Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are presented on the historical cost basis, except for certain financial instruments that are measured at fair value as described in the accounting policies below.

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.

For financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the valuation techniques are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

## 3 Functional and presentation currency

These financial statements are presented in Jamaican dollars, which is the functional currency of the Company.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information

### (a) New Accounting Standards for Application in Future Periods

The International Accounting Standards Board (IASB) has issued the following new standards and amendments to existing standards that are issued but not yet effective for the Company's financial statements for the year ended 31 December 2025. The Company has not early adopted these pronouncements.

Standard / Amendment	Nature of amendment	Effective for annual period: beginning on or after
Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments	Clarifies classification of financial assets (including contractual cash flow characteristics, non-recourse features and contractually linked instruments), introduces an accounting policy choice for derecognition of financial liabilities settled using electronic payment systems, and enhances related disclosures.	1 January 2026
Annual Improvements to IFRS Accounting Standards Volume 11 (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	A collection of narrow-scope amendments intended to clarify wording, correct minor unintended consequences and improve consistency across IFRS Accounting Standards.	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	Introduces specific requirements and disclosures for financial instruments and contracts that reference nature-dependent electricity generation.	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	Replaces IAS 1 and introduces new presentation requirements for the statement of profit or loss, including defined categories and subtotals, and enhanced disclosure requirements for management-defined performance measures.	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Introduces a reduced disclosure framework for eligible subsidiaries within a consolidated group that apply IFRS recognition and measurement principles.	1 January 2027
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Addresses the accounting for gains or losses arising from the sale or contribution of assets between an investor and its associate or joint venture. The effective date has been deferred indefinitely.	Deferred indefinitely

Management continues to monitor developments in IFRS and will apply the above standards and amendments in the Company's financial statements for periods beginning on or after the respective effective dates, as required.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (b) New and Amended Accounting Policies Adopted

The following new and amended accounting standard became effective for the annual reporting period commencing 1 January 2025 and has been applied by the Company in the preparation of these financial statements.

#### Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates)

- The amendments provide guidance on assessing whether a currency is exchangeable into another currency and on determining an appropriate spot exchange rate when exchangeability is lacking.
- The amendments also introduce additional disclosure requirements where a currency is not exchangeable, to enhance the transparency of the financial statements.
- The amendments have been applied prospectively from 1 January 2025, with no restatement of comparative information.
- The application of these amendments did not have a material impact on the Company's financial position, financial performance or cash flows.

All other amendments and interpretations that became effective during the reporting period were either not applicable to the Company or did not result in a material change to the Company's accounting policies.

### (c) Property, Plant and Equipment

This Standard shall be applied in accounting for property, plant and equipment except when another Standard requires or permits a different accounting treatment.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) It is probable that future economic benefits associated with the item will flow to the entity; and
- (b) The cost of the item can be measured reliably

Items of property, plant and equipment may be acquired for safety or environmental reasons. The acquisition of such property, plant and equipment, although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for an entity to obtain the future economic benefits from its other assets. Such items of property, plant and equipment qualify for recognition as assets because they enable an entity to derive future economic benefits from related assets in excess of what could be derived had those items not been acquired.

An item of property, plant and equipment that qualifies for recognition as an asset shall be measured at its cost.

An entity shall choose either the cost model or the revaluation model as its accounting policy and shall apply that policy to an entire class of property, plant and equipment.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (c) Property, Plant and Equipment (cont'd)

The company uses the cost model as its measurement of recognition for its categories apart from Land and Building, which it uses the revaluation model.

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

The depreciation charge for each period shall be recognised in profit or loss unless it is included in the carrying amount of another asset.

This business recognises depreciation under the expense heading of "depreciation."

The depreciable amount of an asset shall be allocated on a systematic basis over its useful life.

The depreciation method used by the company is the straight-line basis and is designed to write off the assets over their useful lives.

Computer Equipment	20.0%
Motor Vehicle	12.5%
Fixture & Equipment	10.0%
Plant machinery and equipment	10.0%
Building	2.5%

Land is not depreciated.

Repairs and maintenance expenditures are charged to the profit or loss in the statement of comprehensive income during the financial period in which they are incurred.

## Notes to the Financial Statements

December 31, 2025

### 4 Material accounting policy information (cont'd)

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value.

##### Cost

The cost of inventories comprises purchase costs, including the purchase price, import duties and other taxes (other than those subsequently recoverable from the taxing authorities), transport, handling and other costs directly attributable to the acquisition of inventories.

The cost of inventories also includes costs of conversion, consisting of direct labour and a systematic allocation of fixed and variable production overheads incurred in converting materials into finished goods. Fixed production overheads are allocated based on the normal capacity of the production facilities, while variable production overheads are allocated based on actual production levels.

Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition.

Inventories are valued using the first-in, first-out (FIFO) cost formula.

##### Net realisable value

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are reviewed at the end of each reporting period for evidence of obsolescence, damage, slow movement or other factors that may reduce net realisable value. Where the cost of inventories is not recoverable, inventories are written down to net realisable value. Any write-down is recognised in cost of sales in the period in which it occurs. Where circumstances that previously resulted in a write-down no longer exist, the amount of the write-down is reversed to the extent of the original write-down.

Recognition as an expense The carrying amount of inventories is recognised as an expense in cost of sales in the period in which the related revenue is recognised.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (e) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected.

#### (i) Impairment

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on financial assets has increased significantly if it is more than 90 days past due.

The Company recognize loss allowances for ECLs and considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without  
Recourse by the Company to action such as realizing security if any is held; or
- The financial assets are more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the the expected life of the financial instrument.

## Notes to the Financial Statements

December 31, 2025

### 4 Material accounting policy information (cont'd)

#### (e) Trade and Other Receivables (cont'd)

##### (i) Impairment (cont'd)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

##### (ii) *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expect to receive).

##### (iii) *Credit-impaired financial assets*

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

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

- Significant financial difficulty of the borrower or issuer.
- A breach of contract such as a default or past due event.
- It is becoming probable that the borrower will enter bankruptcy or other financial Reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

#### (f) Cash and Cash Equivalents

Cash and cash equivalents are held for the purposes of meeting short-term commitments rather than for investments or other purposes. For an investment to qualify it must be convertible to a known amount of cash and be subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of 3 months or less from the date of acquisition.

##### a. Short term investments

These assets are classified at fair value through profit or loss and are measured at fair value, and any changes therein, including any interest or dividend income, are recognised in profit or loss.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (h) Borrowing Costs

Borrowing costs are recognised as an expense in profit or loss using the effective interest method. The Company does not capitalise borrowing costs as it does not have qualifying assets under construction during the reporting period.

### (i) Related party disclosures

The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

A **related party** is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

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

- (i) has control or joint control of the reporting entity;
- (ii) has significant influence over the reporting entity; or

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A **related party transaction** is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

## Notes to the Financial Statements

December 31, 2025

### 4 Material accounting policy information (cont'd)

#### (j) Trade and Other Payables

Trade payables are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

#### (k) Foreign Currency Transactions and Balances

The company is subject to changes in foreign currency rates as it relates to the United States dollar. It is recorded initially in the functional currency using the spot exchange rate of the Jamaican dollar to the United States dollar at the date of the transaction. At the end of the period, the foreign currency is converted to the functional currency using the closing rate for the period. Exchange differences arising from the conversion of the rates used for initial recording and at the end of the period are recognised in the profit and loss statement.

#### (l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for allowances.

##### i. Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (l) Revenue and Other Income (cont'd)

#### ii. Interest Income

The Company recognises interest earned on its cash and cash equivalents held at financial institutions in qualifying accounts.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

#### iii. Rental Income

The Company recognises rental income on a straight-line basis over the period covered under the lease terms. The lease is categorised as a short-term lease.

### (m) Employee Benefits

#### i. Pension plan

The company contributes towards defined contribution retirement savings plans which were purchased from Sagikor Life Limited. Employees who opt to join the plan, contribute up to 20% of gross basic salaries to their plans and the Company contributes 5%. In 2025, a total of \$4,334,021 (2024: \$4,523,176) company contributions were recognised as an expense in the statement of Profit or Loss

#### ii. (ii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (n) Leases

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including its equipment and storage warehouses. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## Notes to the Financial Statements

December 31, 2025

### 4 Material accounting policy information (cont'd)

#### (o) Fair value measurement

Fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In addition, for financial reporting purposes, fair value measurement is categorised into levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### (p) Taxation

##### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (p) Taxation (cont'd)

#### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences in the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans Company and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

### (q) Share Capital

Share capital consists of funds raised by issuing shares in return for cash or other considerations. The amount of share capital a company has can change over time because each time a business sells new shares to the public in exchange for cash, the amount of share capital will increase.

# Notes to the Financial Statements

December 31, 2025

## 4 Material accounting policy information (cont'd)

### (r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

# Notes to the Financial Statements

December 31, 2025

## 5 Financial Instruments: Disclosures

This standard requires disclosure of information about the significance of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. Specific disclosures are required in relation to transferred financial assets and a number of other matters.

### (a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises primarily from the company's investment securities, loans receivable, receivables from customers, and from resale agreements. There is also credit risk exposure in respect of instruments such as loan commitments and guarantees which may not be stated on the Statement of Financial Position. They expose the Company to similar risks as loans and are managed in a similar manner

	2025	2024
	\$	\$
<b>Financial Assets</b>		
Cash & cash equivalents	96,919,312	53,712,808
Trade and other receivables	164,727,855	155,590,852
<b>Financial Liabilities</b>		
Trade Payables	(125,062,299)	(138,910,752)
Borrowings	(23,802,011)	(57,919,152)

At the end of the reporting period, there are no concentrations of credit risk for loans and receivables designated at Fair Value Through Profit or Loss (FVTPL). The carrying amount reflected above represents the company's maximum exposure to credit risk for such loans and receivables.

#### Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

## Notes to the Financial Statements

December 31, 2025

### 5 Financial Instruments: Disclosures (cont'd)

#### (a) Credit risk (cont'd)

On 31 December 2025, the maximum exposure to credit risk for trade receivables by geographic region was as follows

	2025	2024
	\$	\$
Jamaica	61,593,011	65,070,753
	<u>61,593,011</u>	<u>65,070,753</u>

On 31 December 2025, the exposure to credit risk for trade receivables and contract assets by type of counterparty was as follows.

	2025	2024
	\$	\$
Wholesale customers	55,224,498	58,342,653
End-user customers	6,368,513	6,728,100
	<u>61,593,011</u>	<u>65,070,753</u>

The ageing of trade receivables that were past due but not impaired as at 31 December 2025 is as follows

	2025	2024
	\$	\$
Past due 1- 30 days	11,449,603	42,200,293
Past due 31- 90 days	34,579,513	13,851,869
Over 90 days	15,563,895	9,018,591
	<u>61,593,011</u>	<u>65,070,753</u>

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2025.

Ageing bucket	2025 Gross	2025 Loss rate	2025 ECL	2025 Net
0-30 days	40,467,694	-	2,416,211	38,051,483
31-90 days	5,561,422	14.94%	830,894	4,730,528
Over 90 days	15,563,895	31.96%	4,974,551	10,589,344
Total	<u>61,593,011</u>	13.35%	<u>8,221,656</u>	<u>53,371,355</u>

# Notes to the Financial Statements

December 31, 2025

## 5 Financial Instruments: Disclosures (cont'd)

### (a) Credit risk (cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2024.

Ageing bucket	2024 Gross (J\$)	2024 Loss		2024 Net (J\$)
		rate	2024 ECL (J\$)	
0–30 days	42,200,293	-	2,011,896	40,188,397
31–90 days	13,851,869	12.32%	1,707,064	12,144,805
Over 90 days	9,018,592	26.36%	2,377,696	6,640,896
Total	65,070,754	9.37%	6,096,656	58,974,098

No loss rate is applied to current trade receivables as the allowance represents specific and residual expected credit losses

### (b) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations for its financial liabilities. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. Prudent liquidity risk management which the company uses includes maintaining sufficient cash and marketable securities.

For this purpose, liquid assets include cash and bank balances, which are readily converted into cash within three months.

	2025	2024
	\$	\$
Current Assets	370,034,123	361,503,037
Current Liabilities	175,594,476	226,326,983
Current Ratio	2.11	1.60

## Notes to the Financial Statements

December 31, 2025

b) Liquidity risk (cont'd)

The table below analyses the Company's borrowings into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows, including both principal and interest.

Interest cash flows have been calculated using the contractual interest rates applicable at 31 December 2025. For instruments with variable interest rates, the cash flows are estimated using the rate prevailing at the reporting date.

Balance as at December 31 2025

	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$	\$	\$
Borrowings	2,562,500	6,444,334	23,772,202	6,970,588	300,000,000	339,749,624
Trade Payables and Bank Overdraft	147,781,544	-	-	-	-	147,781,544
	<u>150,344,044</u>	<u>6,444,334</u>	<u>23,772,202</u>	<u>6,970,588</u>	<u>300,000,000</u>	<u>487,531,168</u>

- The amounts disclosed represent undiscounted contractual cash flows. Interest cash flows for borrowings with variable interest rates are calculated using rates prevailing at the reporting date and may differ from actual cash flows due to changes in market interest rates.

- The maturity analysis is based on the contractual repayment terms available at the reporting date. Where detailed amortisation schedules are not available, interest cash flows have been estimated for the next 12 months using contractual rates and stated payment frequency.

(c) Currency risk

Currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations.

The company incurs risk in a currency other than the Jamaican dollar. The currency giving rise to this risk is the United States dollar.

This risk arises from future commercial transactions and recognised assets and liabilities.

Currency exposure arising from the Company's financial assets and liabilities denominated in the relevant foreign currencies.

# Notes to the Financial Statements

December 31, 2025

## 5 Financial Instruments: Disclosures (cont'd)

### (c) Currency risk (cont'd)

Balance as at December 31 2025

	JMD \$	US \$	CAN \$	Total \$
<b>Financial Assets</b>				
Trade and other receivables	164,727,855	-	-	164,727,855
Financial Investments	-	-	-	-
Cash	74,496,889	22,374,297	48,126	96,919,312
<b>Total financial assets</b>	<u>239,224,744</u>	<u>22,374,297</u>	<u>48,126</u>	<u>261,647,167</u>
<b>Financial Liabilities</b>				
Borrowings	330,772,599	-	-	330,772,599
Trade and other payables	151,792,465	-	-	151,792,465
<b>Total financial liabilities</b>	<u>482,565,064</u>	<u>-</u>	<u>-</u>	<u>482,565,064</u>
<b>Net financial position</b>	<u>(243,340,320)</u>	<u>22,374,297</u>	<u>48,126</u>	<u>(220,917,897)</u>

The following table indicates the currencies to which the company had significant exposure on its monetary assets and liabilities and its forecast cash flows. 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 monetary items and adjusts their translation at the year-end for the 5% devaluation and 3% appreciation of the Jamaican dollar. The percentage change in the currency rate will impact each financial asset/liability included in the sensitivity analysis differently. Consequently, individual sensitivity analyses were performed. The effect on net profit shown below is the total of the individual sensitivities done for each of the assets/liabilities.

	% Change in Currency rate 2025	Effect on Equity 2025 \$	Effect on Net Profit 2025 \$
<b>Currency:</b>			
USD – Positive	3	(223,743)	(677,941)
USD – Negative	(5)	1,118,715	1,062,779

# Notes to the Financial Statements

December 31, 2025

## 5 Financial Instruments: Disclosures (cont'd)

### (d) Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company makes use of its working capital facilities, this has remained unchanged from 2024.

The capital structure of the Company consists of net debt (borrowings as detailed in note 12 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves, retained earnings as detailed in the Statement of Changes in Equity). Total capital is calculated as 'equity' plus net debt.

Consistent with others in the industry, the Company monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total equity and debt.

	2025	2024
	\$	\$
Interest-bearing borrowings	330,772,599	331,274,583
Less: cash and bank	(96,919,312)	(77,475,082)
<b>Net Debt</b>	<u>233,853,287</u>	<u>253,799,501</u>
<b>Total Equity</b>	<u>1,601,978,404</u>	<u>1,607,104,144</u>
<b>Capital and net debt</b>	<u>1,835,831,691</u>	<u>1,860,903,645</u>
Gearing ratio	12.74%	13.64%

### (e) Fair value measurements

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledgeable and willing parties who are under no compulsion to act. This is best evidenced by a quoted market price. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis or other valuation models.

The carrying values of short-term financial assets and liabilities are reasonable estimates of their fair values because of the short-term maturity of these instruments. Short-term financial assets comprise cash and cash equivalents, trade and other receivables and amounts due from related companies. Short-term financial liabilities comprise trade, due to related parties, payables and long-term financial liabilities comprise of loans.

The carrying value of loans with variable interest rates approximates fair value as interest rates approximate market rates. The fair value of loans with fixed rates is estimated to approximate its carrying value. Additionally, the cost of all monetary assets and liabilities has been appropriately adjusted to reflect estimated losses on realisation or discounts on settlement. The fair value for the amount due to the parent company approximates its carrying value.

## Notes to the Financial Statements

December 31, 2025

### 5 Financial Instruments: Disclosures (cont'd)

#### (e) Fair value measurements (cont'd)

	2025 Fair Value	2025 Carrying Value	2024 Fair Value	2024 Carrying Value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash & cash equivalents	96,919,312	96,919,312	53,712,808	53,712,808
Trade receivables	53,371,355	53,371,355	58,974,097	58,974,097
Owed by Related Parties	<u>27,633,143</u>	<u>27,633,143</u>	<u>27,784,308</u>	<u>27,784,308</u>
<b>Financial liabilities</b>				
Borrowings excluding bank overdraft	308,053,354	308,053,354	330,412,600	330,412,600
Bank overdraft	22,719,245	22,719,245	-	-
Trade payables	<u>124,409,358</u>	<u>124,409,358</u>	<u>136,818,502</u>	<u>136,818,502</u>

## Notes to the Financial Statements

December 31, 2025

### 6 Property, plant & equipment

	Land and Buildings	Plant, machinery & equipment	Furniture, Fixtures & Fittings	Motor Vehicles	Computer equipment	Total
	\$	\$	\$	\$	\$	\$
<b>Cost/Valuation</b>						
<b>Balance as at 1 January 2024</b>	521,068,922	313,307,507	24,655,910	266,968,312	39,557,359	1,165,558,010
Additions	4,877,381	17,790,883	160,794	10,754,500	56,577	33,640,135
Disposals	-	-	-	(8,313,665)	-	(8,313,665)
Revaluation	909,256,454	-	-	-	-	909,256,454
Depreciation	(22,159,755)	-	-	-	-	(22,159,755)
<b>Balance as at December 31 2024</b>	<u>1,413,043,002</u>	<u>331,098,390</u>	<u>24,816,704</u>	<u>269,409,147</u>	<u>39,613,936</u>	<u>2,077,981,179</u>
Additions	3,089,280	26,583,269	3,813,462	-	-	33,486,011
Disposals	-	-	-	(7,260,000)	-	(7,260,000)
<b>Balance as at December 31 2025</b>	<u>1,416,132,282</u>	<u>357,681,659</u>	<u>28,630,166</u>	<u>262,149,147</u>	<u>39,613,936</u>	<u>2,104,207,190</u>
<b>Accumulated Depreciation</b>						
<b>Balance as at 1 January 2024</b>	19,655,459	136,107,208	11,668,255	111,998,683	34,714,995	314,144,600
Depreciation written back	(22,159,754)	-	-	-	-	(22,159,754)
Depreciation retired	-	-	-	(7,016,481)	-	(7,016,481)
Depreciation expense	6,786,298	18,429,403	1,436,984	20,624,439	1,973,848	49,250,972
<b>Balance as at December 31 2024</b>	<u>4,282,003</u>	<u>154,536,611</u>	<u>13,105,239</u>	<u>125,606,641</u>	<u>36,688,843</u>	<u>334,219,337</u>
Depreciation expense	15,612,437	17,146,195	1,288,881	18,907,376	1,565,008	54,519,897
Disposals	-	-	-	(607,822)	-	(607,822)
<b>Balance as at December 31 2025</b>	<u>19,894,440</u>	<u>171,682,806</u>	<u>14,394,120</u>	<u>143,906,195</u>	<u>38,253,851</u>	<u>388,131,412</u>
<b>December 31 2025</b>	<u>1,396,237,842</u>	<u>185,998,853</u>	<u>14,236,046</u>	<u>118,242,952</u>	<u>1,360,085</u>	<u>1,716,075,778</u>
<b>December 31 2024</b>	<u>1,408,760,999</u>	<u>176,561,779</u>	<u>11,711,465</u>	<u>143,802,506</u>	<u>2,925,093</u>	<u>1,743,761,842</u>

#### Land

The total value of land as at December 31 2025 is \$989,150,000 (2024 : \$989,150,000). Land is not depreciated.

### 7 Inventory

	2025	2024
	\$	\$
<b>Current</b>		
<b>At net realisable value:</b>		
Raw materials	18,251,369	30,779,929
Packaging materials & spares	44,318,674	42,779,623
Finished goods	17,407,403	41,053,065
Other inventory	28,409,510	13,824,485
<b>Total Inventories</b>	<u>108,386,956</u>	<u>128,437,102</u>

In 2025, inventories of \$761,447,849 (2024: \$736,540,696) were recognized as an expense during the year and included in "Cost of Goods Sold"

# Notes to the Financial Statements

December 31, 2025

## 8 Trade and other receivables

	2025	2024
	\$	\$
<b>Current</b>		
Trade receivables	61,593,011	65,070,753
Less: Provision for Doubtful Accounts	<u>(8,221,656)</u>	<u>(6,096,656)</u>
	<u>53,371,355</u>	<u>58,974,097</u>
Owed by Related Parties	27,633,143	27,784,308
Prepayments	70,204,741	58,314,479
Deposits	490,825	490,825
Tax Recoverable	12,795,291	7,404,675
Other receivables	232,500	2,622,468
<b>Total trade and other receivables</b>	<u><u>164,727,855</u></u>	<u><u>155,590,852</u></u>

### a. Credit Risk and market risk, and impairment losses

Information about the company's exposure to credit and market risks and impairment losses for trade and other receivables is included in note 5(a)

## 9 Other Financial Assets

	2025	2024
	\$	\$
<b>Current</b>		
Financial assets at fair value through Other Comprehensive Income	<u>-</u>	<u>23,762,275</u>
<b>Total current assets</b>	<u><u>-</u></u>	<u><u>23,762,275</u></u>

## Notes to the Financial Statements

December 31, 2025

### 10 Cash & cash equivalents

	2025	2024
	\$	\$
<b>Cash and cash equivalents</b>		
Cash on hand	6,858,092	9,177,193
Bank accounts (Jamaican Dollars)	67,638,797	18,374,020
Bank accounts (United States Dollars)	5,877,145	112,532
Bank accounts (Canadian Dollars)	48,126	46,563
	<u>80,422,160</u>	<u>27,710,308</u>
Short Term Investments	16,497,152	26,002,500
<b>Total cash and cash equivalents</b>	<u>96,919,312</u>	<u>53,712,808</u>

### 11 Share capital

	2025	2024
Authorised ordinary shares at no par value	<u>427,260,000</u>	<u>427,260,000</u>
Number of issued ordinary shares of no par value	<u>222,709,171</u>	<u>222,709,171</u>
	\$	\$
Total value of ordinary shares issued and fully paid for at no par value	<u>90,726,664</u>	<u>90,726,664</u>

# Notes to the Financial Statements

December 31, 2025

## 12 Borrowings

	2025	2024
	\$	\$
<b>Current</b>		
<b>Secured liabilities:</b>		
Bank overdrafts	22,719,245	-
National Commercial Bank Jamaica Limited	-	49,038,672
Jamaica Money Market Brokers	-	7,797,713
Barita Investments Limited	1,082,766	1,082,767
	<u>23,802,011</u>	<u>57,919,152</u>
<b>Total current borrowings</b>	<u>23,802,011</u>	<u>57,919,152</u>
<b>Non-current</b>		
<b>Secured liabilities:</b>		
National Commercial Bank Jamaica Limited	-	249,060,032
Jamaica Money Market Brokers	-	15,673,102
Barita Investments Limited	6,970,588	7,760,313
Sagicor Bank Jamaica Limited	300,000,000	-
	<u>306,970,588</u>	<u>272,493,447</u>
<b>Total non-current borrowings</b>	<u>306,970,588</u>	<u>272,493,447</u>
<b>Total Borrowings</b>	<u>330,772,599</u>	<u>330,412,599</u>

## Notes to the Financial Statements

December 31, 2025

### 12 Borrowings (cont'd)

#### a) Terms and repayment schedule

	Interest rate	Year of Maturity	Carrying Value 2025	Carrying Value 2024
	%		\$	\$
Secured - Bank overdrafts	23.75	2026	22,719,245	-
			<u>22,719,245</u>	<u>-</u>
National Commercial Bank Jamaica Limited				
-Secured Loan	9.00	2026	-	3,957,902
-Secured Loan	7.00	2026	-	11,399,997
-Secured Loan	7.50	2027	-	1,108,921
-Secured Loan	7.00	2028	-	75,336,200
-Secured Loan	7.50	2028	-	1,970,525
-Secured Loan	7.50	2028	-	7,243,211
-Secured Loan	7.50	2028	-	6,068,579
-Secured Loan	10.50	2033	-	46,013,370
-Secured Loan	10.50	2032	-	145,000,000
			<u>-</u>	<u>298,098,705</u>
Jamaica Money Market Brokers Limited				
-Secured Loan	11.95	2026	-	2,217,091
-Secured Loan	7.50	2028	-	14,691,165
-Secured Loan	8.90	2033	-	6,562,558
			<u>-</u>	<u>23,470,814</u>
Barita Investments Limited				
-Secured Loan	11.80	2029	8,053,354	8,843,080
			<u>8,053,354</u>	<u>8,843,080</u>
Sagicor Bank Jamaica Limited				
-Secured Loan	10.25	2035	300,000,000	-
			<u>300,000,000</u>	<u>-</u>
			<u>330,772,599</u>	<u>330,412,599</u>

# Notes to the Financial Statements

December 31, 2025

## 12 Borrowings (cont'd)

### Security

#### **Sagicor Bank Jamaica Limited**

The Company's term loan facility with Sagicor Bank Jamaica Limited is secured by a first legal mortgage over the Company's commercial property located at 2F Valentine Drive, Kingston 19, St Andrew. The facility is further secured by a debenture creating fixed and floating charges over the assets of the Company and by a general security agreement in favour of the Bank. In addition, the Company has assigned all-risk peril insurance policies over the mortgaged property, machinery and equipment, inventory and other debenture assets, with the Bank's interest noted thereon.

#### **Barita Investments Limited**

The Company's loan facility with Barita Investments Limited is secured by a pledge/hypothecation of the Company's investment held with Barita (Retail Repo USD account CONS7278) and is subject to margin requirements. The security is evidenced by the related transaction documents, including promissory note(s) and the applicable pledge/hypothecation documentation, under which Barita maintains a first priority lien over the pledged marginable securities.

## 13 Deferred tax

	2025	2024
	\$	\$
<b>Non-current</b>		
<b>Deferred tax liability</b>		
Property, plant and equipment - tax allowance	6,689,729	6,388,893
Future income tax benefits attributable to tax losses	<u>(5,123,284)</u>	<u>(4,329,915)</u>
	<u>1,566,445</u>	<u>2,058,978</u>

## Notes to the Financial Statements

December 31, 2025

### 14 Related Party Transactions

	2025	2024
	\$	\$
Poly Cello Packaging	19,378,816	19,689,308
Other Related Parties	<u>8,254,327</u>	<u>8,095,000</u>
	<u>27,633,143</u>	<u>27,784,308</u>

All transactions between Consolidated Bakeries (Jamaica) Ltd. And the related companies have been transacted at arm's length.

#### Related Party Net movement

	2025	2024
	\$	\$
Advances made to Poly Cello	-	227,749
Loan to other related Parties	159,327	-
Repayment from Poly Cello	<u>(310,492)</u>	<u>-</u>
	<u>(151,165)</u>	<u>227,749</u>

### 15 Key Management Personnel Compensation

	2025	2024
	\$	\$
Directors' fees	4,281,250	1,635,000
Executive Directors' remuneration	<u>26,239,260</u>	<u>23,067,909</u>
	<u>30,520,510</u>	<u>24,702,909</u>

# Notes to the Financial Statements

December 31, 2025

## 16 Administrative Expense

	2025	2024
	\$	\$
Salaries and related expenses	100,508,451	94,593,303
Security	23,141,783	17,862,613
Insurance	25,983,975	25,816,669
Utilities	13,863,384	10,524,552
Traveling and motor vehicle expenses	15,056,329	3,987,288
Directors' fees	4,281,250	1,635,000
Executive Directors' remuneration	26,239,260	23,067,909
Repairs and Maintenance	7,106,455	2,989,974
Office and Space Rental	5,058,011	2,529,911
Auditor's Remuneration	2,600,000	2,200,000
Professional Fees	25,477,188	21,030,145
Office Supply and Stationery	7,723,077	3,287,305
Janitorial Service and supplies	13,439,475	11,726,159
Bank charges	7,885,532	12,927,848
Other Expenses	30,322,163	25,375,679
	<u>308,686,333</u>	<u>259,554,355</u>

## 17 Selling and distribution

	2025	2024
	\$	\$
Salaries and related expense	158,312,590	142,889,625
Sales Contractors	24,229,365	28,054,515
Travelling and motor vehicle expenses	39,148,199	63,191,249
Repairs and Maintenance expense	5,827,933	3,704,545
Advertising and Promotion	16,086,095	29,834,594
Other expenses	13,411,535	13,953,363
	<u>257,015,717</u>	<u>281,627,891</u>

## 19 Finance Cost

	2025	2024
	\$	\$
Loan Interest	27,215,505	19,714,131
	<u>27,215,505</u>	<u>19,714,131</u>

## Notes to the Financial Statements

December 31, 2025

### 20 Other Revenue

	2025	2024
	\$	\$
<b>Other Revenue</b>		
Interest	1,816,972	268,343
Realised gain on foreign currency and investment valuation	12,753,428	6,116,526
Gain/loss on Disposal of Assets	(132,500)	1,702,816
	<u>14,437,900</u>	<u>8,087,685</u>

### 21 Tax Expense

(a) The components of tax (expense)/income comprises:

	Note	2025	2024
		\$	\$
Current tax		(4,915,252)	-
Deferred tax	13	531,250	7,575,309
<b>Income tax benefit/(expense) for the year</b>		<u>(4,384,002)</u>	<u>7,575,309</u>

#### Transfer pricing

Transactions between Consolidated bakeries and related parties have been valued at the regular market rate.

### 22 Auditor's Remuneration

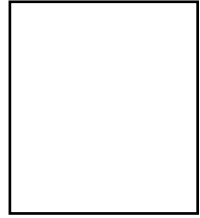
	2025	2024
	\$	\$
<b>Remuneration of the auditor of the entity for:</b>		
auditing or reviewing the financial statements	2,600,000	2,200,000
	<u>2,600,000</u>	<u>2,200,000</u>

### 23 Short-term and Low-cost leases

The Company has rental agreements for properties in Mandeville and Montego Bay for a 12-month period. These are deemed short term rental agreements. The Company also leases equipment as needed on a short-term basis.

# Form of Proxy

**CONSOLIDATED BAKERIES  
(JAMAICA) LIMITED**  
2F Valentine Drive  
Kingston 19, Jamaica (West Indies)



I/We \_\_\_\_\_ of \_\_\_\_\_ in the Parish of \_\_\_\_\_ being Member/Members of the above-named company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at The Liguanea Club, 80 Knutsford Boulevard, New Kingston, Kingston 5, Jamaica, W.I, on August 26, 2026, at 10:00 a.m. to 1:00 p.m. and at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
<b>Resolution No. 1:</b> Adoption of Directors and Auditors Report, Financial Statement for year ended December 31, 2025		
<b>Resolution No. 2:</b> That the Directors, retiring by rotation, be re-elected by a Single Resolution		
<b>Resolution No. 3:</b> That Noel daCosta, and Lamar Harris be and are hereby re-elected as directors of the Company		
<b>Resolution No. 4:</b> Remuneration of Directors for the year ended December 31, 2025		
<b>Resolution No. 5:</b> To appoint Auditors and to authorise the Directors to fix the remuneration of the Auditors.		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature


**Notes:**


1. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.
2. If the appointer is a corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorised in writing.
3. In the case of joint holders, the vote of the senior will be accepted to the exclusion of the votes of others, seniority being determined by the order in which the names appear on the register.
4. To be valid, this form must be received by the Registrar of the Company at the address given below not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.
5. The proxy form should bear stamp duty of One Hundred dollars (\$100.00), which may be in the form of an adhesive stamp duly cancelled by the person signing the proxy form..

**REGISTRAR AND TRANSFER AGENTS**  
Jamaica Central Securities Depository Limited  
40 Harbour Street, Kingston













 **Consolidated Bakeries  
(Jamaica) Limited**  
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Kingston 19

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