

RATING RELEASE

October 1, 2026

CariCRIS reaffirms 'good creditworthiness' ratings of Seprod Limited

<i>CariA</i>	Regional Scale (Local Currency)
<i>jmAA-</i>	Jamaica National Scale (Local Currency)
<i>jmA+</i>	Jamaica National Scale (Foreign Currency)

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the assigned corporate credit ratings of *CariA* (Local Currency (LC) Rating) on the regional rating scale, and *jmAA-* (LC Rating) and *jmA+* (Foreign Currency (FC) Rating) on the Jamaica national scale to Seprod Limited (Seprod or the Group). The regional scale rating indicates that the level of creditworthiness of this obligor, adjudged in relation to other obligors in the Caribbean is **good**. The LC national scale rating indicates that the level of creditworthiness of this obligor, adjudged in relation to other obligors in Jamaica is **high**. The FC national scale rating indicates that the level of creditworthiness of this obligor, adjudged in relation to other obligors in Jamaica is **good**.

CariCRIS has also revised the outlook on the ratings to **stable** from negative. The stable outlook is premised on the high likelihood that Seprod's financial flexibility will continue to improve over the next 12-15 months. This is underpinned by the refinancing of short-term debt into a longer-tenor bond, stronger cash balances, improved capitalisation and an increased focus on deleveraging. As a result, the Group's effective debt servicing coverage ratio (DSCR) is expected to remain above 1 time, addressing a key downside rating sensitivity factor (RSF) identified in the prior review. CariCRIS also expects Seprod to sustain profitable operations, maintain covenant compliance and comfortably service its debt in a timely manner over the next 12-15 months.

Seprod's ratings are underpinned by its strong market position, supported by a diversified portfolio of products and wide distribution network across the Caribbean. The Group's good financial performance in 2025, driven by continued profitability and improved debt protection metrics, also supports the ratings. The ratings also reflect

Seprod's integrated business model and quality management practises, which support sustainability, alongside its robust corporate governance framework and competent management team. Notwithstanding these credit strengths, the ratings are constrained by ongoing global geopolitical uncertainties and softer economic conditions in its main market, Jamaica, which may present downside risks to the Group's operations and profitability.

Rating Sensitivity Factors:

Factors that can, individually or collectively, lead to an improvement of the rating and/or outlook:

- An improvement in the GOJ's credit rating over the next 12-15 months
- An improvement in PAT margin above 5% for the next 2 years
- An improvement in the DSCR to 1 time or above, sustained for 2 years

Factors that can, individually or collectively, lead to a lowering of the rating and/or outlook:

- A deterioration in the GOJ's credit rating over the next 12-15 months
- Impending trade tensions and/or a material increase in tariffs that can adversely impact supply chain and inventory costs resulting in the GP margin falling to below 25%
- A deterioration in the PAT margin below 3% sustained for 2 years
- A weakening in the Group's effective DSCR to below 1 time sustained for 2 years

About the Company:

Seprod and its subsidiaries (Seprod or the Group) is a major food manufacturing and distribution entity based in Jamaica and incorporated in 1940. In 1956, the entity was renamed Seprod Limited after acquiring Soap and Edible Products Limited. Over the decades, Seprod expanded through mergers and acquisitions, and was listed on the Jamaica Stock Exchange (JSE) in 1985. As at June 2026, Seprod's single largest shareholder was Musson (Jamaica) Limited, owning 46.5% of the Group's outstanding shares through a combination of its direct 25.4% holding, as well as the 13.7% and 7.4% held by its subsidiaries, Facey Group Limited and Musson Investments Limited, respectively.

Seprod has since evolved into one of the leading food companies in the English-speaking Caribbean, operating through 6 subsidiaries and 1 joint venture, with a workforce of approximately 4,500 employees. Its diverse product portfolio spans 12 categories and is distributed in 22 territories globally. The Group operates under 2 primary business segments:

1. **Manufacturing** – production and sale of oils and fats, corn and wheat products, cereals, milk products, juices, and biscuits.
2. **Distribution** – focused on the merchandising and delivery of consumer goods.

As at June 2025, Seprod owned an 80% stake in A.S. Bryden & Sons Holdings¹ (ASBH). For the financial year ended December 2025, the Group reported total operating revenue of J \$152.3 billion while total assets stood at J \$118.3 billion.

For more information on Seprod's ratings, please visit www.caricris.com or contact:

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¹ ASBH is a leading distributor of food, premium beverages, consumer products, pharmaceuticals and industrial supplies in the Caribbean.