



## REPORT TO OUR STOCKHOLDERS

Shareholders will note the release on May 30, 2023, of the audited financial statements for Carreras Limited for the year ended March 31, 2023. This brief commentary on our financial performance should be read together with those results which can be found on the website of the Jamaica Stock Exchange and on our website at [www.carrerasltd.com](http://www.carrerasltd.com).

Revenue grew 3% to \$16.2 billion, an increase of \$0.5 billion compared to the corresponding period last year. While gross profit was flat compared to last year, it should be noted that the results also reflect the company's investment of \$231 million in a new customer management system. This is a one-off and timely expense to modernize our customer service functions, which we anticipate will yield future efficiencies and savings. Net profit was J\$3.6 billion, a decline of J\$0.4 billion when compared to the previous year. Basic earnings per stock unit for the year were J\$0.749 (2022: J\$0.839) and we were able to pay a total dividend over the financial year of \$0.78 per share. As the global environment continues its recovery from the effects of the COVID-19 pandemic, our business continues to experience price volatility in the prices of key components and logistics, the cost of which have been absorbed so far.

We have also prioritized investment in the transformation of our brands to ensure our consumers receive the highest quality and innovative products. We are also striving to improve our Route to Market model to ensure that we deliver our products to our customers and consumers in the most efficient and cost-effective manner.

The illicit trade continues to affect our industry and is a major risk to all stakeholders. We are committed to improving the legal tobacco landscape and will continue to drive awareness of the various issues caused by the illicit trade through engagement with the government and its agencies and private sector stakeholders.

We remain grateful to our consumers, customers, dedicated team members, business partners and shareholders for their continued and unwavering support.