



CEO Message

Q1 2025-2026

The Board of Directors of *AML Foods Limited* today announced the financial results for the first quarter ended July 31st, 2025, reporting strong growth in both sales and profitability. Sales for the period were \$49.4m compared to \$45.4m, an increase of 8.9% over the same quarter last year. Net profit for the quarter was \$4.3m compared to \$1.7m for the same period in the prior year.

Our results this quarter reflect the continued confidence of our customers, who are responding positively to the value and shopping experience we are providing. Key drivers for the period included increased customer counts across all locations and consistent net margins supported by effective shrink management. While expenses remain under pressure—particularly from energy, insurance, and payroll—overall costs declined as a percentage of sales. We will remain focused on disciplined execution and long-term growth, while carefully managing costs in a challenging operating environment.

We are committed to reinvesting in and expanding our business, and design work to rebuild our Old Trail facility is already underway. At the same time, our Eleuthera Markets location continues to outperform expectations, reinforcing the strength of our long-term growth strategy.

Based on the quarter's performance the Board of Directors have approved an ordinary dividend payment of \$0.06 per share payable on September 29, 2025, to shareholders of record as of September 22, 2025.

On behalf of the Board of Directors I would like to say thank you to our team of dedicated associates and our loyal customers for your continued commitment and support of our company and businesses.

Sincerely,

Gavin Watchorn
CEO & President

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31st JULY 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed In thousands of Bahamian dollars)

	As At July 31, 2025	As At April 30, 2025
Assets		
Current assets		
Cash and bank balances	\$ 41,379	\$ 17,577
Term deposits with original maturities greater than 90 days	292	292
Receivables, net of provision	931	1,200
Insurance claim receivable	-	23,150
Merchandise inventories, net of provisions	13,307	12,678
Other current assets	3,436	3,120
Total current assets	59,345	58,017
Non-current assets		
Other assets	3,138	3,138
Property, plant and equipment, net		
Land, land improvements and buildings	38,057	37,488
Equipment	9,474	8,268
Leasehold improvements	3,234	3,471
Work in progress	532	2,370
Total property, plant and equipment, net	51,297	51,597
Right of use asset, net	27,322	27,228
Goodwill and Other Intangible Assets	4,951	4,951
Total assets	\$ 146,053	\$ 144,931
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	19,235	20,673
Current portion of preference shares	1,360	1,360
Current portion of bank loan	3,189	3,129
Current portion of lease liability	2,008	1,580
Total current liabilities	25,792	26,742
Long-term liabilities		
Bank loan	19,010	19,790
Preference shares	5,441	5,441
Lease liability	29,479	29,693
Total long-term liabilities	53,930	54,924
Shareholders' equity		
Ordinary share capital	7,378	7,378
Contributed surplus	2,231	2,231
Revaluation surplus	7,951	7,951
Retained earnings	48,771	45,705
	66,331	63,265
Total liabilities and shareholders' equity	\$ 146,053	\$ 144,931

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31st JULY 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
(Expressed In thousands of Bahamian dollars except share amounts)

	Quarter ended July 31, 2025	Quarter ended July 31, 2024
Sales	\$ 49,416	\$ 45,395
Cost of sales	(32,072)	(29,588)
Gross profit	17,344	15,807
Selling, general and administrative expenses	(14,405)	(13,704)
Other operating income	192	272
Net operating profit	3,131	2,375
Interest expense	(569)	(552)
Dividends on preference shares	(102)	(102)
Insurance claim income	1,859	-
Loss from fire-related destruction	(52)	-
Net profit and comprehensive income	\$ 4,267	\$ 1,721
Weighted average number of ordinary shares outstanding	<u>15,008,048</u>	<u>15,008,048</u>
Earnings per share	<u>\$ 0.28</u>	<u>\$ 0.11</u>

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Expressed In thousands of Bahamian dollars)

	No. of Shares ('000s)	Share Capital	Contributed Surplus	Revaluation Surplus	Retained Earnings	Total
Balance as of April 30, 2024	15,008	7,378	2,231	7,951	34,895	52,455
Net profit		-	-	-	1,721	1,721
Declared Dividends (\$0.07 per share)		-	-	-	(1,051)	(1,051)
Balance as of July 31, 2024	15,008	\$ 7,378	\$ 2,231	\$ 7,951	\$ 35,565	\$ 53,125

	No. of Shares ('000s)	Share Capital	Contributed Surplus	Revaluation Surplus	Retained Earnings	Total
Balance as of April 30, 2025	15,008	\$ 7,378	\$ 2,231	\$ 7,951	\$ 45,705	\$ 63,265
Net profit	-	-	-	-	4,267	4,267
Declared Dividends (\$0.08 per share)	-	-	-	-	(1,201)	(1,201)
Balance as of July 31, 2025	15,008	\$ 7,378	\$ 2,231	\$ 7,951	\$ 48,771	\$ 66,331

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31st JULY, 2025
CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in thousands of Bahamian dollars)

	Year to Date Ended July 31, 2025	Year to Date Ended July 31, 2024
Cash flows from operating activities		
Net profit	4,267	1,721
Depreciation and amortization	1,539	1,680
Dividends on preference shares	102	102
Increase in provision for doubtful debts	5	(10)
(Decrease) / increase in inventory provision	(50)	36
Insurance claim income	(1,859)	-
Interest on lease liability	364	378
Operating cash flow before changes in working capital	4,368	3,907
Working capital source / (use)		
Accounts receivable	264	210
Merchandising inventories	(579)	59
Other current assets	(317)	(1,022)
Accounts payable and accrued expenses	(1,523)	1,424
Net cash provided by operating activities	2,213	4,578
Investing activities source / (use)		
Movement on term deposit	-	(1)
Additions to property, plant and equipment	(734)	(3,666)
Proceeds from insurance claims	25,095	-
Net cash used in investing activities	24,361	(3,667)
Financing activities source / (use)		
Dividends paid on ordinary shares	(1,201)	(1,051)
Dividends paid on preference shares	(102)	(102)
Repayment of bank loan	(721)	(595)
Proceeds from bank loan	-	1,323
Payment of lease liability	(748)	(907)
Net cash used in provided by financing activities	(2,772)	(1,332)
Increase in cash and bank balances	23,802	(421)
Cash and bank balances, beginning of period	17,577	9,200
Cash and bank balances, end of period	41,379	8,779
Supplemental information:		
Interest received	-	-
Interest paid	205	174

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED APRIL 30, 2025

SEGMENT REPORTING
(Expressed in thousands of Bahamian Dollars)

The Company and its subsidiaries operate principally in three business segments: Food Distribution, Food Franchise and Corporate. The Food Distribution segment consists of the retail and club distribution of consumer and food products in Grand Bahama, Exuma Abaco and New Providence. The Food Franchise segment consists of the manufacturing and delivery of pizza in Grand Bahama and New Providence. The Corporate segment consists of the Company's real estate and corporate management.

Three Months Ended	Food Distribution		Food Franchise		Corporate		Consolidated	
	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24	31-Jul-25	31-Jul-24
Sales	\$ 46,479	\$ 42,507	\$ 2,937	\$ 2,888	\$ -	\$ -	\$ 49,416	\$ 45,395
Cost of sales	(31,066)	(28,648)	(1,006)	(940)	-	-	(32,072)	(29,588)
Gross Profit	15,413	13,859	1,931	1,948	-	-	17,344	15,807
Selling, general and administrative expenses	(8,473)	(8,547)	(1,713)	(1,648)	(4,219)	(3,509)	(14,405)	(13,704)
Other operating income	91	191	-	-	101	81	192	272
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-
Interest expense	(352)	(369)	(12)	(9)	(205)	(174)	(569)	(552)
Dividends on preference shares	-	-	-	-	(102)	(102)	(102)	(102)
Insurance claim income	159	-	-	-	1,700	-	1,859	-
Loss from fire-related destruction	(17)	-	-	-	(35)	-	(52)	-
Net profit / (loss)	\$ 6,821	\$ 5,134	\$ 206	\$ 291	\$ (2,760)	\$ (3,704)	\$ 4,267	\$ 1,721

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED JULY 31, 2025

EXPLANATORY NOTES

1. ACCOUNTING POLICIES

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards using the same accounting policies and methods of computation as the Consolidated Financial Statements for the year ended April 30, 2025 included in the 2025 Annual Report.

The consolidated interim financial statements include the accounts of AML Foods Limited, formerly Abaco Markets Limited, ("the Company") and its significant wholly owned subsidiaries: Solomon's Supercentre (Nassau) Limited, Cost Right Nassau Limited, Solomon's Club (Freeport) Limited, Thompson Wholesale Limited, Caribbean Franchise Holdings Limited, Solomon's Fresh Market Limited, Solomon's Exuma Limited, Eleuthera Markets Limited and Chef Direct Food Service Limited.

2. DIVIDENDS

The Company paid an ordinary dividend of \$0.05 per share and an extraordinary dividend of \$0.03 per share on July 21, 2025 to shareholders of record on July 16, 2025.

3. BANK LOANS

The Company has a total of five bank loans with RBC Royal Bank (Bahamas) Limited which each bear a blended interest rate of 3.60% per annum. The total remaining principal amount outstanding on the Company's loans was \$22.2m as at July 31, 2025.

4. OLD TRAIL FIRE

On April 14, 2025, the Company's Old Trail building which housed two of its grocery locations, Solomon's Old Trail and Cost Right Nassau, was damaged due to a fire. As a result of the fire, the Company recorded additional fire-related expenses during the quarter totaling \$0.05m which are included in Loss from Fire-Related Destruction in the Consolidated Statement of Profit or Loss and Comprehensive Income.

The Company also has various insurance policies which cover business interruption losses related to net profit, payroll and various inter-Company charges. During the period, a total of \$1.86m net of VAT was recovered related to these policies and are included in Insurance Claim Income in the Consolidated Statement of Profit or Loss and Comprehensive Income. Any future insurance proceeds received from claims on the Company's business interruption policies will be reported in the period they relate to.

5. SUBSEQUENT EVENTS

On September 10, 2025, the Board of Directors approved an ordinary dividend of \$0.06 per share payable on September 29, 2025 to shareholders of record on September 22, 2025.

AML FOODS LIMITED

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LEGAL COUNSEL

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DIRECTORS

Franklyn Butler, II (Chairman)
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Meike de Vaere
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