



UNAUDITED QUARTERLY REPORT

SIX (6) MONTHS ENDED

JUNE 30, 2025

Highlights of Q2 2025

	Current Quarter			Year to Date		
	June 30, 2025 \$'000	June 30, 2024 \$'000	Change	June 30, 2025 \$'000	June 30, 2024 \$'000	Change
Revenue	302,796	260,350	16.30%	529,240	447,909	18.16%
Gross Profit	116,799	98,283	18.84%	214,056	163,401	31.00%
Gross Margin	38.57%	37.75%	0.82%	40.45%	36.48%	3.97%
Profit before Tax	62,203	52,400	18.71%	109,031	68,830	58.41%
Net Profit	44,203	40,400	9.41%	82,031	52,830	55.27%
Earnings Per Share	\$0.05	\$0.04	25.00%	\$0.09	\$0.06	50.00%

Performance Review of Q2 2025

We are pleased to present the performance of Caribbean Flavours and Fragrances Limited (CFF) to shareholders for the second quarter ending June 30, 2025. The revenue reported reflects an increase of 16.30% to \$302.796 million over the corresponding quarter as the company increased its revenue thrust in key exports markets, providing key support to the local manufacturing sector clients in Jamaica and realised the efforts in growing our ingredients and flavours portfolio in the English-Speaking Caribbean.

The company has achieved a successful milestone being reporting quarterly revenue above the \$300 million threshold for the first time in the Company's history. We continue to experience greater demand for specific manufactured and special orders products from our large and small sized customers and our improved inventory and logistics management approach ensures that they are available on demand.

Gross profit grew by 18.84% to \$116.799 million, which reflects the company's ability to effectively contain input costs whilst growing volumes sold to our customers.

Total expenses rose by 11.51% to \$57.520 million as adjustment to staff remuneration and benefits, security costs, training and overseas business development activities were the main drivers. The company spent more on travel during the quarter given the focus on developing and cementing new client relationships in various markets within the Caribbean. Net finance income was nearly cut in half from \$5.699 million to \$2.924 million due to lower foreign exchange gains.

Profit before taxation grew by 18.71% to \$62.203 million with net profit ending the quarter at \$44.203 million, a 10.40% improvement. The increase in our tax expense is attributed to the company's higher earnings during the period. Earnings per share moved from \$0.04 to \$0.05.

Performance Review of Six (6) Months ended June 2025

Revenue for the first half of the year improved by 18.16% to \$529.240 million following two consecutive quarters of double-digit revenue growth and a lower comparative Q1 2024 base. Exports represented 11% of our revenue during the six months period.

Gross profit grew by 31.00% to \$214.056 million, with our gross profit margins also showing improvement to 40.45% due to the mix of sales within the domestic and overseas markets during the first half of the year. Operating expenses increased by 10.33% to \$112.504 million due to higher staff costs, travelling expenses, security costs and other expenses.

Net finance income marginally increased to \$7.478 million as the company had a lower lease interest expense and foreign exchange gain in the period. Profit before tax is 58.41% higher at \$109.031 million, marginally below the \$109.378 million earned in the 2024 financial year. Net profit grew 55.27% to \$82.031 million which is just below the \$83.88 million earned in 2024. Earnings per share moved up from \$0.06 to \$0.09.

We are grateful to the work done by the CFF team who have done amazing work in an environment where corporate earnings are flat or declined and uncertainty remains high due to geopolitical events and trade tensions. Although the company is still navigating logistical challenges on certain inputs, the CFF team has responded well over the last three years to these developments and came out well on the other side. We look forward to maintaining our momentum to exceed our record 2023 performance and achieve \$1 billion in revenues by the end of 2025.

Balance Sheet

Total assets jumped by 8.32% to \$966.379 million on a year over year basis. The bulk of this growth could be attributed to our current assets which closed the period at \$810.489 million. Our cash balance currently stands at \$41.217 million while our short-term investments stand at \$71.577 million. Our inventory balance was relatively unchanged compared to last year, but the company is maintaining sufficient inventory to address longer lead times and projected customer demand. Our receivables balance declined to \$158.524 million on a year over year basis but increased on a sequential year-to-date basis as the company awaited the settlement of balances during the period. Non-current assets were \$155.890 million in the period.

Total liabilities increased by 3.23% to \$193.723 million with current liabilities increasing by 17.69% to \$112.367 million as the company's payables balance was \$82.363 million. CFF is sufficiently covered to pay down the current debt and any contractual arrangements.

Shareholders' equity increased by 9.67% to \$772.656 million from the higher retained earnings during the reporting period.

Economic Environment

The Bank of Jamaica (BOJ) cut its policy rate to 5.75% during the first half of 2025 with point-to-point inflation decreasing to 3.8% which is within the 4.00 - 6.00% target range. Net international reserves closed out June at US\$5.84 billion which represents 30.46 weeks of goods and service imports. The FX rate between the USD – JMD depreciated from \$158.36 at the start of the quarter to \$160.36 at the end of June 2025. The FX rate has depreciated 2.52% from \$156.42 since the start of the year.

Market Performance

	June 30, 2025	December 31, 2024	June 30, 2024
CFF Stock Price	\$1.50	\$1.37	\$1.55
Junior Market Index	3,476.21	3,735.05	3,843.23
JSE Manufacturing and Distribution Index	104.42	110.44	105.04
Market Capitalization	\$1.35 Billion	\$1.23 Billion	\$1.39 Billion

The equity market continued to experience declines as most securities and indices declined during the first half of 2025. The Main Market recorded a 114.60% improvement in value traded during the six months period largely due to one trade on March 4. The Junior Market saw a 10.29% decline while the USD Market had a 152.99% rise in value traded.

The listing of the Mayberry Investments Limited, VM Investments Limited and Barita Investments Limited bonds took place during the second quarter. Atlantic Hardware & Plumbing Company Limited remains the only IPO (initial public offering) during 2024 while Tropical Battery Limited's APO (additional public offering) closed in early July. The shift to more bond listings reflects investor interest in consistent income, but the offer for sale of TransJamaican Highway Limited ordinary shares during the first quarter shows that equity interests remain high.

CFF's stock price peaked at \$1.71 during the second quarter and closed the period at \$1.50 which left it 3.23% lower than the \$1.55 at the start of 2025. As a result, the company's market capitalisation stood at \$1.35 billion. The Junior Market Index and Manufacturing & Distribution index both declined 6.93% and 5.45%, respectively in H1.

Outlook and Risks

We have identified these key risks to our businesses and noted how we are currently addressing them below.

Currency Risk – This arises from the settlement of transactions in a currency other than the company's functional currency which is the Jamaica Dollar (JMD). Since the JMD depreciates against major currencies such as the United States Dollar (USD), Canadian Dollar and Great British Pound, this creates additional cost when the transaction is to be completed. The average selling rate between the USD and JMD has firmly remained above the \$160 mark since June which represents the new band set by the market for the green back. The depreciation impacts the cost of inputs and final settlement costs with vendors. The company continues to maintain

an adequate balance of foreign exchange relative to our JMD bank holdings. By maintaining our current position plus exporting more to other markets, we've limited some of the risks that come with the depreciation of the local currency.

Supply Chain Risk – Supply chain risk arises when there is a delay for goods to be received by the company in the expected timeline. CFF has been building a wider range of suppliers to mitigate some of the 2024 experiences which impacted the company's ability to provide certain products to the market. The company can maintain a certain amount of inventory on hand to limit some supply chain risk, but that creates its own risks of potential write-offs and tying up cash in inventory. CFF has had a better experience in managing its supply chain risks in 2025 through active engagement with our suppliers and ensuring that the company maintains a diverse range of suppliers.

Receivables Risk – CFF extends credit to customers in the ordinary course of business. CFF's customer base largely adhered to their agreed credit terms during the period under review. The company continues to benefit from good business from key customers in Trinidad & Tobago who ensure that we are paid despite the ongoing foreign exchange (FX) challenges. However, the company is limited from taking on smaller customers in certain jurisdictions due to the FX constraints.

The company recently attended the 26th staging of the TIC (Trade and Investment Convention) in Tunapuna, Trinidad & Tobago between July 17-19. The growth of CFF's export business will be driven by regional activity and partnerships with key international stakeholders. CFF will continue to work on developing new relationships in the English-Speaking Caribbean which will be spearheaded by our business development officers. Guyana continues to be an attractive market with opportunity for growth.

CFF hasn't been significantly affected by the ongoing tariff developments as the company's key exports are in the Caribbean, and we continue to keep abreast of ongoing activities with our various suppliers. The shifting stance of the current United States administration can impact economic activity in the Caribbean. The company and its partners continue to monitor the relevant announcements.

However, the ongoing events has pushed different companies to purchase additional inventory, leaving certain inputs short across the globe. Some inputs can take two weeks to arrive from the USA or a month from Mexico, but the global logistics market continues to remain a challenge for different companies.

We are thankful for the continued confidence by our staff, customers, shareholders and other key stakeholders as we continue to grow a great Jamaican business.

We welcome all shareholders to join us for our upcoming annual general meeting to be held at the Terra Nova Hotel on September 17 at 1:00 pm and via *Zoom* or our website at caribbeanflavoursjm.com.

SHAREHOLDINGS OF TOP TEN (10) STOCKHOLDERS, DIRECTORS, SENIOR OFFICERS AS AT JUNE 30, 2025

#	Name of Shareholder	Volume	Percentage Ownership
1	DERRIMON TRADING COMPANY LIMITED	584,653,270	65.0192%
2	DIGIPOINT LIMITED	65,000,000	7.2286%
3	JCSD TRUSTEE SERVICES LIMITED A/C BARITA UNIT TRUST CAPITAL GROWTH FUND	64,057,944	7.1239%
4	IDEAL GLOBAL INVESTMENTS LIMITED	30,968,610	3.4440%
5	NIGEL O. COKE	23,556,079	2.6197%
6	IAN C. KELLY	23,228,140	2.5832%
7	TROPICAL BATTERY COMPANY LTD. PENSION FUND	10,190,987	1.1333%
8	MAYBERRY INVESTMENTS LTD. PENSION SCHEME	9,461,662	1.0522%
9	SAGICOR SELECT FUND LIMITED – ('CLASS C' SHARES) MANUFACTURING AND DISTRIBUTION	7,212,860	0.8021%
10	KONRAD BERRY	6,820,588	0.7585%
Top 10 Holdings		825,150,140	91.7649%
Other Shareholders		74,050,190	8.2351%
Total		899,200,330	100%

Directors	Direct	Connected Parties	Total	Percentage
DERRICK COTTERELL ¹	0	584,653,270	584,653,270	65.0192%
ANAND JAMES	2,225,600	0	2,225,600	0.2475%
IAN C. KELLY ¹	23,228,140	0	23,228,140	2.5832%
HOWARD MITCHELL	1,450,000	0	1,450,000	0.1613%
CLIVE C. NICHOLAS	329,756	0	329,756	0.0367%
CARLTON E. SAMUELS	250,000	0	250,000	0.0278%
WILFORD HEAVEN	0	0	0	0%
TANIA WALDRON-GOODEN	0	0	0	0%

1. Executive Directors of Derrimon Trading Company Limited.

Senior Manager	Shareholding	Percentage
JANICE LEE	110,000	0.0122%
ANAND JAMES	2,225,600	0.2475%
RHONDE MCPHERSON	0	0%
CHRISTOPHER CARLESS	0	0%
RECHAL TURNER	0	0%



**CARIBBEAN FLAVOURS
& FRAGRANCES LIMITED**

AWAKEN YOUR SPACE WITH OUR FRAGRANCES



FRAGRANCE OILS • ENCAPSULATED FRAGRANCES • SOLVENTS • COLOURS

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CARIBBEAN FLAVOURS AND FRAGRANCES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE SIX MONTHS TO JUNE 30, 2025

CARIBBEAN FLAVOURS AND FRAGRANCES LIMITED

FINANCIAL STATEMENTS

FOR THE SIX MONTHS TO JUNE 30, 2025

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Caribbean Flavours and Fragrances Limited

Statement of Comprehensive Income

Six months ended June 30, 2025

	Unaudited 3 months ended 30 June 2025 \$ '000	Unaudited 3 months ended 30 June 2024 \$ '000	Unaudited 6 months ended 30 June 2025 \$ '000	Unaudited 6 months ended 30 June 2024 \$ '000	Audited 12 months ended 31 December 2024 \$ '000
Revenue	302,796	260,350	529,240	447,909	884,681
Cost of sales	<u>(185,997)</u>	<u>(162,067)</u>	<u>(315,184)</u>	<u>(284,508)</u>	<u>(567,445)</u>
Gross profit	116,799	98,283	214,056	163,401	317,236
Other income	-	-	-	-	100
Expected credit loss assessment reversal on financial assets	-	-	-	-	1,451
Unrealised gain on investments valued at fair value through profit and loss	-	-	-	-	323
Selling and distribution costs	(1,614)	(2,755)	(2,509)	(4,481)	(14,855)
Administrative expenses	<u>(55,906)</u>	<u>(48,827)</u>	<u>(109,995)</u>	<u>(97,478)</u>	<u>(208,519)</u>
Operating profit	59,279	46,701	101,553	61,442	95,736
Net finance income	<u>2,924</u>	<u>5,699</u>	<u>7,478</u>	<u>7,388</u>	<u>13,642</u>
Profit before taxation	62,203	52,400	109,031	68,830	109,378
Taxation	<u>(18,000)</u>	<u>(12,000)</u>	<u>(27,000)</u>	<u>(16,000)</u>	<u>(25,502)</u>
Net profit	<u>44,203</u>	<u>40,400</u>	<u>82,031</u>	<u>52,830</u>	<u>83,876</u>
Earnings per share	\$0.05	\$0.04	\$0.09	\$0.06	\$0.09

Caribbean Flavours and Fragrances Limited

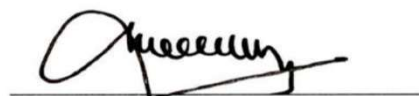
Statement of Financial Position

As at June 30, 2025

	Note	Unaudited 30 June 2025 \$ '000	Unaudited 30 June 2024 \$ '000	Audited 31 December 2024 \$ '000
ASSETS				
Non-Current Assets				
Property, plant and equipment		52,403	58,228	53,740
Rights-of-use asset		58,487	64,902	61,737
Investment securities		45,000	45,000	45,000
Deferred tax assets		-	343	-
		<u>155,890</u>	<u>168,473</u>	<u>160,477</u>
Current Assets				
Inventories		197,874	199,512	211,433
Receivables		158,524	173,770	128,948
Taxation recoverable		3,386	6,265	2,343
Due from related parties		337,912	248,691	299,085
Cash and cash equivalents		41,217	15,282	31,254
Short term investments		71,577	80,200	70,276
		<u>810,489</u>	<u>723,720</u>	<u>743,339</u>
TOTAL ASSETS		<u><u>966,379</u></u>	<u><u>892,193</u></u>	<u><u>903,816</u></u>
EQUITY AND LIABILITIES				
Stockholder's Equity				
Share capital		56,200	56,200	56,200
Retained earnings		716,456	648,339	634,425
		<u>772,656</u>	<u>704,539</u>	<u>690,625</u>
Non-Current Liabilities				
Deferrred tax liabilities		3,749		3,749
Long term loans		10,107	20,500	13,632
Lease liability		67,500	71,673	69,806
		<u>81,356</u>	<u>92,173</u>	<u>87,187</u>
Current Liabilities				
Payables and accruals		82,363	77,878	105,668
Taxation payable		17,757	8,850	8,088
Current portion of long term loan		7,404	4,165	7,404
Current portion of lease liability		4,844	4,588	4,844
		<u>112,367</u>	<u>95,481</u>	<u>126,004</u>
TOTAL EQUITY AND LIABILITIES		<u><u>966,379</u></u>	<u><u>892,193</u></u>	<u><u>903,816</u></u>

Approved and signed on behalf of the Board by:


Anand James - Director


Ian Kelly - Director

Caribbean Flavours and Fragrances Limited

Statement of Changes in Equity

Six months ended June 30, 2025

	Unaudited 30 June 2025		Unaudited 30 June 2024		Audited 31 December 2024	
	Share Capital \$ '000	Retained Earnings \$ '000	Share Capital \$ '000	Retained Earnings \$ '000	Share Capital \$ '000	Retained Earnings \$ '000
Balance at beginning of period	56,200	634,425	56,200	595,509	56,200	595,509
Issue of shares					-	
Net profit		82,031		52,830	-	83,876
Dividends paid	-		-	-	-	(44,960)
	<u>56,200</u>	<u>716,456</u>	<u>56,200</u>	<u>648,339</u>	<u>56,200</u>	<u>634,425</u>

Caribbean Flavours and Fragrances Limited

Statement of Cash Flows

Six months ended June 30, 2025

	6 months ended 30 June 2025 \$ '000	3 months ended 30 June 2024 \$ '000
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Cash Flows from Operating Activities		
Profit after taxation	82,031	52,830
Adjustment for non-cash income and expenses		
Depreciation	9,129	7,690
Lease interest expense	(2,306)	(2,665)
Amortization of right-of-use assets	3,250	3,245
Interest income	(8,784)	(9,151)
	<u>83,320</u>	<u>51,949</u>
Changes in operating assets and liabilities		
Inventories	13,560	17,473
Receivables and prepayments	(29,576)	(9,478)
Due from related parties	(38,827)	(11,574)
Payables and accruals	(23,305)	(61,906)
Taxation payable	9,668	(3,092)
Tax recoverable	(1,043)	(195)
	<u>(69,523)</u>	<u>(68,771)</u>
Net cash provided by/(used in) operating activities	<u>13,797</u>	<u>(16,823)</u>
Cash Flows from Investing Activities:		
Purchase of property, plant and equipment	(7,792)	(20,630)
Purchase of investments	(1,301)	(581)
Interest received	8,784	9,151
Net cash used in investing activities	<u>(309)</u>	<u>(12,060)</u>
Cash Flows from Financing Activities:		
Bank loan	(3,525)	11,207
Net cash (used in)/provided by financing activities	<u>(3,525)</u>	<u>11,207</u>
Net increase/(decrease) in cash and cash equivalents	9,963	(17,676)
Cash and cash equivalents at beginning of year	<u>31,254</u>	<u>32,957</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>41,217</u>	<u>15,282</u>
Represented by:		
Cash on hand	5,765	981
Bank balances	<u>35,452</u>	<u>27,681</u>
	<u>41,217</u>	<u>28,662</u>

Caribbean Flavours & Fragrances Limited

Notes to the Unaudited Financial Statements

Six months ended June 30, 2025

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

Caribbean Flavours and Fragrances Limited ("the Company") is a company limited by shares, incorporated, and domiciled in Jamaica. Its registered office is located at 226 Spanish Town Road, Kingston 11. The principal activity of the company is the manufacture of and distribution of flavours mainly for the beverage, baking and confectionery industries. The company also sells food colouring and fragrances and ingredients.

2. BASIS OF PREPARATION

Statement of Compliance

The financial statements of Caribbean Flavours and Fragrances Limited have been prepared in accordance with and compliance with International Financial Reporting Standards (IFRS) under the historical cost convention, as modified by the revaluation of certain financial assets. The same accounting policies and methods of computation are followed in the unaudited financial statements as were applied in the audited financial statements for the year ended December 31, 2024.

New Standards

IAS 1 (Amended)

Presentation of Financial Statements (effective for annual reporting periods beginning on or after 1 July 2012), amendments to revise the way other comprehensive income is presented.

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

Critical Accounting Estimates and Judgements in Applying Accounting Policies

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Caribbean Flavours & Fragrances Limited

Notes to the Unaudited Financial Statements

Six months ended June 30, 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below and have been consistently applied for all the years presented.

IFRS 16, 'Leases' (effective for accounting periods beginning on or after 1 January 2019) IFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead, all leases are treated in a similar way to finance leases in accordance with IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets US\$5,000 and short-term leases (i.e., leases with a lease term of 12 months or less).

Lessees will be required to re-measure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Upon adoption of IFRS 16, the lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The adoption of IFRS 16 from 1 January 2019 resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements. Management has decided it will apply the modified retrospective adoption method, and therefore, the revised requirements are not reflected in the prior year financial statements.

Depreciable assets

Management exercises judgement in determining whether cost incurred can accrue significant future economic benefits to the Company to enable the value to be treated as a capital expense. Further judgement is applied in the annual review of the useful lives of all categories of property, plant and equipment and their expected utility to the Company resulting in the depreciation determined thereon.

Allowance for losses

In determining amounts recorded for provision for impairment of receivables in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measureable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of likely future cash flows from impaired receivables as well as the time of such cash flows. Historical cost experience is applied where indicators of impairment are not observable on individual significant receivables with similar characteristics, such as credit risks.

Caribbean Flavours & Fragrances Limited

Notes to the Unaudited Financial Statements

Six months ended June 30, 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Comparative information

Comparative figures have been reclassified, where necessary, to conform to changes in presentation in the current year.

Valuation of property, plant and equipment

Management exercises judgement in determining whether cost incurred can accrue significant future economic benefits to the Company to enable the value to be treated as a capital expense. Further judgement is applied in the annual review of the useful lives of all categories of property, plant and equipment and their expected utility to the Company resulting in the depreciation determined thereon.

Depreciation

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is calculated on the straight-line basis at annual rates estimated to write-off the cost of fixed assets over their expected useful lives. The annual rates are as follows:

Leasehold property & improvements	10%
Plant and machinery, furniture& fixtures, office equipment	10%
Computer equipment	33⅓%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed periodically for impairment. Where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognized in other income in the statement of comprehensive income.

Repairs and maintenance expenditure are charged to statement of comprehensive income during the financial period in which they are incurred.

Revenue recognition

Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.

Foreign currency translation

Balances in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date. Transactions during the year are translated at the exchange rate prevailing at the date of the transactions. Gains or losses on translation are dealt with in the statement of comprehensive income. Exchange rates are determined by the weighted average rate at which Commercial Banks trade in foreign currencies as published by the Central Bank.

Caribbean Flavours & Fragrances Limited

Notes to the Unaudited Financial Statements

Six months ended June 30, 2025

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Trade receivables

Trade receivables are carried at anticipated realizable value. A provision is made for impairment of trade receivables when it is established that there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivable. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

4. SHARE CAPITAL

	<u>2025</u>	<u>2024</u>
	\$'000	\$'000
<u>Authorised:</u>		
2,600,000,000 ordinary shares of no par value (2022: 2,600,000,000)		
<u>Issued and fully paid:</u>		
899,200,330	56,200	56,200

On October 7, 2020, the Company held an Annual General Meeting which resulted in the following resolutions being approved:

(a) The authorized share capital of the Company was increased from 91,452,000 shares to 2,600,000,000 shares, by the creation of an additional 2,508,548,000 ordinary shares each ranking pari passu in all respects with the existing ordinary shares or stock units in the capital of the Company.

(b) The issued ordinary shares in the capital of the Company was subdivided into 10 ordinary shares with effect from the close of business on October 13, 2020 resulting in the total issued shares capital of the Company being increased from 89,920,033 ordinary shares of no par value to 899,200,330 ordinary shares of no par value.

Caribbean Flavours & Fragrances Limited

Notes to the Unaudited Financial Statements

Six months ended June 30, 2025

5. EARNINGS PER STOCK UNIT

Earnings per stock unit are calculated by dividing the profit for the period by the weighted average number of shares issued for the period.

	Six months ended June 30, 2025 \$'000	Six months ended June 30, 2024 \$'000	Year ended December 31, 2024 \$'000
Net profit	82,031	52,830	83,876
Weighted average number of shares	899,200,330	899,200,330	899,200,330
Earnings Per share	\$0.09	\$0.06	\$0.09