



## REPORT TO OUR SHAREHOLDERS

The Board of Directors are pleased to present the financial performance of Carreras Limited for the second quarter of Financial Year 2023.

During the six-month period ending September 30, 2023, the Company achieved Operating Revenues of \$8.4 billion, an 11% increase or J\$0.9 billion when compared to the corresponding period last year. Operating profit before other income amounted to J\$2.8 billion, a 30% or J\$0.6 billion increase when compared to the same period last year while net profit after tax was J\$2.1 billion, an increase of J\$0.5 billion or 33%, when compared to the previous year. Net profit for the quarter was \$1.1 billion, a 19% increase compared to the same period last year.

Total administrative, distribution and marketing expenses for the six-months was \$1.3 billion, a 4% increase compared to the corresponding period in the last financial year. Basic earnings per stock unit for the period was 44.3 cents (2022: 33.4 cents).

During the period, we successfully launched our newest category – Vuse, the number one vapour brand in the world. This new product is geared to meeting our consumers evolving preferences for easy to use, risk reduced products.

Carreras Limited continues to invest in our communities and people. We are very proud to play our part once again, in the development of underserved communities through our continued partnership with “Project Star” and the awarding of several scholarships to people in need.

The illicit trade is a major risk. The Company is committed to continue to drive awareness through engagement with the government, regulators, and private sector stakeholders. We continue to support and comply with such regulations set out for governing the marketing and distribution of our products. We are working hard alongside stakeholders of the industry to ensure that future tobacco regulations are balanced, practical, and fair.

The Board of Directors has approved an ordinary interim dividend payment of \$0.23 per stock unit, totaling J\$1.12 billion, to be paid out of accumulated profits on December 19, 2023, to shareholders as shown on the Register of Members as of November 28, 2023. This is keeping with our dividend policy and demonstrates the Company’s continued commitment to enhancing shareholder value.

While the future remains uncertain, we continue to work hard to meet the needs of our consumers and to achieve positive results and improved shareholder value.

Thank you to our consumers, Board of Directors, dedicated team members, business partners and shareholders for their continued and unwavering support.

**ON BEHALF OF THE BOARD**

Franklin Murillo

Managing Director

