

Jamaican Teas Limited

**Consolidated Financial Statements
30 September 2025**

Jamaican Teas Limited

Index

30 September 2025

Page

Independent Auditors' Report to the Members

Financial Statements

Consolidated statement of financial position	1
Consolidated statement of comprehensive income	2
Consolidated statement of changes in equity	3 - 4
Consolidated statement of cash flows	5 - 6
Company statement of financial position	7
Company statement of comprehensive income	8
Company statement of changes in equity	9
Company statement of cash flows	10
Notes to the financial statements	11 – 92

INDEPENDENT AUDITORS' REPORT

To the Members of
Jamaican Teas Limited

Report on the audit of the consolidated and stand-alone financial statements**Our opinion**

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Jamaican Teas Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 30 September 2025, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the requirements of the Jamaican Companies Act.

What we have audited

Jamaican Teas Limited's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 30 September 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the Company statement of financial position as at 30 September 2025;
- the Company statement of comprehensive income for the year then ended;
- the Company statement of changes in equity for the year then ended;
- the Company statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements section of our report.

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

.../2

ADVISORY • ASSURANCE • TAX

PARTNERS: Wayne Strachan; FCA;FCCA;MBA Emile Lafayette; FCA;FCCA;MBA Roxiana Malcolm-Tyrell; FCA;FCCA;MBA
Royal Thorpe; FCA;FCCA;MBA

Baker Tilly Strachan Lafayette trading as BakerTilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 2

Report on the audit of the consolidated and stand-alone financial statements (continued)

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

Our 2025 audit was planned and executed having regard to the fact that the operations of the Group remain largely unchanged from the prior year.

The Group's businesses are organised into four primary segments being Manufacturing, Retailing, Real estate and Investment operations. These entities maintain their own accounting records.

In establishing the overall Group audit strategy and plan, we determined the type of work that was needed to be performed at the components by the Group engagement team and component auditors.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 3

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the audit addressed the key audit matters
<i>Measurement of Expected Credit Losses</i> The Group recognises expected credit losses (ECL) on financial assets measured at amortized cost. The determination of ECL is highly subjective and requires management to make significant judgements and estimates and the application of forward-looking information. The combination of significant management estimates and judgement increases the risk that management estimates could be materially misstated. See notes 4(a), 5(i) and 14 of the financial statements.	The audit procedures in response to this matter included: ❖ Assessed the effectiveness of the design and implementation of controls. ❖ Obtained an understanding of the model used by management for the calculation of expected credit losses on accounts receivables ❖ Tested the completeness and accuracy of the data used in the model to the underlying accounting records. ❖ Assessed the appropriateness of the Group's impairment methodology, management assumptions and compliance with the requirement of IFRS 9, <i>Financial Instruments</i>. ❖ Assessed the appropriateness of economic parameters including the use of forward-looking information. ❖ Tested the accuracy of the Group's ageing of accounts receivables. ❖ Tested the accuracy of the ECL calculation. ❖ Assessed the adequacy of the disclosures in the financial statements of key assumptions and judgements as well as of the Group's exposure to credit risk and measurement of allowances for ECL.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 4

Report on the audit of the consolidated and stand-alone financial statements (continued)

Key audit matters (continued)

Key audit matters	How the audit addressed the key audit matters
<i>Valuation of investment securities</i> The Group holds significant investments in equity securities listed on multiple stock exchanges totalling \$2,103,644,522 (2024: \$2,222,640,469) as at the current reporting year end. The Group primarily uses quoted mid prices to value these investments. The valuation of these investments, although based on observable market prices; continues to suffer from increased volatility and/or decline in trading activities for certain shares, as a result of macro-economic factors. Reduction in trading has also resulted in some listed shares having a wider gap between the bid and ask prices which may indicate that the shares are not actively trading. Judgement is therefore required to determine whether the quoted prices used by management represents prices from an active market and, where mid prices are used; whether a wide gap between the bid and ask prices is an indication of an active market. See notes 5(i), 5(vi) and 12 of the financial statements.	The audit procedures in response to this matter included: ❖ Assessed and tested the design and implementation of the Group's control over the determination and computation of fair values. ❖ Reperformed fair value calculations and assessed the reasonableness of prices used by the Group by comparing to independent third-party information, including assessing whether prices used fell within the bid ask spread, as required by the financial reporting framework. ❖ For selected stocks, evaluated the volume of trade for the securities held by the Group at year end, through information directly from the stock exchange and/or pricing services, to determine whether these were actively traded. ❖ Assessed the adequacy of the disclosure and determine if such disclosures demonstrate the key judgements as required by the applicable financial reporting framework. ❖ Assessed whether there is a wide gap of 10 percent or more between the bid and the ask prices through information directly from the stock exchange and/or pricing services. For securities with identified wide gap, we evaluated trading volumes and price gaps from the pricing source over an extended period i.e., one month before and after the year end to assess whether these securities have an active market.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 5

Report on the audit of the consolidated and stand-alone financial statements (continued)

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditors' report thereon), which is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated and stand-alone 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 consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of the consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group's and 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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 6

Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and stand-alone financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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 Group's and 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 Group's or Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and stand-alone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 7

Report on the audit of the consolidated and stand-alone financial statements (continued)

Auditors' responsibilities for the audit of the consolidated and stand-alone financial statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and stand-alone financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the 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.

INDEPENDENT AUDITORS' REPORT (continued)

To the Members of
Jamaican Teas Limited
Page 8

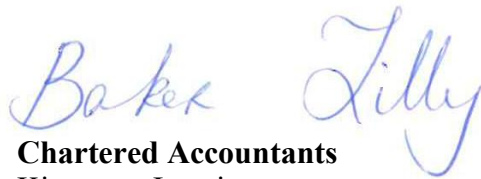
Report on the audit of the consolidated and stand-alone financial statements (continued)

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

The engagement partner on the audit resulting in this independent auditors' report is Emile Lafayette.

A handwritten signature in blue ink that reads "Baker Tilly" in a cursive script.

Chartered Accountants
Kingston, Jamaica
23 December 2025

Jamaican Teas Limited

Consolidated Statement of Financial Position As at 30 September 2025

	Note	2025 \$'000	2024 \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	978,965	837,446
Investment properties	7	415,000	390,500
Intangible assets	8	7,906	10,333
Right-of-use assets	11	21,530	-
Investment securities	12	2,103,645	2,222,640
		<u>3,527,046</u>	<u>3,460,919</u>
Current assets			
Inventories	13	1,189,079	1,201,856
Receivables	14	531,314	532,893
Taxation recoverable		10,230	426
Cash and short-term deposits	15	449,309	353,198
		<u>2,179,932</u>	<u>2,088,373</u>
TOTAL ASSETS		<u>5,706,978</u>	<u>5,549,292</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	16	281,042	277,442
Capital reserves	17	431,906	475,500
Revaluation reserves	18	101,528	71,958
Retained earnings		2,526,564	2,300,237
		<u>3,341,040</u>	<u>3,125,137</u>
Non-controlling interest	19	1,076,029	1,147,298
		<u>4,417,069</u>	<u>4,272,435</u>
Non-current liabilities			
Long-term loans	20	306,245	440,516
Lease liabilities	11	8,606	-
Deferred tax liabilities	21	48,505	44,969
		<u>363,356</u>	<u>485,485</u>
Current liabilities			
Payables	22	469,871	320,052
Short-term loans	23	77,080	96,595
Current portion of long-term loans	20	203,325	174,109
Current portion of lease liabilities	11	13,268	-
Taxation payable		26,856	47,290
Bank overdraft	24	136,153	153,686
		<u>926,553</u>	<u>791,732</u>
TOTAL EQUITY AND LIABILITIES		<u>5,706,978</u>	<u>5,549,292</u>

Approved for issue by the Board of Directors on 23 December 2025 and signed on its behalf by:



John Mahfood

Director



Damien King

Director

Jamaican Teas Limited

Consolidated Statement of Comprehensive Income Year ended 30 September 2025

	Note	2025 \$'000	2024 \$'000
Operating revenue	25	3,474,676	3,184,766
Cost of operating revenue	26 (a)	(2,725,110)	(2,577,153)
Gross profit		749,566	607,613
Fair value gains on investments		41,795	244,592
Other income	27	94,323	109,554
		885,684	961,759
Administrative expenses	26 (b)	(523,156)	(446,962)
Selling and distribution expenses	26 (c)	(38,618)	(47,471)
Impairment losses of expected credit losses	26 (d)	(10,874)	(3,722)
		(572,648)	(498,155)
Operating profit	28	313,036	463,604
Gain/(loss) on disposal of property, plant and equipment		690	(100,810)
Finance costs – loans and leases		(44,164)	(56,982)
Profit before taxation		269,562	305,812
Taxation	32	(39,544)	(98,503)
Net profit		230,018	207,309
Net profit attributable to:			
Stockholders of the Company		226,327	124,218
Non-controlling interests		3,691	83,091
		230,018	207,309
Other comprehensive income:			
Items that will never be reclassified to profit and loss:			
Related tax realised on disposal of land and buildings		-	84,250
Surplus/(loss) on revaluation of land and buildings		29,570	(21,854)
Related tax on revaluation of land and buildings		-	5,463
		29,570	(16,391)
Total comprehensive income		259,588	275,168
Total comprehensive income attributable to:			
Stockholders of the Company		255,897	192,077
Non-controlling interest	19	3,691	83,091
		259,588	275,168
Earnings per share:			
Basic earnings per share (Cents)	34(a)	10.40	5.73
Diluted earnings per share (Cents)	34(b)	9.37	5.27

Jamaican Teas Limited

Consolidated Statement of Changes in Equity Year ended 30 September 2025

	Attributable to stockholders of the Company				Non-controlling Interest	Total Equity
	Share Capital	Capital Reserves	Revaluation Reserves	Retained Earnings		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2023	264,942	151,301	341,100	2,217,589	1,064,207	4,039,139
Total comprehensive income:						
Net profit	-	-	-	124,218	83,091	207,309
<u>Other comprehensive income</u>						
Related tax realized on disposal of land and buildings	-	-	84,250	-	-	84,250
Realisation of revaluation reserve	-	337,001	(337,001)	-	-	-
Deficit on revaluation of land and building, net of tax (Note 18)	-	-	(16,391)	-	-	(16,391)
Transfer from accumulated surplus to franked income reserves	-	41,570	-	(41,570)	-	-
	-	378,571	(269,142)	82,648	83,091	275,168
Transactions with owners:						
Share options exercised	12,500	-	-	-	-	12,500
Dividends – capital distribution (Note 35)	-	(54,372)	-	-	-	(54,372)
	12,500	(54,372)	-	-	-	(41,872)
Balance at 30 September 2024	277,442	475,500	71,958	2,300,237	1,147,298	4,272,435

Jamaican Teas Limited

Consolidated Statement of Changes in Equity Year ended 30 September 2025

	Attributable to stockholders of the Company				Non-controlling Interest	Total Equity
	Share Capital	Capital Reserves	Revaluation Reserves	Retained Earnings		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 September 2024	277,442	475,500	71,958	2,300,237	1,147,298	4,272,435
Total comprehensive income:						
Net profit	-	-	-	226,327	3,691	230,018
<u>Other comprehensive income</u>						
Surplus on revaluation of land and building, net of tax (Note 18)	-	-	29,570	-	-	29,570
	-	-	29,570	226,327	3,691	259,588
Transactions with owners:						
Share options exercised	3,600	-	-	-	-	3,600
Dividends – capital distribution (Note 35)	-	(43,594)	-	-	-	(43,594)
Dividends attributable to NCI (Note 36)	-	-	-	-	(21,360)	(21,360)
	3,600	(43,594)	-	-	(21,360)	(61,354)
Change in ownership interests in subsidiaries without loss of control						
Reduction in non-controlling interests arising from changes in ownership interest in subsidiaries	-	-	-	-	(53,600)	(53,600)
Balance as at 30 September 2025	281,042	431,906	101,528	2,526,564	1,076,029	4,417,069

Jamaican Teas Limited

Consolidated Statement of Cash Flows Year ended 30 September 2025

	2025	2024
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the year	230,018	207,309
Adjustments for:		
Fair value gains on investment properties	(24,500)	(39,000)
Inventories written off	5,304	7,477
(Gain)/loss on disposal of property, plant and equipment	(690)	100,810
Gain on disposal of right-of-use-assets	-	(2,579)
Loss on sale of investment property	-	7,955
Gain on foreign exchange	(24,134)	(15,779)
Fair value gains on investments	(41,795)	(250,027)
Impairment losses on expected credit loss	10,874	3,722
Loss on sale of investment securities	13,180	5,436
Depreciation – property, plant and equipment	55,212	41,701
Amortisation – right-of-use assets	5,184	1,650
Amortisation – intangible assets	3,582	2,928
Bad debt expenses	-	1,855
Interest expense	43,443	56,857
Interest on lease liabilities	721	125
Interest income	(18,902)	(8,533)
Dividend income	(37,740)	(49,634)
Taxation	39,544	98,503
Operating cashflows before changes in operating assets and liabilities	259,301	170,776
Changes in operating assets and liabilities:		
Decrease in inventories	7,473	189,193
Increase in receivables	(12,741)	(148,824)
Increase in payables	147,089	24,713
	401,122	235,858
Tax paid	(66,246)	(46,307)
Net cash provided by operating activities	334,876	189,551
Balance carried forward	334,876	189,551

Jamaican Teas Limited**Consolidated Statement of Cash Flows (continued)**
Year ended 30 September 2025

	2025	2024
	\$'000	\$'000
Balance brought forward	334,876	189,551
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investment securities, net	147,610	29,280
Proceeds from disposal of property, plant and equipment	26,963	412,867
Proceeds on disposal of investment properties	-	65,670
Sale of investment properties, net	-	1,595
Purchase of property, plant and equipment	(193,693)	(501,869)
Purchase of intangible assets	(1,155)	(4,061)
Interest received	18,902	8,533
Dividends received	41,186	53,307
Net cash provided by investing activities	39,813	65,322
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from share issue, net	3,600	12,500
Long and short-term borrowings, net	(124,210)	218,725
Acquisition of non-controlling interest	(53,600)	-
Lease payment	(5,561)	(1,650)
Interest paid	(43,443)	(56,857)
Dividends paid	(62,224)	(54,372)
Net cash (used in)/provided by financing activities	(285,438)	118,346
Net increase in cash and cash equivalents	89,251	373,219
Effect of foreign exchange on cash and cash equivalents	24,393	15,779
Cash and cash equivalents at beginning of year	199,512	(189,486)
CASH AND CASH EQUIVALENTS AT END OF YEAR	313,156	199,512
Represented by:		
Cash and short-term deposits	449,309	353,198
Bank overdraft	(136,153)	(153,686)
	313,156	199,512

Jamaican Teas Limited

Company Statement of Financial Position As at 30 September 2025

	Note	2025 \$'000	2024 \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	-	-
Intangible assets	8	-	-
Investments in subsidiaries	9	3,743,949	3,728,879
Due from subsidiaries	10	1,934,893	2,091,708
Right-of-use assets	11	-	-
		<u>5,678,842</u>	<u>5,820,587</u>
Current assets			
Receivables	14	39,838	56,610
Taxation recoverable		9,824	-
Cash and short-term deposits	15	360,393	291,224
		<u>410,055</u>	<u>347,834</u>
TOTAL ASSETS		<u>6,088,897</u>	<u>6,168,421</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	16	281,042	277,442
Capital reserves	17	268,315	302,539
Revaluation reserves	18	-	-
Retained earnings		5,327,954	5,330,353
		<u>5,877,311</u>	<u>5,910,334</u>
Non-current liabilities			
Long-term loans	20	386	1,498
Lease liabilities	11	-	-
Deferred tax liabilities	21	717	1,869
		<u>1,103</u>	<u>3,367</u>
Current liabilities			
Payables	22	33,427	24,884
Short-term loans	23	75,902	95,931
Current portion of long-term loans	20	101,112	101,047
Current portion of lease liabilities	11	-	-
Taxation payable		-	26,934
Bank overdraft	24	-	5,924
Due to subsidiaries	10	42	-
		<u>210,483</u>	<u>254,720</u>
TOTAL EQUITY AND LIABILITIES		<u>6,088,897</u>	<u>6,168,421</u>

Approved for issue by the Board of Directors on 23 December 2025 and signed on its behalf by:



John Mahfood

Director



Damien King

Director

Jamaican Teas Limited

Company Statement of Comprehensive Income Year ended 30 September 2025

	Note	2025	2024
		\$'000	\$'000
Operating revenue	25	-	533,567
Cost of operating revenue	26(a)	-	(410,172)
Gross profit		-	123,395
Other income	27	125,717	102,089
		125,717	225,484
Administrative expenses	26(b)	(105,579)	(148,787)
Selling and distribution expenses	26(c)	(265)	(15,745)
Impairment reversals of expected credit losses	26(d)	-	3,460
		(105,844)	(161,072)
Operating profit	28	19,873	64,412
Gain on settlement of debt instrument	29	-	88,698
Gains on disposal of manufacturing business	30	-	3,300,000
Loss on disposal of property, plant and equipment		-	(100,810)
Finance costs, loans		(14,054)	(23,359)
Finance costs, leases		-	(125)
Finance costs, loans and leases		(14,054)	(23,484)
Profit before taxation		5,819	3,328,816
Taxation	32	1,152	(16,039)
Net profit		6,971	3,312,777
Other comprehensive income:			
Items that will never be reclassified to profit and loss:			
Related tax realised on disposal of land and building		-	84,250
Total comprehensive income		6,971	3,397,027

Jamaican Teas Limited

Company Statement of Changes in Equity Year ended 30 September 2025

	Share Capital	Capital Reserves	Revaluation Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 October 2023	264,942	19,910	252,751	2,017,576	2,555,179
<u>Total comprehensive income:</u>					
Net profit	-	-	-	3,312,777	3,312,777
Other comprehensive income:					
Related tax realized on disposal of land and building	-	-	84,250	-	84,250
Reserve realized on disposal of land and building (Note 17)	-	337,001	(337,001)	-	-
	-	337,001	(252,751)	3,312,777	3,397,027
Transactions with owners:					
Share options exercised (Note 16a)	12,500	-	-	-	12,500
Dividends – capital distribution (Note 35)	-	(54,372)	-	-	(54,372)
	12,500	(54,372)	-	-	(41,872)
Balance at 30 September 2024	277,442	302,539	-	5,330,353	5,910,334
<u>Total comprehensive income:</u>					
Net profit	-	-	-	6,971	6,971
Other comprehensive income:					
Transfer from retained earnings to franked income	-	9,370	-	(9,370)	-
	-	9,370	-	(2,399)	6,971
Transactions with owners:					
Share options exercised (Note 16a)	3,600	-	-	-	3,600
Dividends – capital distribution (Note 35)	-	(43,594)	-	-	(43,594)
	3,600	(43,594)	-	-	(39,994)
Balance at 30 September 2025	281,042	268,315	-	5,327,954	5,877,311

Jamaican Teas Limited

Company Statement of Cash Flows Year ended 30 September 2025

	2025 \$'000	2024 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the year	6,971	3,312,777
Adjustments for:		
Inventories written off	-	3,707
Loss on disposal of property, plant and equipment	-	100,810
Gain on disposal right-of-use-assets	-	(2,579)
Gain on settlement of debt instruments	-	(88,698)
Gain on disposal of manufacturing business	-	(3,300,000)
Foreign exchange gains	(2,871)	(7,478)
Impairment reversal of expected credit losses	-	(3,460)
Depreciation – property, plant and equipment	-	12,665
Amortisation – right-of-use assets	-	1,650
Amortisation – intangible assets	-	234
Bad debt expenses	-	1,830
Interest expense	14,054	23,359
Interest on lease liabilities	-	125
Interest income	(18,748)	(8,553)
Taxation	(1,152)	16,039
Operating profit before change in operating assets and liabilities	(1,746)	62,428
Changes in operating assets and liabilities:		
Decrease in inventories	-	567,135
Decrease in receivables	16,772	288,339
Decrease/(increase) in due from subsidiaries	156,857	(747,043)
Increase/(decrease) in payables	8,543	(25,600)
	180,426	145,259
Interest paid	(14,054)	(23,359)
Cash generated from operations	166,372	121,900
Tax paid	(36,758)	(33,662)
Net cash provided by operating activities	129,614	88,238
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of property, plant and equipment	-	407,704
Purchase of property, plant and equipment	-	(11,240)
Purchase of intangible assets	-	(3,343)
Investment in subsidiary companies	(15,070)	(9,601)
Interest received	18,748	8,553
Net cash provided by investing activities	3,678	392,073
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from share issue, net	3,600	12,500
Long and short-term borrowings, net	(21,076)	(90,815)
Lease payment	-	(1,650)
Dividend paid	(43,594)	(54,372)
Net cash used in financing activities	(61,070)	(134,337)
Net increase in cash and cash equivalents	72,222	345,974
Effect of foreign exchange on cash and cash equivalents	2,871	7,478
Cash and cash equivalents at the beginning of the year	285,300	(68,152)
CASH AND CASH EQUIVALENTS AT END OF YEAR	360,393	285,300
Represented by:		
Cash and short-term deposits	360,393	291,224
Bank overdraft	-	(5,924)
	360,393	285,300

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

1. Identification and principal activities

Jamaican Teas Limited (“the Company”) was incorporated in 1967 and is domiciled in Jamaica. The Company has been listed on the Junior Market of the Jamaica Stock Exchange (JSE) since July 3, 2010. In 2024, the Company changed its registered office from 2 Bell Road, Kingston 11, Jamaica, to Lots 4 & 6 JIDC Estate, Main Road, Temple Hall, Kingston 9. These financial statements comprise the Company and its subsidiaries collectively referred to as “the Group”.

In the previous year the principal activities of the Company were the manufacture and distribution of various teas and other consumer products to local and export markets. On 4 January 2024 the Company sold the manufacturing business as a going concern to its wholly owned subsidiary Caribbean Dreams Foods Limited. The Company’s subsidiaries are involved in real estate, investments, retail and manufacturing and distribution of various teas and other consumer products to local and export markets.

These financial statements present the results of operations and financial positions of the Company and its subsidiaries, which are referred to as “the Group”; the subsidiaries are as follows:

Subsidiaries	Principal Activities	Proportion of ordinary shares held by the Group %	
		2025	2024
LTJ Managers Limited	Real Estate	100%	100%
H. Mahfood & Sons Limited	Real Estate	100%	100%
H. Mahfood & Sons 2020 Limited	Real Estate	100%	100%
KIW International Limited (a)	Holding Company	55.43%	53.91%
QWI Investments Limited (b)	Investments	38.82%	37.13%
Bay City Foods Limited	Retail Distribution	100%	100%
Caribbean Dreams Foods Limited (c)	Manufacturing	100%	100%

- (a) During 2025, KIW International Limited bought back 406,420 of its own shares, resulting in the proportion of ordinary shares held by the group increasing from 53.91% to 55.43%.
- (b) QWI Investments Limited issued 66% of its ordinary shares to the public on September 9, 2019 in an initial public offering and was listed on the Jamaica Stock Exchange on September 30, 2019. QWI Investments Limited’s remaining shares are held by Jamaican Teas Limited and KIW International Limited.

During 2025, Jamaican Teas Limited purchased additional shares in the subsidiary and increased its shareholding from 374,801,972 shares to 394,059,676 shares as at September 30, 2025 (Note 9).

- (c) Caribbean Dreams Foods Limited (CDFL), a new subsidiary, was incorporated on 10 August 2021. In 2024 CDFL issued 3,300,000,000 new shares to Jamaican Teas Limited.

Jamaican Teas Limited**Notes to the Financial Statements**
30 September 2025

2. Basis of preparation**Basis of measurement and statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board and have been prepared under the historical cost convention, as modified by the valuation of certain items. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The financial statements comprise the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the notes of the Group. The financial statements are presented in Jamaican dollars, which is the functional currency of the Group, rounded to the nearest thousand, unless otherwise indicated.

The preparation of financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgement in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in note 5.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

Standards and amendments to published standards effective in the current year that are relevant to the Group's operations

The following standards have been adopted by the Group for the first time which have been issued and are effective for mandatory adoption for the financial year beginning on or after 1 January 2024:

The amendments in Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective for annual periods beginning on or after 1 January 2024) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Supplier Finance Arrangements (Amendment to IAS 7 and IFRS 7) (effective for annual periods beginning on or after 1 January 2024). These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

Leases on sale and leaseback (Amendments to IFRS 16) (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The amendments did not result in any material effect on the Group's financial statements.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

2. Basis of preparation (continued)

Basis of measurement and statement of compliance (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the Group

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretation to existing standards have been issued which are not yet effective, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

Lack of Exchangeability Amendments to IAS 21 (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, and IFRS 7) effective for annual periods beginning on or after 1 January 2026, clarify that financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.

IFRS 18 Summary for Financial Statements replaces IAS 1 effective for annual periods beginning on or after 1 January 2027, enhances transparency and comparability in financial reporting by introducing new requirements to include: new categories and subtotals in the statement of profit or loss, disclosure of management-defined performance measures (MPMs) and enhanced requirements for grouping information.

IFRS 19, Subsidiaries without Public Accountability: Disclosures effective for annual periods beginning on or after 1 January 2027, IFRS 19 introduces a simplified disclosure framework for subsidiaries without public accountability that prepare financial statements in compliance with IFRS Standards. This standard aims to reduce disclosure requirements while maintaining the relevance and reliability of financial reporting.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the Group.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies**(a) Going concern**

The preparation of financial statements in accordance with IFRS assumes that the Company and Group will continue in operation for the foreseeable future. This means, in part, that the statements of profit or loss and other comprehensive income and the statement of financial position assume no intention or necessity to liquidate or curtail operations. This is commonly referred to as the going concern basis.

Management has assessed that the Company and Group have the ability to continue as a going concern and has prepared the financial statements on the going concern basis.

The basis of preparation presumes that the Company and the Group will be able to realize its assets and discharge its liabilities in the normal course of business.

(b) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

The Group has identified the following four (4) operating segments: manufacturing, retailing, real estate, and investments.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(c) Property, plant and equipment****(i) Recognition and measurement:**

In 2022, at the request of the Board of Directors, the Group changed its accounting policy for freehold land and buildings from the cost model to the fair value model. This change in accounting policy did not require a restatement of comparative figures in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* and IAS 16, *Property, Plant and Equipment*. Management relied on valuation done by independent registered valuers.

Land and buildings are stated at valuation less subsequent depreciation in these financial statements. All other categories of property, plant and equipment are measured at historical cost or deemed cost, less accumulated depreciation and impairment losses, if any.

Any revaluation increase arising on the revaluation of land and buildings is credited to capital reserves through other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged.

A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in reserves relating to a previous revaluation of such assets.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(c) Property, plant and equipment (continued)****(iii) Depreciation:**

Depreciation is computed on the straight-line basis at annual rates estimated to write down the assets to their estimated residual values at the end of their expected useful lives. The depreciation rates are as follows:

Plant and equipment	10%
Furniture and fixtures	10%
Motor vehicles	20%
Computers	20%
Buildings	2½%
Leasehold improvements - shorter of lease term and useful lives	

The residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

(iv) De-recognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise investment securities, trade and other receivables, cash and cash equivalents and due from subsidiaries. Financial liabilities comprise long-term loans, margin loan payable, lease liabilities, trade and other payables, due to subsidiaries short-term borrowings and bank overdraft.

(i) Recognition and initial measurement

The Group recognises a financial instrument when it becomes a party to the contractual terms of the instrument. Financial assets and financial liabilities are initially recognised on the trade date.

At initial recognition, the Group measures a financial asset or financial liability at its fair value, plus or minus; in the case of a financial asset or financial liability not at fair value through profit or loss transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost or fair value through profit or loss (FVTPL).

The financial assets that meet both of the conditions in a) and b) below, and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, are classified as “held to collect” and measured at amortised cost.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(d) Financial instruments (continued)****(ii) Classification and subsequent measurement (continued)**

Amortised cost represents the net present value (“NPV”) of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Investments
- Trade and other receivables
- Due from subsidiaries

The Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The realised gains from financial instruments at FVTPL represents the difference between the carrying amount of the financial instrument at the beginning of the reporting period, or the transactions price if it was purchased in the current reporting period, and its settlement price.

The unrealised gain represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current period, and its carrying amount at the end of the reporting period.

Fair value gains and losses from revaluation of equity securities at FVTPL are presented separately in the statement of profit or loss.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities that are funding these assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity. However, the information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(d) Financial instruments (continued)****(ii) Classification and subsequent measurement (continued)****Business model assessment (continued)**

Assessment whether contractual cash flows are solely payments of principal and interest (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(d) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial liabilities

All financial liabilities are recognised initially at fair value and in the case of borrowings, plus directly attributable transaction costs. The Group's financial liabilities, which include long-term loans, trade and other payable, margin loan payable, due to subsidiary, short-term borrowings and bank overdraft are recognised initially at fair value.

Financial assets and liabilities – subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. Amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

The subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in the individual policy statements associated with each item.

(iii) Derecognition

Financial assets and liabilities

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts recognised in the consolidated statement of comprehensive income.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(d) Financial instruments (continued)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from Company of similar transactions such as in the Group's trading activities.

(e) Investment properties

Investment properties, comprising principally land and buildings, are held for long-term rental yields and capital appreciation and are treated as long-term investments. They are measured initially at cost, including related transaction costs and are subsequently measured at fair value.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Fair value is determined annually by an independent registered valuer. Fair value is based on current prices in an active market for similar properties in the same location and condition. Any gain or loss arising from a change in fair value is recognised in profit or loss.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

(f) Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of five (5) years for software on a straight-line basis.

Costs associated with developing or maintaining computer software programmes are recognised as expenses as incurred.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(g) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity”, in this case, “the Group”).

- (a) A person or a close member of that person’s family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group 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 Group or an entity related to the Group.
 - (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 Group or to the parent of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The Group has related party relationships with the Company’s and subsidiaries’ directors, and with its executive officers.

(h) Investment in subsidiary companies

Investments in subsidiary companies are measured at cost.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(i) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash-generating units).

(j) Inventories

Inventories are stated at the lower of cost and net realizable value, cost being determined on the weighted average cost method. Net realizable value is the estimate of the selling price in the ordinary course of the business, less selling expenses.

Housing development under construction, included in inventory, includes the cost of land, construction materials, labour, borrowing cost and an appropriate proportion of overhead costs.

(k) Trade and other receivables

Trade and other receivables are carried at anticipated realizable value. An allowance for expected credit loss (ECL) of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The carrying amount of the asset is reduced through the use of this ECL allowance, and the amount of the loss is recognized in Bad Debt expense in the statement of profit or loss. When trade receivable is deemed uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized as recovery and credited to bad debt expense in the statement of profit or loss.

Prepayments are partial or full settlements of debt or expenses before the contractually obligated due date, this includes advances and deposits.

(l) Cash and short-term deposits

Cash and short-term deposits comprise cash, bank balances and short-term deposits with maturity of three months or less from the date of placement and are measured at amortised cost.

Bank overdrafts are an integral part of the Group's cash management for financial operations and are included as a component of cash and cash equivalent for the purpose of the statement of cash flows.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(m) Share capital and share-based payment arrangements****(i) Share capital:**

Ordinary shares are classified as equity where there is no obligation to transfer cash or other assets. Transaction costs directly attributable to the issue of shares are shown in equity as a deduction from the proceeds of the share issue to the extent that their costs are directly attributable to the issue of the shares.

(ii) Share-based payment arrangements:

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense or asset, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense or asset is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(n) Dividends and distributions

Dividends on ordinary shares and capital distributions are recognised in equity in the period in which they are declared.

Interim dividends payable to shareholders are approved by the directors while final dividends have to be approved by the equity shareholders at the Annual General Meeting. Dividends and capital distributions for the year that are declared after the reporting date are dealt with in the subsequent period, and disclosed.

(o) Trade and other payables

Trade and other payables are measured at amortised cost.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(p) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost, with any difference between proceeds (net of transaction costs) and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as property, plant and equipment.

Debt issuance costs represent financing and certain related fees associated with securing long-term borrowings. Amortisation is charged to profit or loss on the effective interest basis over the life of the related borrowings.

(q) Revenue

Performance obligations and revenue recognition policies:

Revenue is measured at the fair value of the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Type of product or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Packaged teas for export and domestic sales and retail products.	Customers obtain control of goods when the goods are delivered to and accepted by them. Invoices are generated at that point in time.	Revenue is recognised at the point in time when the goods are delivered and have been accepted by customers.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(q) Revenue (continued)

Type of product or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
	Invoices are usually payable within 30 days. Some contracts permit the customer to return an item. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. The Company gives rebates to select customers based on the volume of purchase made. Rebates are included in other payables and payments are made to the customers.	For the sale of retail products, the Group issues loyalty points to customers who are members of the Company's loyalty card programme. The amount allocated to the loyalty points is expensed on issuance and is recognised as revenue when the loyalty points are redeemed or have expired.
Sale of real estate	The customer obtains control of housing units when the units have been delivered.	Revenue is recognised at the point in time for units <i>under contract</i> when practical completion of the housing units is independently verified by a quantity surveyor or architect.
Rental income	Invoices are issued according to contract terms and are payable within 30 days.	Revenue is recognised over time as the customer benefits from occupying the property.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(r) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in profit or loss, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax liability is recognised for all taxable temporary differences except to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(s) Foreign currencies

Foreign currency balances at the reporting date are translated at the exchange rates ruling at that date. Transactions in foreign currencies are converted at the exchange rates ruling at the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are recognised in profit or loss.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in profit or loss are treated as cash items and included in cash flows from operating or financing activities along with movement in the relevant balances.

(t) Finance income and costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense on borrowings. Borrowing costs are recognised in profit or loss using the effective interest method.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(u) Determination of fair value**

Fair value is the price that would be received to sell an asset or to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at the date.

The Group measures the fair value of an instrument using quoted price in an active market for that instrument. A market is regarded as active if transactions from the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at the mid and closing price, because these prices provides a reasonable approximation of the exit price.

(v) Employee benefits

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, statutory contributions, annual vacation leave and non-monetary benefits such as post-employment benefits related to pension.

Employee benefits that are earned as a result of past or current service are recognised in the following manner:

(i) 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 Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans:

Obligation for contributions to defined contribution plans is expensed as the related services are provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(w) Expenses

Expenses are recognised in profit or loss on the accrual basis.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

3. Material accounting policies (continued)

(x) Right-of-use assets and lease liabilities

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- (i) Leases of low value assets; and
- (ii) Leases with a duration of 12 months or less.

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

On initial recognition, the carrying value of the lease liability also includes:

- (i) amounts expected to be payable under any residual value guarantee;
- (ii) the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option;
- (iii) any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

To determine the incremental borrowing rate, the Group:

- (i) since it does not have recent third-party financing, uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, and
- (ii) makes adjustments specific to the lease, e.g. term, currency and security.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- (i) lease payments made at or before commencement of the lease;
- (ii) initial direct costs incurred; and
- (iii) the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(x) Right-of-use assets and lease liabilities (continued)**

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

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets valued as US\$5,000 or less when new. The Group has no short-term leases or leases for low valued assets at this time.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

3. Material accounting policies (continued)**(x) Right-of-use assets and lease liabilities (continued)**

- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

Audit Committee

The Board of Directors has also established an Audit Committee to assist in managing the Group's risk profile. This Committee oversees how management monitors compliance with the Group's risk management policies and reviews the adequacy of the risk management framework.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as outstanding receivables from credit sales.

Risk management

Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by management.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

4. Financial risk management (continued)**(a) Credit risk (continued)**

Management determines concentrations of credit risk by monitoring the credit-worthiness rating of existing customers and through a monthly review of the trade receivables ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval.

Security

The Group and the Company do not hold any collateral as security.

Due from related parties

All related party transactions are preauthorized and approved by management during the budgeting process and subsequently in the normal course of business.

Cash and cash equivalents

The risk is managed in line with the Group's policy. Excess funds are invested for short periods of time, depending on the Group's cash flow requirement. These surplus funds are placed with approved financial institutions with no concentration of the funds being at any specific counterparty and thereby mitigating potential financial losses.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer base, including the default risk of the industry in which customers operate, has less of an influence on credit risk. The Group does not require collateral in respect of trade and other receivables.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(a) Credit risk (continued)

Expected credit loss assessment

The Group allocates each exposure to a credit risk grade based on the data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and the available press information about its customers) and applying experienced credit judgement.

The Group uses a provision matrix to measure ECLs on trade and other receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade and other receivables and is adjusted for forward-looking estimates.

Loss rates are calculated based on the probability of a receivable progressing through successive stages of delinquency to write-off, current conditions and the economic conditions over the expected lives of the receivables.

On that basis, the loss allowance as at 30 September 2025 and 30 September 2024 was determined as follows for trade receivables:

The Group

30 September 2025	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expected loss rate	0.50%	7.9%	11.8%	8.1%	3.6%
Gross carrying amount – trade and other receivables	298,345	44,303	18,670	133,981	495,299
Loss allowance	1,485	3,520	2,202	10,849	18,056

30 September 2024	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expected loss rate	0%	1.2%	5.2%	6.3%	1.4%
Gross carrying amount – trade and other receivables	301,510	120,998	40,709	57,021	520,238
Loss allowance	-	1,468	2,112	3,602	7,182

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(a) Credit risk (continued)

Expected credit loss assessment (continued)

The Company

30 September 2025	Current \$'000	More than 30 days past due \$'000	More than 60 days past due \$'000	More than 90 days past due \$'000	Total \$'000
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount – trade and other receivables	-	-	-	21,797	21,797
Loss allowance	-	-	-	-	-

30 September 2024	Current \$'000	More than 30 days past due \$'000	More than 60 days past due \$'000	More than 90 days past due \$'000	Total \$'000
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount – trade and other receivables	-	1,439	26,041	22,283	49,763
Loss allowance	-	-	-	-	-

Impairment allowances are determined upon origination of the trade accounts receivable based on a model that calculates the expected credit loss (“ECL”) of the trade accounts receivable and are recognised over their term.

Under this ECL model, the Group uses its trade receivable based on days past due and determines an average rate of ECL, considering actual credit loss experience over the last 12 months and analyses of future delinquency, that is applied to the balance of the trade receivable. The weighted average ECL rates used as at the reporting date to apply against the trade receivable balance are detailed above.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****4. Financial risk management (continued)****(a) Credit risk (continued)**

Expected credit loss assessment (continued)

Changes in allowance for expected credit losses:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade and other receivables:				
Balance at beginning of year	7,182	3,460	-	3,460
Impairment losses/(reversals) recognised (Note 26(d))	10,874	3,722	-	(3,460)
Balance at end of year	18,056	7,182	-	-

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions at or close to, its fair value.

Liquidity risk management process

The Group's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis;
- (i) Maintaining marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (ii) Maintaining committed lines of credit;
- (iii) Optimising cash returns on investments.

Undiscounted cash flows of financial liabilities

The maturity profile of the Group's financial liabilities at year end on contractual undiscounted payments was as follows:

The Group:

	1 to 3 months	3 to 12 months	1 to 5 Years	Over 5 years	Contractual cashflows	Carrying amount
2025						
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Long term loans	29,476	216,787	358,262	-	604,525	509,570
Lease liabilities	3,581	10,619	8,127	-	22,327	21,874
Payables	359,559	110,312	-	-	469,871	469,871
Short-term loans	75,902	1,249	-	-	77,151	77,080
Bank overdraft	136,153	-	-	-	136,153	136,153
	604,671	338,967	366,389	-	1,310,027	1,214,548
2024						
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Long term loans	19,633	304,421	337,052	148,960	810,065	614,265
Payables	320,052	-	-	-	320,052	320,052
Short-term loans	96,595	-	-	-	96,595	96,595
Bank overdraft	153,686	-	-	-	153,686	153,686
	589,966	304,421	337,052	148,960	1,380,399	1,184,598

Assets available to meet all of the liabilities and to cover financial liabilities include cash at bank and in hand, short-term deposits and other assets.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities (continued)

The maturity profile of the Company's financial liabilities at year end on contractual undiscounted payments was as follows:

The Company:

	1 to 3 months	3 to 12 months	1 to 5 Years	Contractual cash flows	Carrying amount
	2025				
	\$'000	\$'000	\$'000	\$'000	\$'000
Long term loans	2,668	108,004	391	111,063	101,498
Payables	958	32,469	-	33,427	33,427
Short-term loans	75,902	-	-	75,902	75,902
	79,528	140,473	391	220,392	210,827
	2024				
	\$'000	\$'000	\$'000	\$'000	\$'000
Long term loans	12,668	132,462	1,562	146,692	102,545
Payables	24,884	-	-	24,884	24,884
Short-term loans	95,931	-	-	95,931	95,931
Bank overdraft	5,924	-	-	5,924	5,924
	139,407	132,462	1,562	273,431	229,284

Assets available to meet all of the liabilities and to cover financial liabilities include cash at bank and in hand, short-term deposits and other assets.

(c) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates (see 4(c)(i)) and interest rates (see 4(c)(ii)). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk exposures are measured using sensitivity analysis. There has been no significant change in exposure to market risks or the manner in which it manages and measures the risk.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk

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

The Group is exposed to foreign exchange risk arising from exposure primarily to the US dollar. The Group is primarily exposed to such risks arising from transactions for purchases, sales and investments.

The Statement of Financial Position for the Group as at 30 September 2025 includes net foreign assets of US\$417,732 (2024: US\$1,627,052) in respect of such transactions arising in the ordinary course of business.

The Statement of Financial Position for the Company as at 30 September 2025 includes net foreign assets of US\$149,787 (2024: US\$105,610) in respect of such transactions arising in the ordinary course of business.

The following tables demonstrates the sensitivity to fluctuations in the exchange rates of the currencies held by the Group and Company before tax, with all other variables held constant.

The Group:

	2025	2025	2024	2024
	\$	\$	\$	\$
	Effect on Profit and loss and equity			
	Revaluation	Devaluation	Revaluation	Devaluation
	1%	3.5%	1%	4%
Currency:				
USD	(4,177)	14,621	(16,271)	65,082

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk (continued)

The Company:

	2025	2025	2024	2024
	\$	\$	\$	\$
Effect on Profit and loss and equity				
	Revaluation	Devaluation	Revaluation	Devaluation
	1%	3.5%	1%	4%
Currency:				
USD	(1,498)	5,243	(1,056)	4,224

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

Interest rate fluctuations are not expected to have a material effect on the net results or stockholders' equity. The Group analyses its interest rate exposure arising from borrowings on an ongoing basis, taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

At the reporting date, the Group's financial liabilities subject to interest rates aggregated \$749,736,000 (2024: \$864,546,000). The Group contracts financial liabilities primarily at a fixed interest rate, hence, changes in the market interest rate will not affect the cash flow nor the carrying amount of the instruments.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

The following table summarizes the Group's exposure to interest rate risk. It includes the Group's financial instruments at carrying amounts, categorized by the contractual re-pricing or maturity dates.

The Group:

	1 to 3 months \$'000	3 to 12 months \$'000	1 to 5 years \$'000 2025	Non-interest bearing \$'000	Total \$'000
Assets					
Investment securities	-	-	-	2,103,645	2,103,645
Receivables	-	-	-	531,314	531,314
Cash and short-term deposits	300,438	102,140	-	46,731	449,309
Total financial assets	300,438	102,140	-	2,681,690	3,084,268
Liabilities					
Long-term loans	18,417	184,908	306,245	-	509,570
Lease liabilities	3,454	10,361	8,059	-	21,874
Payables	-	-	-	469,871	469,871
Short-term loans	75,902	1,178	-	-	77,080
Bank overdraft	136,153	-	-	-	136,153
Total financial liabilities	233,926	196,447	314,304	469,871	1,214,548
Total interest re-pricing gap	66,512	(94,307)	(314,304)	2,211,819	1,869,720

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

The Group:

	1 to 3 months	3 to 12 months	1 to 5 years	Non- interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
	2024				
Assets					
Investment securities	-	-	-	2,222,640	2,222,640
Receivables	-	-	-	532,893	532,893
Cash and short-term deposits	127,065	225,000	-	1,133	353,198
Total financial assets	127,065	225,000	-	2,756,666	3,108,731
Liabilities					
Long term loans	35,083	405,433	174,109	-	614,625
Payables	-	-	-	320,052	320,052
Short term loans	96,595	-	-	-	96,595
Bank overdraft	153,686	-	-	-	153,686
Total financial liabilities	285,364	405,433	174,109	320,052	1,184,598
Total interest re-pricing gap	(158,299)	(180,433)	(174,109)	2,436,614	1,924,133

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

At the reporting date, the Company's financial liabilities subject to interest rates aggregated \$177,400,000 (2024: \$204,400,000). The Company contracts financial liabilities primarily at a fixed interest rate, hence, changes in the market interest rate will not affect the cash flow nor the carrying amount of the instruments.

The following table summarises the Company's exposure to interest rate risk. It includes the Company's financial instruments at carrying amounts, categorized by the contractual re-pricing or maturity dates.

The Company:

	1 to 3 months	3 to 12 months	1 to 5 years	Non- interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
	2025				
Assets					
Receivables	-	-	-	39,838	39,838
Due from related parties	-	-	-	1,934,893	1,934,893
Cash and short-term deposits	213,523	102,140	-	44,730	360,393
Total financial assets	213,523	102,140	-	2,019,461	2,335,124
Liabilities					
Long-term loans	272	100,840	386	-	101,498
Payables	-	-	-	33,427	33,427
Short-term loans	75,902	-	-	-	75,902
Total financial liabilities	76,174	100,840	386	33,427	210,827
Total interest re-pricing gap	137,349	1,300	(386)	1,986,034	2,124,297

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

The Company:

	1 to 3 months	3 to 12 months	1 to 5 years	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
	2024				
Assets					
Receivables	-	-	-	56,610	56,610
Due from related parties	-	-	-	2,091,708	2,091,708
Cash and short-term deposits	66,224	225,000	-	-	291,224
Total financial assets	66,224	225,000	-	2,148,318	2,439,542
Liabilities					
Long-term loans	2,631	98,416	1,498	-	102,545
Payables	-	-	-	24,884	24,884
Short-term loans	95,931	-	-	-	95,931
Bank overdraft	5,924	-	-	-	5,924
Total financial liabilities	104,486	98,416	1,498	24,884	229,284
Total interest re-pricing gap	(38,262)	126,584	(1,498)	2,123,434	2,210,258

The Group and Company have no significant sensitivity to interest rate risk as most borrowings are at fixed rates.

(iii) Equity price risk

Equity price risk arises from equity securities held by the Group as part of its investment portfolio. Management monitors the mix of debt and equity securities in its investment portfolio based on market expectations. The primary goal of the Group's investment strategy is to maximise investment returns.

An 2.5% (2024: 8%) increase in the market price at the reporting date would cause an increase in the Group's profit or loss and other comprehensive income of \$ 52,591,113 (2024: \$177,811,200). An 1% (2024: 2%) decrease would cause a decrease in the Group's profit or loss and other comprehensive income of \$21,036,445 (2024: \$44,452,800).

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(d) Capital management

The policy of the Group's Board of Directors is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business and ensure it continues as a going concern.

The Group considers its capital to be its total equity inclusive of unappropriated profits and capital reserves. The Group's financial objective is to generate a targeted operating surplus, in order to strengthen and provide for the future continuity of the Group as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Directors regularly review the financial position of the Group at meetings and monitor the return on capital and the level of dividends to the ordinary shareholders. They seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as gross debt divided by total capital. Gross debt is the total of long-term loans, lease liabilities, short-term loans and bank overdraft. Total capital is calculated as equity as shown in the Company's statement of financial position plus debt. The gearing ratios at the year-end based on these calculations were as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Debt	744,677	864,546	177,400	204,400
Equity	3,341,040	3,125,137	5,877,311	5,910,334
Total capital	4,085,717	3,989,683	6,054,711	6,114,734
Gearing ratio	18.2%	21.7%	2.9%	3.3%

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

4. Financial risk management (continued)

(e) Fair value estimates

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. Market price is used to determine fair value where an active market exists as it is the best evidence of fair value of a financial instrument. The Group's equities are the only financial instruments that are carried at fair value. Where fair value of financial instruments approximates carrying value, no fair value computation is done and disclosed.

The carrying values reflected in the financial statements for cash and cash equivalents, trade and other receivables, and trade and other payables, are assumed to approximate fair value due to their relatively short-term nature.

The fair value of long-term loans is assumed to approximate carrying value as the loans bear interest at market rates and all other conditions are at market terms.

The fair values of quoted equities are based on the average of the closing bid and offer prices published by the respective Stock Exchanges.

Determination of fair value and fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. These two types of inputs have created the following fair value hierarchy:

- | | |
|-----------|---|
| Level 1 - | Quoted prices in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments listed on exchanges. |
| Level 2 - | Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. This includes financial assets with fair values based on broker quotes. |
| Level 3 - | Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. |

The Group considers relevant and observable market prices in its valuations where possible.

Equity investments are classified as Level 1.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

5. Critical accounting estimates and judgments in applying accounting policies

The Group and Company make estimates, assumptions and judgements that affect the reported amounts of, and disclosures relating to, assets, liabilities, income and expenses reported in these financial statements. Amounts and disclosures based on these estimates assumptions and judgements may be different from actual outcomes, and these differences may be reported in the financial statements of the next financial year. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

(i) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the credit risk note.

(ii) Income taxes

Estimates and judgements are required in determining the provision for income taxes. The tax liability or asset arising from certain transactions or events may be uncertain in the ordinary course of business. In cases of such uncertainty, the Group and Company recognise liabilities for possible additional taxes based on its judgement. Where, on the basis of a subsequent determination, the final tax outcome in relation to such matters is different from the amount that was initially recognised, the difference will impact the current and deferred income tax provisions in the period in which such determination is made.

(iii) Depreciable assets

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

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

5. Critical accounting estimates and judgments in applying accounting policies (continued)**(iv) Fair value of investment properties and land and buildings**

Investment properties and land and buildings are carried in the statement of financial position at market value. It is the Group's policy to use independent qualified property appraisers to value its realty, generally using the open market value. This approach takes into consideration various assumptions and factors, including the level of current and future occupancy, the rate of annual rent increases, the rate of inflation of direct expenses, the appropriate discount rate, and the current condition of the properties together with an estimate of future maintenance and capital expenditures. Reference is also made to recent comparable sales. A change in any of these assumptions and factors could have a significant impact on the valuation of properties.

(v) Recognition and measurement of intangible assets

The recognition and measurement of intangible assets, other than goodwill, in a business combination, involve the utilization of valuation techniques. These intangibles may be market related, consumer related, contract based or technology based. For significant amounts of intangibles arising from a business combination, the group and company has utilized independent professional advisors to assist management in determining the recognition and measurement of these assets.

(vi) Valuation of financial instruments

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group and Company determine fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates.

Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

6. Property, plant and equipment

The Group:

	Land and buildings	Plant, equipment, furniture, fixtures, and computers	Motor vehicles	Leasehold improvements	Work-in- Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost:						
1 October 2023	673,370	321,682	41,437	29,964	51,962	1,118,415
Additions	368,161	99,992	-	-	33,716	501,869
Transfers	57,149	21,472	-	-	(78,621)	-
Revaluation adjustment	(21,854)	-	-	-	-	(21,854)
Disposals	(500,804)	(11,755)	-	(20,539)	(4,013)	(537,111)
30 September 2024	576,022	431,391	41,437	9,425	3,044	1,061,319
Additions	63,206	98,308	26,106	350	5,723	193,693
Disposals	-	(19,853)	(21,346)	-	-	(41,199)
Revaluation adjustment	20,634	-	-	-	-	20,634
30 September 2025	659,862	509,846	46,197	9,775	8,767	1,234,447
Depreciation						
1 October 2023	11,162	149,254	25,310	19,880	-	205,606
Charge for the year	702	28,269	7,148	5,582	-	41,701
Relieved on disposals	-	(6,592)	-	(16,842)	-	(23,434)
30 September 2024	11,864	170,931	32,458	8,620	-	223,873
Charge for the year	7,975	40,767	6,093	377	-	55,212
Relieved on disposals	-	(14,570)	(356)	-	-	(14,926)
Revaluation adjustment	(8,677)	-	-	-	-	(8,677)
30 September 2025	11,162	197,128	38,195	8,997	-	255,482
Net book value						
30 September 2025	648,700	312,718	8,002	778	8,767	978,965
30 September 2024	564,158	260,460	8,979	805	3,044	837,446

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

6. Property, plant and equipment (continued)

The Company:

	Land and buildings	Plant, equipment, furniture, fixtures, and computers	Motor vehicles	Leasehold improvements	Work-in- Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost:						
1 October 2023	500,804	288,436	41,437	20,539	4,013	855,229
Additions	-	11,240	-	-	-	11,240
Disposals	(500,804)	-	-	(20,539)	(4,013)	(525,356)
Transfers to related party	-	(299,676)	(41,437)	-	-	(341,113)
30 September 2024 and 2025	-	-	-	-	-	-
Depreciation						
1 October 2023	-	133,206	25,310	12,872	-	171,388
Charge for the year	-	6,873	1,822	3,970	-	12,665
Relieved on disposals	-	-	-	(16,842)	-	(16,842)
Transfers to related party	-	(140,079)	(27,132)	-	-	(167,211)
30 September 2024 and 2025	-	-	-	-	-	-
Net book value						
30 September 2024 and 2025	-	-	-	-	-	-

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

6. Property, plant and equipment (continued)

The Group's freehold land and buildings are stated at their revalued amounts, being their fair value at date of revaluation less subsequent accumulated depreciation. The fair value measurement was performed on 30 November 2025 by D.C. Tavares & Finson Realty Limited, Independent Valuers. D.C. Tavares & Finson Realty Limited are members of the Real Estate Board of Jamaica and are licensed to practice appraisals. The fair value of the freehold land and buildings is categorised into Level 3 of the fair value hierarchy. Valuation techniques used in measuring the fair value as well as the significant unobservable inputs used are detailed in note 6 consistent with the approach used to value investment properties.

The net book value of freehold land and buildings under the cost model would have been \$648,700,000 (2024: \$672,568,000) for the Group and \$Nil (2024: \$Nil) for the Company. Land and buildings include land at a cost of \$31,000,000 (2024: \$31,000,000) for the Group and \$ Nil (2024: \$ Nil) for the Company.

Gains/(losses) arising on revaluation of land and buildings recognised in OCI was \$29,570,000 (2024:(\$16,391,000)) for the Group and \$Nil (2024: \$84,250,000) for the Company determined as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Revaluation adjustment recognized (Note 18)	29,570	(21,854)	-	-
Deferred taxation on revaluation adjustment (Note 21)	-	5,463	-	84,250
Revaluation gain recognized net of tax	<u>29,570</u>	<u>(16,391)</u>	<u>-</u>	<u>84,250</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

7. Investment properties

	The Group	
	2025	2024
	\$'000	\$'000
Balance at beginning of year	390,500	426,720
Disposals	-	(73,625)
Adjustment	-	(1,595)
Change in fair value, net (note 27)	24,500	39,000
Balance at end of year	415,000	390,500

Investment properties comprise commercial properties and land held for capital appreciation and rental income. Investment properties are valued annually by an independent professional valuer.

Investment properties were valued in November 2025 by D.C. Tavares & Finson Realty Limited, an independent licensed valuator.

Certain of the Group's investment properties are held as collateral against a loan from The Bank of Nova Scotia Jamaica Limited (note 20).

Rental income earned on the commercial properties during the year amounted to \$3,700,000 (2024: \$5,196,000) for the Group and \$Nil (2024: \$ Nil) for the Company. The related expenses totaled \$2,082,574 (2024: \$5,345,689) for the Group and \$Nil (2024: \$ Nil) for the Company.

Changes in fair values are recognised as gains in profit or loss and included in 'other income'. All gains are unrealised.

The fair value measurement for investment properties of \$415,000,000 (2024: \$390,500,000) for the Group and \$Nil (2024: \$Nil) for the Company have been categorised as Level 3 in the fair value hierarchy. The following table shows the valuation techniques used in measuring fair value as well as the significant unobservable inputs used.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

7. Investment properties (continued)

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market based approach The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property market pays no more for the subject property than the cost of acquiring an existing comparable property, assuming no cost delay in making the substitution. The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past. However, as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.	• Details of the sales of comparable properties. • Conditions influencing the sale of the comparable properties. • Comparability adjustment.	The estimated fair value would increase/(decrease) if: • Sale value of comparable properties were higher/(lower). • Comparability adjustment were higher/(lower).

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

8. Intangible assets

	Computer software licenses	
	Group	Company
	\$'000	\$'000
Cost:		
1 October 2023	15,334	7,491
Additions	4,061	3,343
Disposals	(3,470)	(3,470)
Transfers	-	(7,364)
30 September 2024	15,925	-
Additions	1,155	-
30 September 2025	17,080	-
Amortisation:		
1 October 2023	6,134	3,236
Charge for the year	2,928	234
Relieved on disposals	(3,470)	(3,470)
30 September 2024	5,592	-
Charge for the year	3,582	-
30 September 2025	9,174	-
Carrying value:		
30 September 2025	7,906	-
30 September 2024	10,333	-

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

9. Investments in subsidiaries

	The Company	
	2025	2024
	\$'000	\$'000
LTJ Managers Limited Shares	12,872	12,872
H. Mahfood & Sons Limited	5,547	5,547
H. Mahfood & Sons 2020 Limited	30	30
KIW International Limited	67,061	67,061
QWI Investments Limited	358,428	343,358
Bay City Foods Limited	1	1
Caribbean Dreams Foods Limited	3,300,010	3,300,010
	<u>3,743,949</u>	<u>3,728,879</u>

As indicated in note 1(b), during the year the company bought an additional 19,257,704 (2024: 14,538,222) shares in QWI at a cost of \$15,070,000 (2024: \$9,601,000)

10. Due from/(to) subsidiaries

	The Company	
	2025	2024
	\$'000	\$'000
Due from:		
LTJ Managers Limited	66,178	53,055
H. Mahfood & Sons Limited	682,611	744,807
H. Mahfood & Sons 2020 Limited	72,941	65,524
KIW International Limited	-	2,850
QWI Investments Limited	4,882	8,282
Bay City Foods Limited	28,498	88,176
Caribbean Dreams Foods Limited	1,079,783	1,129,014
	<u>1,934,893</u>	<u>2,091,708</u>
Due to:		
KIW International Limited	(42)	-
	<u>1,934,851</u>	<u>2,091,708</u>

Balances due from subsidiaries are interest free, unsecured and have no fixed repayment terms. However, it is not the intention of the Company to demand repayment within the next twelve (12) months.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****11. Right-of-use assets and related lease obligation****(i) Amounts recognized in the Statement of Financial Position**

The Statement of Financial Position shows the following amounts relating to leases: -

Right-of-use assets

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Balance as at beginning of year	-	6,601	-	6,601
Additions	26,714	-	-	-
Amortization	(5,184)	(1,650)	-	(1,650)
Disposals	-	(4,951)	-	(4,951)
Balance as at end of year	<u>21,530</u>	<u>-</u>	<u>-</u>	<u>-</u>

Lease liabilities

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Balance as at beginning of year	-	9,054	-	9,054
Additions	26,714	-	-	-
Lease payments	(5,561)	(1,650)	-	(1,650)
Interest expense	721	125	-	125
Disposals	-	(7,529)	-	(7,529)
Balance as at end of the year	<u>21,874</u>	<u>-</u>	<u>-</u>	<u>-</u>

Comprises:

	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current	13,268	-	-	-
Non-current	8,606	-	-	-
Balance as at end of year	<u>21,874</u>	<u>-</u>	<u>-</u>	<u>-</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

11. Right-of-use assets and related lease obligations (continued)

(ii) Amounts recognized in the Statement of Comprehensive Income

The Statement of Comprehensive Income shows the following amounts relating to leases:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Amortization of right-of-use assets (included in administrative expenses)	5,184	1,650	-	1,650
Interest expense (included in finance costs)	721	125	-	125

(iii) Amounts recognized in the Statement of Cash Flows

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Total cash outflows for leases	5,561	1,650	-	1,650

The Group leases investment properties, which are classified as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

12. Investment securities

	The Group	
	2025	2024
	\$'000	\$'000
<u>Comprises:</u>		
Investment securities at Fair Value through Profit and Loss (FVTPL):		
Trinidad and Tobago quoted equities	41,878	67,144
United States quoted equities	847,555	738,596
Jamaican quoted equities	1,214,212	1,416,900
	<u>2,103,645</u>	<u>2,222,640</u>

Certain of the quoted equities are held as collateral for margin loans and a bank overdraft facility (Note 20 and 24).

Included in Jamaican quoted equities are United States dollar denominated stocks valued at \$Nil (2024: US\$43,413).

13. Inventories

	The Group	
	2025	2024
	\$'000	\$'000
Manufacturing:		
Finished goods	162,288	147,772
Goods in transit	86,864	9,847
Raw material	424,139	444,138
	<u>673,291</u>	<u>601,757</u>
Retail	63,647	42,829
Real estate:		
Housing under construction	452,141	557,270
	<u>1,189,079</u>	<u>1,201,856</u>

For year ended 30 September 2025, inventories valuing \$5,304,887 (2024: \$7,477,328) were written off to the statements of comprehensive income for the Group and \$Nil (2024: \$3,707,000) for the Company.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****14. Receivables**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade receivables	426,088	415,966	96	1,747
Other receivables	69,211	104,272	21,701	48,016
	495,299	520,238	21,797	49,763
Less: Expected credit loss provision (Note 4(a))	(18,056)	(7,182)	-	-
	477,243	513,056	21,797	49,763
Prepayments	54,071	19,837	18,041	6,847
	<u>531,314</u>	<u>532,893</u>	<u>39,838</u>	<u>56,610</u>

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****15. Cash and short-term deposits**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at bank and in hand:				
Cash in hand	2,158	2,038	183	58
Operating and savings deposits	159,975	78,014	73,035	20,823
Term deposits	287,176	273,146	287,175	270,343
	<u>449,309</u>	<u>353,198</u>	<u>360,393</u>	<u>291,224</u>

Cash at bank substantially comprise term, savings and operating accounts at licensed deposit taking institutions in Jamaica. The rate of interest earned on the Group's and Company's term, savings and operating account ranges from 0% to 5.75% (2024: 0% to 8.15%).

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

16. Share capital

(a) Share capital

	2025		2024	
	No. of stock units	\$'000	No. of stock units	\$'000
Authorised:-				
Ordinary shares of no par value	<u>Unlimited</u>		<u>Unlimited</u>	
Stated capital:				
In issue at beginning of year	2,174,730,377	277,442	2,163,405,377	264,942
Exercise of share options (16(b))	<u>4,800,000</u>	<u>3,600</u>	<u>11,325,000</u>	<u>12,500</u>
In issue at end of year – fully paid ordinary stock units of no par value	<u>2,179,530,377</u>	<u>281,042</u>	<u>2,174,730,377</u>	<u>277,442</u>

(b) Share purchase plan (equity-settled):

At the Annual General Meeting (AGM) held on March 2, 2011, the stockholders passed a resolution for 16,000,000 of the authorised but unissued shares of the Company to be set aside as part of a stock option plan for directors and a stock purchase plan for employees, to be issued in two tranches of 8,000,000 shares to be issued between June 2011 and June 2021. The shares allocated for the staff are to be priced as a 10% discount to the last stock market selling price on the date the offer is taken up. The staff will be given a specific time in each year in which to take up the offer and they can access an interest free loan for a three-year term to acquire the shares.

The exercised price of the directors' shares was originally approved at the AGM in 2011 at \$7 each, now \$1.75 per share, adjusted for the 2-for-1 splits that happened between 2011 and 2016. As at September 30, 2020, all shares allocated under tranche one of this authorised option were fully issued or were expired.

At the Annual General Meeting held on March 16, 2016, the shareholders approved a resolution for the second tranche of 8,000,000 shares before the stock split (16 million – post-split) be issued to the directors at a price of \$9 or \$4.50 after the effect of the stock split and that the expiry date of tranches 1 and 2 shall be five years from the date each yearly allotment becomes effective.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

16. Share capital (continued)**(b) Share purchase plan (equity-settled) (continued):**

At the Annual General Meeting (AGM) held on April 12, 2017, the shareholders passed a resolution for the Company to sub-divide its share capital into two (2) shares for each existing shares, resulting in the total number of authorised shares being increased to 1,000,000,000 ordinary shares at no par value and the total number of issued shares being increased to 674,833,460 of no par value with effect from April 19, 2017.

In 2017, five directors exercised options to acquire shares in the Company pursuant to their share option plans to purchase 7,200,000 shares at an exercise price of \$1.75 per share amounting to \$12,600,000.

In 2018, four directors exercised their options to acquire shares in the Company pursuant to their share option plan to purchase 3,200,000 shares at the exercise price of \$1.75 per share amounting \$5,600,000. Also, 800,000 shares were issued to employees pursuant to their employee stock purchase plan amounting \$1,541,000.

In 2019, four directors exercised their option to acquire shares in the Company pursuant to their share option to purchase 3,200,000 shares at the exercise price of \$1.75 per share amounting to \$5,600,000. In addition, 2,100,000 shares were issued to staff pursuant to their employee stock purchase plan amounting to \$3,388,000.

In 2020, four directors exercised their option to acquire shares in the Company pursuant to their share option to purchase 3,200,000 shares at the exercise price of \$1.75 per share amounting to \$5,600,000.

On 17 November 2020 shareholders in an Extraordinary General Meeting approved a resolution that 56,000,000 shares be set aside as part of a stock option plan for Directors and senior executives to be issued between 30 November 2020 and 30 November 2025. The exercise price was \$10 per share before giving effect to the effects of the 3 for 1 share division referred to below.

On 17 November 2020, by way of resolution, the Board approved a 3-for-1 split for ordinary shares, on record on November 30, 2020. This was approved by shareholders at an Extraordinary General Meeting on 17 November 2020.

During 2021, five (5) directors exercised their options, adjusted for splits, to acquire shares in the Company pursuant to their share purchase agreement to purchase 40,800,000 shares at the exercise price of \$0.75 per share, amounting to \$30,600,000, and 1,500,000 shares at the exercise price of \$3.33 per share, amounting to \$4,995,000. In addition, one staff member was issued 9,000,000 shares at the exercise price of \$1.66 per share, amounting to \$15,000,000, pursuant to the employee stock purchase plan.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

16. Share capital (continued)**(b) Share purchase plan (equity-settled) (continued):**

During 2022, three (3) directors exercised their options, to acquire shares in the Company pursuant to their share purchase agreement to purchase 4,800,000 shares at the exercise price of \$0.75 per share, amounting to \$3,600,000, and 2,600,000 shares at the exercise price of \$3.33 per share, amounting to \$8,658,000. In addition, eight (8) staff members were issued 5,055,000 shares at the exercise price of \$1.66 and \$1.33 per share, amounting to \$7,740,000 pursuant to the employee stock purchase plan.

During 2024, three (3) directors exercised their options, to acquire shares in the Company pursuant to their share purchase agreement to purchase 4,800,000 shares at the exercise price of \$0.75 per share, amounting to \$3,600,000. In addition, twenty five (25) staff members were issued 6,525,000 shares at the exercise price of \$1.33 per share, amounting to \$8,900,000 pursuant to the employee stock purchase plan.

During the current year, two (2) directors exercised their options, to acquire shares in the Company pursuant to their share purchase agreement to purchase 4,800,000 shares at the exercise price of \$0.75 per share, amounting to \$3,600,000.

At 30 September 2025 240,320,000 (2024, 190,219,994) share options were unexercised.

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****17. Capital reserves**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
(a) Realised surplus: -				
Gain on disposal on investment property	90,425	90,425	-	-
Gain on disposal of property, plant and equipment	6,759	6,759	-	-
Revaluation reserve, realised*	337,001	337,001	337,001	337,001
Waiver of directors' loan	229	229		-
Gain on disposal of investments	9,553	9,553	3,455	3,455
Capital distributions paid (Note 35)	(97,966)	(54,372)	(97,966)	(54,372)
	346,001	389,595	242,490	286,084
(b) Franked income**	85,905	85,905	25,825	16,455
	<u>431,906</u>	<u>475,500</u>	<u>268,315</u>	<u>302,539</u>

*This represents accumulated surplus on a revalued property that was sold during 2024. The amount has therefore been reclassified from unrealised revaluation reserve to realised capital reserve (note 18).

**This represents dividends and distributions earned from equity investments which have been taxed at source and can therefore be distributed to shareholders free of tax. These amounts have therefore been transferred from retained earnings to a reserve fund.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

18. Revaluation reserves

Revaluation reserves represent unrealised surplus on the revaluation of freehold land and buildings and plant and machinery, and is made up as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Comprising:				
Revaluation gains	101,528	95,944	-	-
Deferred taxation on revaluation gains (Note 21)	-	(23,986)	-	-
Balance at end of year	<u>101,528</u>	<u>71,958</u>	<u>-</u>	<u>-</u>

The movements on revaluation reserves during the year were as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of year	71,958	341,100	-	252,751
Deferred tax revaluation reserve realised	-	84,250	-	84,250
Revaluation reserve, realised	-	(337,001)	-	(337,001)
Revaluation adjustments (Note 6)	29,570	(21,854)	-	-
Less: deferred tax on revaluation adjustment (Note 21)	-	5,463	-	-
Balance at end of year	<u>101,528</u>	<u>71,958</u>	<u>-</u>	<u>-</u>

In prior year, the company sold its land and building. The accumulated surplus on revaluation was reclassified from unrealised revaluation reserve to realised capital reserve (note 17).

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

19. Non-controlling interests

This represents non-controlling interests in the Company's subsidiaries as follows:

	% interest	
	2025	2024
KIW International Limited ("KIW")	44.57%	46.09%
QWI Investments Limited ("QWI")	61.18%	62.87%

The following table summarises the information relating to KIW and QWI that have material non-controlling interests (NCI), before any intra-group eliminations.

	2025			
	KIW	QWI	Intra group elimination	Total
	\$'000	\$'000	\$'000	\$'000
Non-current assets	187,466	2,103,668	-	2,291,134
Current assets	2,038	5,999	-	8,037
Non-current liabilities	-	(140,154)	-	(140,154)
Current liabilities	(5,059)	(202,245)	-	(207,304)
Net assets	184,445	1,767,268	-	1,951,713
NCI share of subsidiary net assets	82,207	1,081,214	(87,392)	1,076,029
Revenue	42,897	66,427	-	109,324
Total comprehensive profit/(loss) for the year	22,587	(10,422)	-	12,165
Comprehensive profit/(loss) allocated to NCIs	10,067	(6,376)	-	3,691
Cashflow from operating	1,807	65,150	-	66,957
Cashflow from investing	-	-	-	-
Cashflow from financing	(4,594)	(104,903)	-	(109,497)
Net decrease in cash and cash equivalents	(2,787)	(39,753)	-	(42,540)

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

19. Non-controlling interests (continued)

	2024			
	KIW	QWI	Intra group	Total
	\$'000	\$'000	\$'000	\$'000
Non-current assets	169,050	-	-	169,050
Current assets	4,821	2,237,381	-	2,242,202
Non-current liabilities	-	(267,982)	-	(267,982)
Current liabilities	(7,418)	(157,585)	-	(165,003)
Net assets	166,453	1,811,814	-	1,978,267
NCI share of subsidiary net assets	76,718	1,138,906	(68,326)	1,147,298
Revenue	9,970	294,226	-	304,196
Total comprehensive losses for the year	8,508	125,958	-	134,466
Comprehensive profit/(loss) allocated to NCIs	3,914	79,177	-	83,091
Cashflow from operating	(1,569)	(56,941)	-	(58,510)
Cashflow from investing	-	-	-	-
Cashflow from financing	1,677	(39,759)	-	(38,082)
Net increase in cash and cash equivalents	108	(96,700)	-	(96,592)

Acquisition of NCI

During 2025, the Group acquired an additional 1.69% interest in QWI Investments Limited increasing its beneficial ownership from 37.13% to 38.82% in QWI Investments Limited and an additional 1.52% interest in KIW International Limited increasing its ownership from 53.91% to 55.43% in KIW International Limited.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

20. Long-term loans

		The Group		The Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Bank of Nova Scotia Jamaica Limited	(a)	8,400	11,878	-	-
Bank of Nova Scotia Jamaica Limited	(b)	10,662	15,590	-	-
Bank of Nova Scotia Jamaica Limited	(c)	166,183	177,000	-	-
Bank of Nova Scotia Jamaica Limited	(d)	11,000	-	-	-
Bank of Nova Scotia Jamaica Limited	(e)	17,960	28,736	-	-
Bank of Nova Scotia Jamaica Limited	(f)	2,250	5,250	-	-
Sagicor Bank Jamaica Limited	(g)	135,485	145,389	-	-
Aegis Capital Corp.	(h)	26,132	88,237	-	-
Vendor's mortgage	(i)	30,000	40,000	-	-
Sagicor Bank Jamaica Limited	(j)	1,498	2,545	1,498	2,545
Sagicor Bank Jamaica Limited	(k)	-	100,000	-	100,000
Sagicor Bank Jamaica Limited	(l)	100,000	-	100,000	-
		509,570	614,625	101,498	102,545
Less: current portion		(203,325)	(174,109)	(101,112)	(101,047)
		<u>306,245</u>	<u>440,516</u>	<u>386</u>	<u>1,498</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

20. Long-term loans (continued)

- (a) This represents a non-revolving term loan facility of \$18,000,000 maturing on 27 January 2028, which was received on 27 January 2023, it attracts interest at 8.5% per annum and is repayable in 60 equal monthly installments of \$300,000.
- (b) This represents a non-revolving term loan facility of \$22,845,000 maturing on 27 January 2028, which was received on 27 January 2023, it attracts interest at 8.5% per annum and is repayable in 60 equal monthly installments of \$380,750.
- (c) This represents a non-revolving term loan facility of \$177,000,000 amortised over 15 years, with 12 months moratorium on the principal payments. The facility was received on 27 October 2024, it attracts interest at 8.0% per annum, repayable in 47 equal monthly installments of \$983,333 and a balloon payment of \$130,783,349 at maturity.
- (d) This represents an unsecured loan facility of \$11,000,000, which was received on 2 September 2025, it attracts interest of 7.5% per annum and is repayable in 60 equal monthly instalments of \$183,333.
- (e) This loan, which was received May 15, 2024, attracts at an interest rate of 7% per annum and is repayable over 22 equal monthly instalments of \$250,000.
- (f) This loan, which was received July 22, 2024, attracts at an interest rate of 7% per annum and is repayable over 35 equal monthly instalments of \$898,110.
- (g) This represents a term loan facility of \$150,000,000 that will be repaid in monthly blended instalments of \$1,940,963 over sixty (60) months with a bullet payment in year five (5) in the amount of \$94,359,599. The facility attracts an interest rate of 9.5% per annum.
- (h) This represents a margin facility provided by Aegis Capital Corp. to a subsidiary to acquire securities held on its own account; the facility bears interest of 11.75% (2024: 11.25%).
- (i) This loan was received in July 2022, it attracts interest of 6.5% per annum on outstanding balances. Interest only was repayable within the first twelve months of the loan in equal instalments of \$162,500. The principal was originally repayable in a bullet payment on 30 July 2024 and is now repayable on demand.
- (j) This loan was received in 2024 and attracts interest at a rate of 9.5% per annum. The loan is repayable over a period of 60 months in instalments of \$1,666,667.
- (k) This loan was received in June 2024 and attracted interest at a rate of 9.5% per annum. Interest-only payments were due over the term of the loan, with the principal repayable in a single bullet payment upon maturity in March 2025. The loan was repaid at maturity.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

20. Long-term loans (continued)

- (l) This loan was received on 28 February 2025 and bears interest at a rate of 9.5% per annum. Interest-only payments are due over the term of the loan, with the principal repayable in a single bullet payment upon maturity on 28 February 2026.

Loans (a) to (d) are secured by:

- (i) Demand debenture creating a first fixed charge over all the assets of the company and supported by:
 - Unlimited guarantee by H Mahfood & Sons Limited;
 - Limited guarantee by Bay City Foods Ltd.
- (ii) Debenture to be stamped and supported by 1st Legal Mortgages to be stamped collaterally to Debenture over commercial real estate located at Lots 4 & 6 part of J.I.D.C. Industrial Estate in Temple Hall, St. Andrew, Certificate of Titles at Volume 1194 Folios 5 & 7, to be registered in the name of Caribbean Dreams Foods Limited.
- (iii) General Security Agreements in the name of Caribbean Dreams Foods Limited over Horizontal Form-Fill-Seal (HFFS) machine and Universal Pack BU4T square teabag machine purchased.

Loans (e) and (f) are secured by:

- (iv) 2nd Legal Mortgage to be stamped over commercial real estate located at 9 Chancery Street, Kingston. CoT registered at Vol. 1378 Fol. 211, Lot 399, in the name of H Mahfood & Sons Limited. (A.V by K.B. Real Estate Co Ltd.)
- (v) Assignment of peril insurance policies in aggregate, over commercial properties & contents located at: 9 Chancery Street, Kingston. Endorsement held by the Bank.
- (vi) Unlimited guarantee H. Mahfood & Sons Limited.
- (vii) Unlimited guarantee Jamaican Teas Limited.

Loan (g) is secured by:

- (viii) investments charged in favour of the bank valued at \$314 million.

Loan (h) is collateralized by:

- (ix) securities held with a brokerage firm

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025**

20. Long-term loans (continued)

Loan (i) is secured by:

- (x) mortgage stamped to cover \$45,000,000 over property, being all that parcel of land part of Green Glebe Mountain in the parish of Saint Andrew, registered at Volume 1566 Folio 29 Registered in the name LTJ Managers Limited.

Loan (j) is secured by:

- (xi) security agreement over sterilized equipment valued at \$5,309,000 (in registrable form).

Loan (k) was secured by:

- (xii) a pledge over the company's shares held in a subsidiary. Under the terms of the security arrangement, the lender holds a charge over the pledged shares as collateral for the loan, which may be enforced in the event of default in accordance with the loan agreement.

Loan (l) is secured by:

- (xiii) a pledge over the company's shares held in a subsidiary. Under the terms of the security arrangement, the lender holds a charge over the pledged shares as collateral for the loan, which may be enforced in the event of default in accordance with the loan agreement.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

21. Deferred tax liabilities

Deferred tax liabilities is calculated in full on all temporary differences under the liability method using the applicable tax rate.

Deferred tax liabilities recognised on the statement of financial position are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax liabilities	<u>(48,505)</u>	<u>(44,969)</u>	<u>(717)</u>	<u>(1,869)</u>

The movement on the net deferred tax assets/(liabilities) balance is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Net liabilities at the beginning of year	(44,969)	(34,642)	(1,869)	(104,905)
Deferred tax (charged)/credited to profit and loss (Note 32)	(3,536)	(15,790)	1,152	18,786
Deferred tax credited to OCI (Note 18)	-	5,463	-	84,250
Net liabilities at the end of year	<u>(48,505)</u>	<u>(44,969)</u>	<u>(717)</u>	<u>(1,869)</u>

Jamaican Teas Limited**Notes to the Financial Statements
30 September 2025****21. Deferred tax liabilities (continued)**

Deferred tax liabilities is attributable to the following items:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax liabilities:				
Unrealised revaluation surplus on property, plant and equipment (Note 18)	(23,986)	(23,986)	-	-
Accelerated tax depreciation on property, plant and equipment	(48,137)	(28,534)	-	-
Right-of-use assets, net of lease obligations	153	110	-	-
Interest payable	-	50	-	-
Unrealised gains on investment	(105,775)	(114,561)	-	-
Unrealised gains on investment properties	(3,557)	(26,085)	-	-
Unutilised tax losses	155,616	145,470	-	-
Unrealised foreign exchange gains	(6,033)	(3,945)	(717)	(1,869)
Expected credit losses allowance	4,469	937	-	-
Other	(21,255)	5,575	-	-
Net deferred tax liabilities at end of year	<u>(48,505)</u>	<u>(44,969)</u>	<u>(717)</u>	<u>(1,869)</u>

The amounts shown in the statement of financial position include the following:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax liabilities to be settled:				
- after more than 12 months	<u>(48,505)</u>	<u>(44,969)</u>	<u>(717)</u>	<u>(1,869)</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

22. Payables

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade payables	227,100	200,857	1,235	3,250
Due to brokers*	3,580	11,485	-	-
Other payables	239,191	107,710	32,192	21,634
	<u>469,871</u>	<u>320,052</u>	<u>33,427</u>	<u>24,884</u>

* Due to brokers represents investments purchase transactions through a brokerage firm awaiting settlement.

23. Short-term loans

		The Group		The Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Demand loans	(a)	55,565	72,314	55,565	72,314
Other loans	(b)	20,338	23,616	20,337	23,617
Insurance premium financing	(c)	1,177	665	-	-
		<u>77,080</u>	<u>96,595</u>	<u>75,902</u>	<u>95,931</u>

(a) These loans are due to related parties and attract interest at a rate of 6% per annum. These loans are not secured and have no fixed repayment terms and are payable on demand (see note 37).

(b) Other loans include mainly credit card balances which are unsecured and have no fixed repayment terms. Interest is charged at the rates of 12.95% per annum. Interest is charged on outstanding balances not paid by the due date. The Group normally repays amounts owing on or before the due date.

A credit card not exceeding \$45,000,000, was granted to assist with business expenses and working capital support.

(c) This represents insurance premium financing which bears interest at 6.05% (2024: 6.05%) per annum and is payable in equal monthly instalments. The loan is repayable on March 16, 2026.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

24. Bank overdraft

		The Group		The Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Bank of Nova Scotia Jamaica Limited	(a)	41,073	96,646	-	5,924
Sagicor Bank Jamaica Limited	(b)	94,988	57,040	-	-
Jamaica Money Market Brokers Limited	(c)	92	-	-	-
		<u>136,153</u>	<u>153,686</u>	<u>-</u>	<u>5,924</u>

- (a) A subsidiary of the Company operates an approved overdraft facility not exceeding \$140 million at a rate of 9% per annum which is granted to provide working capital support and for general business-related expenses.

As at 30 September 2025, another subsidiary's assets were charged in the sum of \$102,972,718 (2024: \$106,053,447) in favour of The Bank of Nova Scotia Limited. The assets charged, comprised listed shares owned by the Company and were pledged to secure an overdraft facility of \$50,000,000 at an interest rate of 8% (2024:8.5%) per annum. As at the reporting year end, the balance outstanding under this facility is \$41,765,190 (2024: \$41,765,190).

- (b) A subsidiary of the Company operates approved overdraft facility with Sagicor Bank Jamaica Limited at a limit of \$30 million at a rate of 9% per annum granted to provide working capital support and for general corporate purposes and/or business-related expenses.

Interest is calculated in respect of the amount for the time being overdrawn under the facility on the basis of the number of days elapsed at a rate equivalent to 9% per annum. Interest so calculated will be payable monthly in arrears.

As at 30 September 2025, another subsidiary's assets were charged in the sum of \$400 million in favour Sagicor Bank Jamaica Limited to secure an overdraft facility of \$200 million at an interest rate of 9.5%. This subsidiary also issued a demand debenture of \$200 million over its investments. As at the reporting year end, the balance outstanding under this facility is \$94,988,000 (2024: \$57,070,490).

- (c) This represents cheques drawn by the company not yet presented to the bank.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

25. Operating revenue

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Export sales - manufacturing	1,637,040	1,343,164	-	304,553
Domestic sales - manufacturing	846,148	799,626	-	229,014
Retail sales	868,254	779,497	-	-
Sale and rental of properties	123,234	258,690	-	-
Investments	-	3,789	-	-
	<u>3,474,676</u>	<u>3,184,766</u>	<u>-</u>	<u>533,567</u>

Revenue represents the price of goods sold or services rendered to customers and is stated net of discounts and allowances and General Consumption Tax.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

26. Expenses by nature

(a) Cost of operating revenue	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cost of inventories recognised as expense	2,353,736	2,200,193	-	318,396
Inventory write-offs	-	7,477	-	3,707
Depreciation	29,099	18,523	-	3,982
Amortization of intangible asset	1,787	1,486	-	-
Amortization of R.O.U.	5,184	-	-	-
Machinery repairs and	27,444	25,296	-	8,850
Staff costs (Note 31)	239,161	212,302	-	50,228
Utilities	27,975	33,806	-	8,245
Other costs of operating revenue	40,724	78,070	-	16,764
	<u>2,725,110</u>	<u>2,577,153</u>	<u>-</u>	<u>410,172</u>
(b) Administrative expenses				
Amortization – R.O.U	-	1,650	-	1,650
Amortization of intangible	1,795	1,442	-	234
Audit fee	19,840	22,419	1,650	3,495
Bad debt expense	-	1,855	-	1,830
Depreciation - admin	26,113	23,178	-	8,683
Director's emoluments:				
- Fees	14,606	16,601	7,156	7,209
- Management remuneration	19,810	20,985	19,810	20,985
Impairment losses	112	5,590	-	-
Insurance	52,043	46,932	3,747	13,564
Investment committee fees	15,213	33,871	-	-
Irrecoverable General Consumption Tax	8,743	8,727	-	-
Legal and professional fees	21,504	22,545	1,657	3,355
Local and overseas travel	38,141	18,383	2,013	3,327
Motor vehicle repairs and	8,737	1,603	333	1,603
Other administration expense	102,323	99,827	28,025	41,150
Property tax	298	-	-	-
Rental and security	26,003	25,738	-	2,153
Staff costs (Note 31)	157,701	85,152	38,361	35,527
Utilities	10,174	10,464	2,827	4,022
	<u>523,156</u>	<u>446,962</u>	<u>105,579</u>	<u>148,787</u>
(c) Selling and distribution expenses:				
Advertising and promotions	<u>38,618</u>	<u>47,471</u>	<u>265</u>	<u>15,745</u>
(d) Impairment losses/(gains) recognised on:				
Trade receivables (Note 4(a))	10,874	3,722	-	(3,460)
Other receivables (Note 4(a))	-	-	-	-
Related party (Note 4(a))	-	-	-	-
	<u>10,874</u>	<u>3,722</u>	<u>-</u>	<u>(3,460)</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

27. Other income

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest income	18,902	8,553	18,748	8,553
Rental income	1,726	-	-	4,000
Dividend income	37,740	49,634	9,370	-
Gain on disposal of right-of-use and lease	-	2,579	-	2,579
Realised loss on sale of investments	(13,180)	(5,436)	-	-
Realised loss on the sale of investment property	-	(7,955)	-	-
Increase in fair value of investment properties (note 7)	24,500	39,000	-	-
Foreign exchange gain, net	24,134	15,779	2,871	7,478
Management fees	-	-	94,728	74,056
Miscellaneous income	501	7,400	-	5,423
	<u>94,323</u>	<u>109,554</u>	<u>125,717</u>	<u>102,089</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

28. Operating profit

In arriving at the operating profit, the following have been charged/(credited): -

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Auditors' remuneration	19,840	22,419	1,650	3,495
Amortization of intangible assets	3,582	2,928	-	234
Depreciation (note 6)	55,212	41,701	-	12,665
Amortization – R.O.U (note 11)	5,184	1,650	-	1,650
Directors' emoluments:				
- Fees	14,606	16,601	7,156	7,209
- Management remuneration	19,810	20,985	19,810	20,985
Gain on disposal of manufacturing business (note 30)	-	-	-	(3,300,000)
(Gain)/loss on disposal of property, plant and equipment	(690)	100,810	-	100,810
Staff costs (Note 31)	<u>396,862</u>	<u>297,454</u>	<u>38,361</u>	<u>85,755</u>

29. Gain on settlement of debt instrument

This represented the gains arising from the settlement of a trade debt on behalf of a subsidiary in 2024.

Jamaican Teas Limited

Notes to the Financial Statements

30 September 2025

30. Gains on disposal of manufacturing business

On 2 January 2024, the company sold the tea manufacturing business (as a going concern) to its subsidiary (Caribbean Dreams Foods Limited). As per the Deed of Purchase and Sale of Manufacturing Business, the company sold all of its rights, title, interest and property in and to the Assets and Manufacturing Business. The sale included, machinery and equipment, computer software, customers list, trade secrets and licensing.

The fair value of the identifiable assets and liabilities of the division as at the date of the sale were:

	Total
	\$'000
Non-current assets	
Property, plant and equipment	169,423
Intangible assets	7,364
	<u>176,787</u>
Current assets	
Inventories	<u>548,420</u>
Fair value of net assets	<u><u>725,207</u></u>
	Jamaican Teas
	Limited –
	Manufacturing
	Division
	\$'000
Sale proceeds	4,025,207
Less: Fair value of net assets sold	<u>(725,207)</u>
	<u><u>3,300,000</u></u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

31. Staff costs

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	329,591	211,788	31,957	77,330
Pension	5,279	3,739	1,227	1,731
Other employee benefits	61,992	81,927	5,177	6,694
	<u>396,862</u>	<u>297,454</u>	<u>38,361</u>	<u>85,755</u>
Included in profit or loss as:				
Direct manufacturing labour				
(Note 26(a))	239,161	212,302	-	50,228
Administration (Note 26(b))	157,701	85,152	38,361	35,527
	<u>396,862</u>	<u>297,454</u>	<u>38,361</u>	<u>85,755</u>

32. Taxation

- (a) Taxation is computed at 25% of the profit for the year adjusted for taxation purposes and comprises:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current tax expense:				
Current tax expense- current year	36,008	87,920	-	34,825
Urban renewal tax relief	-	(5,207)	-	-
	<u>36,008</u>	<u>82,713</u>	<u>-</u>	<u>34,825</u>
Deferred tax expense (Note 21)	3,536	15,790	(1,152)	(18,786)
	<u>39,544</u>	<u>98,503</u>	<u>(1,152)</u>	<u>16,039</u>

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

32. Taxation (continued)

- (b) The taxation charged in the statement of comprehensive income differs from the theoretical amount that would arise using the appropriate income tax rate:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Profit before taxation	269,562	305,812	5,819	3,328,816
Tax calculated at the appropriate rate @ 25%	67,391	76,453	1,455	832,204
Adjusted for the effects of: -				
Expenses not allowed for tax purposes	579	48,657	1	22,415
Employment Tax Credit	(12,879)	(14,860)	-	(13,580)
Urban renewal tax effect	-	(5,207)	-	-
Effect of gains on investments properties	(2,125)	4,327	-	-
Other charges and allowances	(6,110)	1,531	(265)	-
Fair value gains	-	(2,450)	-	-
Dividend income	(2,526)	(3,646)	(2,343)	-
Deferred tax asset not recognised	(786)	323	-	-
Income not allowed for tax purposes	(4,000)	(6,625)	-	-
Gain on sale of business not subjected to tax	-	-	-	(825,000)
	39,544	98,503	(1,152)	16,039

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

32. Taxation (continued)

- (c) As at September 30, 2025, subject to the agreement of The Commissioner, Tax Administration Jamaica, tax losses available for offset against future taxable profits for the Group aggregated \$656,754,403 (2024: \$609,043,000) and \$Nil (2024: \$Nil) for the Company. As at January 1, 2014, tax losses may be carried forward indefinitely; however, the amount that can be utilised in any one year is restricted to 50% of the current year's taxable profits.

(d) Remission of income tax

By notice dated August 13, 2009, the Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) (Remission) Notice, 2009. The Notice effectively granted a remission of income tax to eligible companies that were admitted to the Junior Market of the Jamaica Stock Exchange (JMSE) if certain conditions were achieved after the date of initial admission

Effective July 3, 2010, the Company's shares were listed on the JMSE. Consequently, the Company is entitled to a remission of income taxes for ten years in the proportion set out below, provided the shares remain listed for at least 15 years.

Years 1 to 5: (July 1, 2010 – June 30, 2015) – 100%

Years 6 to 10: (July 1, 2015 – June 30, 2020) – 50%.

The financial statements have been prepared on the basis that the Company does not have the benefit of further tax remissions, as these have now fully expired.

- (e) By notice dated April 30, 2019, the Minister of Finance and the Public Service issued a gazette in favour of a subsidiary within the Group, designating it as an Approved Developer as cited by the Urban Renewal Act. The order is effective from 2019 to 2029. With this gazette, the subsidiary receives tax relief under the Urban Renewal (Tax Relief) Act for all developments undertaken on the gazetted property.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

33. Segment financial information

	2025				
	Manufacturing	Retailing	Real Estate	Investments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Gross revenue	2,485,411	872,745	131,034	-	3,489,190
Inter-segment revenue	(2,222)	(4,492)	(7,800)	-	(14,514)
Revenue from external customers	2,483,189	868,253	123,234	-	3,474,676
Segment profit	276,386	53,405	(2,311)	(14,444)	313,036
Loss on disposal of property, plant and equipment	690	-	-	-	690
Finance costs	(30,749)	-	(2,237)	(11,178)	(44,164)
Profit before taxation	246,327	53,405	(4,548)	(25,622)	269,562
Taxation charge					(39,544)
Non-controlling interest					(3,691)
Profit attributable to equity holders of the parent					226,327
Segment assets	2,393,005	121,551	1,080,738	2,111,684	5,706,978
Segment liabilities	854,318	76,352	16,661	342,578	1,289,909
<u>Other segment information</u>					
Capital expenditure	183,059	11,789	-	-	194,848
Depreciation and amortization	55,842	8,136	-	-	63,978
Fair value gains from revaluation of investments at FVTPL	-	-	-	41,795	41,795
Other income	43,422	1,747	24,500	24,654	94,323

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

33. Segment financial information (continued)

	2024				
	Manufacturing	Retailing	Real Estate	Investments	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Gross revenue	2,142,790	789,894	258,690	3,789	3,195,163
Inter-segment revenue	-	(10,397)	-	-	(10,397)
Revenue from external customers	2,142,790	779,497	258,690	3,789	3,184,766
Segment profit	138,282	49,159	21,591	254,572	463,604
Loss on disposal of property, plant and equipment	(100,810)	-	-	-	(100,810)
Finance costs	(28,073)	(1,031)	-	(27,878)	(56,982)
Profit before taxation	9,399	48,128	21,591	226,694	305,812
Taxation charge					(98,503)
Non-controlling interest					(83,091)
Profit attributable to equity holders of the parent					124,218
Segment assets	1,933,066	174,994	735,258	2,705,974	5,549,292
Segment liabilities	713,502	115,687	3,303	444,365	1,276,857
<u>Other segment information</u>					
Capital expenditure	469,670	36,260	-	-	505,930
Depreciation and amortization	40,812	5,467	-	-	46,279
Fair value gains from revaluation of investments at FVTPL	-	-	-	244,592	244,592
Other income	75,993	1,829	5,232	26,500	109,554

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

34. Earnings per share

a) Basic earnings per ordinary stock unit

Basic earnings per stock unit are calculated by dividing the net profits attributable to members by the number of stock units in issue during the year.

	The Group	
	2025	2024
Net profit attributable to stockholders (\$'000)	226,327	124,218
Weighted average number of ordinary stocks units in issue, basic	2,175,979,692	2,168,580,377
Basic earnings per stock unit (cents)	10.40	5.73

b) Diluted earnings per ordinary stock unit

Diluted earnings per stock unit are calculated by dividing the profit attributable to ordinary shareholders by a weighted number of ordinary stock units outstanding after adjustment for the effects of all potential dilutive ordinary shares.

	The Group	
	2025	2024
Net profit attributable to stockholders (\$'000)	226,327	124,218
Weighted average number of fully diluted stock units in issue	2,416,299,692	2,358,800,371
Diluted earnings per stock unit (cents)	9.37	5.27

The weighted average number of fully diluted stock units was arrived at as follows:

	The Group	
	2025	2024
	No. of stock units	No. of stock units
Weighted average number of stock units in issue, basic	2,175,979,692	2,168,580,377
Effect of unexercised share options, weighted average	240,320,000	190,219,994
Weighted average number of fully diluted stock units at September 30	2,416,299,692	2,358,800,371

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

35. Capital distributions

	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>
Capital distributions paid (Note 17)	<u>43,594</u>	<u>54,372</u>

At Board of Directors meeting held on 28 July 2025, it was resolved that the Company shall on 4 September 2025 pay, or cause to be paid, a capital distributions to the Company's shareholders of record on 12 August 2025, in the amount of Forty-Three Million, Five Hundred and Ninety-Three Thousand, Six Hundred and Seven Dollars and Fifty-Four Cents Jamaican currency J\$43,593,607.54 (2024:J\$54,372,009.43) in the aggregate.

36. Dividends attributable to Non-Controlling Interests

During the year, a subsidiary paid total dividends of \$34,125,005 to its shareholders. Of this amount \$21,359,869 was attributable to non-controlling interests (NCI). Dividends paid and payable to non-controlling interests are recognised as equity transactions and are presented as a deduction from non-controlling interests within equity in the consolidated financial statements and do not affect profit or loss attributable to the owners of the Parent Company. The Group also comprises other wholly owned subsidiaries and, accordingly, no non-controlling interest arises in respect of dividends paid by those entities.

Jamaican Teas Limited

Notes to the Financial Statements 30 September 2025

37. Related party balances and transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Related party transactions and balances are recognised and disclosed below for the following:

- (a) Enterprises over which a substantial interest in the voting power is owned by a key management personnel, including directors and officers and close members of families; or
- (b) Enterprises over which such a person, in (a) above, is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the Group.

The tables below detail related party balances and transactions:

	The Company	
	2025	2024
	\$'000	\$'000
(a) Due from subsidiaries (Note 10):		
Bay City Foods Limited	28,498	88,176
H. Mahfood & Sons Limited	682,611	744,807
H. Mahfood & Sons 2020 Limited	72,941	65,524
KIW International Limited	-	2,850
LTJ Managers Limited	66,178	53,055
QWI Investments Limited	4,882	8,282
Caribbean Dreams Foods Limited	1,079,783	1,129,014
	<u>1,934,893</u>	<u>2,091,708</u>
Due to subsidiaries (Note 10):		
KIW International Limited	<u>42</u>	<u>-</u>

Jamaican Teas Limited**Notes to the Financial Statements**
30 September 2025**37. Related party balances and transactions (continued)**

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
(b) Due from/ (to) related Company: Amalgamated Distributors Limited (ADL) (related by common directors):				
Due from*	-	-	-	-
Due to***	-	-	-	-
(c) Trade payables due to close family member of a director ***	-	-	-	-
(d) Due to directors **	3,212	9,362	3,212	9,362
(e) Short-term borrowings due to a director and close family	52,353	62,952	52,353	62,952
	55,565	72,314	55,565	72,314
(f) Directors' emoluments:				
Fees	14,606	16,601	7,156	7,209
Management	19,810	20,985	19,810	20,985
(g) Transactions with related parties and subsidiaries-				
Sale of goods - ADL				
Advertising and publishing - ADL	-	-	-	-
Management fees: - subsidiaries	-	-	94,728	74,056
Gain on disposal of manufacturing business	-	-	-	3,300,000
Sale of investment property- to close family members of director	-	-	-	-
QWI loan interest income	-	-	-	-

*Included in receivables (note 14)

** Included in short term borrowings (note 23)

*** Included in payables (note 22)

These amounts are not secured and have no fixed repayment terms and are payable on demand.

Jamaican Teas Limited

Notes to the Financial Statements

30 September 2025

38. Pension scheme

The Group contributes to various multi-employer, defined contribution pension scheme, including, inter-alia, the “Jamaican Teas Limited Group Superannuation Fund”. Membership to these schemes are open to all permanent employees and they are administered by various providers. The schemes are funded by combined contributions of the employers and employees.

Contributions during the year amounted to \$5,279,000 (2024: \$3,739,000) for the group and \$1,226,700 (2024: \$1,731,000) for the company.

39. Contingent liabilities and commitments

- (a) In the normal course of business, the Group is subject to various claims, disputes and legal proceedings, which occur as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its legal advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.
- (b) In respect of claims asserted against the Group, which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both the financial position and financial performance.

40. Impact of Hurricane Melissa

On Tuesday, October 28, 2025 a Category 5 Hurricane (Hurricane Melissa) impacted Jamaica, with severe effects in certain parishes, notably the western and north-western parts of the island. The government of Jamaica has reported that the hurricane has resulted in extensive damage to national infrastructure, displacement of residents, and disruption of business operations. In accordance with the Disaster Risk Management Act, Jamaica was officially declared a disaster area effective October 28, 2025.

Based on management’s assessment as at the reporting date, the group suffered no damage to its premises at Temple Hall nor to the supermarket on Chancery Street or the unsold studios at Belvedere.

Management is of the view that although the damage caused by the hurricane may adversely affect local demand for at least the first half of 2025/26, if not longer, the impact on the group will not be devastating as two thirds of the group’s manufacturing sales are exported to countries that suffered no ill effects from Melissa.

Regarding the investment division, management is of the view that it is too early to fully assess the impact of the hurricane as some of their investees will certainly be adversely affected while some will not.