



Lumber Depot Limited
17C Gordon Town Road, Papine
Kingston 6, Jamaica
Phone: (876) 977-5075
Fax: 876-970-1302
email: lumberdepotblue@gmail.com

Head Office
4 Victoria Avenue
Kingston CSO
Phone: 876-648-5976

Chairman's Report for the Nine Months Ended January 31, 2026

On behalf of the board of directors of Lumber Depot Limited, I am pleased to share with you the results of our operations for the nine-month period ending January 31, 2026. Lumber Depot generated net profits of \$104.20 million on revenues of \$1,185.22 billion. For the comparable period in the prior year Lumber Depot generated net profits of \$106.65 million on revenues of \$1,134.95 billion. Pre-tax profit for Lumber Depot increased by 9.30% relative to the prior year. The tax-free status of the company ended in [Insert Month] of 2025. The company now pays corporate income taxes at 50% of the otherwise applicable rate and this change in tax status impacted on the net profit growth of the company.

Lumber Depot operates a full-service hardware store in Papine that serves the needs of large and small-scale building contractors, as well as homeowners doing construction projects, renovations and repairs. The Lumber Depot business has been in operation for over 20 years and during this time has established a market leading position in the communities we directly serve and a strong reputation for excellent service and good value across the wider corporate area.

We consider our location in Papine to be an important part of our success. Papine is a vibrant and fast-growing university community that also serves as a main access point to the St. Andrew hills. Our location is immediately within the most trafficked part of the community, is purpose built and well established. During the year, we acquired the property immediately adjacent to our business. This additional property will be developed to support the Lumber Depot business by allowing for the stocking of a wider range of inventory, reduced congestion, improved parking, an expanded show room and overall enhanced service levels. Lumber Depot is now engaging with architects to design and plan for the development of this site.

Notwithstanding the strong market position of our Papine location, Lumber Depot has concluded that its long-term profit growth will benefit from investment in select other opportunities within the hardware industry, but outside of the core Papine location. This focus on growth opportunities led to the holding by Lumber Depot of a 29.3% interest in Atlantic Hardware and Plumbing Limited ("Atlantic").

Atlantic is engaged in the supply of plumbing and hardware items to retail hardware establishments across Jamaica. Atlantic has a well-established position in this important market segment and will continue to focus directly on this business. Atlantic has performed generally in line with expectations and our holdings in Atlantic are now an important asset for our business.

We are pleased that despite the macro-economic challenges connected to Hurricane Melissa, Lumber Depot continues to trade positively and to deliver solid results and, importantly, to maintain excellent service levels and customer endorsements.

We will continue to judiciously manage our cash with a view to paying healthy dividends and improving shareholder returns. Our board and management are also committed to maintaining the financial capacity to boldly seize and execute on the expansion and acquisition opportunities that we expect to arise once construction growth resumes in Jamaica.


I thank our board, management and staff for their work to deliver strong results for shareholders.


Jeffrey Hall
Chairman
March 12, 2026

LUMBER DEPOT LIMITED
Statement of Financial Position
As at January 31, 2026

	Unaudited 31-Jan-26 \$	Restated Unaudited 31-Jan-25 \$	Audited 30-Apr-25 \$
ASSETS:			
Non-current assets			
Property, plant and equipment	375,276,757	171,171,643	171,086,482
Equity investment AHPL (note 11)	377,382,000	280,000,214	377,382,000
Deferred tax asset	2,634,564	-	2,634,564
	<u>755,293,321</u>	<u>451,171,857</u>	<u>551,103,046</u>
Current assets			
Cash and cash equivalents	288,670,457	269,685,386	193,631,306
Investments	-	15,493,516	15,590,298
Accounts receivable and prepayments	37,088,304	34,693,233	38,311,919
Inventories	141,386,490	152,423,843	145,234,075
Taxation recoverable	-	5,812,812	62,290
	<u>467,145,251</u>	<u>478,108,789</u>	<u>392,829,888</u>
Current liabilities			
Accounts payable	135,864,885	192,835,732	115,879,976
Taxation Payable	12,497,372	-	-
Current portion of longterm loan	5,254,232	-	-
	<u>153,616,489</u>	<u>192,835,732</u>	<u>115,879,976</u>
Net Current Assets	<u>313,528,762</u>	<u>285,273,057</u>	<u>276,949,912</u>
Total assets less current liabilities	<u>1,068,822,084</u>	<u>736,444,914</u>	<u>828,052,958</u>
EQUITY			
Share capital	170,061,991	170,061,991	170,061,991
Other reserve (note 12)	62,381,786	-	62,381,786
Retained earnings	643,311,575	566,382,923	595,609,181
	<u>875,755,352</u>	<u>736,444,914</u>	<u>828,052,958</u>
Non-Current liabilities			
Long-term loan	193,066,732	-	-
Total equity and non current liability	<u>1,068,822,084</u>	<u>736,444,914</u>	<u>828,052,958</u>

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


 _____ Chairman
 Jeffrey Hall


 _____ Director
 Noel Dawes

LUMBER DEPOT LIMITED
Statement of Profit or Loss and Other Comprehensive Income
Nine months ended January 31, 2026

	Unaudited 9 Mths Ended 31-Jan-26 \$	Restated Unaudited 9 Mths Ended 31-Jan-25 \$	Unaudited 3 Mths Ended 31-Jan-26 \$	Restated Unaudited 3 Mths Ended 31-Jan-25 \$	Audited 30-Apr-25 \$
Revenue	1,185,221,124	1,134,947,521	412,745,559	372,293,326	1,510,003,968
Cost of revenue	<u>(910,592,379)</u>	<u>(880,622,068)</u>	<u>(315,557,520)</u>	<u>(293,581,847)</u>	<u>(1,179,416,792)</u>
Gross profit	274,628,745	254,325,453	97,188,039	78,711,479	330,587,176
Impairment reversal/(loss) on trade receivables	2,979,975	77,362	(2,763,460)	2,066,339	124,664
Impairment reversal/(loss) on investments and cash and cash equivalents, net	223,113	(12,867)	2,948,203	(27,007)	(14,378)
Administrative and other expenses	<u>(161,253,144)</u>	<u>(152,988,957)</u>	<u>(56,560,541)</u>	<u>(54,602,253)</u>	<u>(200,927,258)</u>
	116,578,689	101,400,992	40,812,241	26,148,558	129,770,204
Other income	<u>9,845,996</u>	<u>5,479,618</u>	<u>6,249,537</u>	<u>1,705,288</u>	<u>7,192,644</u>
Profit before net finance costs and taxation	<u>126,424,685</u>	<u>106,880,610</u>	<u>47,061,778</u>	<u>27,853,845</u>	<u>136,962,848</u>
Finance income	3,645,423	8,088,200	(12,116)	2,548,776	10,455,981
Finance cost	<u>(10,982,799)</u>	<u>(5,979,880)</u>	<u>(6,750,172)</u>	<u>(1,840,377)</u>	<u>(7,878,120)</u>
Net financial (costs)/income	<u>(7,337,376)</u>	<u>2,108,320</u>	<u>(6,762,288)</u>	<u>708,400</u>	<u>2,577,861</u>
Profit for the period	119,087,309	108,988,930	40,299,490	28,562,245	139,540,709
Taxation	<u>(14,885,913)</u>	<u>(2,334,896)</u>	<u>(5,037,436)</u>	<u>(2,334,896)</u>	<u>(3,660,417)</u>
Profit attributable to members, being total comprehensive income for the period	<u>104,201,396</u>	<u>106,654,034</u>	<u>35,262,054</u>	<u>26,227,348</u>	<u>135,880,292</u>
Other comprehensive income					
Items that will not classified to profit or loss					
Investment in Atlantic Hardware & Plumbing Company Limited - net changes in fair value	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,381,786</u>
Other comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,381,786</u>
Total comprehensive Income attributable to shareholders	<u>104,201,396</u>	<u>106,654,034</u>	<u>35,262,054</u>	<u>26,227,348</u>	<u>198,262,078</u>
Earnings per stock unit	<u>\$ 0.15</u>	<u>\$ 0.15</u>	<u>\$ 0.05</u>	<u>\$ 0.04</u>	<u>\$ 0.19</u>

LUMBER DEPOT LIMITED
Statement of Changes in Equity
Nine months ended January 31, 2026

	<u>Share Capital</u>	<u>Other Reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	\$		\$	\$
Balances as at April 30, 2024 (audited)	170,061,991	-	509,165,513	679,227,504
Dividends Paid	-	-	(49,436,624)	(49,436,624)
Profit for the period, being total comprehensive income for the quarter (restated)	-	-	106,654,034	106,654,034
Balances as at January 31, 2025 (unaudited)	<u>170,061,991</u>	<u>-</u>	<u>566,382,923</u>	<u>736,444,914</u>
Balances as at April 30, 2025 (audited)	170,061,991	62,381,786	595,609,181	828,052,958
Dividends Paid - October 2025	-	-	(56,499,002)	(56,499,002)
Profit for the period, being total comprehensive income for the quarter	-	-	104,201,396	104,201,396
Balances as at January 31, 2026 (unaudited)	<u>170,061,991</u>	<u>62,381,786</u>	<u>643,311,575</u>	<u>875,755,352</u>

LUMBER DEPOT LIMITED
Statement of Cash Flows
Nine months ended January 31, 2026

	Unaudited 31-Jan-26 \$	Restated Unaudited 31-Jan-25 \$	Audited 30-Apr-25 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	104,201,396	106,654,034	135,880,292
Adjustments for:			
Depreciation	6,415,026	4,413,283	5,604,194
Interest Income	(4,795,898)	(7,347,528)	(9,533,467)
Unrealised exchange loss/(gains)	1,150,477	805,167	(249,336)
Taxation	<u>14,885,913</u>	<u>2,334,896</u>	<u>3,660,417</u>
Cash generated before changes in working capital	121,856,914	106,859,852	135,362,100
Accounts receivables and prepayments	1,223,615	(5,954,188)	(10,095,104)
Inventories	3,847,585	(1,156,432)	6,033,335
Accounts payable	19,984,909	(1,917,440)	(29,831,884)
Taxation recoverable	<u>(62,290)</u>	<u>(1,931,092)</u>	<u>(2,475,551)</u>
Cash provided by operations	146,850,733	95,900,700	98,992,896
Income Tax Paid	<u>(1,232,286)</u>	-	-
Net cash provided by operating activities	<u>145,618,447</u>	<u>95,900,700</u>	<u>98,992,896</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(210,616,088)	(708,312)	(1,844,374)
Purchase of equity Investment in AHPCL	-	-	(90,650,000)
Proceed from Investment	15,590,298	-	-
Interest received	<u>4,398,847</u>	<u>6,251,888</u>	<u>10,055,697</u>
Net cash (used)/provided by investing activity	<u>(190,626,943)</u>	<u>5,543,576</u>	<u>(82,438,677)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	(54,023,317)	(49,436,623)	(40,600,646)
Loan repayment	(5,929,036)	-	-
Proceeds from Loan	<u>200,000,000</u>	<u>-</u>	<u>-</u>
Net cash used by financing activities	<u>140,047,648</u>	<u>(49,436,623)</u>	<u>(40,600,646)</u>
Net increase in cash and cash equivalents	95,039,151	52,007,653	(24,046,427)
Cash and cash equivalents at beginning of the period	<u>193,631,306</u>	<u>217,677,733</u>	<u>217,677,733</u>
Cash and cash equivalents at end of period	<u>288,670,457</u>	<u>269,685,386</u>	<u>193,631,306</u>

LUMBER DEPOT LIMITED
Notes to the Unaudited Financial Statements
January 31, 2026

1 Identification and principal activities

Lumber Depot Limited (the company) was incorporated and domiciled in Jamaica on July 30, 2019. The registered office of the company is located at 4 Victoria Avenue Kingston CSO, with retail outlet at 17c Gordon Town Road, Kingston 6. The company is listed on the Junior Market of the Jamaica Stock Exchange since December 16, 2019.

The main activities of the company comprise the sale of lumber, hardware supplies and related products.

2 Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standard Issued by the International Accounting Standard Board (IFRS accounting Standard Boards) and comply with the provision of the Jamaica Companies Act.

3 New and amended standards that became effective during the period

Certain new and amended standards which were in issue, came into effect during the current financial period. The adoption of these standards did not have any impact on the amounts recognized or disclosures in the financial statements.

4 Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the reporting date and the income and expense for the year then ended. Actual amounts could differ from those estimates.

5 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise investments, cash and cash equivalents and accounts receivable. Financial liabilities comprise accounts payable and due to related party.

6 Revenue:

Revenue is measured based on the consideration specified in a contract with a customer. The company recognises revenue when it transfers control over a good or service to a customer.

7 Foreign currencies:

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are measured at historical cost, are translated at the foreign exchange rates ruling at the reporting date. Foreign exchange differences arising from fluctuations in exchange rates are recognised in profit or loss.

8 Material accounting policies

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the period ended April 30, 2025.

9 Net realisable value of inventories:

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly

relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realisable value also take into consideration the purpose for which the inventory is held.

10 Finance cost

Finance cost comprises bank charges and foreign exchange losses recognised in profit or loss.

11 Equity Investment in AHPCL

The company holds a 29.3% stake in Atlantic Hardware & Plumbing Company Limited (AHPCL), a company that is a distributor of wholesale hardware supplies and related products. The company has no significant influence over the financial and operating decision of AHPCL given that only non-executive directors are represented by the company. As a consequence, the investment is classified as an equity instrument measured at fair value through other comprehensive income.

12 Other reserve

Net change in the fair value of Investment in Atlantic Hardware and Plumbing Co. Ltd.

13 Interest-bearing borrowing

Interest-bearing borrowings are measured initially at fair value. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost, with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowing on the effective interest basis.

14 Restatement

The financial statements for the Nine-months period ended January 31, 2025, was restated to account for the company's investment in Atlantic Hardware & Plumbing Company Limited (AHPCL) as an equity instrument measured at fair value through other comprehensive income, as a consequence, the \$12,192,477 previously recognized in profit or loss as share of profit in associate was reversed. The Equity investment in AHPCL previously reported as \$292,192,691 was restated as \$280,000,214



JANUARY 31, 2026
TOTAL SHARES OUTSTANDING:
706,237,500

DIRECTORS AND CONNECTED PARTIES REPORT

PRIMARY HOLDER (JOINT HOLDER)	RELATIONSHIP	UNITS	PERCENTAGE
NOEL DAWES*	SELF	16,627,150	2.3543
VIKRAM DHIMAN	SELF	100,000	0.0142
LISA KONG	SELF	100,000	0.0142
GEORGE OVERTON	SELF	100,000	0.0142
JEFFREY HALL ***	SELF	0	0.0000
PAUL SCOTT****	SELF	0	0.0000
MELANIE SUBRATIE****	SELF	0	0.0000
CONNECTED PARTY *	CONNECTED PARTY	38,070	0.0054

TOP 10 SHAREHOLDERS

PRIMARY HOLDER (JOINT HOLDER)	UNITS	PERCENTAGE
STONY HILL CAPITAL LIMITED****	116,189,064	16.4518
BLUE POWER GROUP LIMITED***	116,189,064	16.4518
PAM-POOLED EQUITY FUND	102,568,062	14.5232
J KENNETH BENJAMIN & SHEILA BENJAMIN	59,954,650	8.4893
MARY J. FRAY	30,954,000	4.3829
JN FUND MANAGERS LIMITED	21,919,341	3.1037
NOEL DAWES	16,627,150	2.3543
JPS EMPLOYEES SUPERAN.FUND		
-PRIME ASSET MANAGEMENT	12,102,288	1.7136
THE MAYBERRY FOUNDATION LTD.	10,000,000	1.4160
BRIAN MILLINGEN	8,311,000	1.1782

TOTAL UNITS OWNED BY TOP 10	494,824,619	70.0649
-----------------------------	-------------	---------