



INTERIM REPORT

**(THREE MONTHS)
31 MARCH 2025**



INTERIM REPORT TO OUR STOCKHOLDERS

GraceKennedy (GK) is pleased to report its financial results for the first quarter of 2025. For the three months ended March 31, 2025, GK achieved revenues of J\$44.22 billion, representing an increase of 4.4% or J\$1.87 billion over the corresponding period in 2024. Profit before tax (PBT) was J\$3.16 billion, 0.4% or J\$12.70 million higher than prior year. Net profit after tax for the period was J\$2.31 billion, representing an increase of 0.4% or J\$9.27 million. Net profit attributable to stockholders was J\$2.22 billion, 3.0% or J\$64.18 million higher than the corresponding period in 2024. Earnings per stock unit for the period was J\$2.25 (2024: J\$2.18).

In keeping with GK's commitment to deliver value to our shareholders, we are pleased to announce our second dividend payment for 2025. A dividend of J\$0.52 per stock unit will be made payable to our shareholders on June 20, 2025, totalling approximately J\$516 million.

Performance of Business Segments

Foods

GraceKennedy Foods delivered a strong first-quarter performance in 2025, with both revenue and profit before tax exceeding the corresponding period in the previous year, despite an economic environment marked by softening demand and escalating global trade tensions.

In Jamaica, our food distribution businesses delivered revenue growth, led by Grace Foods & Services, which achieved increased profitability through effective margin management and cost-saving initiatives. Our food retail business, Hi-Lo Food Stores, also recorded improved profits. Our manufacturing businesses, led by Grace Foods Processors (Meats) and Grace Foods Processors (NALCAN), performed well, due to strong uptake of key products. Internationally, GraceKennedy Foods USA LLC delivered a strong quarter, with notable growth in both the *Grace* and *La Fe* brands. Grace Foods Canada Inc. and Grace Foods UK also recorded improved financial performances.

We continue to make steady progress in expanding our presence in the food service channel and are working to enhance supply chain efficiency and service delivery across our food business. In January, we finalized an agreement to acquire the remaining 30% stake in Catherine's Peak Bottling Company Limited, which is now a wholly owned subsidiary of GraceKennedy. This move further strengthens our presence in Jamaica's spring water market, aligning with our strategy to build a portfolio of leading Jamaican brands with global potential. We also continued to proactively manage the evolving global tariff landscape by implementing a range of measures to enhance resilience and protect our consumers, including optimizing our sourcing strategies and reinforcing inventory and cost management.

Financial Services

GraceKennedy Financial Group (GKFG) recorded revenue growth in the first quarter of 2025 compared to the same period in 2024. Profits increased in both our Insurance and Banking & Investments segments.

The strong performance of our Insurance segment was driven by growth in our motor and property insurance portfolios. Our Banking & Investments segment's improved profitability was driven by the expansion of the loan portfolio at our Jamaican commercial bank, First Global Bank. These results highlight the successful execution of our strategy to diversify our financial services businesses, positioning GKFG for sustainable long-term growth.

We also continue to advance key strategic initiatives within our Insurance segment. In March GKFG announced its bid to acquire the remaining 27% stake in Key Insurance Company Limited which it does not already own. The offer, which opened on March 24, aligns with our strategy to deepen our presence in the general insurance market while delivering added value to our customers and shareholders.

Our Money Services segment recorded a decline in profits year over year, largely attributed to reduced remittance flows and transaction volumes in Guyana and Trinidad & Tobago. This decline was partially offset by the continued growth of our market share in Jamaica, which is our largest remittance market. While there has been notable short-term pressure on overall earnings in this segment, we expect long-term benefits from our digital remittance platform – the *GK One* app – as it scales up and operational efficiencies improve.

The *GK One* app continues to be the key driver of GKFG's digital transformation, offering an efficient channel for delivering financial services. In 2025, *GK One* has maintained its position as Jamaica's leading digital wallet for remittances. New app features include bill payment via credit and debit card; *GK One Send*, which enables transfers to bank accounts in the USA, UK, and Canada, as well as over 400,000 Western Union locations worldwide; and *Direct to Wallet*, which allows app users to receive funds straight to their *GK One* mobile wallet. Plans are underway to launch the app in the Cayman Islands, Guyana, and Trinidad & Tobago this year, further strengthening our regional footprint and opening new avenues for growth.

We Care

GraceKennedy remains deeply committed to supporting the communities we serve around the world, embodying our *We Care* ethos.

We celebrated our 18th year as title sponsor of the ISSA/GraceKennedy Boys' and Girls' Championships (Champs) in 2025, which was held between March 25 and 29 at the National Stadium in Kingston. With this year's contributions valued at over J\$185 million, including executions by Grace Foods & Services, GraceKennedy Money Services/Western Union (GKMS/WU), and First Global Bank, Champs remains GK's largest annual sponsorship. This year's Champs celebrated The Honourable Don Wehby, OJ, CD, our recently retired GK Group CEO, with a special tribute, including the presentation of a Lifetime Achievement Award from the Government of Jamaica in recognition of his significant contributions to youth and sports development in Jamaica.

GraceKennedy remains steadfast in our commitment to driving growth and innovation across all our business segments, and to making a positive impact on the communities we serve. Guided by our core values – *Honesty, Integrity, Trust, Commitment, Humility, and Respect* – we continue to build on our strong foundation, with a clear focus on delivering value to all our stakeholders. We are positioning ourselves for continued success in 2025 and the years ahead. We thank all our stakeholders for your continued trust and support as we work toward achieving our vision of becoming *the number one Caribbean brand in the world*, serving our customers and communities with excellence.

We are GraceKennedy. Unlocking Value. Unleashing Greatness.



Gordon V. Shirley, OJ
Chairman



Frank James
Group Chief Executive Officer

May 15, 2025

GraceKennedy Limited

CONSOLIDATED INCOME STATEMENT THREE MONTHS ENDED 31 MARCH 2025 (Unaudited)

	3 months to 31/03/2025 \$'000	3 months to 31/03/2024 \$'000
Revenue from products and services	42,421,244	40,681,861
Interest revenue	1,794,834	1,664,432
Revenues (Note 2)	44,216,078	42,346,293
Direct and operating expenses	(42,283,576)	(40,348,862)
Net impairment losses on financial assets	(140,362)	(127,389)
Expenses	(42,423,938)	(40,476,251)
Profit before other income	1,792,140	1,870,042
Other income	1,175,437	1,119,622
Profit from Operations	2,967,577	2,989,664
Interest income – non-financial services	212,694	175,280
Interest expense – non-financial services	(510,239)	(463,097)
Share of results of associates and joint ventures	489,127	444,614
Profit before Taxation	3,159,159	3,146,461
Taxation	(852,973)	(849,544)
Net Profit for the period	2,306,186	2,296,917
Profit attributable to:		
Owners of GraceKennedy Limited	2,222,399	2,158,219
Non-controlling interests	83,787	138,698
	2,306,186	2,296,917

Earnings per Stock Unit for profit attributable to the
owners of the company during the period:
(expressed in \$ per stock unit):

Basic	\$2.25	\$2.18
Diluted	\$2.23	\$2.16

GraceKennedy Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

THREE MONTHS ENDED 31 MARCH 2025

(Unaudited)

	3 months to 31/03/2025 \$'000	3 months to 31/03/2024 \$'000
Profit for the period	2,306,186	2,296,917
Other comprehensive income:		
<i>Items that will not be reclassified to profit or loss:</i>		
Gains on revaluation of land and buildings	14,297	5,036
Changes in fair value of equity instruments at fair value through other comprehensive income	(8,248)	46,642
Remeasurements of post-employment benefit obligations	81,454	73,371
	87,503	125,049
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Foreign currency translation adjustments	455,978	(138,399)
Changes in fair value of debt instruments at fair value through other comprehensive income	23,498	(14,604)
Share of other comprehensive income of associates and joint ventures	37,509	(9,382)
	516,985	(162,385)
Other comprehensive income for the period, net of tax	604,488	(37,336)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,910,674	2,259,581
Total comprehensive income attributable to:		
Owners of GraceKennedy Limited	2,812,116	2,124,416
Non-controlling interests	98,558	135,165
	2,910,674	2,259,581

GraceKennedy Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 MARCH 2025

(Unaudited)

	31 March 2025 \$'000	31 December 2024 \$'000	31 March 2024 \$'000
ASSETS			
Cash and deposits	26,332,965	23,186,348	25,668,893
Investment securities	60,902,375	63,786,725	57,070,640
Pledged assets	185,054	78,777	961,619
Receivables	24,403,176	20,409,927	23,423,524
Inventories	22,235,878	23,524,544	20,346,857
Loans receivable	46,925,828	44,694,263	41,992,034
Taxation recoverable	1,855,855	2,157,503	1,959,531
Investments in associates and joint ventures	7,259,635	6,737,995	5,523,218
Investment properties	1,561,817	1,556,595	1,431,600
Intangible assets	11,183,609	10,814,162	11,023,834
Fixed assets	33,649,056	33,781,349	30,194,099
Deferred tax assets	1,608,615	1,504,596	1,656,497
Pension plan asset	4,492,155	4,408,661	4,549,041
Total Assets	242,596,018	236,641,445	225,801,387
LIABILITIES			
Deposits	68,899,256	66,408,158	61,976,266
Securities sold under agreements to repurchase	175,231	75,000	951,874
Bank and other loans	32,523,415	31,095,924	33,047,533
Payables	24,604,688	25,009,853	24,105,668
Insurance contract liabilities	11,338,602	11,647,146	10,089,620
Taxation	1,688,644	1,983,111	1,744,192
Provisions	56,887	55,541	53,198
Deferred tax liabilities	1,658,030	1,513,587	1,651,156
Other post-employment obligations	7,677,756	7,446,261	6,714,404
Total Liabilities	148,622,509	145,234,581	140,333,911
EQUITY			
Capital & reserves attributable to the company's owners			
Share capital	473,421	243,552	255,685
Capital and fair value reserves	10,328,142	10,317,121	8,280,878
Retained earnings	68,036,466	65,730,804	62,705,830
Banking reserves	4,820,711	4,820,711	4,520,711
Other reserves	6,057,192	5,870,633	5,389,881
Equity attributable to owners of the company	89,715,932	86,982,821	81,152,985
Non-Controlling Interests	4,257,577	4,424,043	4,314,491
Total Equity	93,973,509	91,406,864	85,467,476
Total Equity and Liabilities	242,596,018	236,641,445	225,801,387

Approved for issue by the Board of Directors on 15 May 2025 and signed on its behalf by:

Gordon Shirley

Chairman

Frank James

Group Chief Executive Officer

GraceKennedy Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THREE MONTHS ENDED 31 MARCH 2025

(Unaudited)

	Attributable to owners of the company							Non-controlling interests	Total Equity
	No. of Shares '000	Share Capital \$'000	Capital and Fair Value Reserve \$'000	Retained Earnings \$'000	Banking Reserves \$'000	Other Reserves \$'000	Total \$'000	\$'000	\$'000
Balance at 1 January 2024	989,152	157,805	8,251,105	60,474,240	4,520,711	5,671,710	79,075,571	4,181,137	83,256,708
Profit for the period	-	-	-	2,158,219	-	-	2,158,219	138,698	2,296,917
Other comprehensive income for the period	-	-	35,751	73,371	-	(142,925)	(33,803)	(3,533)	(37,336)
Total comprehensive income for the period	-	-	35,751	2,231,590	-	(142,925)	2,124,416	135,165	2,259,581
Transactions with owners:									
Repurchase of shares	(586)	(47,842)	-	-	-	-	(47,842)	-	(47,842)
Purchase of treasury shares	(325)	(24,385)	-	-	-	-	(24,385)	-	(24,385)
Share-based payments charged	-	-	-	-	-	120,286	120,286	-	120,286
Share-based payments exercised	-	-	-	-	-	(96,252)	(96,252)	(620)	(96,872)
Transfer of treasury shares to employees	2,127	170,107	(5,978)	-	-	(162,938)	1,191	(1,191)	-
Total transactions with owners	1,216	97,880	(5,978)	-	-	(138,904)	(47,002)	(1,811)	(48,813)
Balance at 31 March 2024	990,368	255,685	8,280,878	62,705,830	4,520,711	5,389,881	81,152,985	4,314,491	85,467,476
Balance at 1 January 2025	984,609	243,552	10,317,121	65,730,804	4,820,711	5,870,633	86,982,821	4,424,043	91,406,864
Profit for the period	-	-	-	2,222,399	-	-	2,222,399	83,787	2,306,186
Other comprehensive income for the period	-	-	29,172	81,454	-	479,091	589,717	14,771	604,488
Total comprehensive income for the period	-	-	29,172	2,303,853	-	479,091	2,812,116	98,558	2,910,674
Transactions with owners:									
Purchase of treasury shares	(676)	(50,192)	-	-	-	-	(50,192)	-	(50,192)
Transfer of non-controlling interests	-	-	-	1,809	-	-	1,809	(260,944)	(259,135)
Share-based payments charged	-	-	-	-	-	121,509	121,509	-	121,509
Share-based payments exercised	-	-	-	-	-	(153,623)	(153,623)	(2,588)	(156,211)
Transfer of treasury shares to employees	3,561	280,061	(18,151)	-	-	(260,418)	1,492	(1,492)	-
Total transactions with owners	2,885	229,869	(18,151)	1,809	-	(292,532)	(79,005)	(265,024)	(344,029)
Balance at 31 March 2025	987,494	473,421	10,328,142	68,036,466	4,820,711	6,057,192	89,715,932	4,257,577	93,973,509

GraceKennedy Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

THREE MONTHS ENDED 31 MARCH 2025

(Unaudited)

	31/03/2025 \$'000	31/03/2024 \$'000
SOURCES/(USES) OF CASH:		
Operating Activities (Note 3)	408,077	3,974,973
Financing Activities		
Loans received	2,546,952	3,149,460
Loans repaid	(1,941,784)	(2,780,807)
Repurchase of shares	-	(47,842)
Purchase of treasury shares	(50,192)	(24,385)
Exercise of share based payments	(156,211)	(96,872)
Interest paid – non financial services	(481,033)	(464,313)
	(82,268)	(264,759)
Investing Activities		
Additions to fixed assets	(542,459)	(364,937)
Proceeds from disposal of fixed assets	39,708	10,389
Additions to investment properties	(5,222)	(542,124)
Additions to investments	(4,586,697)	(6,533,541)
Cash outflow on purchase of non-controlling interest in subsidiary	(504,000)	-
Proceeds from sale of investments	7,903,156	2,504,881
Additions to intangibles	(316,816)	(267,089)
Interest received – non financial services	138,558	130,133
	2,126,228	(5,062,288)
Increase/(decrease) in cash and cash equivalents	2,452,037	(1,352,074)
Cash and cash equivalents at beginning of year	22,720,532	26,433,336
Exchange and translation gains/(losses) on net foreign cash balances	148,990	(49,814)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	25,321,559	25,031,448

GraceKennedy Limited

FINANCIAL INFORMATION BY OPERATING SEGMENT

THREE MONTHS ENDED 31 MARCH 2025

(Unaudited)

3 months to 31 March 2025	Food \$'000	Banking & Investments \$'000	Insurance \$'000	Money Services \$'000	Consolidation Adjustments \$'000	Group \$'000
REVENUE						
External sales	35,261,322	2,643,088	4,324,685	1,966,927	20,056	44,216,078
Inter-segment sales	81,043	81,754	-	-	(162,797)	-
Total Revenue	35,342,365	2,724,842	4,324,685	1,966,927	(142,741)	44,216,078

RESULT						
Operating results	2,372,077	243,120	399,872	478,865	32,471	3,526,405
Unallocated expense	-	-	-	-	(558,828)	(558,828)
Profit from operations	-	-	-	-	-	2,967,577
Finance income	4,583	138	31,370	42,438	134,165	212,694
Finance expense	(274,382)	(76,894)	(1,844)	(31,854)	(125,265)	(510,239)
Share of associates and joint ventures	384,303	71,664	33,160	-	-	489,127
Profit before Taxation	2,486,581	238,028	462,558	489,449	(517,457)	3,159,159
Taxation						(852,973)
Net Profit for the period						2,306,186

Attributable to:

Owners of GraceKennedy Limited	2,222,399
Non-controlling interests	83,787
	2,306,186

3 months to 31 March 2024	Food \$'000	Banking & Investments \$'000	Insurance \$'000	Money Services \$'000	Consolidation Adjustments \$'000	Group \$'000
REVENUE						
External sales	34,014,076	2,571,021	3,652,963	2,087,640	20,593	42,346,293
Inter-segment sales	73,405	80,418	-	-	(153,823)	-
Total Revenue	34,087,481	2,651,439	3,652,963	2,087,640	(133,230)	42,346,293

RESULT						
Operating results	2,193,527	214,649	317,134	702,612	26,991	3,454,913
Unallocated expense	-	-	-	-	(465,249)	(465,249)
Profit from operations	-	-	-	-	-	2,989,664
Finance income	4,530	3,066	30,676	43,147	93,861	175,280
Finance expense	(240,381)	(84,900)	(3,926)	(35,690)	(98,200)	(463,097)
Share of associates and joint ventures	339,673	72,334	32,607	-	-	444,614
Profit before Taxation	2,297,349	205,149	376,491	710,069	(442,597)	3,146,461
Taxation						(849,544)
Net Profit for the period						2,296,917

Attributable to:

Owners of GraceKennedy Limited	2,158,219
Non-controlling interests	138,698
	2,296,917

GraceKennedy Limited

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2025

Notes

1. Accounting Policies

(a) Basis of preparation

This condensed consolidated interim financial report for the reporting period ended 31 March 2025 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'.

These financial statements are presented in Jamaican dollars unless otherwise indicated.

The accounting policies followed in these interim financial statements are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Segment reporting

The principal activities of the company, its subsidiaries, associates and joint ventures (the Group) are as follows:

- *Food* – Merchandising of general goods and food products, both locally and internationally; processing and distribution of food products; and the operation of a chain of supermarkets.
- *Banking and Investment* – Commercial banking; stock brokerage; corporate finance; advisory services; and lease financing.
- *Insurance* – General insurance; health insurance; group and creditor life insurance; and insurance brokerage.
- *Money Services* – Operation of money transfer services; cambio operations and bill payment services.

2. Revenues

Revenues for the Group can be disaggregated as follows:

	2025 \$'000	2024 \$'000
Timing of revenue recognition from contracts with customers		
Goods and services transferred at a point in time	38,332,156	37,305,492
Services transferred over time	40,268	32,427
Insurance contract revenue	4,048,820	3,343,942
Interest revenue	1,794,834	1,664,432
	44,216,078	42,346,293

3. Cash Flows from Operating Activities

Reconciliation of net profit to cash generated from operating activities:

	31/03/2025 \$'000	31/03/2024 \$'000
Net profit	2,306,186	2,296,917
Items not affecting cash:		
Depreciation	841,135	805,307
Amortisation	276,377	235,292
Change in value of investment properties	-	(3,976)
Change in value of investments	(10,681)	(94,480)
Loss/(gain) on disposal of fixed assets	302	(4,304)
Share-based payments	121,509	120,286
Exchange loss on foreign balances	81,919	34,876
Interest income – non financial services	(212,694)	(175,280)
Interest income – financial services	(2,110,085)	(1,927,246)
Interest expense – non financial services	510,239	463,097
Interest expense – financial services	443,030	433,850
Taxation expense	852,973	849,544
Unremitted equity income in associates and joint ventures	(484,132)	(441,284)
Pension plan surplus	80,329	64,224
Other post-employment obligations	176,278	176,593
	2,872,685	2,833,416
Changes in working capital components:		
Inventories	1,288,666	1,072,798
Receivables	(3,993,249)	(3,135,064)
Loans receivable, net	(2,136,718)	(836,269)
Payables and insurance contract liabilities	(725,708)	858,609
Deposits	2,121,516	1,658,478
Securities sold under repurchase agreements	117,188	944,698
Provisions	1,345	446
	(454,275)	3,397,112
Interest received – financial services	1,913,273	2,097,509
Interest paid – financial services	(413,248)	(408,529)
Translation gains/(losses)	202,177	(81,492)
Taxation paid	(839,850)	(1,029,627)
Net cash provided by operating activities	408,077	3,974,973

Reconciliation of movements of liabilities to cash flows arising from financing activities:

Amounts represent bank and other loans, excluding bank overdrafts

	31/3/2025 \$'000	31/3/2024 \$'000
At beginning of year	30,630,108	31,825,460
Lease liability to acquire right-of-use asset	65,011	224,312
Loans received	2,546,952	3,149,460
Loans repaid	(1,941,784)	(2,780,807)
Foreign exchange adjustments	126,820	17,177
Net interest movements	84,902	(25,514)
At end of period	31,512,009	32,410,088