GraceKennedy

GraceKennedy Limited

INTERIM REPORT TO OUR STOCKHOLDERS

GraceKennedy Limited (GK) is pleased to present our financial results for the year ended December 31, 2024.

For the period, GK realized revenue of J$167.0 billion, an increase of 7.8% over 2023, while profit before tax (PBT) for 2024 rose to over J$12.3 billion, an increase of 8.6% when compared to prior year.

In 2024 profit before other income increased to J$8.0 billion, representing a 6.0% increase, and profit after tax totalled J$8.9 billion, compared to J$8.4 billion in 2023, an increase of J$485 million or 5.8%. Net profit attributable to stockholders was J$8.4 billion, 8.1% or J$633 million higher than the corresponding period of 2023. Earnings per stock unit for the period was J$8.52 (2023: J$7.86).

In 2024 GK's total dividend pay-out was approximately J$2.35 billion. Building on our strong 2024 performance and consistent with our Company's commitment to deliver value to our shareholders, we are pleased to announce GK's first dividend payment for 2025. A dividend of J$0.55 per stock unit has been declared, totalling approximately J$543 million, payable on April 7, 2025.

Performance of Business Segments

Food

Our food division achieved growth in 2024, delivering increased revenue and profit compared to 2023.

Our Jamaican food distribution business delivered a robust performance, with Grace Foods & Services achieving growth across key product lines while enhancing operational efficiency, which positively impacted its bottom line. The expansion of distribution points, coupled with targeted promotions and improved customer engagement, drove strong results for both World Brands Services and Consumer Brands Limited.

Our manufacturing business also delivered improved results compared to prior year, led by a strong performance from Dairy Industries Jamaica Limited (DIJL) and Grace Foods Processors (NALCAN). In 2024, DIJL's products outperformed expectations in both the food service and retail sectors, while NALCAN achieved notable gains in efficiency and throughput. Our most recent acquisition, Unibev Limited, also performed well, surpassing its targets. While Grace Agro-Processors' performance was negatively impacted by the passage of Hurricane Beryl and multiple periods of drought and intense rainfall affecting Jamaica in 2024, it demonstrated remarkable resilience, adapting effectively to maintain operations.

Our Jamaican supermarket chain, Hi-Lo Food Stores, delivered a commendable performance while pursuing expansion opportunities. Committed to enhancing the shopping experience for its customers, Hi-Lo has been renovating its stores, with recent upgrades completed at its University of the West Indies (UWI) Mona campus and Manor Park locations. Renovations are also underway at its Spanish Town, St. Catherine, and Church Street, Montego Bay locations, further elevating Hi-Lo's commitment to being the leading Jamaican supermarket for customer experience.

Our international food businesses delivered strong results in 2024, led by impressive revenue growth from Grace Foods UK Limited, driven by the outstanding performance of key product lines in the British market, including *Nurishment*. In the US, revenue saw an uptick compared to 2023, with growth in the *La Fe* and *Grace* brands. Grace Foods Canada produced impressive results compared to prior year, delivering significant growth in both its top and bottom line.

Financial Services

The GraceKennedy Financial Group continued to grow in 2024, delivering increased revenue and profit compared to prior year.

This improved performance was driven by strong results from our banking and investment segment. First Global Bank Limited, our Jamaican commercial bank, surpassed its 2023 revenue and PBT, primarily attributable to notable growth in its loan portfolio, increased investment income, and effective cost management. GK Capital Management

Limited, our investment and advisory arm in Jamaica, also achieved higher revenue and profit when compared to prior year, benefiting from a significant improvement in its equity trading portfolio.

Our insurance segment also delivered positive results, with GK General Insurance Company Limited (GKGI) and Canopy Insurance Limited both exceeding revenue and PBT over prior year. GKGI remained committed to driving revenue growth through strategic partnerships, with its collaboration with Scotia General Insurance Agency Limited as the underwriter for *ScotiaProtect,* resulting in a notable increase in written premiums in 2024.

GraceKennedy Money Services (GKMS) experienced a decline in revenue and PBT compared to 2023, largely due to reduced transaction activity and lower remittance flows in key markets, particularly Guyana.

With margins tightening across major territories, we remain focused on transforming the GKMS business model by investing in cost-effective digital solutions. In May, GraceKennedy Remittance Services launched its first 'digital sub-agent' in partnership with Lynk Jamaica, which has since seen steady growth in usage.

Our *GK One* app also solidified its status as Jamaica's leading digital wallet for remittances in 2024, with strong growth in its number of users and a strong repeat usage rate. We continue to innovate, improving the app's features and functionality to better serve our customers. In October, through GKGI, we launched the third-party insurance product in the *GK One* app, allowing access to policies and the ability to make changes through the app, a first in the Jamaican insurance industry. In December, we introduced direct-to-wallet functionality to the app, enabling remittance senders to transfer funds directly to a *GK One* user's mobile wallet.

Share Buy Back

Our share buyback programme, which began in November 2023, concluded in November 2024. During the period, GK repurchased J$6.4 million of our Company's outstanding shares. The repurchase of shares was conducted on the open market through our stockbrokers in Jamaica and Trinidad & Tobago, using cash reserves.

We Care

In the final quarter of 2024, we launched several key initiatives through our Environmental, Social and Governance (ESG) programme, reinforcing our commitment to GK's *We Care* ethos.

In October, our GK Foundation (GKF) *ESG in Action* forum showcased how the work of our GK-funded UWI Professorial Chairs in Management and Environmental Management, aligns with our ESG agenda. In November, we donated J$10 million to strengthen agricultural resilience in St. Elizabeth, one of the regions in Jamaica hardest hit by Hurricane Beryl. This included a contribution for a new generator at the Hounslow water pumping station, benefiting 360 farmers, and donation of agricultural supplies. GKF also awarded over J$27 million in scholarships to 78 Jamaican tertiary students and supported the Kingston Harbour Cleanup Project's *Great Mangrove Trash Tournament*, removing over 18,000 pounds of waste from the Harbour.

In November, our Grace & Staff Community Development Foundation (Grace & Staff) celebrated the 10th anniversary of its STEM Centre in Downtown Kingston at an Open Day during which students and teachers were engaged in hands-on STEM activities. In December, Grace & Staff's Christmas outreach delivered care packages to 1,000 senior citizens in Kingston and St. Catherine, with the support of over 100 GK volunteers.

Recognition and Awards

We continued to demonstrate excellence in corporate governance, earning multiple recognitions at the Jamaica Stock Exchange (JSE) Best Practices Awards in December. In the PSOJ/JSE Corporate Governance category for companies listed on the JSE Main Market, GraceKennedy Limited was named first runner-up and our subsidiary, Key Insurance Company Limited was second runner-up. GraceKennedy Limited was also second runner-up in both the Annual Report and Best Website categories.

Leadership Changes

On February 14, 2025, the Honourable Don Wehby, CD, OJ, retired from his role as Group CEO and stepped down from the Board of Directors of GraceKennedy after an exemplary and distinguished tenure. We again extend our heartfelt thanks to Don for his leadership and unwavering dedication to the Company for over three decades.

Frank James was appointed the new Group CEO of GraceKennedy Limited and to our Board of Directors. Frank has served as the CEO of GK Foods – Domestic, Group CFO, and in several other senior roles in both our food and financial services divisions since joining GK in 2005.

Also, on February 14, Andrea Coy, CEO of GK Foods – International, was appointed CEO of GraceKennedy Foods, unifying the domestic and international segments of our food division under her leadership. Later this year, Grace Burnett will retire as CEO of GKFG, effective August 14, 2025, after an outstanding and dedicated 25-year career at GK. Upon her retirement, Steven Whittingham, the current Deputy CEO of GKFG, will assume the role of CEO of GKFG. The Board of Directors of GraceKennedy Limited is confident that GraceKennedy will achieve even greater success in the years ahead under their leadership.

As we reflect on the achievements of 2024, we are pleased that GK continues to deliver consistent growth. Our commitment to our core values, *Honesty, Integrity, Trust, Commitment, Humility and Respect,* our *We Care* ethos, and our vision *to be the #1 Caribbean brand in the world*, remains unwavering.

GraceKennedy's success is made possible by our dedicated team, loyal customers, and trusted partners, all of whom we are deeply grateful for. Thank you for your support. We look forward to the future, as we continue to serve communities around the world with excellence.

We are GraceKennedy. Unlocking Value. Unleashing Greatness.

Gordon V. Shirley, OJ
Chairman

Frank James
Group Chief Executive Officer

February 28, 2025