News Release

GRACEKENNEDY REVENUES UP 12.2% OR J$11.7 BILLION, RESULTING IN PRE-TAX PROFITS OF J$7.7 BILLION

Kingston, Jamaica, November 10, 2022 – GraceKennedy Limited (GK) has released its financial results for the nine months ended September 30, 2022. For the period, GK recorded strong top-line growth, realising revenues of J$107.4 billion, an increase of 12.2% or J$11.7 billion over the corresponding period in 2021.

Profit across the business segments was mixed, with overall profit before tax of J$7.7 billion being recorded for the period. This represented a J$803 million or 9.4% decline compared to prior year. Net profit attributable to stockholders was J$5.2 billion, 8.1% or J$458 million lower than the corresponding period of 2021. Earnings per stock unit for the period was J$5.27 compared to J$5.73 last year. In 2021, GK recorded a non-recurring gain of J$308 million, which when excluded would show net profit declining by a lower rate of 4.7%.

A dividend payment of 58 cents per stock unit, payable on December 15, 2022, totalling J$574 million has been announced by Group CFO, Andrew Messado. This will result in a full year dividend pay-out of J$2 billion for the first time in GK's 100-year history.

GK Group CEO Don Wehby commented, "We are navigating an increasingly challenging macroeconomic environment in many of markets where GK operates. Rising inflation, an inconsistent supply chain, increasing interest rates and distribution costs have been exacerbated by ongoing global geopolitical issues. The impact of high inflation on the disposable income of remittance customers in sending markets for example, has led to lower transaction volumes, and reduced foreign exchange gains across that part of our business. To tackle these headwinds, we have doubled down our cost containment efforts across the Group, and our team has been proactively implementing strategies to ensure we continue to grow our top-line and bottom-line sustainably going forward."

For the nine-month period ended September 30, 2022, GK's food business recorded overall growth in revenues compared to the corresponding period of 2021; however, there were mixed results for PBT across the division. GK's Jamaican food business achieved growth in both revenues and PBT, while GK's international foods business grew revenues, but PBT continued to be negatively impacted by inflated distribution costs.

The GraceKennedy Financial Group also delivered a mixed performance. GK's Banking and Investment segment performed well, while GraceKennedy Money Services reported a decline in revenues and PBT, primarily due to current trends being experienced in Jamaica's remittance market. GK's Insurance segment showed robust revenue growth; however, profits declined marginally due to lower than projected returns on investment income, and higher than anticipated claims costs related to inflation.

"We have implemented initiatives to stimulate growth in remittances, which we are confident will produce a positive outcome. The advancement of our digital transformation agenda is critical in this regard, so I am happy to report that our GK ONE mobile app now offers customers the ability to receive

GraceKennedy Limited
73 Harbour Street, P.O. Box 86, Kingston, Jamaica, West Indies
Telephone: (876) 922 3440 Facsimile: (876) 948 3073
Website: www.gracekennedy.com

remittances as well as pay bills. The development of digital products to meet the ever-evolving needs of our customers represents an important investment for GK, allowing us to offer greater convenience and enhanced products to a wider range of customers," said Wehby.

Wehby went on to say that although there have been headwinds this year, the GK team remains dedicated to achieving the Company's strategic objectives, and positively impacting the communities they serve. "Notwithstanding the challenges, we look forward to closing out 2022 with a strong performance, powered by our amazing GK team, sound strategy and of course, our world-class products and services which we continue to deliver at the highest standard," he concluded.

A*n investor briefing to discuss the Group's third quarter results will be hosted virtually by GK on November 21, 2022; details to follow.*

Contact: **Suzanne Nam (Stanley)**
Head of Corporate Communications
(876) 809-1121