



CEO Message

Q2 2025-2026

The Board of Directors of *AML Foods Limited* today announced the financial results for the second quarter ended October 31st, 2025, reporting continued growth in both sales and profitability. Sales for the period were \$45.3m compared to \$43.9m, an increase of 3.1% over the same quarter last year. Net profit for the quarter was \$0.7m compared to a net loss of \$0.1m for the same period in the prior year.

During the second quarter, the business continued to perform well despite a challenging operating environment. We are seeing cost pressures, particularly in insurance, payroll, and utility expenses, even with disciplined efforts to reduce consumption and manage usage across the organization.

Despite the closure of two stores earlier in the year, we continue to generate year-to-date sales growth. Same-store transactions are up 12%, driven by increased customer traffic and larger basket size. This performance reflects the impact of the processes, tools, and service enhancements we have implemented to improve the customer experience and strengthen satisfaction.

The second quarter is traditionally our slowest period, coinciding with the low tourist season. We managed this period effectively and delivered results ahead of expectations. We are well prepared for the busy holiday season and remain focused on operational efficiency, customer experience, and disciplined cost management as we position the company for continued momentum in the second half of the year.

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

On behalf of the Board of Directors I would like to thank our dedicated and hard-working associates for your commitment to our company and our customers for your loyal support of our businesses. Season's Greetings and best wishes for a Happy and Prosperous New Year.

Sincerely,

Gavin Watchorn
CEO & President

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed In thousands of Bahamian dollars)

	As At October 31, 2025	As At April 30, 2025
Assets		
Current assets		
Cash and bank balances	\$ 24,809	17,577
Term deposits with original maturities greater than 90 days	290	292
Receivables, net of provision	981	1,200
Insurance claim receivable	505	23,150
Merchandise inventories, net of provisions	13,809	12,678
Other current assets	4,305	3,120
Total current assets	44,699	58,017
Non-current assets		
Investments in BGRS	12,059	-
Other assets	3,138	3,138
Property, plant and equipment, net	51,603	51,597
Right of use asset, net	26,748	27,228
Goodwill and other Intangible Assets	4,900	4,951
	98,448	86,914
Total assets	\$ 143,147	144,931
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	19,050	20,673
Current portion of preference shares	1,360	1,360
Current portion of bank loan	3,250	3,129
Current portion of lease liability	1,793	1,580
Total current liabilities	25,453	26,742
Long-term liabilities		
Bank loan	18,159	19,790
Preference shares	4,180	5,441
Lease liability	29,200	29,693
Total long-term liabilities	51,539	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	48,595	45,705
	66,155	63,265
Total liabilities and shareholders' equity	\$ 143,147	144,931

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

(Expressed In thousands of Bahamian dollars except share amounts)

	Quarter ended October 31, 2025	Quarter ended October 31, 2024
Sales	\$ 45,268	43,903
Cost of sales	(29,916)	(29,437)
Gross profit	15,352	14,466
Selling, general and administrative expenses	(14,568)	(13,988)
Other operating income	205	247
Gain / (loss) on disposal of property, plant & equipment	1	(201)
Net operating profit	990	524
Interest expense	(556)	(568)
Dividends on preference shares	(102)	(102)
Insurance claim income	459	-
Loss from fire-related destruction	(67)	-
Net profit / (loss) and comprehensive income	\$ 724	(146)
Weighted average number of ordinary shares outstanding	15,008,048	15,008,048
Earnings per share	\$ 0.05	(0.01)

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

(Expressed In thousands of Bahamian dollars except share amounts)

	Six Months Ended October 31, 2025	Six Months Ended October 31, 2024
Sales	\$ 94,684	89,298
Cost of sales	(61,988)	(59,025)
Gross profit	32,696	30,273
Selling, general and administrative expenses	(28,973)	(27,692)
Other operating income	397	519
Gain / (loss) on disposal of property, plant & equipment	1	(201)
Net operating profit	4,121	2,899
Interest expense	(1,125)	(1,120)
Dividends on preference shares	(204)	(204)
Insurance claim income	2,318	-
Loss from fire-related destruction	(119)	-
Net profit and comprehensive income	\$ 4,991	1,575
Weighted average number of ordinary shares outstanding	<u>15,008,048</u>	<u>15,008,048</u>
Earnings per share	<u>\$ 0.33</u>	<u>0.10</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		-	-	-	1,575	1,575
Declared Dividends (\$0.12 per share)		-	-	-	(1,801)	(1,801)
Balance as of October 31, 2024	15,008	\$ 7,378	\$ 2,231	\$ 7,951	\$ 34,669	\$ 52,229

	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	-	-	-	-	4,991	4,991
Declared Dividends (\$0.14 per share)	-	-	-	-	(2,101)	(2,101)
Balance as of October 31, 2025	15,008	\$ 7,378	\$ 2,231	\$ 7,951	\$ 48,595	\$ 66,155

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED OCTOBER 31, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

(Expressed In thousands of Bahamian dollars)

	Six Months Ended October 31, 2025	Six Months Ended October 31, 2024
Cash flows from operating activities		
Net profit	4,991	1,575
Depreciation and amortization	3,171	3,586
Dividends on preference shares	204	204
Decrease in provision for doubtful debts	(46)	(20)
Decrease in inventory provision	(189)	(182)
(Gain) / Loss on disposal of property, plant, and equipment	(1)	201
Insurance claim income	(2,318)	-
Interest on lease liability	721	761
Operating cash flow before changes in working capital	6,533	6,125
Working capital source / (use)		
Accounts receivable	219	46
Merchandising inventories	(942)	(63)
Other current assets	(1,186)	(152)
Accounts payable and accrued expenses	(1,708)	373
Net cash provided by operating activities	2,916	6,329
Investing activities source / (use)		
Additions to property, plant and equipment	(2,146)	(5,346)
Proceeds from insurance claims	25,095	-
Proceeds from disposal of property, plant & equipment	1	-
Purchase of Investments in BGRS	(12,061)	-
Net cash provided by (used in) investing activities	10,889	(5,346)
Financing activities source / (use)		
Dividends paid on ordinary shares	(2,101)	(1,801)
Dividends paid on preference shares	(204)	(204)
Repayment of bank loan	(1,510)	(1,159)
Repayment of preference shares	(1,260)	-
Proceeds from bank loan	-	2,994
Payment of lease liability	(1,498)	(1,863)
Net cash used in provided by financing activities	(6,573)	(2,033)
Increase (decrease) in cash and bank balances	7,232	(1,050)
Cash and bank balances, beginning of period	17,577	9,200
Cash and bank balances, end of period	24,809	8,150
Supplemental information:		
Interest received	1	-
Interest paid	508	564

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND SIX MONTHS ENDED OCTOBER 31, 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.

	Food Distribution		Food Franchise		Corporate		Consolidated	
Three Months Ended	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24
Sales	\$ 42,544	\$ 41,163	\$ 2,724	\$ 2,740	\$ -	\$ -	\$ 45,268	\$ 43,903
Cost of sales	(28,993)	(28,502)	(923)	(935)	-	-	(29,916)	(29,437)
Gross Profit	13,551	12,661	1,801	1,805	-	-	15,352	14,466
Selling, general and administrative expenses	(8,369)	(8,643)	(1,734)	(1,641)	(4,465)	(3,704)	(14,568)	(13,988)
Other operating income	94	194	-	1	111	52	205	247
Gain (loss) on disposal of fixed assets	1	(201)	-	-	-	-	1	(201)
Interest expense	(347)	(363)	(10)	(19)	(199)	(186)	(556)	(568)
Dividends on preference shares		-	-	-	(102)	(102)	(102)	(102)
Insurance claim income		-	-	-	459	-	459	-
Loss from fire-related destruction	(58)	-	-	-	(9)	-	(67)	-
Net profit / (loss)	\$ 4,872	\$ 3,648	\$ 57	\$ 146	\$ (4,205)	\$ (3,940)	\$ 724	\$ (146)

Six Months Ended	Food Distribution		Food Franchise		Corporate		Consolidated	
	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24	31-Oct-25	31-Oct-24
Sales	\$ 89,023	\$ 83,670	\$ 5,661	\$ 5,628	\$ -	\$ -	\$ 94,684	\$ 89,298
Cost of sales	(60,059)	(57,150)	(1,929)	(1,875)	-	-	(61,988)	(59,025)
Gross Profit	28,964	26,520	3,732	3,753	-	-	32,696	30,273
Selling, general and administrative expenses	(16,842)	(17,190)	(3,447)	(3,289)	(8,684)	(7,213)	(28,973)	(27,692)
Other operating income	185	385	-	1	212	133	397	519
Gain (loss) on disposal of fixed assets	1	(201)	-	-	-	-	1	(201)
Interest expense	(699)	(733)	(22)	(28)	(404)	(359)	(1,125)	(1,120)
Dividends on preference shares		-	-	-	(204)	(204)	(204)	(204)
Insurance claim income	159	-	-	-	2,159	-	2,318	-
Loss from fire-related destruction	(75)	-	-	-	(44)	-	(119)	-
Net profit / (loss)	\$ 11,693	\$ 8,781	\$ 263	\$ 437	\$ (6,965)	\$ (7,643)	\$ 4,991	\$ 1,575

AML FOODS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED OCTOBER 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 \$0.06 per share on September 29, 2025 to shareholders of record on September 22, 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 \$21.4m as at October 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 \$0.07m 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 \$0.46m net of value added tax 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 December 10, 2025, the Board of Directors approved an ordinary dividend of \$0.06 per share payable on December 29, 2025 to shareholders of record on December 22, 2025.

AML FOODS LIMITED

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DIRECTORS

Franklyn Butler, II (Chairman)
Robert L. Sands
Meike de Vaere
Tara Cooper Burnside
Jeff Gordman
Sunil Chatrani
Juan Lopez
Gavin Watchorn

AML FOODS LIMITED

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