HONEY BUN (1982) LIMITED

Unaudited Financial Statements

For the Nine months ending June 30, 2026

CONTENTS

SUMMARY DATA

	YEAR TO DATE				
		Jun-26		Jun-25	% Change
Gross Operating Revenue	$	3,552,055,842	$	3,124,392,428	14%
Net Profit	$	62,892,261	$	150,630,579	-58%
EBITDA	$	415,203,900	$	337,212,506	23%
Earnings per share	$	0.13	$	0.32	-58%
Total Assets	$	3,134,732,181	$	3,002,601,045	4%
Cash & Cash equivalent	$	283,794,214	$	211,283,068	34%

MANAGEMENT DISCUSSION AND ANALYSIS

Honey Bun (1982) Limited continued to execute its long-term growth strategy during the nine months ended June 30, 2026, delivering strong revenue growth while completing a significant phase of its manufacturing expansion. With the Angels expansion now completed, the Company is transitioning from capacity expansion to optimization, with a focus on improving operational performance and maximizing the returns from its investments.

Gross operating revenue increased by 13.5% to J$3.55 billion, compared with J$3.12 billion in the prior year, driven by sustained demand, product innovation, increased production capacity and continued market penetration. Gross profit increased by 11.2% to J$1.61 billion, although gross profit margin declined from 46.4% to 45.4% due primarily to inflationary pressures on raw materials, labour, utilities and other operating inputs. Management continues to emphasize cost containment, procurement discipline and operational efficiencies.

Operating expenses increased as the Company strengthened its distribution, commercial and organizational capabilities to support future growth. Operating profit before finance costs and taxation was J$161.4 million, compared with J$209.2 million in the prior year.

EBITDA (Earnings Before Interest, Tax, Depreciation, Amortization) increased by 23.1% to $415.2 million, compared with $337.2 million in the prior year. Net profit declined to J$62.9 million from J$150.6 million, primarily due to higher finance costs and depreciation associated with the commissioning of the expanded Angels manufacturing facility. Finance costs increased to J$78.6 million from J$11.6 million, reflecting borrowings used to fund the expansion, while depreciation increased following the addition of new production assets. These costs reflect the planned financial impact of investments made to increase the Company's long-term manufacturing capacity.

Operating cash flow strengthened significantly, with net cash provided by operating activities increasing to J$214.1 million from J$46.9 million. Capital expenditure of approximately J$144 million was invested in manufacturing and distribution infrastructure, supported by internally generated cash flows. Cash and cash equivalents increased to J$283.8 million, while shareholders' equity increased to J$1.58 billion, maintaining a sound financial position.

The completion of the Angels expansion provides increased capacity, improved production efficiencies and greater flexibility to support domestic and export growth. Management's focus has now shifted toward maximizing asset utilization, productivity and operational excellence, while continuing to advance automation, export market expansion and initiatives to improve profitability.

Although inflationary pressures, elevated financing costs and global economic uncertainty remain challenges, the Company remains well positioned for sustainable growth. Management will continue to prioritize disciplined cost management, prudent capital allocation, cash flow optimization and customer service. As the expanded manufacturing platform matures and operational efficiencies are realized, the Company expects these investments to contribute positively to profitability, export growth and shareholder returns.

Daniel Chong
Chief Executive Officer


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(2 pack)
Honey Bun
Raisin Bread
(2 pack)
NEW & IMPROVED
MORE RAISINS. BETTER TEXTURE.
MADE TO SHARE!

STATEMENT OF COMPREHENSIVE INCOME

Statement of Profit or Loss and Other Comprehensive Income
For the Nine months ended June 30, 2026
(Expressed in Jamaican Dollars except otherwise stated)

	Unaudited Three(3) months ended June 2026	Unaudited Three(3) months ended June 2025	Unaudited Nine(9) months ended June 2026	Unaudited Nine(9) months ended June 2025
Gross operating revenue	1,256,773,836	1,025,742,505	3,552,055,842	3,124,392,428
Cost of operating revenue	(697,996,331)	(556,414,939)	(1,938,728,556)	(1,674,643,356)
Gross profit	558,777,505	469,327,566	1,613,327,286	1,449,749,072
Other Gains/(losses) **	1,304,347	39,879	2,154,360	802,167
	560,081,852	469,367,445	1,615,481,646	1,450,551,239
Gross Profit Margin	44.5%	45.8%	45.4%	46.4%
Administrative, selling and distribution expenses				
Administrative	265,537,708	242,102,780	858,252,061	701,829,015
Selling & distribution costs	204,813,467	184,881,086	595,855,954	539,516,286
	470,351,176	426,983,866	1,454,108,015	1,241,345,302
Movement on impairment lossess on financials	-	-	-	-
Operating profit before finance costs and taxation	89,730,676	42,383,580	161,373,630	209,205,937
Finance income- interest	60,931	(2,055,066)	160,864	2,430,352
Finance costs	(25,862,857)	(1,806,105)	(78,649,000)	(11,555,087)
	63,928,749	38,522,409	82,885,494	200,081,202
Increase/(Decrease) in value of investments classified as fair value through profit or loss	232,079	(1,079,544)	1,770,767	529,376
Profit before taxation	64,160,828	37,442,865	84,656,261	200,610,579
Taxation	(16,403,000)	(8,056,000)	(21,764,000)	(49,980,000)
Net profit for the period	47,757,828	29,386,865	62,892,261	150,630,579
Total comprehensive income for the period	47,757,828	29,386,865	62,892,261	150,630,579
Earnings Per Share	0.10	0.06	0.13	0.32

STATEMENT OF FINANCIAL POSITION

HONEY BUN (1982) LIMITED
Statement of Financial Position
as at June 30, 2026
(Expressed in Jamaican Dollars except otherwise stated)

	Unaudited June 2026	Unaudited June 2025	Audited September 2025
NON-CURRENT ASSETS			
Property, plant and equipment	1,570,000,470	1,111,930,678	1,594,849,875
Right-of-Use Asset	537,404,978	761,058,628	608,034,946
Investments	51,330,596	51,822,941	49,131,761
Intangible assets	12,967,849	13,952,848	13,705,282
Total non-current assets	2,171,703,893	1,938,765,094	2,265,721,864
CURRENT ASSETS			
Inventories	306,666,512	246,917,054	238,859,508
Receivables & Prepayments	345,514,079	590,881,676	212,394,931
Taxation recoverable	27,053,483	14,754,153	48,779,705
Cash & cash equivalents	283,794,214	211,283,068	193,371,131
Total current assets	963,028,288	1,063,835,951	693,405,275
CURRENT LIABILITIES			
Trade and other payables	406,337,586	270,073,597	350,542,811
Taxation Payable	-	30,184,191	
Current Portion of Long Term Loans	35,000,000	-	17,500,000
Current Portion of Lease Liability	78,138,204	64,328,217	81,448,949
	519,475,790	364,586,005	449,491,760
Net current assets	443,552,498	699,249,946	243,913,515
Total assets less current liabilities	2,615,256,391	2,638,015,040	2,509,635,379
NON-CURRENT LIABILITIES			
Long term loans	410,836,478	324,586,479	307,086,479
Lease liability	579,546,396	704,952,841	628,312,822
Deferred tax Liabilities	50,892,425	43,724,721	50,892,425
Total non-current liabilities	1,041,275,299	1,073,264,041	986,291,726
EQUITY			
Share capital	46,514,770	46,514,770	46,514,770
Capital reserves	53,818,788	53,818,788	53,818,788
Retained earnings	1,473,647,534	1,464,417,441	1,423,010,095
Total equity	1,573,981,092	1,564,750,999	1,523,343,653
Total non-current liabilities and equity	2,615,256,391	2,638,015,040	2,509,635,379

Approved for issue by the Board of Directors on August 12, 2026, and signed on its behalf by:

Herbert Chong (Chairman)

Wayne Wray (Director)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

HONEY BUN (1982) LIMITED
Statement of Changes in Equity
For the Nine months ended June 30, 2026
(Expressed in Jamaican Dollars except otherwise stated)

	Share Capital	Capital Reserve	Retained Earnings	Totals
	$	$	$	$
Balances as at September 30, 2024	46,514,770	53,818,788	1,370,338,897	1,470,672,455
Total comprehensive income for the period	-	-	150,630,579	150,630,579
Adjustment				-
Dividends	-	-	(56,552,035)	(56,552,035)
Balances as at June 30, 2025	46,514,770	53,818,788	1,464,417,441	1,564,750,999
Balances as at September 30, 2025	46,514,770	53,818,788	1,423,010,095	1,523,343,653
Total comprehensive income for the period	-	-	62,892,261	62,892,261
Dividends	-	-	(12,254,822)	(12,254,822)
Balances as at June 30, 2026	46,514,770	53,818,788	1,473,647,534	1,573,981,092

STATEMENT OF CASHFLOWS

HONEY BUN (1982) LIMITED
Statement of Cashflows
For the period ended June 30, 2026
(Expressed in Jamaican Dollars except otherwise stated)

	Nine months ended June 2026	Nine months ended June 2025
CASH FROM OPERATING ACTIVITIES		
Net Profit	62,892,261	150,630,579
Adjustments for items not affecting cash:		
Depreciation	170,482,330	101,007,931
Right of Use Depreciation	80,678,876	23,296,220
Amortization	737,433	742,690
Loss/(gain) on disposal of property, plant and equipment	(2,054,346)	-
Revaluation of Quoted Securities	(1,770,767)	(529,376)
Retained earnings adjustment	-	-
Interest income	(160,864)	(2,430,352)
Interest expense	26,673,964	24,539
Taxation expense	21,764,000	49,980,000
	359,242,888	322,722,230
Changes in non-cash working capital components:		
Inventories	(67,807,004)	(10,647,882)
Trade and other receivables	(133,119,148)	(227,412,309)
Trade and other payables	55,794,775	13,980,639
Tax paid	(37,778)	(51,751,613)
Net cash (used in)/provided by operating activities:	214,073,733	46,891,065
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment		
Additions to property, plant and equipment	(143,578,580)	(440,197,325)
Additions to Right of Use assets	(10,048,907)	1
Additions to intangible assets	0	0
Investments, net	(428,068)	(148,139)
Interest received	160,864	2,430,352
Net cash used in investing activities	(153,894,691)	(437,915,111)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term loans	121,249,999	324,586,479
Lease Liabilites	(52,077,171)	(47,914,131)
Dividends paid	(12,254,822)	(56,552,034)
Interest Paid	(26,673,964)	(24,539)
Net cash (used)/provided by financing activities	30,244,042	220,095,775
Net increase in cash and cash equivalents	90,423,083	(170,928,271)
Cash and cash equivalents at beginning of year	193,371,131	382,211,339
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	283,794,214	211,283,068

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Honey Bun (1982) Limited (the "Company") is a limited liability company incorporated under the laws of Jamaica. Its principal activities comprise the manufacture and distribution of baked products to the local and export markets. The Company operates within Jamaica from its registered office located at 26 Retirement Crescent, Kingston 5.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on 3 June 2011.

2. BASIS OF PREPARATION

This condensed consolidated interim financial information has been prepared in accordance with IAS 34, Interim financial reporting.

The condensed interim financial information should be read in conjunction with the annual audited financial statements for the year ended 30 September 2025, which have been prepared in accordance with IFRSs and comply with the provisions of the Jamaican Companies Act.

3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these un-audited financial statements are consistent with those used in the audited financial statements for the year ended 30 September 2025.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 September 2025.

(i) Property, plant and equipment:

Items of property, plant and equipment are stated at cost less accumulated depreciation.

USE OF ESTIMATES AND JUDGMENTS (CONTINUED)

(ii) Depreciation:

Depreciation is recognized on profit or loss on the straight-line basis, over the estimated useful lives of property, plant and equipment.

(iii) Borrowings:

Borrowings are recognized initially as the proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method with any difference between proceeding net of transactions costs and the redemption value recognized in income along with regular interest charges over the period of the borrowings.

(iv) Impairment:

Impairment provisions for trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses (ECL).

5. **SEASONALITY OF OPERATIONS**

Due to the seasonal nature of the Company's revenue streams, operating profits are usually expected to be higher in the first half of the year. The Christmas and Easter holidays fall within the first nine months of the financial year when sales of the Company's products reflect uneven revenue.

6. **EXCEPTIONAL ITEMS**

Items that are material either because of their size or their nature that are non-recurring are highlighted separately in the income statement. The separate reporting of exceptional items helps provide a better picture of the Company's underlying performance.

7. **EARNINGS PER STOCK UNIT**

The Earnings per Stock Unit (EPS) is computed by dividing the profit for the period by the number of shares in issue for the period of 471,266,950.

8. SHARE CAPITAL

	Jun-26	Jun-25
Authorized:		
487,500,000 shares (2020 – 97,500,000 shares)		
Issued and fully paid:		
471,266,950 shares (2020 - 94,253,390 shares)	46,514,770	46,514,770
issued and fully paid	471,266,950.00	471,266,950.00

INFORMATION REGARDING SHAREHOLDERS

As at June 30, 2026

TEN LARGEST SHAREHOLDERS	No. of Stock Units
Next Incorporated	254,847,977
Herbert Chong	54,151,000
Michelle Chong	43,614,263
JMMB Securities Ltd	14,700,000
Wisynco Group Caribbean	12,873,233
Mayberry Managed Clients' Account	7,207,428
Cal's Manufacturing	6,644,122
Jamaica Money Market Brokers Ltd	3,799,976
Sagicor Select Fund	3,780,227
QWI Investment Limited	3,400,000

SHAREHOLDINGS OF DIRECTORS	
Herbert Chong	54,151,000
Michelle Chong	43,614,263
Daniel Chong	2,747,635
Charles Heholt	19,500
Yaneek Page	-
Wayne Wray	110,000

SHAREHOLDINGS OF SENIOR OFFICERS	
Herbert Chong	54,151,000
Michelle Chong	43,614,263
Daniel Chong	2,747,635
Dustin Chong	2,479,035
Paula Graham-Haynes	-
Paula Cameron	124,144

HONEY BUN (1982) LIMITED

Unaudited Financial Statements

For the Nine Months ending June 30, 2026

THE HONEY BUN FOUNDATION

The Honey Bun Foundation's mission, "Creating Powerful Business Models for Small and Medium enterprises (SME's) and the Creative Industry to become transformational Industries for Jamaica's Economy."

The Honey Bun Foundation and the Planning Institute of Jamaica (PIOJ) signed a multi- year memorandum of understanding (MOU) to map the entrepreneurial ecosystem through the Foundation's GAPP App. The APP will be modified to determine where businesses are on the Business Life Cycle and identify the most appropriate intervention for their current stage. This private public partnership will run for three years in a pilot with fifty (50) nano, micro and small businesses.

From left: Executive Director of Planning Institute of Jamaica Dr Wayne Henry and Founder of The Honey Bun Foundation Michelle Chong, signing a multi-year MOU to map the entrepreneurial ecosystem through the Foundation's GAPP App. Looking on are (left) Charmain Brimm; Technical Specialist Community Renewal Program, and General Manager of The Honey Bun Foundation Nashauna Lalah.

WHOLESALE OUTLETS

Princess Street Outlet
92-92a Princess Street
Kingston
Tel: 876 371 0199

Half Way Tree Outlet
Shop #2 Park Plaza
8 Constant Sprint Road
Kingston 10
Tel: 876 351 5753

Cross Roads Outlet
Shop #5 1-3 & 5 Old Hope Road
Kingston
Tel: 876 855 0902

Retirement Crescent Outlet – Head Office Outlet
22-26 Retirement Crescent
Kingston 5
Tel: 960 9851

Montego Bay Outlet
99 Barnett Street
Montego Bay, St James

Old Harbour Outlet
Shop #3, 16 East Street,
Old Harbour, St. Catherine
Tel: 876 442 6601

Spanish Town Outlet
Spanish Town Taxi Stand and Bus Park
Burke Road, Spanish Town
St. Catherine

Morant Bay Outlet
13 South Street,
Morant Bay, St. Thomas

Papine Outlet
Shop #1a, Papine Market Place
Kingston 7
Tel: 876 564 7836

Savanna-La-Mar Outlet
88 Great George Street
Savanna-la-Mar
Westmoreland